



ESG Factbook FY 2025-26

Progress in **Action**



Sparking fertiliser breakthrough

Creating a sustainable impact

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Company Overview

Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Revenues in reporting currency (INR)	133,407,219,000	115,751,198,000	138,202,080,000	218,263,402,000
Revenues in USD	1,623,353,845	1,387,737,657	1,616,398,596	2,334,763,590
Total Employees	1,476	1,467	1,457	2,194
Production Volume (million MT)	2.0	2.3	2.6	3.7

Parameter	FY 2025-26 (INR million)
Total income	21,972.92
Operating costs	19,320.01
Employee wages and benefits	376.10
Payments to providers of capital	527.78
Payments to government (all taxes)	309.42
Community investments	12.98
Economic value retained	1,426.62

For more information, kindly refer to our Annual Report FY 2025-26, URL:

<https://www.paradeepphosphates.com/uploads/content/paradeep-phosphate-ar-24082026-1.pdf>

1. Governance

1.1. About the Report

This section covers the scope of the factbook, system boundary, reporting period, standard frameworks referred to, and the statement of assurance.

Scope, Boundary, and Reporting Period

This ESG Factbook presents the environmental, social and governance (ESG) performance, strategy and key initiatives of Paradeep Phosphates Limited (PPL) for the reporting period from 01 April 2025 to 31 March 2026. The year FY 2025-26 marked a further milestone in our journey toward embedding sustainability into the core of our business as we expand our operations, integrate governance, risk management, and accountability at all levels for all operations, invest more in R&D and innovation, maintain zero safety and IT security related events, and progress towards achieving our targets.

The scope and boundary of this ESG Factbook is consistent with our Annual Report FY 2025-26. It encompasses operations under our manufacturing facilities in Paradeep (Odisha), Zuarinagar (Goa), Mangalore (Karnataka), and Mahad (Maharashtra). Mangalore Chemicals and Fertilizers Limited (MCFL) merged with Paradeep Phosphates Limited (PPL) in FY 2025-26. As a result, the Mangalore and Mahad facilities have been brought within our reporting boundary, and, where relevant, year-on-year comparisons and restatements have been noted to aid transparency and comparability. Unless otherwise specified, the data in this report reflects the enlarged, post-merger organization.

Our ESG disclosures are with reference to the Global Reporting Initiative (GRI) Standard, and in alignment with the globally recognized frameworks and standards such as Sustainability Accounting Standards Board (SASB) sector-specific standards, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (SDGs). There is no published GRI Sector Standard applicable to the sector (fertilizer manufacturing and marketing). Our material topics have instead been identified through the materiality assessment described in the materiality section, informed by BRSR guidelines, the S&P Global Corporate Sustainability Assessment and peer disclosure practice. We will reassess applicability if GRI issues a Sector Standard covering chemicals or fertilizer manufacturing.

We also report in line with the SEBI-mandated Business Responsibility and Sustainability Reporting (BRSR) framework. Our ESG data is externally assured by TÜV India Private Limited, enhancing the credibility, reliability and transparency of our disclosures.

We remain committed to publishing our Annual Report and ESG Factbook annually, reflecting our ongoing commitment to transparency, accountability and continuous improvement. Through this report, we reaffirm our dedication to building a resilient, inclusive, and sustainable future for all stakeholders.

Statement of Responsibility

PPL confirms that, to the best of our knowledge and understanding, this report fairly and accurately reflects our environmental, social and governance performance for the financial year 2025-26. The report has been prepared with input from relevant stakeholders and reviewed under the guidance of senior management.

Assurance

All non-financial information that has been independently assured is explicitly identified within this report. We have obtained independent external assurance reasonable for BRSR core indicators and Limited for GRI indicators from TÜV India Private Limited, dated 5th October 2026, covering our ESG data and other non-financial disclosures as per ISAE 3000 (revised). The detailed independent assurance statement is provided in the concluding section of this report from page number 94 to 100.

Feedback

We value transparency and remain responsive to the expectations of our stakeholders. Your feedback helps us improve and stay aligned with your priorities. If you have any suggestions, queries, or insights, we encourage you to connect with us.

Contact Person: V. Vinay

Designation: Chief Sustainability Officer

Email: v.vinay@adventz.com

We appreciate your input and look forward to continued engagement.

1.2. Corporate Governance

Board Independence

At PPL, independence in board governance is a cornerstone of our commitment to ethical oversight and balanced decision-making. Each independent director, at the time of appointment and at the start of every financial year, has submitted a formal declaration affirming their independence in accordance with Section 149 (6) of the Companies Act, 2013, read with Schedule IV, and Regulation 16 (1) (b) of the SEBI Listing Regulations. These declarations are reviewed by the Board, and due diligence is carried out to verify the authenticity and compliance of each submission. Based on the assessment, the Board confirms that all independent directors meet the statutory criteria for independence.

In alignment with SEBI's governance norms, at least 50% of the Board must comprise independent directors. PPL currently exceeds this benchmark, with six (06) out of eleven (11) directors categorized as independent, ensuring that the Board remains impartial, diverse in perspective, and aligned with stakeholder interests.

Board Type

Our board of directors ensures that governance at PPL is strategic and based on a diverse set of internal and external stakeholders that provide balanced opinions on pertinent topics related to company operations:

Type of Members	Number of members
Executive directors	1
Independent directors	6
Other non-executive directors	4
Total board size	11

For more information regarding our Board of Directors please refer to our annual report pages 94 and 96: <https://www.paradeepphosphates.com/uploads/content/paradeep-phosphate-ar-24082026-1.pdf>

Non-Executive Chairperson/ Lead Director

The Board of Directors of the Company comprises eleven (11) directors as on 31 March 2026, with ten (10) Non-Executive Directors including six (06) independent directors and a Managing Director. Mr. Saroj Kumar Poddar is the Chairperson and Non-Executive Director of the Company, while Mr. Akshay Poddar is the Vice Chairperson of the company. Mr. N Suresh Krishnan is the Managing Director and CEO of the Company.

Performance evaluation of the board of directors, chairperson, independent directors, and non-independent directors was carried out in accordance with Schedule IV (Section 149(8) of the Companies Act, 2013. The evaluation process covered adequacy of the board composition and its various committees, disclosure of information to the board and committees, performance related to the duties and obligations, governance parameters, participation of the members of the Board /Committees and fulfilment of independence criteria and maintaining independence from the management by the Independent Directors.

Based on the evaluation done by the Directors, the performance of the Board, its Committees and the Directors, the quality, quantity and timeliness of flow of information between the management was found satisfactory.

Board Accountability

At PPL, board accountability is embedded in our governance framework to ensure transparency, strategic oversight, and ethical leadership.

The Board of Directors provides strategic directions and oversees the Company's performance, while its committees support decision-making across key governance areas. A robust internal control environment, strong compliance culture, and well-defined policies ensure that governance remains embedded across all levels of the organization. The governance framework also provides oversight of sustainability performance, responsible business practices and transparent disclosures. During FY26, we advanced our ESG governance agenda through structured monitoring mechanisms, strengthened disclosures and deeper integration of sustainability considerations into business processes across environmental, social and governance dimensions.

The Board of Directors is responsible for setting the company's direction, monitoring performance, and safeguarding stakeholder interests. The tables below illustrate our Board's accountability metrics, paired with information regarding diversity, individual skill sets, succession plans and financial KPIs, giving stakeholders a holistic overview of the functioning and operational fitness of PPL's Directors.

Average board meeting attendance is above 75%	Yes, Average Board Meeting attendance was 95% for FY 2025-26.
Shareholder approval required for changes in bylaw	Yes
The company has board members with 4 or less other mandates	10 For more information regarding our Board of Directors please refer to our annual report pages 175 and 176. https://www.paradeepphosphates.com/uploads/content/paradeep-phosphate-ar-24082026-1.pdf
CEO succession plan is in place	Yes Succession planning for the position of MD & CEO is a critical priority for PPL to ensure seamless leadership continuity and organizational stability. We have the process in place to identify potential successors and groom them through focused development initiatives, enabling them to step into the role whenever required.
Board performance reviews are in place	Yes
There is no limitation to directors' liabilities	Under the Companies Act 2013, there is no blanket exemption from liability for directors. Generally, in a company limited by shares, directors are not personally liable for the debts of the company since the company is treated as a separate legal entity. However, the Act specifically provides circumstances where directors can be held personally liable. These include cases of fraud, misstatements in prospectus, failure to repay deposits, fraudulent conduct of business, breach of fiduciary duty, misapplication of company funds, and other statutory violations. Additionally, directors may also be liable under other laws such as tax or labour laws. Therefore, while the liability of directors is not unlimited in all cases, they can be made personally responsible where the law imposes such obligations.
Board members are elected on an annual basis	The Independent Directors and executive director are appointment for the fixed terms. The other non-executive director will be liable to retire by rotation annually as per the provision of the Companies Act 2013.

Board Gender Diversity

We recognize the importance of gender diversity in enhancing board effectiveness, decision-making quality, and stakeholder representation. As of 31 March 2026, women hold 18.2% of the Board positions, with two (02) female Independent Directors contributing to diverse perspectives and inclusive

governance. The representation of women in the board of directors has increased to 18.2% in FY 2025-26 compared to 12% from FY 2024-25.

At PPL, we remain committed to improving gender balance through targeted succession planning and board nomination processes.

Number of Female Directors on the Board	02
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Board Average Tenure

The average tenure of the board is calculated based on the initial date of appointment of each individual board member. The calculation covers all current Board members, including executive, non-executive and independent directors, and is supported by the Annual Report and quarterly corporate governance filing. We have appointed 03 new directors in November 2025 and March 2026 after the merger of Mangalore Chemicals and Fertilizers Limited (MCFL) with Paradeep Phosphates Limited (PPL) in FY 2025-26.

For initial date of appointment of the board members and other information, please check the quarterly compliance report on corporate governance for quarter ending on 31 March 2026. Please use this link to access the quarterly governance report as on 31 March 2026:

<https://www.paradeepphosphates.com/uploads/content/cg-mar-31-2026.pdf>

Average tenure of board members (in years)	4.36 years
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The average tenure of board members has been updated as per the latest quarterly compliance report on corporate governance available publicly on our website. This is the most recent and updated value till 31 March 2026.

Board Industry Experience

Director Name	Fertilizers/ Specialty Chemicals	Manufacturing Quality & supply chain	Risk Management	Environment Social and Governance	Information Technology
Saroj Kumar Poddar	✓			✓	
Akshay Poddar	✓	✓	✓		
N Suresh Krishnan	✓	✓	✓	✓	✓
Soual Mohamed	✓			✓	
Karim Lotfi Senhadji	✓		✓	✓	✓
Dipankar Chatterji			✓	✓	
Satyananda Mishra				✓	
Subhrakant Panda	✓	✓		✓	✓
Mrs. Rita Menon				✓	
Mrs. Ruchira Kamboj				✓	
Marco Wadia			✓	✓	

For more information regarding our Board of Directors industry experience, please refer to our annual report pages 175 and 176: <https://www.paradeepphosphates.com/uploads/content/paradeep-phosphate-ar-24082026-1.pdf>

Our Board of Directors comprises a balanced mix of executive, non-executive and independent members whose combined experience spans the fertilizer and specialty chemicals industry,

manufacturing and supply chain, finance, risk management, law, public policy and corporate governance. This breadth of expertise enables the Board to provide informed strategic direction, effective independent oversight and sound judgement in support of the Company's long-term and sustainable growth.

Mr. Saroj Kumar Poddar, Chairman of the Company and Chairman of the Adventz Group, brings decades of leadership experience across the fertilizer and agrochemical sector, having guided enterprises such as Chambal Fertilizers, Zuari Agro Chemicals and Texmaco Rail & Engineering. Mr. Akshay Poddar, Vice Chairman, has over two decades of experience in strategic management and business leadership across fertilizers, agri-inputs, heavy engineering and other diversified sectors.

Mr. N. Suresh Krishnan, Managing Director & CEO, has over 35 years of leadership experience across the fertilizer, energy, sugar and cement sectors, having held senior positions at Zuari Agro Chemicals, Mangalore Chemicals & Fertilizers and Zuari Industries, with expertise spanning manufacturing, strategy, business development and mergers and acquisitions. As on 31 March 2026, the MD & CEO held 140,477 equity shares equivalent to 0.75 (multiple) of annual base salary.

Mr. Soual Mohamed, a senior executive of the OCP Group, and Mr. Karim Lotfi Senhadji, Chief Financial Officer of OCP and former Chief Executive Officer of OCP Africa, contribute deep global expertise in the phosphate and fertilizer value chain. Mr. Subhrakant Panda, Managing Director of Indian Metals & Ferro Alloys Limited and Past President of FICCI, adds valuable perspective from the manufacturing and resource-based industries.

Mr. Dipankar Chatterji, a senior chartered accountant, offers specialized expertise in finance, audit, risk management and regulatory matters, and chairs the Company's Risk Management Committee. Mr. Satyananda Mishra, a former Indian Administrative Service officer, brings strong insight into governance and public policy. Mrs. Rita Menon, a former Indian Administrative Service officer, contributes extensive experience in public administration and public-sector leadership.

Mrs. Ruchira Kamboj, Independent Director and a distinguished former career diplomat of the Indian Foreign Service, brings experience in international relations, public policy, social development and governance, having served as India's Permanent Representative to the United Nations. Mr. Marco Wadia, Independent Director and a corporate lawyer in practice since 1986, offers expertise in corporate law, mergers and acquisitions, regulatory compliance and corporate governance, having advised leading Indian and multinational companies and served on the boards of several fertilizer, chemical and manufacturing companies.

CEO-to-Employee Pay Ratio

In line with our commitment to transparency on executive compensation, we disclose the ratio between the total annual compensation of our Managing Director & CEO and the compensation of our employees. Consistent with recognized disclosure standards, the ratio is calculated by dividing the total annual compensation of the Managing Director & CEO by the median annual compensation of all employees (excluding the CEO) during FY 2025-26, which serves as the headline measure.

The corresponding mean-based ratio is also presented for additional transparency. All figures are expressed in INR and cover the Company's complete employee base. Total annual compensation includes all bonuses but excludes pension and fringe benefits.

Category	FY 2025-26 (in INR)	
CEO Compensation	66,021,000	
	Median Employee Compensation (in INR)*	Mean (in INR)*
Employee Compensation	856,200	1,239,501
Ratio	77.11	53.26

The percentage increase in annual total compensation for CEO is about 25% compared to FY 2024-25, while the percentage decrease in annual total compensation for all employees excluding the CEO is about 14%.

The year-on-year movement in the pay ratio is primarily attributable to the expansion of the employee base following the merger of Mangalore Chemicals & Fertilizers Limited (MCFL) with PPL during FY 2025-26, which increased total employees from 1,457 to 2,194 and revised the median employee compensation base. Accordingly, the FY 2025-26 ratio should not be directly compared with the FY 2024-25. The change reflects the broadening and integration of the combined workforce rather than any change in the Company's compensation philosophy, which remains anchored in role, merit, performance and market benchmarks.

ESG Governance Oversight

At PPL, ESG governance is structured across two complementary tiers to ensure that sustainability is directed from the top and embedded across day-to-day operations. Tier I is Board-level oversight and management-level execution.

At the Board level, a dedicated Corporate Social Responsibility & ESG Committee, chaired by a Non-Executive Independent Director, provides strategic oversight of the Company's ESG agenda. The Committee recommends the Company's ESG strategy to the Board, supervises ESG-related policies, and reviews performance against defined ESG targets, standards and metrics, ensuring alignment with the Company's long-term objectives and principles of responsible corporate citizenship. The Company Secretary serves as Secretary to the Committee, and defined quorum requirements support effective and independent oversight.

To translate this strategic direction into implementation, the tier II is ESG Steering Committee that comprises of senior leadership from across key business functions. This cross-functional forum drives execution of the ESG agenda and integrates sustainability considerations into core operational decision-making.

Sr. No.	Name	Designation
1.	Ms. Rita Menon	Chairperson (Independent Director)
2.	Mr. N. Suresh Krishnan	Member (CEO and Managing Director)
3.	Mr. Karim Lotfi Senhadji	Member (Non-Executive Director)

ESG Steering Committee

- CEO and Managing Director
- President and COO
- Chief Commercial Officer
- Chief Financial Officer
- Chief Procurement Officer
- Chief Manufacturing Officer & Unit Head Paradeep and Goa Plant
- Chief Sustainability Officer
- Chief Human Resource Officer
- DGM - Corporate Strategy, IR and ESG

Core Responsibilities

The Steering Committee develops and operationalizes the Company's ESG strategy in line with broader corporate objectives, oversees the roll-out of ESG initiatives across business units in accordance with the Company's sustainability goals and prevailing industry best practices, and periodically assesses sustainability performance against defined targets. Key outcomes are reported to the Promoters, Investors and the Board of Directors.

Monitoring and Reporting

The Steering Committee convenes on a quarterly basis to review ESG priorities, track progress and refine strategies as required, while maintaining transparent communication with the Board and stakeholders. Together, this two-tier framework reinforces accountability for ESG performance from the Board to functional leadership, supporting the Company's commitment to responsible business conduct, stronger stakeholder trust and sustainable long-term value creation.

1.3. Materiality

Materiality Analysis

Our commitment to resilience and sustainability is deeply embedded in our strategic decision-making. To ensure our ESG priorities align with stakeholder expectations and business realities, we conducted a comprehensive materiality assessment using a structured, multi-phase approach. This process enables us to identify, prioritize, and act on the most significant environmental, social, and governance issues impacting our operations and stakeholders. Following are the details about our three-phase approach:

- Identifying Material Issues:
Scanning our operational landscape and industry context to pinpoint critical ESG topics that could influence our long-term performance and stakeholder relationships. We conducted in-depth research to understand the evolving Environmental, Social, and Governance (ESG) landscape within the chemical sector. This analysis led to the identification of 40 key topics.
- Stakeholder Engagement:
Conducting targeted surveys and consultations with key internal and external stakeholders including employees, suppliers, customers, and investors to gather insights into their expectations, concerns, and priorities. This reinforces transparency and inclusiveness during the assessment process.
- Analysis and Validation:
Undertaking rigorous data analysis to validate the relevance of identified issues. This helped us prioritize topics based on their significance to both business success and stakeholder interest.

The final materiality findings were reviewed and formally approved by PPL's senior leadership, ensuring alignment with strategic objectives. Following tables provide information on how PPL treats select material topics, including business cases, linked targets, and mitigation strategies.

Material Issues for Enterprise Value Creation

Particular	Material Issue 1	Material Issue 2	Material Issue 3
Material Issue	Chemical Safety	Business Ethics	Air Pollution
Business Case	Chemical safety is crucial for us due to the hazardous nature of the chemicals involved in production, such as ammonia and phosphate compounds. Ensuring proper handling, storage, and disposal mitigates risks of accidents, such as explosions, fires, and toxic exposures, which can endanger workers and surrounding communities. Also, the company is subject to strict regulations based on the handling, production, storage, and transportation of these chemicals. Therefore, it is crucial to comply with these regulations else it may lead to penalties, legal issues, and production stoppages. Any occupational incident may steer workers' protest, increase downtime, damage reputation, and potentially impact hiring the right talent in the organization.	Ethical conduct builds trust and drives strong governance which helps in better decision making and in the longevity of the business. It helps businesses grow, earn more profits, better employee's wellbeing and better future prospects. It helps retain customers, attract the right talent, and mitigate risks of any kind. Ethical practices ensure compliance with environmental and safety standards, reducing the risk of legal issues and foster community goodwill.	Our manufacturing operations incur the emission of various air-polluting substances such as particulate matter (PM), nitrogen oxides (NOx), sulphur oxides (SOx), and other harmful gasses or particles. These emissions can have severe consequences on human health, ecosystems, and the environment. It can lead to respiratory problems, cardiovascular diseases, acid rain, smog formation, and damage to crops and natural habitats.
Type of Impact	Risk	Revenue	Risk
Business Strategies	Our operations are ISO 45001 certified (Occupational Health and Safety Management Systems). Our Health and safety policy provides our commitment against hazardous chemicals and its safe use. We have developed various SOPs (standard operating procedures) and safety manuals on safe handling of the chemicals. Adequate PPEs are provided to ensure safety in the storage, handling, and transportation of chemicals. Regular internal and third-party audits are conducted, and results are shared with the senior management.	We have a code of conduct applicable to all employees which capture our commitment towards ethical business. It also mentions the escalation mechanism if an individual wants to raise a concern/ complaint. Additionally, policy on antibribery and corruption, human rights, tax, sexual harassment, insider trading, etc. drives strong governance within the organization. The code for insider trading highlights precautionary measures to be undertaken for unpublished price sensitive information. The supplier code of conduct specifies the commitment	Our environmental policy reflects PPL's commitment to minimizing the release of harmful air pollutants into the atmosphere. Our operations are ISO 14001 certified (Environmental management system). Various SOPs at the plant level have been formulated. Employees receive regular awareness sessions, training, etc., emphasizing the need to operate responsibly. Emissions are periodically monitored to ensure they remain within permissible limits.

Particular	Material Issue 1	Material Issue 2	Material Issue 3
		that the vendors, suppliers, and business partners are required to provide against fair treatment, human rights issues, etc. Additionally, we have formulated a board level CSR and ESG Steering Committee to support our commitment to the environment, corporate social responsibility, and corporate governance.	

Materiality Metrics for Enterprise Value Creation

Particular	Material Issue 1	Material Issue 2	Material Issue 3
Material Issue	Chemical Safety	Business Ethics	Air Pollution
Target	We aim to keep zero accidents in our operations including chemical spills	Increase the share of women in all management cadre to overall 6% by 2030. 100% employee coverage for the ESG Governance & Policy Training by the year 2025	Reduction in PM / NOx / SOx Intensity by 5% compared to the baseline year 2024
Target Year	2025	2030	2027
Progress	No incidents related to chemical spill/ safety were reported during FY 2025-26. 01 incident was reported in FY 2024-25 near Goa facility of elevated levels of Total Kjeldahl Nitrogen (TKN) and Potassium in water samples drawn by GSPCB. It was rectified and corrective action was taken immediately as per GSPCB guidelines.	Currently, Women hold 18.2 % of Board positions, including 02 female Independent Director. Women represent 4.65% of all management positions, covering junior, middle, and senior levels. We are progressing towards the target of 6% by 2030. We have achieved the target of 100% employee coverage for the ESG Governance & Policy Training.	At present, the PM / NOx / SOx Intensity is 0.000438 / 0.000212 / 0.000390 MT / MT of production. In FY 2025-26: - PM emissions have reduced by ~12.1% compared to FY 2024-25 exceeding the target of 5%. - NOx emissions have reduced by ~2.8% compared to FY 2024-25. - SOx emissions have reduced by ~28.4% compared to FY 2024-25 exceeding the target of 5%.
Executive Compensation	-	-	Employees are rewarded for their actions and efforts put towards organizations' ESG Risk management. We value and recognize individuals who go above and beyond. We have established department-specific ESG-related KPIs, including key indicators on environmental factors such as emissions, energy consumption, air

Particular	Material Issue 1	Material Issue 2	Material Issue 3
			emissions, etc. If not carefully managed, these factors can have a significant environmental impact and pose risks to the climate. When the team successfully manages performance against these KPIs and achieves their yearly goals, it positively impacts their overall annual performance review.

Material Issues for External Stakeholders

In our ongoing commitment to transparency and corporate responsibility, we have once again conducted a thorough assessment of the positive and negative impacts of our business operations, products and services, and supply chain on external stakeholders. The insights gathered from this comprehensive evaluation have highlighted two critical material topics that hold significant importance for our stakeholders and possess the potential to profoundly influence both society and the environment.

Recognizing the gravity and immediacy of these issues, we are fully dedicated to implementing robust and effective measures to address and mitigate the associated direct and indirect impacts. Our strategic focus will encompass both short-term and long-term horizons, ensuring sustainable and responsible business practices that align with our core values and stakeholder expectations. As we move forward, we will intensify our efforts to create meaningful positive changes and uphold our responsibility as a conscientious corporate citizen.

Particular	Material Issue 1	Material Issue 2
Material Issue	Chemical Safety	Product Stewardship
Cause of the Impact	Operations and Supply chain	Operations, Products
External Stakeholders Impacted	The fertilizer manufacturing process involves the handling and processing of various chemicals, some of which are hazardous. Inadequate chemical safety measures can jeopardize the health and safety of nearby communities. Accidents, leaks, or improper storage can result in exposure to toxic substances, potentially causing health issues and, in severe cases, fatalities. Noncompliance with chemical safety regulations can lead to fines, penalties, and legal actions, which not only impact PPL's financial performance but also erode the trust of regulatory bodies and stakeholders in the company's commitment to responsible operations. Additionally, fertilizer manufacturing involves chemicals that, if not managed properly, can harm the environment. Chemical spills, leaks, or emissions can contaminate soil, water bodies, and the air, adversely affecting local ecosystems and wildlife and potentially leading to long-term environmental damage.	Fertilizer manufacturing involves the use of various chemicals and processes that can significantly impact the environment. If not properly managed, the release of pollutants and greenhouse gases can lead to air and water pollution, soil degradation, and harm to ecosystems, affecting surrounding communities. Non-compliance with environmental and safety regulations can result in fines, legal liabilities, and reputational damage. Stakeholders, including investors, customers, and regulatory authorities, closely monitor our adherence to these regulations. This year, we are intensifying our commitment to sustainable practices and regulatory compliance to protect the environment, ensure community well-being, and maintain stakeholder trust.
Type of Impact	Negative	Positive and Negative

Particular	Material Issue 1	Material Issue 2
Mitigation Measure	We are intensifying our efforts to reduce the harmful impact of chemical use in our manufacturing process. By leveraging innovative practices, we ensure safe handling of intermediate products like sulphuric and phosphoric acid combined with ammonia and potash. To further mitigate our carbon footprint, we have expanded our supply chain to secure more molten Sulphur from IOCL, reducing imports, lowering costs, and significantly cutting greenhouse gas (GHG) emissions. Our Paradeep facility continues to exemplify our commitment to environmental protection as a zero liquid discharge site, ensuring no wastewater contaminates the land. We have also enhanced our operational oversight with more frequent and rigorous internal and third-party audits, promptly sharing results with senior management. This proactive approach ensures continuous improvement in safety and environmental standards, reinforcing our dedication to responsible and sustainable manufacturing.	We continue to enhance product stewardship to minimize risks to people and the environment, reducing potential liabilities. At our Paradeep plant, we source rock phosphate from OCP Group and procure molten Sulphur from IOCL, significantly reducing Scope 1 and Scope 3 emissions compared to imported Sulphur. In products like Zyprmite and Zyprmite+, we use phosphogypsum for soil correction and micronutrients for soil conditioning. Additionally, we engage in the sale, trading, and distribution of city compost. Biodegradable waste from canteens, offices, and households is converted into organic manure (biofertilizer) through our vermicomposting unit at PPL premises, supporting sustainable waste management and soil enrichment. We also conducted Life Cycle Assessment of three of our key products i.e. Urea (46:0:0), NPK (15:15:15:09) and DAP (18:46:0) to identify the environmental impacts. These measures reflect our commitment to sustainability and responsible manufacturing, protecting both our communities and the environment.
Topic Relevance	The manufacturing process in the fertilizer manufacturing involves handling and processing various chemicals, some of which can be hazardous. Inadequate chemical safety measures can put the health and safety of nearby communities at risk. Accidents, leaks, or improper storage can lead to exposure to toxic substances, leading to health issues, and, in severe cases, fatalities. Failure to adhere to chemical safety regulations can result in fines, penalties, and legal action, impacting not only the PPL's bottom line but also the trust of regulatory bodies and stakeholders in the commitment to responsible operations. Fertilizer manufacturing involves handling chemicals that can harm the environment if not managed properly. Chemical spills, leaks, or emissions can contaminate soil, water bodies, and the air. This pollution can harm local ecosystems and wildlife, potentially leading to long-term environmental damage.	Fertilizer manufacturing involves the use of various chemicals and processes that can have a significant impact on the environment. If not managed properly, the release of pollutants, greenhouse gasses, or other harmful substances can lead to air and water pollution, soil degradation, and harm to ecosystems. This can affect not only the environment but also the surrounding communities that rely on clean air, water, and fertile soil for their well-being. Violations of environmental and safety regulations can lead to fines, legal liabilities, and reputational damage. Stakeholders, such as investors, customers, and regulatory authorities, closely monitor a company's compliance with these regulations. Noncompliance can result in significant financial losses and losses of public trust.

Materiality Metrics for External Stakeholders

Particular	Material Issue 1	Material Issue 2
Material Issue	Chemical safety	Product Stewardship
Output Metric	Amount of water discharged	No. of new products in the product portfolio Release of GHG emission in 1 ton of production of the product (NPK, Urea, DAP)
Impact Valuation	Conducted Water Risk Assessment for our manufacturing plants. Only Mangalore plant falls under water stress region.	Product Design Criteria – 4R Principles By implementing the 4R principles, we aim to maximize value and minimize environmental damage at the source. These principles involve selecting the Right source, applying at the Right rate, at the Right time, and in the Right place.
Impact Metric	Overall water risk Physical risk quantity Physical risk quality Regulatory and Reputational Risk	Y-o-Y new products added Decrease in GHG emissions in 1 ton of production of the product

1.4. Risk and Crisis Management

We have established a structured risk management framework built on four guiding principles, Assess, Design, Build and Support. The objective is to implement a robust risk infrastructure and a set of processes to function. These are aligned with our strategic objectives and are designed to embed a proactive, sustainable and risk-aware culture across the organisation.

Risk Governance

Risk governance is a strategic pillar of our corporate oversight, designed to ensure proactive identification, evaluation, and mitigation of risks across all levels of the organization. Our governance structure integrates operational vigilance with board-level accountability, enabling us to respond effectively to both immediate challenges and long-term uncertainties. During FY 2025-26, two meetings of the Risk Management Committee were held with an average attendance of 75% on 22 September 2025 and 30 March 2026. Our risk governance operates through clearly defined lines of responsibility, details provided as follows:

Board Oversight:

The Board of Directors holds ultimate responsibility for the oversight of our risk management framework. It defines the company's risk strategy, appetite, and key focus areas. The Board is supported by the Audit Committee, which monitors financial reporting, internal controls, compliance, ethics, and risk-related policies. Our risk governance framework is reinforced by clear accountability mechanisms. Any mismanagement or failure to address significant risks that result in operational disruptions can impact variable payouts, thereby aligning leadership incentives with risk performance.

Site and Functional Teams:

The site and functional teams are responsible for risk identification, evaluation, prioritization, and mitigation at the operational level. As the first line of defense, they are the primary owners of risk (risk champions at PPL) and are directly involved in managing and mitigating risks as they arise in day-to-day operations.

Risk Management Committee:

As the second line of defense, the Risk Management Committee is responsible for overarching management, coordination, and mitigation of risks. The committee ensures that risk considerations are embedded in decision making, strategic planning, and operational execution. The Risk Management Committee, comprising senior leadership including:

- Mr. Dipankar Chatterji – Independent Director (Chairman)
- Mr. Karim Lotfi Senhadji – Non-Executive Director (Member)
- Mr. N Suresh Krishnan – Managing Director (Member)
- Mr. Rajeev Nambiar – Chief Operating Officer (Member)

Internal Audit:

As the third line of defense, the Internal Audit department plays a critical role in maintaining and updating the enterprise risk register. It conducts periodic reviews and provides independent assurance on the effectiveness of risk controls.

Risk Management Processes

We operate in a complex and evolving regulatory landscape and are exposed to various internal and external risks that could influence our operations, financial performance, and future growth. Recognizing the risks, we employ a structured and dynamic risk management process that ensures continuous monitoring and mitigation of risks across the enterprise. Risks are assessed at both gross and residual levels. They are categorized as high, medium, or low based on their potential impact. High and medium risks are actively mitigated through robust systems, controls, and processes to reduce them to acceptable residual levels.

The risk register is updated biannually to reflect changes in the operating environment, including emerging trends, regulatory developments, stakeholder expectations, and global dynamics. ESG-related risks are fully integrated into the enterprise risk framework, ensuring that sustainability considerations are embedded in strategic planning and operational decision-making. The internal auditor uses a risk-based approach to evaluate the effectiveness of internal systems and controls. Findings are reported quarterly to the Audit Committee, which ensures timely corrective actions. We review our risk management policy and risk exposures at least once every two years.

Our risk management framework incorporates following stages. For more information regarding our risk management framework, please refer to our annual report pages 69 to 71:

<https://www.paradeepphosphates.com/uploads/content/paradeep-phosphate-ar-24082026-1.pdf>

Risk identification:

PPL's risk management process begins at the operational level, where site and functional teams actively monitor day-to-day activities to identify potential risks. These risks may arise from internal operations, external market dynamics, regulatory changes, or environmental and social factors. The teams act as risk champions, ensuring early detection and documentation of risks across business units.

Root Cause Analysis:

Once a risk is identified, a detailed root cause analysis is conducted to understand the underlying factors contributing to the risk. This step helps differentiate between symptomatic issues and systemic vulnerabilities. By identifying the source whether it's process inefficiency, regulatory non-compliance, or external disruption, PPL ensures that mitigation efforts are targeted and effective.

Risk Prioritization:

Risks are evaluated based on their likelihood and potential impact. PPL uses a dual-level assessment:

- **Gross Risk Level:** Initial categorization as high, medium, or low before mitigation.
- **Residual Risk Level:** Reassessment after applying controls and mitigation strategies.

Risk appetite and exposure:

At PPL, risk appetite defines the nature and extent of risk the Company is willing to accept in pursuit of its strategic objectives, while safeguarding stakeholder value, operational continuity and its commitment to responsible business conduct. The Board of Directors sets and periodically reviews the Company's risk appetite, ensuring that it remains aligned with the Company's strategy, financial capacity, regulatory obligations and long-term sustainability goals. Incorporated through respective policies, the following table provides a summary of our risk appetite guiding principles.

Risk Domain	Risk Appetite	Guiding Principle
Occupational health, safety, working environment	Very low to Zero	Commitment of no compromise towards safe operations, regulatory compliance, and prevention of harm to people, communities and the environment.
Legal, Regulatory, and Compliance	Very low to Zero	100% adherence to applicable regional laws and regulations, listing obligations, and ethical standards. No tolerance for non-compliance or misconduct at any level of the operations.
Information and Cyber Security	Very low to Zero	Protection of the confidentiality, integrity and availability of all information assets through robust controls and continuous monitoring and third-party audits with mandatory VAPT certification.
Financial and Treasury	Low to Moderate	Management of liquidity and working-capital exposures through Board-approved hedging and treasury policies.
Operations and Supply Chain	Moderate	Accept if within defined control measures, with diversification of sourcing and inventory management strategies to maintain production continuity.
Strategy and Market	Moderate	Accept with backward integration and portfolio optimization based on the demand, maintain balance against volatility in the operating environment.

We assess the risk appetite and exposure through a structured enterprise risk management (ERM) framework that considers both the likelihood of occurrence and the magnitude of impact across strategic, operational, financial, and compliance domains. We have developed a robust risk rating criteria and have defined a risk rating scale ranging from “unlikely (score 1)” to “almost certain (score 5)” for likelihood of occurrence and scale ranging from “insignificant (score 1)” to “severe (score 5)” under the magnitude of impact.

The identified risks are prioritized based on a composite score derived from likelihood and impact scores and are categorized as key risks at both inherent and residual levels. Once the ratings are given, the risks are plotted on a heat map of likelihood versus impact and colour coded in reference to the composite score of high, medium, low. High and medium risks are prioritized for immediate action, while low risks are monitored periodically. This prioritization feeds into the risk register, which is updated biannually to reflect emerging trends and stakeholder expectations. An example of risk rating scale is provided below:

Impact	Insignificant (score 1)	Minor (score 2)	Moderate (score 3)	Major (score 4)	Severe (score 5)
Business interruption due to stream days lost (excluding annual plant shutdown)	-	< 7 days	7 to 15 days	> 15 days	> 15 days
Health and safety	-	Single injury	Multiple injuries	Single fatality	Multiple fatalities
Likelihood	Unlikely (score 1)	Rare (score 2)	Moderate (score 3)	Likely (score 4)	Almost Certain (score 5)
Likelihood of occurrence	Theoretically possible, but not expected	Unlikely to occur at any time in	Likely to happen in	Highly likely to happen in	Certain to happen in next 1 year

Impact	Insignificant (score 1)	Minor (score 2)	Moderate (score 3)	Major (score 4)	Severe (score 5)
		foreseeable future	next 3 to 5 years	next 2 to 3 years	

Risks that exceed the Company's defined appetite are prioritized for immediate mitigation through strengthened controls, treatment plans and clearly assigned action ownership, with progress monitored by the Risk Management Committee.

Risk identified during FY 2025-26:

We identified total 175 Gross risks, out of which 70 are rated as high gross risks, 46 are rated as medium gross risks, and 59 are rated as low gross risks. While residual/ net risks are categorized as 04 high risks, 03 medium risks, and 168 low risks. For each prioritized risk, we develop a management plan that outlines risk description, root cause analysis, mitigation plan, responsibilities, and implementation timeline.

The two major risks rated as High include supply chain disruption for raw materials due to disruption near the Strait of Hormuz and Government of India Subsidy Support Visibility Gap amid the Middle East Crisis for the Kharif Season. Both impact and likelihood are rated as severe in this case. Additionally, both of these risks are event-driven and dynamic in nature and hence are being closely monitored. While currency volatility, increased raw material prices increasing the finance cost, and its implications on ESG were rated as medium. For each of the risks, action owners and mitigation plan have been drafted and are being followed.

Despite the total risk inventory expanding to 175 in FY 2025-26 (from 172 in FY 2024-25) which also includes the enlarged post MCFL merger footprint (with Mangalore and Mahad plants added) and a more volatile external points such as supply chain disruption affecting the Ammonia and Sulphur supply, the residual high risks reduced to 4 from 5, and 96% of all risks now sit at a "low" residual level. This demonstrates that the risk control framework is scaling effectively with the business.

The FY 2025-26 risk assessment scoped 21 processes across Strategic, Operational, Reporting and Compliance objectives spanning across governance & ethics, production, procurement, sales & marketing, supply & distribution, finance, HR, IT/cyber and legal, ensuring that all processes have been scoped with no material blind spots.

Management and Mitigation of Risks:

Mitigation strategies are developed and implemented by the operational teams, with oversight from the Risk Management Committee and the Head of Risk. These strategies include process improvements, technology upgrades, policy changes, training and awareness programs.

Reporting and Communication:

Risk-related information is communicated across all levels of the organization:

- The Internal Audit team reports findings quarterly to the Audit Committee.
- The Risk Management Committee reviews the updated risk register and mitigation progress.
- The Board of Directors oversees the overall risk strategy, appetite, and governance.

ESG-related risks are integrated into the enterprise risk framework, ensuring sustainability is embedded in decision-making. The Internal Audit team provides independent assurance on the effectiveness of these controls.

Risk Mitigation Approach:

Our risk mitigation plan is forward looking rather than being reactive to the identified risks. It prioritizes (i) diversification of supply of raw materials and enhancing supply chain resilience, (ii) shift in product-mix to low-ammonia and low-Sulphur grades along with enhance collaboration with policymakers and industry stakeholders and strengthening financial discipline through effective subsidy management, and (iii) continuous optimization in resource consumption through energy efficiency, water efficiency improvements, waste heat recovery, water reuse and recycling, and maintaining ZLD status.

Emerging Risks

As global dynamics evolve rapidly, identifying and addressing emerging risks has become a critical component of PPL's strategic risk management framework. These risks not only influence operational continuity but also shape long-term business resilience and competitiveness. In this context, PPL has proactively assessed and documented key emerging risks in its risk register, focusing on areas with potential high-impact disruptions. The table below outlines three (03) significant risks, geopolitical instability affecting maritime trade routes, environmental and climate-driven changes in cropping patterns and regional fertilizer demand, and technological shifts in agri-input advisory ecosystems. Their potential impact and corresponding mitigation strategies are also described.

Risk Category	Risk	Risk Description and Potential Impact	Mitigation Actions
Geopolitical: Disruption from Global Maritime Chokepoints	Increasing geopolitical tensions in Red Sea, Suez Canal, and Hormuz Strait threaten the stability of global maritime trade routes. PPL's reliance on imported raw materials (e.g., phosphate rock from Morocco) makes it vulnerable to shipping delays and cost surges.	• Risk of inventory shortages and production halts. • Increased freight costs and insurance premiums. • Need for alternative logistics and sourcing strategies.	• Evaluating alternate shipping corridors (e.g., India-Middle East-Europe Corridor). • Building strategic raw material reserves at ports. • Exploring bilateral trade agreements for priority shipping lanes
Environmental: Climate-Driven Changes in Cropping Patterns and Regional Fertilizer Demand	Agricultural fertilizer demand is closely linked to rainfall and seasonal conditions; favourable monsoon and sowing conditions have historically supported strong fertilizer seasons. However, climate variability exposes farming to unpredictable weather, rising input costs and pressure to produce more with fewer resources. Shifting monsoon behaviour, extreme rainfall, heat stress and evolving regional cropping practices could alter the pattern, timing and geography of fertilizer demand.	• Effect on product mix, crop-specific grades • Regional inventory planning, dealer-network coverage and farmer-advisory approach. • Failure to anticipate such shifts could result in demand-supply mismatches, inventory inefficiencies and lost market opportunity.	• Enhancing crop- and region-specific product portfolios including nano-fertilizers and balanced nutrition grades • Integration of physical-climate considerations into long-term market and product strategy. • Data-driven regional demand forecasting

Risk Category	Risk	Risk Description and Potential Impact	Mitigation Actions
Technological: AI-Driven Disruption in Agri-Input Advisory Ecosystems	The rise of AI-powered agri-advisory platforms (e.g., precision nutrient mapping, drone-based diagnostics, and automated crop health monitoring) may reduce farmers' reliance on traditional fertilizer recommendations and shift demand toward hyper-personalized nutrient solutions.	• Risk of disintermediation from the farmer decision-making process. • Potential decline in brand loyalty and reduced product stickiness. • Need to integrate digital agronomy into product and service offerings. •	• Exploring digital extension services and farmer advisory platforms. • Collaborating with agri-tech startups to co-develop AI-based nutrient tools. • Piloting IoT-enabled soil health monitoring in key markets.

1.5. Business Ethics

At PPL, ethical conduct and integrity form the foundation of how we operate and engage with our stakeholders. Our governance framework embeds a strong culture of compliance, transparency and accountability across all levels of the company, reinforced by policies, escalation mechanisms, and oversight by the Board and its Committees.

Code of Conduct

Our Code of Conduct provides a comprehensive framework for ethical behavior, covering key areas such as anti-corruption and bribery, discrimination, confidentiality, conflicts of interest, antitrust practices, money laundering, insider trading, environmental health and safety, and whistleblowing. It establishes clear standards and expectations for employee conduct and promotes a culture of integrity and compliance. This code of conduct guides our actions and decisions, ensuring responsible operations across PPL.

Link: <https://www.paradeepphosphates.com/uploads/content/codeofbusinessconductandethicsnew1677899628.pdf>

In keeping with our commitment to transparent business conduct, we proactively disclose material regulatory matters and progress on the resolution steps to our stakeholders and cooperate with the relevant authorities.

During FY 2025-26, the Customs Department initiated a search in October 2025 in respect of Technical Grade Urea imported by the Company for captive use in the manufacture of NPK fertilizers. Subsequently, on 24 January 2026, the Company received a seizure memo from the Commissioner of Customs, Custom House, Marmagao, Goa, in respect of 25,000 MT of Technical Grade Urea (assessable value of INR 103.30 crore), based on allegations of Biuret content exceeding permissible limits and related contraventions of the applicable Foreign Trade Policy and Customs provisions.

As an immediate step, we disclosed the matter to the stock exchanges under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As a next step, we contested the testing methodology adopted and pursued appropriate legal recourse, seeking provisional release of the consignment for exclusive captive consumption as raw material, and requested re-testing of the samples strictly in accordance with the procedures mandated under Indian Standard IS 1781:2022.

Following the contestation, the Office of the Commissioner of Customs, Marmagao, Goa issued directions for the provisional release of the seized Urea on 13 February 2026. Along with this, we have

tightened the quality-testing/ pre-shipment inspection protocols for all imported goods as a preventive measure.

This has no material impact on its financial position or operations and the same has been communicated to the external stakeholders. PPL remains committed to full cooperation with the authorities and to upholding the highest standards of statutory compliance and corporate transparency in future discourse.

For more details on the official communication, please visit:

<https://www.paradeepphosphates.com/uploads/content/intimation-on-release-copy.pdf>

Anti-Bribery and Anti-Corruption Policy

We are committed to maintaining the highest standards of ethical conduct and integrity in all its business dealings. The company's Anti-Bribery and Anti-Corruption (ABAC) Policy outlines a framework to prevent, detect, and address bribery and corruption risks across its operations. It outlines clear expectations and procedures to ensure compliance with legal and ethical standards. The policy includes:

- Strict prohibition of bribery and corruption, whether direct or indirect, in dealings with public officials or private entities.
- Guidelines for gifts and entertainment, allowing only nominal-value gifts and requiring disclosure and approval for any exceptions.
- Controls on political contributions, which are permitted only under the Companies Act, 2013, and require prior Board approval.
- Conditions for charitable contributions and sponsorships, ensuring they are not used to influence government officials and are properly vetted.
- Mandatory training programs for employees, especially those in high-risk roles, to raise awareness and ensure understanding of anti-bribery principles.
- Established reporting mechanisms for suspected breaches, including a whistleblower email channel with confidentiality protections.
- Defined disciplinary actions for violations, which may include termination or legal proceedings depending on the severity of the breach.

This policy reinforces our zero-tolerance stance on corruption and its commitment to transparency, accountability, and responsible corporate conduct. Link:

<https://www.paradeepphosphates.com/uploads/content/anti-bribery-anti-corruption-policy.pdf>

Whistleblowing Mechanism

We have implemented a structured Whistle Blower Policy to promote transparency and ethical conduct across its operations. The policy enables employees and directors to report concerns related to misconduct, fraud, or violations of company policies without fear of retaliation. Reports can be submitted through multiple channels, including email and sealed written communication, with official contact details provided.

Anonymous reporting is permitted only if it contains sufficient details and evidence to conduct an enquiry/investigation. The policy ensures that the identity of the whistleblower is protected, and all disclosures are treated with strict confidentiality. We enforce a zero-tolerance approach to retaliation, safeguarding whistleblowers from any adverse consequences. The policy is made accessible to employees through noticeboards, the company website, and is referenced in the annual report to ensure awareness and transparency. Link: <https://www.paradeepphosphates.com/uploads/content/whistle-blower-policy1790855998.pdf>

Reporting on Breaches

As a responsible organization, we are committed to upholding the highest standards of ethical conduct and corporate integrity across all its operations. As part of our governance framework, we actively monitor and report breaches related to our Code of Conduct, which covers areas such as corruption and bribery, discrimination or harassment, data privacy, insider trading, and conflicts of interest.

We are proud to have maintained a track record of zero breaches or convictions regarding corruption and bribery, customer data privacy, conflicts of interest, and insider trading. This reflects our strong internal controls, impact of the employee awareness programs, and result of robust compliance mechanisms.

Reporting areas	Number of breaches in FY 2025-26
Corruption and Bribery	0
Discrimination or Harassment	0
Customer Privacy Data	0
Conflicts of Interest	0
Money laundering or Insider Trading	0
Total	0

1.6. Policy Influence

As a responsible organization, we maintain transparency on our political and associational activities, providing fair disclosure on financial and policy/advocacy contributions made to any political campaigns and trade and tax-exempt groups.

Contributions and Other Spending

PPL is not directly lobbying for green ammonia, but it is a key beneficiary of India's push for the green ammonia, as it was the designated offtaker for 75,000 metric tonnes per annum (MTPA) of green ammonia at Paradeep facility and 25,000 MTPA at Goa facility for a 10-year period in the country's first auction for the as a feedstock for NPK fertilizers in August 2025. This move supports PPL's decarbonization efforts and will make green ammonia more economically viable for the fertilizer sector through the National Green Hydrogen Mission. We are involved in:

- **Offtaker in the First Green Ammonia Auction:**
PPL was the offtaker for the first auction of green ammonia under India's National Green Hydrogen Mission, receiving 75,000 MTPA at a record-low price of INR 55.75 per kg at Paradeep facility and receiving 25,000 MTPA at INR 62.84 per kg at Goa facility.
- **Partner in the SIGHT Scheme:**
This procurement is part of the SIGHT Scheme (Strategic Interventions for Green Hydrogen Transition), which aims to accelerate the adoption of green hydrogen and its derivatives, like ammonia, for industrial use.
- **Decarbonization of the Fertilizer Sector:**
PPL is one of India's largest fertilizer companies, and integrating green ammonia is a significant step in its decarbonization journey, aligning with global efforts to reduce industrial carbon footprints.
- **Economic Viability:**
The record-low price discovered in the auction is expected to make green ammonia economically feasible for industrial applications, particularly in the fertilizer sector, which is a large consumer of natural gas.

Currency (INR)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns/ organizations/ candidates	0	0	0	0
Total Trade associations or tax-exempt group spending*	0	0	0	3,485,180
Other spending	0	0	0	0
Total	0	0	0	3,485,180
Data Coverage (% of operations)	100	100	100	100

* Associations include International Fertilizers Association, Fertilizer Association of India, National Safety Council, Chambers of Commerce and Industries, Employers' Association, CII, State Productivity Council, etc.

1.7. Supply Chain Management

Supplier Code of Conduct and ESG Program

We have established a standalone Supplier Code of Conduct (SCoC) that outlines the minimum environmental, social, and governance (ESG) standards expected from all suppliers and business partners. This policy serves as a foundational document to ensure that our supply chain reflects the values and commitments of PPL. Each supplier is required to provide an undertaking of SCoC to steer business with the organization. This undertaking reinforces our shared responsibility for sustainable and responsible operations. Our procurement practices are regularly reviewed to ensure they remain aligned with the principles of the SCoC and do not conflict with broader ESG objectives.

In our supplier selection and contract awarding processes, ESG performance is a key consideration. We assign a minimum weightage to ESG criteria, giving preference to suppliers who demonstrate strong sustainability practices. To support this, we conduct training sessions for stakeholders and procurement teams with the aim of enhancing their understanding of ESG risks and responsibilities within the supply chain. Our ESG Steering Committee oversees the implementation, progress, supplier compliance, and ensures continuous improvement in the ESG performance across our supplier network. We expect all suppliers to comply with applicable environmental laws and regulations, including the following:

Environmental Authorizations and Reporting:

- Suppliers shall comply with or exceed applicable environmental regulations, including obtaining all required environmental permits and licenses, information registrations, and following operational and reporting requirements.
- We seek to understand the environmental impact of products and services and provide data as requested to allow us to report on our environmental footprint.
- Suppliers must also comply with applicable water pollution and air emission norms and ensure that monitoring and reporting requirements specified under regulatory permits issued by the State Pollution Control Board (or equivalent authority) are fully met.

Waste management and pollution prevention:

We are committed to managing waste to reduce environmental impact and ensure public health and we expect the suppliers to do the same to completely align with PPL's Vision.

- Hazardous materials and emissions: Work in a way that, as far as practical, avoids the use of hazardous materials, minimizes generation of waste through elimination, reuse, and/or recycling; and avoids GHG emissions from refrigeration systems (for example, HFCs) and production processes (for example, solvents).
- Regulatory Compliance: Suppliers shall also ensure compliance with pollution prevention norms and implement waste management practices as mandated under applicable environmental regulations and permits, including those issued by the State Pollution Control Board.

- Operational Controls: Make certain to have systems in place to ensure the safe handling, movement, storage, disposal, recycling, reuse, or management of waste, air emissions, and wastewater discharges
- Plastic usage reduction: Eliminate the use of non-critical single-use plastic in operations. Avoid buying single use plastic products such as straws, stirrers, cutlery, plates, and water bottles.

Link to our supplier-specific policies: <https://www.paradeepphosphates.com/uploads/content/supplier-code-of-conduct1790855997.pdf>

Supplier Screening

To minimize risks, prioritize resources and to bring greater transparency, we classify our suppliers as critical (significant) and non-critical. This is primarily categorized based on the volume, availability, and extent of substitutability of the material. Commodity-specific risks are considered in our screening process for significant/ critical suppliers. We also consider key ESG parameters, geographic location, sector orientation, and the importance of the commodity when assessing the criticality of the supplier.

During FY 2025-26, we screened 3,046 suppliers for raw materials and other inputs across 04 manufacturing plants. Out of that 150 were identified as the total unique critical suppliers (tier I and non-tier I), while 112 were identified as critical or significant only across tier 1.

For the purpose of this disclosure, a local supplier is one registered and operating in the same State as the PPL facility it supplies, consistent with the definition of "local" used for senior management hiring. Significant locations of operation are our four manufacturing facilities at Paradeep, Zuarinagar, Mangalore and Mahad.

Supplier Assessment and Development

We have undertaken a desk-based assessment of our significant suppliers through sharing a comprehensive ESG questionnaire. Based on the responses received, the supplier's ESG maturity is analyzed. The objective is to assess the ESG risks/ gaps and further develop a corrective action plan and share with them. We intend to cover the entire value chain however our priority is to ensure that all the critical suppliers are fully covered for ESG risks.

Through the assessment, we identified 10 suppliers who have substantial actual/ potential negative impacts on the environment and society. To ensure that the impacts are reduced and business continuity in our supply chain remains stable, we supported all 10 identified suppliers in preparing and implementation of corrective action plan for the identified actual/ potential impacts and risks.

However, adhering to our code of conduct and ensuring compliance with regulatory requirements, the outcome of the assessment has impacted on the termination of contract of 03 out of the 10 suppliers who failed to meet the minimum requirements as per the code of conduct and ESG requirements within a specified timeline.

In our efforts to support our significant suppliers in mitigating actual/ potential ESG impacts and associated risks within our supply chain, we also organize a virtual capacity building program for our suppliers. This program is led by subject matter experts in procurement and ESG requirements with an objective of emphasizing on the importance of ESG and the best practices the suppliers should adopt. As part of our supplier ESG capacity-building efforts, we provide CAPA support to all vendors where potential or actual ESG-related risks or gaps are identified through webinars, workshops, and third-party expert consultations that provide in-depth technical support to realize the CAPA plan requirements. We also ensure they have access to information on benchmark suppliers' publicly available programs and case studies.

Through these programs, the vendors are made aware of PPL's supplier management practices and the expectations from partners/vendors to adhere to these diligently to ensure long term collaboration. This includes developing policies and commitments, capturing and managing data, setting goals & targets and tracking year-on-year progress. They are also informed as to how peers are implementing and driving responsible supply chain practices to minimize risks.

KPIs for Supplier Assessment and Development

Progress of Supplier Assessment programs

Supplier Assessment	FY 2024-25	FY 2025-26
Total number of unique suppliers assessed via desk assessments/ on-site assessments	79	150
% of significant suppliers assessed	100%	100%
Number of suppliers assessed with substantial actual/ potential negative impacts	0	10
% of suppliers with substantial actual/ potential negative impacts with agreed corrective action/ improvement plan	0	6.67%

Coverage and Progress of Suppliers with Corrective Action Plans

Corrective action plan support	FY 2024-25	FY 2025-26
Total number of suppliers supported in corrective action plan implementation	0	10
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	0	100%
Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated	0	03
% of unique significant suppliers with substantial actual/potential negative impacts that were terminated out of total assessed	0	2%

1.8. Tax Strategy

Tax Strategy and Governance

At PPL, we regard responsible tax conduct as an integral part of our commitment to good governance, ethical business practice and sustainable value creation. Our approach to taxation is guided by the principles of compliance, transparency, and accountability. The strategy is reviewed periodically to remain aligned with evolving regulations and stakeholder expectations. Our tax strategy is anchored on the following commitments:

- **Compliance:** Comply with all relevant tax laws, rules, regulations, reporting and disclosure requirements
- **Transparency:** maintaining copies of tax related documents and significant information and submitting them to the relevant tax authorities when requested
- **Accountability:** Ensuring that all decisions are taken at an appropriate level backed with proper research and opinion from Counsels. We provide clear and accurate information in our statutory filings and disclose our effective tax rate and related metrics in this report to support stakeholder confidence

We are committed to ensuring that value created by our operations is not transferred to low-tax jurisdictions and remains aligned with the location of genuine economic activity.

Tax Governance:

The tax function, in collaboration with the Chief Financial Officer (CFO) Mr. Bijoy Kumar Biswal, holds responsibility for tax governance. Oversight and guidance on tax governance are provided by the Audit Committee, while the Risk Management Committee oversees and guides effective tax risk management. Consequently, both the Audit Committee and the Board of Directors endorse this Tax Policy. The tax team, guided by the CFO, implements it within the Group's overarching control and governance framework.

We prioritize strong tax governance through established procedures and risk mitigation, emphasizing transparency and integrity. Our tax team collaborates across business functions to integrate tax considerations into commercial and strategic decision-making at an early stage and engages reputable external advisors (whenever necessary) on complex or uncertain matters to ensure accurate interpretation and application of tax law.

Tax-related risks are identified, assessed and monitored in a manner consistent with our enterprise risk management approach, with appropriate controls, review mechanisms, and escalation protocols in place. This ensures that tax positions are prudent, well-documented and defensible, and that emerging changes in the regulatory landscape are proactively addressed. Link to our Tax Strategy and Policy: <https://www.paradeepphosphates.com/uploads/content/tax-strategy-and-policy1790855997.pdf>

Effective Tax Rate

At PPL, we aim to maintain an ETR that reflects the correct discharge of our tax obligations in line with applicable laws, while responsibly availing legitimate deductions, credits and incentives available under the prevailing tax regime. By aligning our tax outcomes with genuine economic activity and long-term investment decisions, we seek to balance shareholder value creation with our contribution to public finances and national development. The table below presents PPL's effective tax rate over the past three financial years.

Financial Reporting	FY 2023-24	FY 2024-25	FY 2025-26
Earnings before Tax (in INR)	1,408,342,000	7,524,134,000	13,284,488,000
Reported Taxes (in INR)	409,250,000	2,006,279,000	3,316,048,000
Effective Tax Rate (in %)	29.05%	26.66%	24.96%
Cash Taxes Paid (in INR)	583,625,000	1,423,279,000	2,895,406,000
Cash Tax Rate (in %)	41.44%	18.91%	21.79%

Note:

- ETR is 24.96% due to previous year's tax written back of INR 570.06 lakhs. If the same is ignored, the ETR would be 25.39%.
- Cash tax paid is as per Cash Flow statement. Please note that, Cash tax for cash flow is calculated as "Advance tax paid for the year+ SA Tax paid for earlier year+ TDS – Refund received if any).
- The cash tax rate is lower as the entire liability was not paid till March 2026.

In 2025-26, the ETR was marginally lower than the statutory rate of 25.16% due to some earlier year tax adjustments upon receipt of favourable orders from Appellate Authorities. Had the same not considered, the ETR would be marginally higher than the statutory rate of 25.16% due to continued investment in CSR, which, although not tax deductible, reflect the company's commitment to social responsibility and sustainable development.

1.9. Information Security

In today's digitally integrated business environment, where cloud platforms and IT systems are central to operations, ensuring uninterrupted access and secure handling of data is critical. At PPL, we recognize the growing risks associated with information security breaches, technical failures, and human errors. In response, we have significantly strengthened our risk management and contingency planning frameworks. Our focus has remained on reinforcing systems to uphold the Confidentiality, Integrity, and Availability (CIA) of critical information assets, reflecting our commitment to operational resilience and data protection.

Information Security Governance

We have established a robust Information Security Policy and governance mechanism to address availability, concerns, incidents related to information assets. Information security oversight at PPL is anchored at the strategic level by the Risk Management Committee, chaired by Mr. Dipankar Chatterji (Independent Director). The committee operates independently to identify, assess, and mitigate risks, including those related to IT infrastructure, information security, data privacy. Following are the key roles and responsibilities of the committee:

- identification, evaluation, predication, and mitigation of risks and incidents
- review compliance status periodically
- oversee the use and maintenance of information assets (digital as well as physical)
- enhance security measures and ensure continuous improvement to match requirements, technology, regulations.

Parameter	FY 2025-26
Number of information security / data breaches	0
Number of substantiated data-privacy complaints	0
Monetary losses from breaches (INR)	0
% employees completing phishing awareness and IT security related training	100%
VAPT exercises conducted and certificate provided	Yes, certified by authorized third-party agency
ITGC audits conducted	Annual

Snapshot of the cyber security related awareness and capacity building sessions during FY 2025-26:

- **Annual awareness and capacity building sessions:** Physical cyber security awareness sessions were conducted for employees in November 2025 by inhouse IT team of PPL and February 2026 by external expert team.
- **Periodic communication:** From time to time, IT Security awareness emails are circulated to all users/ employees covering relevant cyber security topics. These include phishing awareness, different types of cyberattacks, common security threats, safe computing practices, and the precautions users should take while using IT resources.
- Cyber security awareness is also covered as part of the induction program for new employees.

Information Security Policy

We ensure highest standards of data privacy and information security and have developed Information Security Policy and Information Security Management System (ISMS). Our Information Security Policy outlines the principles, roles and responsibilities, processes and infrastructure, and necessary controls in place to protect the confidentiality, integrity, and availability of PPL's information assets. In addition to IT security, a dedicated Privacy Policy governs the collection, use, and protection of personal data across the organization.

The policy applies to all employees, contractors, consultants, supply chain partners, and third-party service providers (collectively referred as stakeholders). It also includes all information systems, applications, networks, and data owned or managed by PPL and all physical and digital assets that are

used to store, process, or transmit information. The policy can be accessed here: <https://www.paradeepphosphates.com/uploads/content/informaon-security-policy.pdf>

Information Security Management Programs

Our Information Security Management System (ISMS) is central to how we manage and protect data across the company. We understand that keeping our data secure is crucial, as any breach could impact on reputation and business operations. Our Information Security Management System is ISO 27001:2022 certified and provides a robust system of checks and balances to protect sensitive information. It sets clear standards for data privacy and security and is available to all employees. To help everyone stay informed about cybersecurity threats, we offer regular training sessions. These sessions are now a key part of both our new hire orientation and ongoing training programs. Participation tracking has been streamlined to ensure comprehensive engagement across the organization. This ensures that employees have the knowledge they need to identify and handle potential risks.

The information security management program at PPL operationalizes the information security policy through structured processes, tools, and continuous improvement mechanisms. It ensures that information security is embedded across business functions and decision-making. We have a streamlined escalation process. To raise any concern regarding information technology, cybersecurity, data privacy, individuals can send an email to dpmohanty@adventz.com and sanjitmohapatra@adventz.com.

We have also integrated information security performance into employee evaluations. Adhering to the protocols is crucial, and any violations are considered during annual reviews. If an employee is found to be involved in any malicious activity or breach, it could lead to disciplinary action. Additionally, we have a publicly available privacy policy that outlines how personal information is collected, processed, and protected. For more details, please refer to the Company's Privacy Policy.

Process and Infrastructure:

- Connectivity between Data Center (DC) and Disaster Recovery (DR) sites is secured through an MPLS VPN, reinforced by a firewall. External Internet Leased Lines (ILL) are also terminated at this firewall for added security.
- Utilization of Office 365 with point-to-point encryption, hosted on the Microsoft India cloud.
- Robust antivirus protection is installed on all endpoint devices to safeguard our network.
- SAP ERP system is integrated across departments Sales & Distribution, Material Management, Finance & Costing, Plant Maintenance, Production Planning and HR.
- Regular monthly assessments of information assets (digital and physical) are conducted. These include credential management, data backup, and mock drills every quarter. To ensure external validation of its systems, PPL undergoes an annual ITGC audit by external auditors, reviewing its information technology infrastructure and information security management systems. Additionally, PPL conducts yearly third-party Vulnerability Assessment and Penetration Testing, including simulated hacker attacks, to proactively identify and address vulnerabilities.
- Incident response procedures are shared with everyone to quickly restore operations in case of disruptions.

We undertake comprehensive third-party digital security audits of our IT systems and networks every year. The updated and most recent Vulnerability Assessment and Penetration Testing (VAPT) certificate obtained through a registered third-party assessment is valid till 14 April 2027.

1.10. Responsible Artificial Intelligence

During FY 2025-26, we formalized our approach towards use of artificial intelligence (AI) through a dedicated Responsible AI Policy. The policy extends to generative AI, machine learning, predictive analytics and AI-enabled automation, and applies across the AI lifecycle starting from design, data sourcing, training, validation, to deployment, monitoring, and decommissioning. Its scope covers employees, contractors, consultants, supply chain partners and third-party service providers, together with all information systems, applications, networks and data owned or managed by PPL.

Implementation of the policy will be owned by a working-level team under the IT Head, PPL, which operates inside our enterprise risk management framework and is supported by the Risk Management Committee and the ESG Steering Committee. The underlying security controls sit within our ISO/IEC 27001-certified Information Security Management System, reinforced by mandatory VAPT and third-party audits. The deployment of the policy remains limited at this stage.

Our responsible AI policy can be accessed using the following link:

<https://www.paradeepphosphates.com/uploads/content/ppl-responsible-ai-policy.pdf>

2. Environment Policy and Management

Environment Policy

Our Environmental Policy underscores its dedication to addressing key environmental challenges, including climate change, waste management, and energy efficiency, among others. The Chief Sustainability Officer oversees the implementation of the policy at the grassroots level. Specific roles and responsibilities are designated to ensure effective execution of the policy in day-to-day operations. It contains the following key elements:

Roles and Responsibilities

We are committed to defining distinct roles and responsibilities to ensure effective implementation of its environmental management policy at the operational level. In addition, we are actively monitoring environmental performance, setting objectives and targets aimed at continuous improvement. We are committed to maintaining a strong management framework focused on environmental issues to uphold our policy commitments effectively.

Compliance with Laws and Regulations

We are dedicated to not only adhering to statutory environmental protection laws and regulations but also striving to surpass these requirements wherever possible. We are committed to staying aligned with the evolving national and international standards and best practices, while integrating the Best Available Technology/Techniques (BAT) throughout our operations and activities. Our Environmental Management System (EMS) is verified through international standards such as ISO 14001:2015 for Paradeep, Mangalore and Goa facilities, ISO 50001:2018 for Paradeep and Mangalore facilities, ISO 45001:2018 for Paradeep, Mangalore, Mahad and Goa facilities, ISO/IEC 17025:2017 for Paradeep facility, and ISO 22000:2018 for Mangalore facility. We have also received Product Stewardship certification under the International Fertilizer Association (IFA) Protect & Sustain program, further strengthening our commitment to sustainable product stewardship and responsible operational practices. The certification documents can be accessed here:

<https://www.paradeepphosphates.com/investors/corporate-governance>

Awareness of Internal and External Stakeholders

We continuously strengthen systems and procedures to promote environmental awareness and responsible environmental practices among both our internal and external stakeholders. We undertake training and awareness sessions on a quarterly basis to ensure the effective implementation of the policy. We have also achieved 100% ESG training coverage across employees and 90% across the Board of Directors, further supporting environmental stewardship and sustainability awareness across the organization.

Key Focus Areas and Targets

Targets for key environmental aspects have been set, and their progress is tracked annually. Key focus areas of the policy include:

- Reduction in Scope 1, 2, 3 GHG emissions
- Reduce Scope 1 and 2 GHG emission intensity by 5% by FY 2027 (baseline 2024)
- Reduce energy intensity by 5% by FY 2027 (baseline 2024)
- Reduce PM, NOx and SOx intensity by 5% by FY 2027 (baseline 2024)
- Reduce specific water consumption by 5% by FY 2028 (baseline 2023)
- Reduce freshwater consumption by 10% by FY 2028 (baseline 2023)
- Maintain compliance to zero liquid discharge (ZLD)
- Biodiversity risk assessment and progress towards net positive impact - 4R nutrient stewardship

- Promote circular economy practices through resource recovery, recycling, reuse, and value-added utilization of by-products. The policy can be accessed here:

<https://www.paradeepphosphates.com/uploads/content/environmental-policy.pdf>

Return on Environmental Investments

PPL's environmental management system (EMS) enables tracking of financial information associated with environmental initiatives and programs across the whole enterprise at the corporate level. During FY 2025-26, the company continued to invest in projects focused on energy efficiency, greenhouse gas (GHG) emission reduction, water conservation, circular resource management, and pollution prevention across its Paradeep, Goa, Mangalore, and Mahad facilities. Key initiatives included energy-efficient motors and cooling water pumps, implementation of energy-saving projects, Zero Liquid Discharge (ZLD) systems, wastewater recycling and reuse, waste heat and steam recovery, and energy-efficient process improvements. These initiatives contributed to reduced energy consumption, lower GHG emissions, improved water recovery, reduced freshwater dependency, and enhanced resource efficiency across operations. Details of the investments undertaken for energy savings and pollution control are provided as follows:

Description	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Capital Investments (INR)	2,030,000	4,050,000	356,860,532	619,004,816
Operating Expenses (INR)	45,260,000	44,610,000	191,415,929	115,907,000
Total Expenses (INR) (= Capital Investment + Operating Expenses)	47,290,000	48,660,000	548,276,461	734,911,816
Savings, cost avoidance, income, tax incentives, etc. (INR)	-	-	14,00,000	627,730,000
% of operations covered. Basis on the coverage (revenue, production volume, employees, etc.)	60	100	100	100

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities.

A significant increase in the savings can be observed in FY 2025-26 as multiple projects completed their implementation during the reporting period and savings realized. Additionally, savings from the projects undertaken in Mangalore and Mahad facilities were also added.



Bio digester plant – Goa facility



Catchment Pit – Goa facility



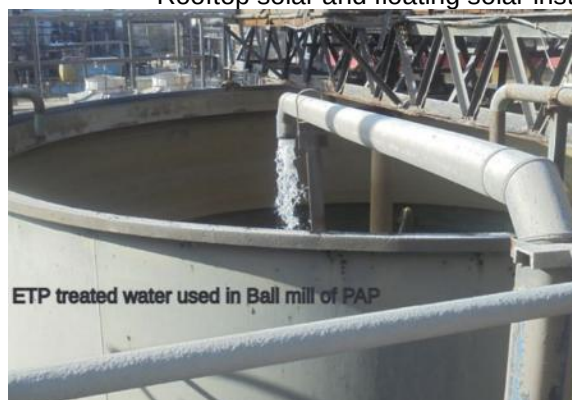
Dust collector – Mahad facility



Scrubber – Mahad facility



Rooftop solar and floating solar installed inside factory – Mangalore facility



ETP treated water to PAP in Paradeep facility



Eco Park at Paradeep facility

Environmental Violations

We actively work towards ensuring compliance with the applicable environmental laws/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. Environmental compliance matters identified during previous reporting periods continue to be monitored through established environmental management and regulatory reporting mechanisms.

Status of previous Violations

Sr. No.	FY 2024-25 Violation / Notice	Status as of FY 2025-26
1	CPCB closure notice issued to the Paradeep facility under Section 5 of the Environment (Protection) Act, 1986 regarding certain Consent to Operate-related compliance requirements.	CPCB revoked the closure notice on 29 April 2024, allowing operations to resume. The storm water collection pond has been constructed and commissioned. Certain remediation activities remain under implementation in line with approved timelines, with periodic compliance reporting submitted to CPCB and OSPCB.
2	Environmental compensation imposed by Goa State Pollution Control Board (GSPCB) relating to alleged elevated levels of Total Kjeldahl Nitrogen (TKN) and Potassium in samples around the Goa facility.	Compensation was deposited in compliance with the directive while the Company continues to contest the findings and provide supporting submissions to the regulator.

During FY 2025-26, the Company did not receive any new environmental violations and penalties, prosecutions, or notices resulting in material non-compliance with applicable environmental laws and regulations. The pending environmental compliance matters reported in FY 2024-25 continued to be addressed through regulatory engagement, remediation measures, and compliance monitoring activities. No additional similar environmental violations were reported during FY 2025-26.

Description	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Number of violations of legal obligations/regulations	00	01	02	00
Amount of the fines/penalties related to the above (INR)	00	00	52,87,500	00
Environmental liability accrued at year end (INR)	00	00	00	00

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities.

2.1. Energy

Energy Management Programs

Our Energy Management System is designed to drive energy efficiency and sustainability throughout our operations. The system provides a structured framework for identifying improvement opportunities, setting measurable targets, and integrating innovative solutions to optimize energy use while minimizing environmental impact. We conduct regular energy audits as an essential part of the ISO 50001 Energy Management System certification to monitor energy consumption and identify areas for improvement. We take immediate actions based on the outcome and recommendations of energy audit such as implementation of Heat Recovery Systems at the facility to enhance overall energy efficiency and capture energy that would otherwise be wasted.

During FY 2025-26, following the integration of Mangalore Chemicals & Fertilizers Limited (MCFL), efforts were undertaken to align energy management practices, monitoring mechanisms, operational controls, and reporting processes across all manufacturing facilities. The Company continues to promote a common energy management framework, enabling consistent implementation of energy-efficiency initiatives, performance benchmarking, and sharing of best practices across Paradeep, Goa, and Mangalore operations. Additionally, the commissioning of Sulphuric acid plants equipped with heat recovery systems contributes to improved energy efficiency and resource optimization across operations.

Reduction of Energy Use

We strive to leverage the use of clean fuels and energy recovery measures through renewable electricity, waste heat utilization, process integration and targeted energy-efficiency measures. During FY 2025-26, we continued to utilize waste heat recovery systems across our manufacturing facilities to improve energy efficiency and resource optimization along with other measures such as VFD installations, energy efficiency motors, replacement of energy intensive lights with LED lights. Together these measures resulted in energy savings of about 4,749 tonnes of oil equivalent in case of Paradeep plant.

We are continuously strengthening our renewable energy portfolio and have installed a 2.3 MW floating solar power plant and participation in a wind-solar hybrid group captive power project, which are expected to reduce annual CO₂ emissions by approximately 2,650 tCO₂eq. and 10,267 tCO₂eq., respectively.

At the Mangalore facility, steam generated from waste heat in the sulphuric acid plant has been integrated with urea production, replacing approximately 90,000 tonnes of steam otherwise generated using natural gas. This initiative is estimated to reduce natural gas consumption and avoid approximately 16,000 tCO₂eq annually. Waste heat recovery units installed in the fired heaters of the ammonia plant recover heat from exhaust flue gases for boiler-feed-water heating, with estimated annual emissions avoidance of approximately 1,000 tCO₂eq.

The Mangalore facility has also implemented suction chilling for the CO₂ compressor in the urea plant to reduce compression power demand. The initiative is estimated to avoid approximately 750 tCO₂eq. annually. Together, the quantified renewable-energy and energy-efficiency initiatives are expected to avoid approximately 30,667 tCO₂eq. annually.

We aim for an overall reduction in energy intensity by 5% by FY 2027-28 compared to the baseline of FY 2023-24. In FY 2025-26, our energy intensity in terms of physical output was 5.88 GJ per metric tonnes of production which has improved by 10.6% compared to FY 2023-24 (6.58 GJ per metric tonnes of production). Accordingly, the reported FY 2025-26 performance has exceeded the stated 5% energy-intensity reduction target ahead of the target year.

Investments in Innovation or R&D

The Company allocates resources towards energy efficiency, process optimization, innovation, and emission reduction initiatives. During FY 2025-26, total environmental expenditure, including capital investments and operating expenses, amounted to INR 734.9 million, representing an increase of approximately 34% compared to FY 2024-25. Increased investments were directed towards energy-efficiency projects, process improvements, emissions reduction initiatives, renewable energy adoption, and environmental infrastructure enhancements.

Multiple energy-saving projects are under implementation at the Paradeep and Goa facilities, including replacement of steam turbines, revamp of synthesis gas compressors, installation of MP strippers, gas turbines, and heat recovery steam generators (HRSGs). These projects are expected to reduce ammonia and urea specific energy consumption, improve operational efficiency, and contribute to lower GHG emissions.

We have implemented several initiatives to improve energy efficiency across our operations. This includes the replacement of old LT motors with new energy efficient motors and replacement of old cooling water pump of 460 kW with new pump of 300 kW capacity at SAP plant. These initiatives have resulted in electricity savings of 127,092 kWh and 1,262,059 kWh respectively. Additional initiatives at the Mangalore facility include waste heat and steam recovery systems and the installation of an energy-efficient chilling unit to further improve operational efficiency.

We have collaborated with International Fertilizer Development Center (IFDC), USA for R&D and testing of Sulphur Coated Urea (SCU). The R&D and testing of SCU is aimed at enhancing nitrogen use efficiency and reducing nutrient losses especially in tropical and sub-tropical agricultural conditions. This initiative aligns with our broader goal of advancement in fertilizer technology and enabling sustainable agriculture practices.

Energy Efficiency Training

Regular energy efficiency training sessions are conducted to promote a culture of energy reduction among employees, thereby raising overall awareness about the importance of energy efficiency management practices.



Energy Management System (ISO 50001:2018) Internal Auditor Training on 19 and 20 May 2025

Energy Consumption

The following table provides information regarding energy consumption categorized under Renewable and Non-Renewable energy.

Energy Consumption	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total non-renewable energy consumption	MWh	4,459,763.55	4,214,026.94	4,201,569.78	6,075,526.34
Total renewable energy consumption	MWh	252.26	229.30	186.88	371.8
Data coverage (as % of)	Operations	100	100	100	100
Total energy consumption	MWh	4,460,015.81	4,214,256.24	4,201,756.66	6,075,898.15
Energy intensity per tonne of production	MWh/ MT	2.19	1.82	1.59	1.63

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities. Accordingly, FY 2025-26 values are not directly comparable with previous years due to the expanded reporting scope and boundary. Data has been third party assured (TUV India Pvt. Ltd.).

During FY 2025-26, total energy consumption increased by approximately 44.6%, from 4.20 million MWh in FY 2024-25 to 6.08 million MWh. The change in absolute energy consumption should be viewed in the context of the expanded reporting boundary, which now includes the Mangalore and Mahad facilities following the merger of MCFL with PPL.

Renewable energy consumption increased from 186.88 MWh in FY 2024-25 to 371.80 MWh in FY 2025-26, representing an increase of approximately two times. The year-on-year increase in reported renewable energy consumption is primarily attributable to the inclusion of the Mangalore facility in the FY 2025-26 reporting boundary.

Energy intensity increased marginally from 1.59 MWh per metric tonne of production in FY 2024-25 to 1.63 MWh per metric tonne in FY 2025-26, an increase of approximately 2.5%. However, FY 2025-26 energy intensity remained approximately 10.6% lower than the FY 2023-24 baseline of 1.82 MWh per metric ton.

2.2. Waste and Pollutants

Waste Management Programs

We have adopted a holistic and proactive waste management strategy aimed at minimizing environmental impact, optimizing resource use, and aligning long-term sustainability goals. Our waste management approach is guided by the principles of Reduce, Reuse, Recycle, with a strong focus on resource recovery, circular economy practices, and environmentally sound disposal. We have established standard operating procedures for waste segregation, collection, recycling, treatment, and disposal across our operations.

Waste audits: We conduct regular and systematic waste audits across our operations. These audits serve as the foundation for refining waste management strategies and ensuring compliance with environmental regulations. The waste audits are conducted to:

- Identify sources and types of waste generated.
- Evaluate waste handling, recycling, and disposal practices.
- Pinpoint inefficiencies and opportunities for reduction.
- Inform data-driven decisions for improving waste handling and resource recovery.

Action to reduce waste generation: operational philosophy is anchored in the 3R framework – Reduce, Reuse, Recycle, with a strong emphasis on waste prevention. This approach not only reduces the dependency on disposal to landfill but also enhances circularity within the operations and supply chain.

- Reduction: Process optimization to minimize raw material wastage and packaging waste.
- Reuse: Repurposing materials such as containers, pallets, and by-products within the plant.
- Upcycling: Innovative reuse of certain waste streams into valuable inputs for other processes or industries.
- Circular Resource Utilization: Utilization of ETP sludge and sulphur muck in fertilizer production and dispatch of phosphogypsum to cement manufacturers for co-processing and use as a raw material in cement production, along with the utilization of other by-products to promote resource efficiency and reduce disposal requirements.
- Extended Producer Responsibility (EPR): We continue to manage plastic waste in compliance with the Plastic Waste Management Rules and fulfil our EPR obligations through authorized collection and recycling partners.

Targets to minimize waste:

We have set quantified targets to reduce waste and are working towards achieving Zero Waste to Landfill by FY 2027, with the goal of minimizing negative ecological impacts.

Waste reduction training: Recognizing that behavioral change is key to sustainability, we have implemented waste reduction and recycling training programs.

- Tailored sessions for employees across departments to increase awareness and skills in waste segregation, reduction, recycling, and responsible consumption.

- The training sessions are coupled with on-site recycling initiatives to reinforce practical application and encourage participation. This includes color-coded bins and designated zones for recyclable materials and partnerships with authorized recyclers.

Waste Disposal

Non-Hazardous Waste	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26*
Total waste recycled/reused	MT	39,510	29,472	35,213	2,510,667.18
- Waste recycled/ reused	MT	39,510	29,472	35,213	1,642,630.15
- Waste other recovery operations	MT	0	0	0	868,037.03
Total waste disposed	MT	14,78,660	10,12,566	9,87,064	268.52
- Waste landfilled	MT	0	0	0	0
- Waste incinerated with energy recovery	MT	0	0	0	0
- Waste incinerated without energy recovery	MT	0	0	0	9.61
- Waste otherwise disposed	MT	14,78,660	10,12,566	9,87,064	258.91
- Waste with unknown disposal method	MT	0	0	0	0
Data coverage (as % of)	Operations	100	100	100	100

*Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities and includes phosphogypsum within the waste reporting boundary. Accordingly, FY 2025-26 waste figures are not directly comparable with previous years due to the expanded reporting scope and inclusion of phosphogypsum. Data has been third party assured (TUV India Pvt. Ltd.).

Non-hazardous waste recycled/reused increased significantly during FY 2025-26, primarily due to the inclusion of phosphogypsum within the waste reporting boundary and the expanded reporting scope covering Mangalore and Mahad facilities. Phosphogypsum generated from fertilizer operations is dispatched to cement manufacturers for reuse as a raw material, supporting circular economy objectives and reducing disposal requirements.

Hazardous waste

Following is a summary of hazardous waste management, illustrating the recycled, reused, and disposed quantities for last 04 financial years.

Hazardous waste	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total waste recycled/reused	MT	3,414.18	3,101.97	3,402.57	4,419.60
Total waste disposed	MT	152.64	109.49	138.87	136.38
- Waste landfilled	MT	100.50	96.75	125.96	0.00395
- Waste incinerated with energy recovery	MT	0	0	0	0
- Waste incinerated without energy recovery	MT	2.97	2.26	12.53	0.29
- Waste otherwise disposed	MT	49.17	10.48	0	136.09
- Waste with unknown disposal method	MT	0	0	0	0.00
Data coverage (as % of)	Operations	100	100	100	100

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities. Accordingly, FY 2025-26 values are not directly comparable with previous years due to the expanded reporting scope and boundary. Data has been third party assured (TUV India Pvt. Ltd.).

During FY 2025-26, hazardous waste recycled/reused increased from 3,402.57 MT in FY 2024-25 to 4,419.60 MT, reflecting increased recovery and recycling efforts across the expanded operational boundary. Hazardous waste disposed remained broadly stable at 136.38 MT, compared with 138.87 MT in FY 2024-25.

Chemical Oxygen Demand

Following is a summary of COD, illustrating the Direct Chemical Oxygen Demand and Data Coverage % for last 04 financial years.

Chemical Oxygen Demand	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Direct Chemical Oxygen Demand	MT	0	0	0	0
Data Coverage	%	100	100	100	100

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

NOx Emissions

While the absolute NOx emission values have increased due to merger of MCFL with PPL, the NOx emissions intensity reduced from 0.000218 MT/ MT production in FY 2024-25 to 0.000212 MT/ MT production in FY 2025-26, representing a ~2.8% reduction. While the Company has not yet achieved the targeted 5% intensity reduction versus the baseline, it has made measurable progress and remains on track toward achieving the target through continued emissions management and process optimization.

Direct NOx emissions	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total NOx emissions	MT	438.75	496.83	575.72	789
Data Coverage	%	100	100	100	100
Total NOx emissions per tonne of production	MT/ MT production	0.000215	0.000215	0.000218	0.000212

Note: The reporting boundary for FY 2025-26 includes the Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

SOx Emissions

While the absolute SOx emission values have increased due to merger of MCFL with PPL, we achieved our emissions intensity reduction target for SOx during FY 2026. SOx emissions intensity reduced from 0.000545 MT/MT production in FY 2024-25 to 0.000390 MT/MT production in FY 2025-26, representing a reduction of approximately 28.4%, significantly exceeding the targeted 5% reduction.

Direct SOx emissions	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total SOx emissions	MT	1,259.93	1,034.20	1436.37	1451.74
Data Coverage	%	100	100	100	100
Total SOx emissions per tonne of production	MT/ MT production	0.000619	0.000448	0.000545	0.0003903

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

Volatile Organic Compounds Emissions

Following is a summary of VOC emissions for last 04 financial years.

Direct VOC emissions	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total VOC emissions	MT	11.03	10.54	11.73	18.80
Data Coverage	%	100	100	100	100
Total VOC emissions per tonne of production	MT/ MT production	0.0000055	0.0000046	0.0000045	0.0000051

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.). The VOC emissions have been estimated and revised for all 4 years based on the CPCB report that provides country-specific factors.

The absolute VOC emission values as well as intensity per tonne of production have increased due to merger of MCFL with PPL. Therefore, the VOC emissions for FY 2025-26 should not be directly compared with the previous years.

Particulate Matter Emissions

The Company has established a target to reduce particulate matter emissions intensity and continues to implement process improvements and air-pollution-control initiatives to achieve this objective.

Direct PM Emissions	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total PM emissions	MT	1,154.48	1,031.56	1,311.12	1,627.63
Data Coverage	%	100	100	100	100
Total PM emissions per tonne of production	MT/MT production	0.000568	0.000448	0.000498	0.000438

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

The Company achieved its particulate matter (PM) emissions intensity reduction target during FY 2025-26. PM emissions reduced from 0.000498 MT/MT production in FY 2024-25 to 0.000438 MT/MT production in FY 2025-26, representing a reduction of approximately 12.1%, significantly exceeding the targeted 5% reduction in emissions intensity.

2.3. Water

Water Efficiency Management Programs

Our water management program is centered around assessing and improving the efficiency of water usage across all operations. Our water efficiency management program is focused on minimizing freshwater consumption, increasing wastewater recycling, maintaining ZLD status, and ensuring compliance with regulatory norms. Through a series of strategic initiatives, we take decisive actions to achieve these goals, demonstrating our commitment to effective water management.

Our Goa facility has been a zero liquid discharge (ZLD) compliant facility since 1990, and it utilizes a closed-loop water cycle and various recycling methods to minimize freshwater usage. The facility further enhances water efficiency through process water recovery and reuse systems, closed-loop cooling systems, and reverse osmosis (RO)-based treatment of wastewater streams. We also maintain online analyzers, PTZ cameras, and 24x7 connectivity with the Pollution Control Board.

Targets and progress

Our target to reduce freshwater consumption is set as 10% or less by FY 2028-29 from the baseline FY 2023-24. During FY 2025-26, water intensity per rupee of turnover improved to 59.48 KL per million INR from 73.67 KL per million INR in FY 2024-25, demonstrating progress towards our water efficiency objectives. We have already achieved a 21.57% reduction in water intensity in terms of physical output in FY 2025-26 compared to FY 2023-24.

Water Recycling

Embracing water recycling practices further contributes to our conservation efforts. To further prevent contamination, color-coded pipelines are installed to segregate effluents from stormwater. At our manufacturing facilities, the treated wastewater is reused to further decrease freshwater consumption. The quality of the treated water is analyzed through NABL accredited labs on a regular basis and has found to be compliant against the specifications set.

At the Goa facility, we have integrated ETP, STP, RO, and recycling systems to treat and reuse wastewater streams, helping maintain 100% Zero Liquid Discharge (ZLD) and reducing dependency on freshwater sources. The facility also recovers and reuses process condensate from the Ammonia and Urea plants, improving water use efficiency by recovering approximately 100 m³ of water for reuse in cooling process operations.

We have also implemented a reverse osmosis (RO) based treatment systems for cooling tower blowdown, filter backwash, and DM plant regeneration effluent streams, enabling approximately 90% water recovery, with the remaining treated water being reused within operations.

While at the Paradeep facility, we have integrated the ETP into the system, utilizing treated water as make-up water for the cooling towers, while the reject stream is used as process water in the Phosphoric Acid (PA) plant, which is contributing to reduced freshwater consumption.

At the Mangalore facility, the entire plant operates under a Zero Liquid Discharge (ZLD) system. Process condensate from the Ammonia and Urea plants is recovered and reused, while wastewater streams such as cooling tower blowdown, filter backwash and DM plant regeneration effluents are treated through RO systems and recycled back into operations. The maintenance of ZLD at Mangalore is particularly important given the facility's location in a water-stressed region, where efficient water recycling, reuse and conservation measures are critical to reducing dependence on freshwater resources and improving long-term water security.

Training

We emphasize on providing awareness training for employees, equipping them with the necessary knowledge and skills to actively engage in water efficiency management programs.

Water Consumption

Annual metrics for water usage reveal water withdrawal, discharge, and net freshwater consumption for last 04 financial years. The break-up of the water consumption by source is provided in annual report page 144. All water withdrawal from respective sources at all our plants have TDS below 1,000.

Water	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Water withdrawal (excluding saltwater)	Million m ³	10.01	10.26	10.18	12.98
Water discharge (excluding saltwater)	Million m ³	0.004	0.0008	0	0
Total net freshwater consumption	Million m ³	10.01	10.26	10.18	12.98
Data coverage	%	100	100	100	100
Water intensity per tonne of production	KL/MT of production	4.92	4.45	3.86	3.49

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

Water intensity continued to improve during FY 2025-26. Water intensity per tonne of production decreased from 3.86 KL/metric tonne of production in FY 2024-25 to 3.49 KL/metric tonne of production in FY 2025-26, representing a reduction of approximately 9.6% year-on-year.

While total freshwater consumption increased from 10.18 million m³ in FY 2024-25 to 12.98 million m³ in FY 2025-26, this should be interpreted in the context of the expanded reporting boundary following the inclusion of the Mangalore and Mahad facilities. The reduction in water-intensity metrics demonstrates improved water-use efficiency on a production-adjusted basis.

Water Consumption in Water-Stressed Areas

We recognize water as a critical resource and have undertaken comprehensive assessments and initiatives to manage climate and water-related risks across its operations. We have undertaken a climate and water risk assessment study following an approach that integrates physical, regulatory, reputational, and stakeholder-related dimensions of water risk. SSP1-2.6 and SSP5-8.5 scenarios were used to capture optimistic and pessimistic scenarios to ensure our preparedness for both extremes of

the spectrum. We have also used recognized tools such as WRI's Aqueduct and WWF's Water Risk Filter to identify and prioritize water related risks and have also identified mitigation strategies at Goa and Paradeep facilities. Key findings are given as follows:

- Based on the climate and water risk assessment undertaken for the Paradeep and Goa facilities, these facilities do not fall under water stress zone.
- According to the NITI Aayog's ICED report on per capita water availability by 2025, Goa exceeds 1700 m³, categorizing it as a region with no water stress.¹
- According to NITI Aayog's ICED report on per capita water availability by 2025, Mangalore falls within a water-scarcity region (500-1000 m³). Accordingly, the Mangalore facility has been included in water-stressed area disclosures for FY 2025-26.

Water consumption in areas with water stress (e.g. <1700 m ³ /(person*year))	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26*
Total net freshwater consumption in water-stressed areas	Million m ³	10.01	10.26	0	2.48
Data coverage	%	100	100	100	100

Note: *Only applicable to Mangalore plant. Other locations where our plants are situated have moved out from water stress region category as per NITI Aayog's ICED report/ dashboard. Data has been third party assured (TUV India Pvt. Ltd.).

Exposure to Water Stressed Areas

PPL methodically monitor and document the water usage of their facilities using an all-inclusive water management tool that considers regional water stress whose mapping is in line with S&P key definitions.

No. of production plants in FY 2025-26 in water-stressed areas (e.g. <1700 m ³ /(person*year))	01
Total No of production plants in FY 2025-26	04
% of production plants in FY 2025-26 in water-stressed areas (e.g. <1700 m ³ /(person*year))	25%
% of Cost of goods sold (COGS) FY 2025-26 (if applicable)	13%

Water Risk Management Programs

Given the water-intensive nature of our fertilizer manufacturing operations, we recognize water security as a material business risk and have institutionalized a structured approach to assess, monitor, and mitigate water-related risks across all our manufacturing facilities. We have conducted a comprehensive climate and water risk assessment at Paradeep (Odisha) and Goa facilities to understand the risks associated and thereby implement mitigation strategies.

The assessment integrates the physical (quantity and quality), regulatory, and reputational dimensions of water risk. The scope of the assessment was restricted to own operations and product use phase. The risks and their impacts have been identified using tools WWF water risk filter and WRI Aqueduct Water Risk Atlas supplemented by the NITI Aayog India Climate & Energy Dashboard (ICED) 2025 for location-specific per-capita water availability.

The present climate and water risk assessment boundary includes Paradeep and Goa facility. Following the merger of MCFL, we are currently extending the scope of our climate and water risk assessment to include Mangalore and Mahad plants, which will be incorporated into subsequent disclosures. In the interim, based on the NITI Aayog ICED 2025 per-capita water availability data, the Mangalore facility has been classified as located in a water-scarcity region (500 to 1,000 m³ per capita) and has been included in our water-stressed area disclosures.

¹ Per Capita Water Availability, India Climate and Energy Dashboard, 2025 URL: <https://iced.niti.gov.in/climate-and-environment/water/per-capita-water-availability>

Indicator	Required Information
Dependency-related water risks considered in risk assessment	The dependency related water risks considered in the assessment include Physical risks (covers water scarcity, availability, flooding, water quality & ecosystems services stations) Regulatory Risks (includes enabling environment, governance, management instruments, & infrastructure & finance), and Reputational Risks (includes cultural importance, biodiversity importance, media scrutiny & conflict). These risks are evaluated across Paradeep and Goa manufacturing facilities and are integrated into the company's broader ESG and operational risk registers.² • Paradeep: Sources surface water from the Taladanda Canal (Atharabanki). Coastal location gives rise to cyclones, storm-surge and salinity-ingress exposure, and groundwater extraction stage is moderate at 58.82% indicates moderate risk. • Goa: All 12 taluka in Goa are categorized as safe with per capita water availability above 1,700 m3 and groundwater extraction stage is low at 23.30% indicates low risk. • Mangalore: The region is marked as water scarcity zone with Netravathi River experiencing seasonal depletion in water levels, and groundwater extraction stage is low at 45.71% indicates moderate risk. • Mahad: The groundwater extraction stage in Raigad district is low at 18.44% and the Mahad region falls under high rainfall indicates low risk.
Impact-related water risks considered in risk assessment	Impact-related risks arise from the potential effects of our fertilizer manufacturing operations on shared water resources in terms of effluent discharge, pollutant load, etc. We are mitigating these through robust water reuse and recycling infrastructure across our manufacturing plants. Our facilities are equipped with Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) to ensure responsible wastewater management. 3 of our manufacturing facilities operate as zero liquid discharge (ZLD) facilities. • Our Goa facility has been a ZLD facility since 1990, enabled by a closed-loop water cycle and multiple recycling routes. • In case of Paradeep, a Reverse Osmosis (RO) plant has been installed to treat Cooling Tower Blowdown streams and the permeate is reused as cooling tower make-up, while the reject stream is utilized as process-water Phosphoric Acid plant. • At the Mangalore facility, the plant operates under a full ZLD regime with RO-based recovery of process condensate and effluent streams. • While Mahad facility operates ETP and pollution-control systems in line with State Pollution Control Board requirements. These initiatives help reduce the freshwater dependency up to large extent and reflect PPL's commitment to minimizing water withdrawal and maximizing reuse across operations.
Assessment of future water quantities available	• Based on the climate risk assessment conducted, the annual groundwater extraction in Goa region is 0.068 bcm and the stage of groundwater extraction is 23.30% and all 12 talukas in Goa have been categorized as safe. This supports future availability of water. • While in the case of Paradeep region, the stage of groundwater extraction has increased to 58.82% in 2025 as per CGWB report. This indicates that the regional groundwater levels are declining and the region might shift from water safe to water stress zone based on the per capita water availability. • CGWB 2025 reports total recharge of 73,327 ham and extractable resource of 65,995 ham against 30,166 ham extracted (45.71% stage) and also recognizes seasonal surface-water shortfalls in the river. The region is already categorized as water scarcity zone. • High rainfall in the region and low 18.44% groundwater extraction stage supports future availability of water. We have also projected the per capita water availability (m3/year) till 2051 based on the increase in population and corresponding decrease in per capita availability since 1951, as per the data shared by Government of India, 2009 (NCIWRD Report, 1999). The data shows that by 2031 and 2051; the per capita water availability will be 1,367 m3/year and 1,228 m3/year in Goa and Paradeep region. The statistics have also shown that groundwater levels are rapidly dropping due to increasing agricultural, urban, and industrial water demands. The national water supply is projected to fall 50% short of demand by 2030, indicating a potentially

² CGWB 2025, URL: <https://cgwb.gov.in/cgwbpbm/download/1741>

Indicator	Required Information
	worsening crisis and moderate risk for our operations particularly in Paradeep and Mangalore region.
Assessment of future water quality-related risks	In order to assess water quality and track changes over recent years, we conducted a comprehensive analysis of several key parameters such as TDS, pH level, COD. There were several parameters that were monitored over 10 years to assess the water quality. - At Paradeep, a 10-year trend analysis of the Taladanda Canal intake (Atharabanki) shows TDS rising from 118 ppm to 149 ppm but still within acceptable limits for potable water, a slight pH increase, a notable COD increase (indicating higher pollutant loads and more complex treatment needs). - The Fe (Iron) value has remained relatively stable. The analysis covers several critical parameters, a decreasing trend in DO levels over the years is observed. - In case of Goa, an incident on chemical spill was reported in FY 2024-25 which resulted in fish mortality near Velsao bay. The major reason was lack of good housekeeping practices during fertilizer loading in railway and high surface run-off during monsoon season. Such incidences might increase the water quality-related risks and impact operations and revenue of the company in future. - For Mangalore and Mahad, intake-water quality monitoring (river/surface sources) is being integrated into the extended assessment, drawing on CGWB's Annual Ground Water Quality Report 2025 for district-level baselines.
Assessment of impacts on local stakeholders	By aligning with SDG Target 6.1, 6.6 and 6b; we have taken various initiatives to align with the requirements and benefits of local stakeholders. A jaundice outbreak in August 2025, linked to contaminated water, underscores the importance of safe drinking water and the need for ongoing monitoring and preventative measures across Jagatsinghpur. To support the local community in dealing with this challenge, we have installed high-quality RO water purifiers at various schools and public spaces, being managed and operated by community members. Along with that, we have initiated a daily water supply through tankers to 59 households in Chanakana village, located in Paradip Garh GP with the intention of providing 50 liters of water to each household every day. This initiative has significantly helped in improving both health and convenience by not travelling 5 km for water collection. We also carried out multiple water body cleaning drives, covering 10 villages, which are now being used for fisheries related interventions. Initiated 'Youth4Water Campaign' in collaboration with UNICEF (Odisha), focused on adopting 1000 ponds and maintaining them for water conservation and groundwater recharge. Along with this, given that the Netravathi River serves nearly 50% of Dakshina Kannada district's population, the ZLD system in Mangalore plant operation reduces the fresh-water requirement and is a key measure for stakeholder impact mitigation.
Assessment of future potential regulatory changes at a local level	Regulatory risk is linked to how water is managed and/or governed in a particular region. Thus, it is heavily tied to the concept of good governance and the fact that businesses thrive in a stable, effective, and appropriately implemented regulatory environment. - Goa carries elevated regulatory risk evidenced by contamination of about 75 lakes with sewage and E. coli and a mass fish-mortality incident near Velsao Bay (May 2024). - In Odisha, OSPCB observations concerning Taladanda Canal contamination signal the rising scrutiny around Paradeep region. - In Karnataka, Dakshina Kannada's district administration has constituted water-management committees and is implementing multi-village and vented-dam schemes on the Netravathi River, indicating a regional water allocation and budgeting. These instances are stark reminders of detrimental consequences of neglecting environmental regulations and vital importance of safeguarding our ecosystems and the health of nearby communities.

2.4. Climate Strategy

PPL measures and monitors greenhouse gas emissions across Scope 1, Scope 2 and relevant Scope 3 categories. FY 2025-26 emissions cover all four manufacturing facilities, namely Paradeep, Goa, Mangalore and Mahad. Since the reporting boundary expanded during FY 2025-26 following the integration of the Mangalore and Mahad facilities, changes in absolute emissions reflect both operational performance and the expanded organizational boundary.

We have used operation control approach for consolidation of emissions. A combination of supplier specific, average data method, distance-based method, and spend-based method is used for estimating the emissions. Emission factors sources include CEA 2025, IPCC 2024, Ecoinvent 2.21, DEFRA 2025, and USEEIO 2022. We have reported emissions for CO₂, CH₄, N₂, HFCs out of the greenhouse gases and IPCC AR6 GWP values.

Direct Greenhouse Gas Emissions (Scope 1)

Annual numbers for direct GHG emissions (Scope 1) are presented for last 04 financial years.

Description	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total Scope 1 GHG emissions	tCO ₂ e	4,46,055	4,20,147	468,920	742,821.81
Data coverage (as % of)	Operations	100	100	100	100
Total Scope 1 emissions per tonne of production	tCO ₂ e / MT	0.22	0.18	0.17	0.20

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. Data has been third party assured (TUV India Pvt. Ltd.).

Scope 1 emissions intensity increased from 0.17 tCO₂eq. per MT of production in FY 2024-25 to 0.20 tCO₂eq. per MT in FY 2025-26, representing an increase of approximately 17.6%. This is due to the fact that 02 manufacturing facilities have been added during FY 2025-26 to the PPL portfolio.

Indirect Greenhouse Gas Emissions (Scope 2)

Indirect greenhouse gas emissions (Scope 2) are detailed over 04 financial years, featuring both location-based and market-based data.

Scope 2 in tCO ₂ e	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total Scope 2 GHG emissions – Location Based	tCO ₂ e	41,786	44,653	65,908	72,161.12
Data coverage (as % of)	Operations	100	100	100	100
Total Scope 2 emissions per tonne of production	tCO ₂ e / MT	0.020	0.019	0.025	0.0194
Total Scope 1 and 2 emissions per tonne of production	tCO ₂ e / MT	0.24	0.20	0.20	0.22

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities. and has been third party assured (TUV India Pvt. Limited).

Compared with FY 2024-25, combined Scope 1 and Scope 2 emissions intensity increased from 0.20 tCO₂eq. per MT to 0.22 tCO₂eq. per MT, representing a year-on-year increase of approximately 10.0%.

Indirect Greenhouse Gas Emissions (Scope 3)

The data on indirect greenhouse gas emissions (Scope 3) is presented across various fiscal years.

Description	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total Scope 3 GHG emissions	tCO ₂ e	5,747,817	6,489,507	7,409,337	10,770,476
Total Scope 3 emissions per tonne of production	tCO ₂ e / MT	2.83	2.82	2.81	2.90

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities and the data has been third party assured (TUV India Pvt. Limited).

Compared with FY 2024-25, Scope 3 emissions intensity increased from 2.81 tCO₂eq. per MT to 2.90 tCO₂eq. per MT, representing a year-on-year increase of approximately 3.2%.

Scope 3 emissions category wise

Scope 3 emissions for FY 2025-26 are outlined by category, including the methodologies employed for their calculation.

Category	FY 2025-26 (tCO ₂ eq.)
Purchased Goods and Services	3,043,413.26
Capital Goods	126,074.81
Fuel and Energy Related Activities	157,832.53
Upstream Transportation and Distribution	615,212.29
Waste Generated in Operations	-
Business Travel	407.66
Employee Commute	1,438.91
Upstream Leased Assets	-
Downstream transportation and distribution	180,773.57
Processing Sold Products	38,096.27
Use of Sold Products	6,413,149.31
End of Life Treatment of Sold Products	-
Downstream Leased Assets	-
Franchises	194,076.92
Investments	-
Total	10,770,475.53

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities and has been third party assured (TUV India Pvt. Limited). In case of category 1, purchased goods and services, 99% of all purchased goods and services have been included while estimating the emissions. All other relevant categories represent 100% of the data and operations.

Emissions of ozone-depleting substances

Description	Unit	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Quantity of HCFC-22 or R-22	Kgs	671	1,029	0	1,763.70
Equivalent ODP	Kgs	36.91	56.6	0	97.00

Note: The FY 2025-26 reporting boundary includes Paradeep, Goa, Mangalore and Mahad facilities and has been third party assured (TUV India Pvt. Limited).

Climate Governance

ESG Governance Framework Overview:

The ESG Governance Framework is a critical component of our organization's commitment to integrating sustainability into our corporate strategy. At its core lies the ESG Steering Committee, chaired by a Non-Executive Independent Director, who embodies high-level accountability and commitment to ESG principles. The committee is comprised of key leadership roles, including the President and COO, Chief Officers across commercial, financial, procurement, and human resource divisions, as well as specialized roles such as Chief Sustainability Officer and DGM - Corporate Strategy, IR and ESG.

The ESG Steering Committee aims to advance Environmental, Social, and Governance (ESG) initiatives, ensuring that sustainability practices are intertwined with our strategic objectives. Our vision is to foster responsible business operations that generate long-term value for all stakeholders, achieved through active engagement with employees, investors, and stakeholders. Climate-related issues are scheduled agenda items in the annual board meeting. Core responsibilities include:

- **Strategic Leadership:** Develops comprehensive ESG strategies that align with our overall corporate goals, prioritizing sustainability across all organizational levels.
- **Implementation Oversight:** Ensures the effective rollout of ESG initiatives, maintaining adherence to sustainability commitments and promoting best practices across business units.
- **Stakeholder Engagement:** Promotes active communication to build a collaborative environment focusing on ESG matters, enhancing engagement and fostering shared responsibility.
- **Performance Assessment:** Conducts regular evaluations of sustainability performance and reports the insights from evaluations to key stakeholders, ensuring continuous progress tracking against established goals.
- **Monitoring and Reporting and Quarterly Reviews:** Conduct comprehensive assessments of ESG priorities, guaranteeing alignment with sustainability objectives and adapting strategies as necessary.
- **Transparent Communication:** Reinforces dedication to transparency by providing consistent updates to the Board and stakeholders, contributing to responsible business conduct.
- **Committee Composition:** The committee's leadership structure, chaired by our Managing Director, underscores accountability to ESG principles. A diverse expertise base, composed of members from various business functions, addresses ESG challenges innovatively and effectively.

Climate-Related Management Incentives

We believe that effective climate risk management is not just a strategic imperative but a shared responsibility. To foster a culture of environmental stewardship and accountability, we have embedded sustainability performance into our employee recognition and evaluation systems. Employees who demonstrate exceptional commitment to climate risk mitigation and sustainability initiatives are formally recognized and rewarded. This includes:

- Proactive efforts to reduce emissions and energy use.
- Innovative ideas that contribute to waste reduction or resource efficiency.
- Leadership in cross-functional ESG projects or awareness campaigns.

We have established department-specific ESG-related KPIs, including key indicators on environmental factors such as emissions and energy consumption. These KPIs are monitored regularly and reviewed as part of the organization's broader ESG strategy.

Achievement of ESG targets directly influences the annual performance appraisal of teams and individuals. This step positively impacts the overall performance rating and strengthens the link between individual accountability and corporate sustainability outcomes.

TCFD Disclosure and Climate Risk Management

PPL embeds climate change risks into its broader risk management strategies, considering both physical and transitional risks. Physical risks include acute events like extreme weather and floods, as well as chronic impacts such as temperature fluctuations. Transitional risks involve navigating shifts towards lower-carbon economies, influenced by emerging regulations, technological advancements, and market dynamics. Through this integrated approach, PPL anticipates and adapts to evolving conditions, aligning its strategies with regulatory changes and consumer preferences.

Scenarios for Assessing Physical and Transition Risks

We used following scenario analyses to effectively assess climate risks at Paradeep and Goa facility. The Mangalore and Mahad facilities were included in later part of the FY 2025-26 post merger of MCFL with PPL and we have planned to extend the climate risk assessment to include newly merged plants in upcoming years.

- **Physical Risks:** Using scenarios like SSP1-2.6, which envision rigorous global policy interventions to limit warming to 1.8°C by 2100, and SSP5-8.5, which predicts a 5°C rise under minimal policy changes. These scenarios inform PPL's proactive adaptation measures.
- **Transition Risks:** Considering ambitious pathways like Net Zero 2050, aiming for substantial CO₂ reductions, alongside evaluating current policy trajectories which, if unchanged, could result in a global temperature increase of over 3°C. These scenarios highlight the urgent need for policy advancements.

Key Climate Risk Factors

Policy and Legal Risks:

- **Carbon Pricing:** PPL navigates carbon pricing mechanisms, anticipating potential spikes in operational costs due to carbon credit and taxation. PPL invests in sustainable technologies such as green materials and renewable energy to mitigate these costs, though this necessitates significant initial capital expenditure.
- **Green Material Policies:** Embracing policies that encourage sustainable materials, PPL strengthens its reputational standing and appeals to eco-conscious consumers. Compliance requires strategic infrastructure investments and supply chain adjustments.

Market Risks:

- **Energy Price Volatility:** PPL manages fluctuating costs of traditional energy sources by exploring diverse, renewable options to maintain operational cost stability.
- **Investor Preferences:** As investors focus shifts to sustainability, PPL communicates its robust climate goals effectively, ensuring ease in securing investment and avoiding higher costs or insurance premiums.

Physical Risks:

- **Acute Physical Risks:** Cyclones and floods pose the risk of disrupting infrastructure and supply chains, potentially reducing revenue and increasing operational challenges. PPL fortifies infrastructure and develops robust contingency plans to counter such events.
- **Chronic Physical Risks:** Persistent heat stress or droughts impact energy consumption and production processes, prompting PPL to deploy efficient cooling systems and water management strategies.

Technology Risks:

- **Advancements in Technology:** PPL adopts technological advancements necessary for transitioning to more sustainable processes, such as green ammonia production. While these innovations contribute to operational resilience, PPL must manage associated financial premiums and integration complexities to avoid escalating production costs.

- **Decarbonization Technologies:** Implementing new technologies to reduce carbon footprints can be expensive without financial support. PPL addresses these challenges by combining cost-effective energy sources with cutting-edge technology to enhance efficiency.

Reputational Risks:

- **Environmental Damage and Pollution:** PPL takes proactive measures to mitigate emissions and pollution-related challenges. Failure to adapt effectively could harm PPL's brand and stakeholder trust, but continuous improvement initiatives aim to enhance its public image and consumer relationships.
- **Investor and Shareholder Pressure:** PPL prioritizes transparency and sustainability in its operations, recognizing that meeting investor expectations is crucial for securing ongoing support and confidence. Inadequate disclosures could lead to diminished investor interest and growth challenges.

Adaptation and Mitigation Strategies

PPL is actively implementing:

- **Infrastructure Resilience:** Strengthening critical sites to withstand extreme weather.
- **Water Management:** Diversifying sources and improving efficiency.
- **Emission Reduction:** Utilizing energy-efficient technologies and green materials.
- **Product Evolution:** Adapting products to meet changing consumer demands.

Through rigorous risk assessment processes, including climate risk quantification, mitigation strategies, and continuous monitoring, PPL positions itself at the forefront of industry best practices. By addressing both physical and transition risks, PPL bolsters adaptability, safeguards operations, and contributes positively to sustainability efforts, ensuring growth while serving communities and protecting the environment.

The financial impact values presented in the assessment are derived from scenario-based analysis and modeling techniques. The values are intended to support strategic planning and risk preparedness and not to serve as precise forecasts.

Financial risk of Climate Change

Risks Driven by Changes in Regulation

The introduction of a carbon credit trading scheme in India poses a risk for emissions-intensive industries, such as fertilizers. This scheme could lead to carbon price volatility and impose higher compliance costs, posing substantial financial risks, especially for companies with tight margins.

- Estimated inherent financial impact: ₹8,822 million
- Estimated costs to mitigate risks: ₹218.3 million investment in renewable energy

Risks Driven by Changes in Physical Climate Parameters

A rising risk from climate change is increased precipitation and the associated flood risk for PPL. Projections indicate more frequent heavy rainfall, necessitating improvements in stormwater drainage and groundwater recharge systems. Addressing these infrastructure needs could help manage the potential impacts of heightened rainfall.

- Estimated inherent financial impact:
 - Minimum: ₹1,980 million
 - Maximum: ₹5,281 million
- Estimated costs to mitigate risks:
 - Insurance coverage required to be 45.81 times the risk value

- Mangrove Afforestation cost: ~₹1.08 lakh per hectare

Time Frame for Risk and Opportunity

- Estimated time frame for both risks and opportunities: By 2030 (6 years)

Financial Opportunities Arising from Climate Change

The transition to green ammonia in the fertilizer industry presents a significant opportunity to reduce the carbon footprint of this industrial sector. This transition is driven by advancements in green hydrogen production and strategic policy support. In line with this, the Indian government's Strategic Interventions for Green Hydrogen Transition (SIGHT) initiatives aim to invest ₹174,900 million to support the development of electrolyser manufacturing and green H₂/ ammonia production incentives. These hubs will facilitate large-scale production and utilization of green hydrogen, making it a mainstream component in fertilizer production. The economic viability is expected to improve due to lower capital costs, efficient supply chain development, and incentives like carbon credits. This not only supports sustainable production but also enhances the industry's economic feasibility. Financial implications are estimated as follows:

- Estimated financial positive implications: ₹11,373 million
- Estimated time frame: By 2030 (6 years)
- Estimated annual costs of development: ₹9,600.8 million

Climate Related Scenario Analysis

A comprehensive approach to climate risk assessment considers multiple scenarios affecting climate change impacts:

Physical Risks:

1. Scenario SSP1-2.6:
 - Assume stringent policy measures to limit global warming to 1.8°C by 2100.
 - Focuses on proactive adaptation and mitigation strategies.
2. Scenario SSP5-8.5:
 - Represents a business-as-usual scenario with relaxed policy measures.
 - Leads to nearly a 5°C temperature rise by 2100.
 - Requires robust adaptation measures due to severe climate impacts.

Transition Risks:

1. Net Zero 2050:
 - An ambitious goal to achieve net zero CO₂ emissions by 2050.
 - Involves stringent climate policies and innovation.
2. Current Policies:
 - Reflect existing climate policies without further strengthening.
 - Projects a global warming of 3°C+ by 2100.

2.5. Biodiversity

Biodiversity Assessment

We conducted a biodiversity assessment study aligned with GLOBIO and IUCN standards which is focused on evaluating ecological impacts within a 10 km radius around our manufacturing facility in Paradeep, Odisha in FY 2024-25. The Mangalore and Mahad facilities were included in later part of the FY 2025-26 post merger of MCFL with PPL and we have planned to extend the biodiversity risk assessment to include newly merged plants in upcoming years.

The study incorporates our own operations and adjacent areas characterized by diverse land uses such as agriculture, human settlements, vegetation, and water bodies. The approach to biodiversity assessment starts with an inception phase where a preliminary site visit was conducted to evaluate the

nature-related linkages and dependencies at the site, identifying major Land Use and Land Cover (LULC) and factors influencing biodiversity. Followed by this, desk-based research involving a thorough review of existing data regarding various aspects of flora and fauna, including ecosystem influences and the effectiveness of actions countering anthropogenic pressures was conducted. Data was collected using direct field observations using GPS and other tools, focus group discussions, key informant interviews, and remote sensing and GIS techniques to assess biodiversity impacts. Vegetation assessment was conducted using the quadrat method to evaluate plant species diversity and abundance through separate plots for trees, shrubs, and herbs. Faunal assessment was carried out using specific methods for different fauna types, including point counts for birds, line transects for mammals, and visual and call surveys for amphibians.

With the use of LULC maps and GIS tools, random sampling was carried out across the LULC classes. Data analysis was incorporated for both primary and secondary data to compute biodiversity indices like the Shannon-Wiener Index, Berger-Parker Index, and Simpson's Diversity Index, offering a detailed picture of biodiversity characteristics for each site.

Use of Location-Specific Approach: The report focuses on Paradeep Phosphates Limited (PPL) located in Odisha and Goa and assesses biodiversity within a 10 km radius of the facility. The study considers specific local geographic and ecological patterns, such as the presence of agricultural land, water bodies, forests, wetlands, and built-up areas.

References to Methodologies or Frameworks Used for Assessment: For biodiversity assessment, several methodologies and frameworks are utilized such as:

- Quadrat method for vegetation analysis
- Point count and transect methods for faunal assessments
- Stratified sampling for data collection
- Calculations using diverse indices such as Shannon-Wiener, Berger-Parker, and Simpson's Diversity indices.



Grid alignment



Herb identification with villagers

Additionally, biodiversity monitoring and ecological surveys were undertaken at the Mangalore facility in 2024 considering the ecological characteristics of the coastal Karnataka region. The surveys covered plantation zones, open spaces, vegetation patches, wetlands and water bodies within and around the facility and enabled the identification of locally significant flora and fauna. The study documented floral and faunal diversity within the site and established a baseline for future biodiversity monitoring, greenbelt management and conservation initiatives.

Biodiversity Risk Assessment

We have undertaken a comprehensive biodiversity risk assessment study using the WWF biodiversity risk filter (WWF BRF) and have determined physical and reputational risks to our business operations. The WWF BRF tool considers a range of factors, such as threatened species, ecosystems, and protected areas, based on the location of operation. The approach and methodology started with

identifying industry type, site(s), materiality, dependencies and impact through company's value chain. Following this the scope risks and site level risks were calculated. Further to this, the identified risks were integrated into company-wide risk management processes.

From the assessment, it was found that Paradeep and Goa facilities are at less exposure in terms of high pressure on biodiversity. However, Paradeep site was identified with a high biodiversity risk level, both reputationally and physically. Water scarcity and condition along with tropical cyclones were identified as high dependency related risk factors for Paradeep facility and medium dependency related risk factors for Goa facility as the demand for industrial water is rising due to multiple companies setting up their operations. On the other hand, pollution (nutrients and air) and media scrutiny were identified as very high impact related risks for Paradeep and Goa facilities.

While we operate in a sector inherently associated with nutrient and air pollution due to the nature of fertilizer production, we recognize these risks and have adopted a structured approach to monitor, mitigate, and manage these risks responsibly. We are actively working to reduce the nutrient pollution with introduction of nano-fertilizers, high nutrient use efficiency fertilizers, and R&D and testing on Sulphur Coated Urea. Along with this, as explained in section on environment related investments, we have taken several steps such as use of scrubbers, effluent treatment plants, nutrient recovery systems, energy efficient systems, and other pollution control devices.

The pollution risk indicators identified through the risk assessment are based on regional environmental data and scenario analysis. These values are intended to guide strategic planning and risk mitigation and do not reflect actual operational emissions. We have also mapped interlinkage between climate related risks and biodiversity risks and have drafted potential impacts and mitigation strategies given as below.

Climate Risk	Linkage to Biodiversity Risk	Implication for PPL's operations	Potential Mitigation/ Adaptation Strategy
Cyclones, coastal flooding, Sea level rise	Loss of mangroves, estuarine habitats, disruption of nesting grounds, Decline in aquatic biodiversity, salinization of habitat	Damage to the infrastructure, loss of natural buffers, reduced water quality, impact on wastewater treatment, stress on marine ecosystems	Stormwater drainage infrastructure is already in place, mangrove restoration, monitoring of salinity
Water stress, heat stress and temperature rise	Shift in species distribution, groundwater depletion, nitrogen leaching affecting aquatic life	Increased demand for cooling, reduced efficiency of the equipment, increased operational expenses, challenges with water usage	Upgrade to energy-efficient equipment and lighting to reduce heat generation, maintaining ZLD status, diversification of water sources, rainwater harvesting
Adoption of green ammonia, green energy share	LULC change, disruption to local ecosystems during infrastructure expansion	Can lead sustainable fertilizer production, enhance reputation, increase in capital investment with reduction in dependence	Biodiversity sensitive site planning during engineering and commissioning phase
Carbon pricing policies, stricter emission control norms	Nature related dependencies and risks	Increase in capital and operational costs Need for monitoring biodiversity KPIs and risk disclosures	Potential revenue from selling excess renewable energy credits, TNFD-aligned risk assessment
Shift in consumer preference to low-carbon and organic fertilizers	Overexploitation of natural inputs, Land-use change, monoculture plantations affecting biodiversity	Depletion of natural reserves, reduced sales and profitability, lack of confidence in investors and consumers	Investment into R&D and manufacturing of Nano Shakti based fertilizers

At the Mangalore facility, the biodiversity assessment recorded substantial floral and faunal diversity within the facility and surrounding study area, demonstrating the role of existing greenbelt and plantation

areas in supporting habitat availability and ecosystem services. The assessment findings are being used to strengthen biodiversity management, conservation planning and long-term ecological monitoring program at the site.

Biodiversity and No Deforestation Commitment

We are committed to creating a net-positive environmental impact through proactive afforestation and ecosystem restoration initiatives. We are committed to undertaking tree plantation drives to contribute to afforestation efforts and no gross deforestation in operational areas and compensating through future reforestation/ afforestation initiatives. We have already achieved our target of increasing annual saplings plantation by 5% by 2025 and a net positive impact (NPI) on biodiversity by 2025.

All tree plantation activities are conducted on degraded, non-forest, or previously barren land, ensuring that no natural habitats are adversely impacted. In FY 2025-26, PPL planted a total of 25,600 trees in the vicinity of the Paradeep, Mangalore and Goa facilities. These plantations are part of our ongoing efforts to restore green cover, enhance local biodiversity, and contribute to carbon sequestration. Additionally, in targeted locations near the Goa and Mangalore facilities, 2,000 and 100 trees were planted respectively in FY 2025-26. The Paradeep manufacturing complex supports a rich ecological landscape and serves as a seasonal habitat for more than 42,000 migratory birds representing over 50 species as per the cite survey. The site's wetlands, grasslands and woodland habitats contribute significantly to regional biodiversity and ecological resilience. About 23,500 trees were planted in Paradeep facility.

We actively collaborate with local communities and NGOs to maximize the social and environmental impact of our initiatives. We are establishing a structure for regular monitoring and maintenance of the tree plantation activities to ensure long-term ecological benefits. As a part of the plantation drives through CSR, in FY 2025-26, we planted 25,000 mangrove saplings at the identified coastal sites near to Paradeep plant. Tree plantation drives were conducted in Sancoale, Velsao, Upasnagar, and Vidhyanagar with active community participation. We aim to further scale-up the tree plantation and ecosystem restoration initiatives and focus on measurable outcomes in carbon sequestration, biodiversity enhancement, and co-benefits to the community. The Mangalore facility contributes to biodiversity conservation through the maintenance of extensive greenbelt and plantation areas comprising a diverse mix of native and naturalized species. Regular biodiversity monitoring and vegetation assessments are undertaken to track species diversity, support habitat enhancement and strengthen ecosystem resilience within the operational landscape. Biodiversity and deforestation policy can be accessed here: <https://www.paradeepphosphates.com/uploads/content/biodiversity-and-no-deforestation-policy1790855996.pdf>



Afforestation/ tree plantation activities in Paradeep (left) and Mangalore (right) facilities



Waterbody - Paradeep facility



Some migratory birds found in the waterbody - Paradeep facility

2.6. Product Stewardship

Product Design Criteria

Product stewardship is a key component of our ESG strategy, reflecting our commitment to responsible management throughout the lifecycle of our fertilizer products. In an industry where the balance between agricultural productivity and environmental impact is continually scrutinized, we prioritize sustainable practices, from raw material sourcing to production, distribution, and end use. Our stewardship initiatives aim to minimize ecological footprints, enhance product safety, and ensure compliance with regulatory standards. By promoting innovation in eco-friendly formulations and encouraging responsible usage among farmers, we contribute to global food security while protecting natural ecosystems.

In FY 2025-26, our production volume increased from 2.63 to 3.67 MMTPA, with capacity utilization improving from 87% to 105%, reflecting the expanded manufacturing footprint and continued operational improvements across the Company's facilities. On the sales front, volumes surged from 3.03 MMTPA to 4.2 MMTPA. We continue to strengthen our portfolio of sustainable and high nutrient use efficiency products under the Jai Kisaan Navratna Nano Shakti brand, including Nano-urea, Nano-DAP, TSP 46% P₂O₅, Nitronic 32.

Our Paradeep plant has an installed fertilizer production capacity of 1.8 MMTPA and is supported by a captive phosphoric acid plant with a capacity of 0.5 MMTPA, strengthening raw material integration for phosphatic fertilizer production. The Goa facility has an installed capacity of 0.8 MMTPA of NPK/DAP fertilizers and 0.4 MMTPA of urea and is supported by a backward-integrated 300 KTPA ammonia plant, enabling the production of crop- and soil-specific fertilizer grades. The Mangalore facility further strengthens the Company's manufacturing network through integrated fertilizer production capabilities,

supported by ammonia and urea operations and a Zero Liquid Discharge (ZLD) system that enhances resource efficiency and environmental performance. Together, these facilities enable the Company to offer a diversified portfolio of phosphatic, urea, NPK, specialty and sustainable fertilizer products tailored to evolving crop nutrition requirements.

Responsible sourcing

We have implemented a robust supplier assessment framework to support sustainable sourcing, evaluating suppliers on key ESG criteria. This includes systematic supplier screening, mandatory adherence to PPL's Supplier Code of Conduct, and ESG risk assessments through structured questionnaires. Regular senior management reviews ensure the framework remains effective and aligned with our sustainability goals. By enabling data-driven decision-making, it promotes responsible sourcing and the adoption of sustainable practices across our supply chain. Additionally, we conduct awareness sessions to help suppliers enhance their ESG performance, reinforcing our shared commitment to ethical and environmentally responsible business practices.

At our Paradeep plant, we obtain our main raw material, rock phosphate, from the OCP Group, which holds the largest phosphate reserves in the world. OCP Group's strategy is centered around sustainability, with a commitment to achieving carbon neutrality by 2040. For our sulphuric acid production, we source molten sulphur directly from IOCL, fulfilling one-third of our total sulphur needs. This approach helps us avoid substantial Scope 1 and Scope 3 emissions compared to using solid sulphur. In Maha Zypmite and Zypmite plus, we are using phosphogypsum for soil correction and micronutrients for the soil conditioning product. Apart from our core fertilizer products, we also engage in the sale, trading, and distribution of city compost. To improve fertilizer efficiency, we follow the 4R Nutrient Stewardship program, which provides a framework for achieving sustainable agriculture goals. In line with the Indian government mandate, we produce 100% neem-coated urea, which enhances soil health and improves nitrogen use efficiency.

Life Cycle Assessment

We have conducted the Life Cycle Assessment (LCA) of three of our key products, Urea (46:0:0) and NPK (15:15:15:09) manufactured at Goa plant, and DAP (18:46:0) manufactured at Paradeep Plant. These three products were selected to represent the complete composition spectrum of chemicals in our product portfolio. Together, these three products account for about 24% of the total revenue.

The assessment was conducted in accordance with ISO 14040 (principles and framework for LCA) and ISO 14044 (requirements and guidelines for LCA). It aimed to quantify the life cycle greenhouse gas emissions (GHG) from cradle to grave, identify emission hotspots, and propose mitigation actions. The study was modeled using SimaPro 9.5.0 software, utilizing emission factors from the Ecoinvent database. Impact categories covered included global warming, stratospheric ozone depletion, terrestrial acidification, freshwater and marine eutrophication, human and ecological toxicity, ozone formation, ionizing radiation, particulate matter, land use, water consumption, and resource scarcity (metal and fossil).

The results provided insights into the global warming potential (GWP) per ton of the product across the value chain upstream, operational, and downstream stages. The details of the GWP are given as follows:

Product	PPL	Peer comparison	Remarks
Urea GWP Total (tCO ₂)	5.89	5.22 (PT Petrokimia Gresik) ³	Our production stage emissions are significantly lower; however, the upstream emissions are relatively higher compared to peers. This may be due to the

³ URL: <https://api.environdec.com/api/v1/EPDLibrary/Files/b8b12630-7b8a-4de1-0aef-08dc685f3598/Data>

Product	PPL	Peer comparison	Remarks
		11.19 (Fertilizers Europe: 2011) ⁴	fact that we import a significant portion of the raw materials, lack of data on supplier specific energy mix and emissions data throughout the supply chain.
NPK GWP (tCO ₂)	2.18	10.71	Our GWP values are well below as compared to our peers making it a low-carbon product. The GWP value is derived from a study conducted by Fertilizers Europe: 2011.
DAP GWP (tCO ₂)	3.29	11.27	Our GWP values are well below as compared to our peers. The GWP value is derived from a study conducted by Fertilizers Europe: 2011.

Additionally, as of today, we are halfway through undertaking the cradle to grave LCA of 05 additional products across Paradeep, Goa, and Mangalore plants representing APS, NPK, and Urea grades of fertilizers. These products were selected to represent the complete composition spectrum of chemicals in our product portfolio after MCFL merged with PPL. These 05 additional products represent about 48% of the total revenue. Therefore, adhering to our commitment towards responsible management of resources and impacts throughout the lifecycle of our fertilizer products, **the total portfolio of products with LCA studies cover more than 72% of our revenue.**

Exposure to Hazardous Substances

We are committed to responsible chemical management and product safety across the entire lifecycle of its fertilizer products. Our operations are governed by the Fertilizer Control Order (FCO), 1985, under the Essential Commodities Act, which ensures that all fertilizers manufactured and sold in India meet stringent quality and safety standards. In addition to that, we are strictly complying with the rules and regulations under Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 as amended or time to time which regulate the handling of hazardous substances in India.

Although we do not export products to the EU and are not directly subject to REACH registration, we voluntarily screen all raw materials and finished products against REACH guidelines and Indian List of Hazardous and Toxic Chemicals to ensure alignment with global best practices. Our product portfolio primarily consists of inorganic fertilizers (e.g., Urea, DAP, NPK), which do not contain any substances currently listed under REACH SVHC or restricted categories.

Protect & Sustain Certification:

We are also Protect & Sustain Certified which is a global product stewardship standard for the fertilizer industry, as it allows producers, distributors, traders, and transporters to publicly and credibly prove their commitment to reaching the highest levels of safety, security and sustainability. The certificate can be accessed at: <https://www.paradeepphosphates.com/uploads/content/paradeep-phosphates-odhisha-sgs-ifa-in1612006-en.pdf>

Responsible Care® Certification:

We are signatory to and operate a Responsible Care® certified manufacturing plants with permission to use the RC Logo issued by the Indian Chemical Council (ICC), the Indian arm of the global Responsible Care initiative administered by the International Council of Chemical Associations (ICCA) across more than 70 economies.

⁴ URL: https://www.researchgate.net/profile/Prem-Baboo/post/Can_anybody_suggest_CED_and_a_CO2-eq_emission_factors_for_Vinasse_fertilizer/attachment/59d634dc79197b80779927e4/AS%3A381587746246658%401467989016955/download/carbon_footprint_web_V4.pdf

Responsible Care is the global chemical industry's independently audited framework for continuous improvement in Environment, Health, Safety and Security (EHS&S) performance, built on seven Codes of Management Practice spanning process safety, product stewardship, distribution safety, employee wellbeing and community engagement.

This certification demonstrates PPL's alignment with globally recognized chemical-industry management standards and complements our ISO-certified management systems. We are progressively working to extend Responsible Care certification coverage across all our manufacturing plants post MCFL merger with PPL.

Certification details: RC Logo No. 105; ICC Membership No. ICC-ER/RM/P-05; valid till March 2027.

Link: [rc-certificate-paradeep-phosphates-limited-apr2025-to-mar2026.pdf](#)

Renewable Raw Materials

We utilize a diverse mix of renewable, non-renewable, and recycled materials across our product portfolio, underscoring our commitment to sustainable sourcing practices, circular economy principles, and decarbonization efforts.

- Renewable material includes Jai Kisaan Navratna Bhoomitra (City Compost), Jai Kisaan Navratna Bhoomitra Gold (FOM), Jai Kisaan Farm Potash (PDM), Jai Kisaan PROM (Phosphorous Rich Organic Manure), Jai Kisaan Gaushakti (Cow Dung Manure) and Jai Kisaan Shaktimaan/ Miracle GR/ Bio Gold Plus (Bio Enriched Organic Manure).
- Non-Renewable material includes rock phosphate, potash (MOP), sulphuric acid, ammonia, natural gas, sulphur, phosphoric acid, urea and ammonium sulphate.
- Recycled material includes Jai Kisaan Maha Zympmite/ Zympmite Plus (Soil Conditioners), HFSA, and filler from sludge.

Material name	Unit	Type of material	FY 2024-25	FY 2025-26
Rock Phosphate	MT	Non-renewable	16,87,520	16,10,811
Potash (MOP)	MT	Non-renewable	3,97,669	3,61,491
Sulphuric Acid	MT	Non-renewable	4,84,691	6,27,822
Ammonia	MT	Non-renewable	4,20,712	5,24,536
Natural Gas (Raw material)	MT	Non-renewable	1,00,269	2,35,233
Sulphur	MT	Non-renewable	3,61,780	3,07,200
Phosphoric acid	MT	Non-renewable	1,84,264	2,93,829
Urea	MT	Non-renewable	2,00,982	71,523
Ammonium Sulphate	MT	Non-renewable	27,500	1,32,978
DAP	MT	Non-renewable		2,46,002
TSP	MT	Non-renewable		3,08,526
Jai Kisaan Navratna Bhoomitra (City Compost)	MT	Renewable	16,554	4,909
Jai Kisaan Navratna Bhoomitra Gold (FOM)	MT	Renewable	1,128	-
Jai Kisaan Farm Potash (PDM)	MT	Renewable	28,835	41,464
Jai Kisaan PROM (Phosphorous Rich Organic Manure)	MT	Renewable	5,757	1,515
Jai Kisaan Gaushakti (Cow Dung Manure)	MT	Renewable	2,347	1,283
Jai Kisaan Shaktimaan/Miracle GR/Bio Gold Plus (Bio Enriched Organic Manure)	MT	Renewable	3,048	5,562
Jai Kisaan Maha Zympmite/Zympmite Plus/Setright (Soil Conditioners)	MT	Recycled	44,519	94,514
HFSA (Sales -21% concentration)	MT	Recycled	8,324	8,631
Filler from sludge (Own)	MT	Recycled	9,840	6,428
Other filler	MT	Non-renewable	-	-
Total	MT	-	39,85,739	48,84,258

Material name	Unit	FY 2024-25	FY 2025-26
Renewable Raw material	MT	57,669	54,733
Non-Renewable Raw material	MT	38,65,387	47,19,952
Recycled material	MT	62,683	1,09,573

Material name	Unit	FY 2024-25	FY 2025-26
Percentage of raw materials which are from renewable sources	%	1.45%	1.12%
Percentage of raw materials which are from non-renewable sources	%	96.98%	96.64%
Percentage of recycled input materials used	%	1.57%	2.24%
Percentage of reclaimed products and their packaging materials*	%	NA	NA

* Note: No products were reclaimed during the reporting period.

Sustainable Products Program

We have an active sustainable products program in place and have introduced multiple sustainable and low-carbon fertilizer products (nano fertilizers, customized fertilizers based on soil type, crop type, crop-stage, etc.) with the objective of improving nutrient-use efficiency and supporting sustainable agricultural practices in India and globally.

During FY 2025-26, we have made significant investments towards expanding capacity and capability for manufacturing and sale of nano-fertilizers, customized fertilizers, and other circular products. This includes investment for R&D in product development and improvement, training and capacity building on team members (management and shop floor) on principles of sustainable product design, 4R Nutrient Stewardship, life cycle thinking, and circular economy. On the product development infrastructure front, we are constantly investing in improvement of energy, water, and material efficiency through continuous R&D backed by third-party resource efficiency audits (energy, water, etc.). This is evident from increase (by 34% compared to FY 2024-25) in our annual spend on R&D and process optimization. Together these measures resulted in savings of about 4,749 tonnes of oil equivalent in terms of energy and more than 30,000 tCO₂eq in terms of GHG emissions.

Along with this, we have collaborated with International Fertilizer Development Center (IFDC), USA on Sulphur-Coated Urea and continues R&D under the Jai Kisaan Navratna Nano Shakti platform to improve nutrient use efficiency and lower environmental impact. The environmental benefits underpinning the classification of products as sustainable products are also supported by Life Cycle Assessments conducted in accordance with ISO 14040 and ISO 14044, covering more than 72% of revenue, and our ESG data for FY 2025-26 is also externally assured by TÜV India Pvt. Ltd.

We aspire to scale up our Customized Fertilizer portfolio to over 1 lakh MT in product by 2030, thereby expanding the adoption of crop and stage-specific nutrient solutions and contributing to more efficient and responsible use of agricultural nutrients.

4R Nutrient Stewardship and EU Taxonomy as guiding principles:

Along with the 4R Nutrient Stewardship, the nano-fertilizer and customized fertilizer products align with the principles of EU Taxonomy for sustainable agriculture, particularly under the objective 01 climate change mitigation and objective 05 pollution prevention and control. Peer-reviewed studies on wheat and rice cultivation in India indicate that the use of nano-urea in combination with the recommended dose of nitrogen (RDN) can increase crop yields by approximately 7.5% while reducing GHG emissions by 16 to 25%.^{5,6} These findings reinforce the role of PPL's nano-fertilizers as low carbon and climate smart products, contributing to India's target of achieving self-sufficiency in urea production and achieving net zero by 2070.

⁵ Tripathi, S. C., Kumar, N., & Venkatesh, K. (2025). Nano urea's environmental edge and economic efficacy in boosting wheat grain yield across diverse Indian agro-climates. *Scientific Reports*, 15(1), 3598.

⁶ Nagangoudar, M. B., Jayadeva, H. M., Lalitha, B. S., Hanumanthappa, D. C., Kumar, R. M., Sannagoudar, M. S., ... & Sneha, M. A. (2025). Impact of Water and Nitrogen Management Strategies on Productivity, Resource Use Efficiency, and Greenhouse Gases Emission in Aerobic Rice. *Environmental and Sustainability Indicators*, 100750.

Nano Fertilizers:

PPL has launched India's first biogenic Nano Urea and Nano DAP under the Jai Kisaan Navratna Nano Shakti brand. These high nutrients use efficiency products and are designed to enhance crop yield, lower input costs for farmers, and promote sustainable agricultural practices.

Our nano fertilizer strategy is integrated in its farmer-first model, reaching more than 9.5 million farmers through 95,000 retail outlets. To encourage adoption, we have conducted over 4,000 field demonstrations, farmer training workshops, and crop seminars.

Nano Urea	Nano Urea contains 8% nitrogen in nano-sized particles and helps reduce the use of conventional urea by increasing nitrogen use efficiency (NUE) to >90%, compared to 30 to 35% for conventional urea.
Nano DAP	Nano DAP contains 6% nitrogen and 16% phosphorus (P ₂ O ₅), delivering these nutrients in a bioavailable form that improves nutrients uptake and help minimize excess application by farmers. Both products are applied through foliar spraying and help reduce nutrient losses through leaching and volatilization, thereby lowering input costs for farmers while minimizing soil degradation and water contamination associated with excessive fertilizer use.

Customized Fertilizers:

We have developed a series of Customized Fertilizers based on soil, crop, and crop-stage specificity, with the objective of improving nutrient-use efficiency and supporting sustainable agricultural practices. These products are developed in line with the principles of 4R Nutrient Stewardship, Right Source, Right Rate, Right Time and Right Place and are manufactured through a precision blending route to provide crop and crop-stage-specific nutrient combinations. By aligning nutrient application with the specific requirements of the crop and its growth stage, these customized fertilizers support more efficient nutrient uptake, contributing to improved nutrient-use efficiency, crop quality and yield.

The Customized Fertilizer portfolio has been developed for specific crops and geographies as listed below. The portfolio is being progressively expanded based on agronomic requirements and field-level needs. Following table provides the details of the state-specific, crop-specific, and crop-stage-specific customized fertilizers.



Launch of "CROPFIT", a customized fertilizer for basal application for Sugarcane grown in the state of Karnataka, India.

State	Crop	Grade	Nutrient	Stage	Approved Districts
Karnataka	Sugarcane	14:14:13:4:1:0:1:1	N:P2O5:K2O:S:Zn:B:Fe	Basal	Bagalkot, Belgaum, Bellary, Bidar, Chamarajanagar, Gadag, Kalaburagi, Koppal, Mandya, Mysore, Vijayapura, Yadgiri
		20:00:17	N:P2O5:K2O	Top dress	
	Chilli	14:12:10:4:0.8:0.2:0.5	N:P2O5:K2O:S:Zn:B:Fe	Basal	Bellary, Belgaum, Dharwad, Gadag, Haveri, Raichur

State	Crop	Grade	Nutrient	Stage	Approved Districts
	Maize	29:00:10	N:P2O5:K2O	Top dress	Davanagere, Belgaum, Hassan, Shimoga, Haveri, Bagalkot, Chitradurga, Chamarajanagar, Bellary, Koppal
		16:18:11:4:1	N:P2O5:K2O:S:Zn	Basal	
	Paddy	27:00:13	N:P2O5:K2O	Top dress	Raichur, Davanagere, Kalaburagi
		14:19:16:4:1	N:P2O5:K2O:S:Zn	Basal	
	Cotton	28:00:16	N:P2O5:K2O	Top dress	Belgaum, Bellary, Chamarajanagar, Chitradurga, Davanagere, Dharwad, Gadag, Haveri, Kalaburagi, Koppal, Mysore, Raichur, Tumkur, and Yadgir
		15:15:9:5:1:1:0.3:0.5	N:P2O5:K2O:S:Mg:Zn:B:Fe	Basal	
	Potato	29:00:10	N:P2O5:K2O	Top dress	Hassan, Kolar, Belgaum, Chikmagalur, Chikballapur, Bengaluru Urban and Rural, Dharwad and Chamarajanagara
		12:09:20:1:0.2	N:P2O5:K2O:Zn:B	Basal	
Maharashtra	Redgram	10:20:10:6:0.5:0.2	N:P2O5:K2O:S:Zn:B	Basal	Ahilyanagar, Akola, Amravati, Ch. Sambhajinagar, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Kolhapur, Nagpur, Nandurbar, Nashik, Osmanabad, Parbhani, Pune, Raigad, Sangli, Satara, Solapur, Wardha, Washim, Yavatmal
	Onion	12:12:17:8:0.5	N:P2O5:K2O:S:Zn	Basal	Ahilyanagar, Akola, Amravati, Ch. Sambhajinagar, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Kolhapur, Nagpur, Nandurbar, Nashik, Osmanabad, Parbhani, Pune, Sangli, Satara, Sindhudurg, Solapur, Wardha, Washim, Yavatmal
	Cotton	11:18:10:0.4:0.2	N:P2O5:K2O:Zn:B	Basal	Ahilyanagar, Akola, Amravati, Ch. Sambhajinagar, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Latur, Nagpur, Nanded, Nandurbar, Nashik, Osmanabad, Parbhani, Pune, Sangli, Satara, Solapur, Wardha, Washim, Yavatmal
	Banana	15:15:20:8:0.5:0.2	N:P2O5:K2O:S:Zn:B	Basal	Ahilyanagar, Akola, Amravati, Ch. Sambhajinagar, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Latur, Nagpur, Nanded, Nandurbar, Nashik, Osmanabad, Parbhani, Pune, Sangli, Satara, Solapur, Wardha, Washim, Yavatmal
	Maize	18:18:10:0.5:0.2	N:P2O5:K2O:Zn:B	Basal	Ahilyanagar, Akola, Amravati, Ch. Sambhajinagar, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Kolhapur, Nagpur, Nandurbar, Nashik, Osmanabad, Parbhani, Pune, Sangli, Satara, Sindhudurg, Solapur, Wardha, Washim, Yavatmal
	Sugarcane	9:23:12:5:1:0.2:1	N:P2O5:K2O:S:Zn:B:Fe	Basal	Solapur, Kolhapur, Pune, Ahilyanagar, Sangli, Satara, Latur, Osmanabad, Beed, Parbhani, Jalna, Nanded, Nashik, Hingoli, Ch. Sambhajinagar, Yavatmal, Nandurbar, Jalgaon, Dhule, Bhandara, Wardha
		22:08:16	N:P2O5:K2O	Top Dress	

Circular Fertilizers:

In addition to this, we manufacture circular products such as Zypmite Plus, a gypsum-based micronutrient mixture manufactured from recycled Phosphogypsum and contains sulphur, zinc, boron, calcium and magnesium and Bhoomitra Gold (Fermented Organic Manure (FOM) and compost). Zypmite Plus or Maha Zypmite helps improve soil conditions by correcting soil pH and creating a favorable environment for crop growth, while compost and FOM help improve soil organic carbon content.

Sustainable Revenue

In FY 2025–26, PPL's sustainable product portfolio generated revenues of more than INR 875 crore and achieved a total sales volume of 349,774 MT. Among these products, Jai Kisaan Navratna TSP 46% P2O5 accounted for the largest share of production and sales, followed by Maha Zypmite and Zypmite Plus, reflecting the growing contribution of both specialty nutrition and circular product offerings to the Company's portfolio. The continued expansion of sustainable products underscores PPL's focus

on diversifying its product mix and strengthening its presence in sustainable agriculture markets. Going forward, we aim to further scale the production and market reach of nano-fertilizers, customized fertilizers, Zypmite, and other sustainable product offerings.

The following table provides details of the quantity produced and sales of the newly launched sustainable products.

Product Name	Quantity sold in FY 2023-24 (MT)	Sales in FY 2023-24 (INR)	Quantity sold in FY 2024-25 (MT)	Sales in FY 2024-25 (INR)	Quantity sold in FY 2025-26 (MT)	Sales in FY 2025-26 (INR)
Jai Kisaan Navratna Nano Shakti Nano Urea	0.00	0.00	238	106,855,276	157	70,755,216
Jai Kisaan Navratna Nano Shakti Nano DAP	0.00	0.00	639	671,557,450	895	940,615,065
Jai Kisaan Navratna TSP 46% P ₂ O ₅	0.00	0.00	148,057	3,580,840,280	282,939.0	7,133,256,187
Maha Zypmite and Zypmite Plus	34,535	357,907,537	44,519	450,112,669	47,412	485,100,995
City Compost (FOM)	15,415	91,107,723	17,682	110,039,643	18,371	120,728,886
Total	49,951	449,015,261	211,135	4,919,405,319	349,774	8,750,456,348

3. Social Dimension

Labor Practices Commitment

Policy Aspects	Remarks
Paying a living wage	PPL is committed to providing living wages that ensure fair and sustainable compensation for all employees. In addition, we offer a range of employee welfare benefits, including free uniforms, subsidized meals, and housing at below-market rates. We also maintain well-equipped townships with comprehensive amenities that enhance the quality of life and support the well-being of our employees and their families.
Avoiding or reducing overtime or excessive working hours	We safeguard the wellbeing of our employees and contract workers by setting clear limits on working hours, careful monitoring of overtime in line with our Working Days, Hours and Leaves Policy, ensuring all extra work is compensated.
Setting maximum working hours	
Equal remuneration for men and women	We provide fair, consistent, and unbiased compensation, ensuring equal pay for equal work, regardless of gender, race, caste, creed, religion, age, or background. In line with our Human Rights Policy , we maintain wages, benefits, and working conditions that are equitable and comply with local laws, fostering a workplace that values inclusion, equality and employee wellbeing.
Paying workers for annual leave	Under our Working Days, Hours, and Leaves Policy, all employees are entitled to Privilege Leave (PL) of up to 30 days per year, depending on the employing entity and date of joining. The policy also provides for the annual encashment of PL, enabling employees to receive payment in lieu of unused leave.
Setting minimum consultation or notice periods before mass terminations	We are committed to responsible workforce transition practices. While we have not carried out any mass terminations to date, any future restructuring involving significant workforce changes will be undertaken in compliance with applicable legal requirements and guided by the principles of fairness, transparency, consultation, and timely notice.
Scope of commitment	Respect for labor rights is a fundamental aspect of our approach to responsible business conduct. We apply our labor standards across our workforce, including full-time and part-time employees, subcontracted personnel, and on-site contractors, while also promoting these principles throughout our supplier and business partner network.

Labor Practices Programs

We believe that fair treatment, equitable opportunities, and respect for individual dignity lead to a stronger, more committed workforce.

(1) Wages Aligned to Cost of Living

We are committed to providing compensation that supports employees' well-being and long-term financial security. Every two to three years, we conduct a comprehensive benchmarking exercise with peer group companies and market data. The insights generated through these reviews inform compensation decisions and help us maintain wage levels that exceed living wage estimates while promoting fairness, competitiveness, and long-term workforce sustainability. Any necessary corrections are integrated through our Performance Management System (PMS) cycle to keep our approach fair and sustainable.

(2) Protecting Against Excessive Working Hours

We have established clear working hour limits for employees and on-site contractors to support employee well-being and promote a healthy work-life balance. Overtime, where required, is monitored and compensated in line with statutory requirements, reinforcing the principle of fair work-life balance.

Overtime is closely tracked and fairly compensated, ensuring protection against excessive working hours.

As per the Working Days, Hours and Leaves Policy, we have set defined weekly working hour limits across all Adventz Group Agri-Business entities to safeguard employee wellbeing and prevent excessive working hours.

It establishes a maximum of 48 hours per week for manufacturing units, field marketing officers, laboratories, and retail stores. For corporate and sales head offices, the limit is 45 hours per week. Shift and non-shift arrangements vary slightly by location, but all are capped at 48 hours per week. By standardizing working hours across sites and business verticals, the company ensures that employees are not subject to excessive work schedules.

(3) Fair and Transparent Overtime Pay

All additional hours are paid in line with statutory requirements and internal commitments, reflecting our belief that extra effort should be acknowledged and rewarded appropriately.

(4) Listening to Worker Voices

We recognize and respect our employees' right to freely associate on matters related to their employment, in line with company policies, procedures, and applicable laws. To support open and constructive engagement, we maintain open channels with worker representatives at our manufacturing facilities. We are also putting formal agreements in place with recognized trade unions to enable constructive dialogue on labor-related matters and strengthen mutual trust between teams and leadership.

(5) Addressing the Gender Pay Gap

Pay equity is an integral component of our approach to fair employment practices. We regularly evaluate compensation outcomes to promote equitable pay and help ensure that employment decisions are free from bias related to gender, caste, background, or other personal characteristics.

(6) Extending Social Protection Beyond Public Programs

Our employee benefits framework goes beyond legal obligations to provide life insurance, healthcare, paid parental leave for all parents, on-site childcare where possible adequate sick leave and retirement provision. Through these offerings, we seek to support the overall well-being of our employees, enhance financial and social security, and create an environment where employees can thrive both personally and professionally.

(7) Respect for Rest and Time Off

Employees receive paid annual leave and are encouraged to plan time away from work. Our leave systems are designed to make it easy to take breaks without compromising team operations. As per our Working Days, Hours and Leaves Policy, employees are granted up to 30 days of Privilege Leave (PL) annually, depending on their joining date and entity. To provide additional flexibility, employees may also opt for annual encashment of unused PL in accordance with the policy. Our leave management processes are designed to support time off while ensuring business continuity and effective team operations.

(8) Support During Change

We are committed to supporting employees through periods of organizational and industry change. When roles or business needs evolve, we provide reasonable notice and offer reskilling programs so employees can adapt to shifts in the industry, including those brought by technology, climate-related changes, or new market demands.

Discrimination & Harassment

As covered in our [Code of Business Conduct and Ethics](#), PPL is committed to non-discrimination, ensuring that all employment decisions, whether in hiring, promotion, training, or termination are based solely on merit and ability, without regard to race, colour, caste, creed, religion, age, disability, gender, sexual orientation, or marital status. Discrimination of any kind is not accepted or tolerated. Both the COBC and our [Prevention of Sexual Harassment \(POSH\) Policy](#) affirm a zero-tolerance stance toward all forms of harassment, threats, insults, unlawful discrimination, and other unprofessional conduct. We expect every employee to uphold the same standard in their behaviour.

We provide all employees and line managers with training and guidance on recognizing, preventing, and addressing discrimination and sexual harassment in the workplace. Regular refresher sessions are held to keep our workforce informed, aware, and sensitive to these issues. The POSH policy also sets out a clear escalation process for lodging complaints and seeking redressal, along with defined steps for investigation. It outlines the corrective and disciplinary actions that may be taken based on the recommendations of the Internal Complaints Committee in cases of discriminatory behaviour or harassment.

Workforce Breakdown: Gender

Diversity Indicator	FY24	FY25	FY26
Share of women in total workforce (as % of total workforce)	4.00%	4.00%	4.65%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	4.25%	4.00%	4.65%
Target for share of women in all management positions	6% by 2030		
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	8.92%	4.8%	4.81%
Share of women in top management positions (as % of total top management positions)	Nil	0%	1.08%
Share of women in management positions in revenue-generating functions (as % of all such managers)	2.76%	2.82%	0.74%*
Share of women in STEM-related positions (as % of total STEM positions)	2.55%	2.02%	2.80%

* The decline is primarily attributable to the integration of the MCFL plants which increased the overall number of managers in revenue-generating functions, further reducing the percentage representation of women in this category.

We continue to strengthen our efforts to build a more diverse and inclusive workforce. During FY 26, the share of women in our total workforce and management positions increased to 4.65%, reflecting steady progress toward our target of achieving 6% women representation in management positions by 2030. Our approach focuses on creating an enabling work environment through targeted talent development initiatives, leadership and coaching programs, flexible work arrangements, childcare support, parental and adoption leave provisions, and comprehensive health and well-being benefits. We also seek to support employee retention through inclusive workplace practices, as reflected in our parental leave return-to-work rate of 98.7% and retention rate of 87%. Together, these initiatives contribute to attracting, developing, and retaining a diverse workforce while advancing our longer-term representation goals.

Workforce Breakdown: Nationality

We are not able or allowed to report on ethnic and racial minorities, and therefore provide a breakdown based on nationality.

Nationality/ Geography	Share in total workforce (as a % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Indian	100%	100%

Gender Pay Indicators

Employee level	Average Women Salary (INR) in FY 2024-25	Average Men Salary (INR) in FY 2024-25	Average Women Salary (INR) in FY 2025-26	Average Men Salary (INR) in FY 2025-26
Executive level (base salary only)	-	8,12,944	NA	8,49,652
Executive level (base salary + other cash incentives)	-	10,61,267	NA	1,111,691
Management level (base salary only)	77,071	85,164	70,657	81,710
Management level (base salary + other cash incentives)	85,846	96,278	78,972	91,877
Non-management level (base salary only)	1,25,699	1,20,240	126,025	120,198

Base salary is considered as monthly fixed salary. The salary reported here is monthly salary.

We periodically analyze remuneration data across employee categories and levels to assess pay outcomes between women and men and identify any potential disparities. Our methodology involves comparing average compensation for employees within comparable workforce groups, considering factors such as role level, job responsibilities and employment category. The results of this analysis are reviewed through our compensation governance processes and inform our ongoing efforts to promote fair and equitable remuneration practices across the organization.

Freedom of Association

We respect our employees' rights to freedom of association and collective bargaining, and the table below shows the proportion of our workforce represented by unions.

	FY 2024-25	FY 2025-26
% of workers represented by an independent trade union or covered by collective bargaining agreements	23.61%	13.86%

Please note: The year-on-year change is primarily attributable to the integration of employees from Mangalore Fertilizers plants during FY 2025-26. Differences in trade union representation and collective bargaining coverage across sites affected the overall percentage reported for the expanded workforce.

3.1. Human Rights

Human Rights Due Diligence Process

Respect for human rights is embedded within our risk management and business decision-making processes. To identify and address potential human rights impacts, we have established a comprehensive, company-wide human rights due diligence process to proactively identify, assess, and address potential impacts and risks across all our operations. This process is publicly available, reflecting our commitment to transparency, accountability, and alignment with internationally recognized human rights standards.

Human rights risks can emerge at any point in a company's operations or value chain, from the sourcing of raw materials to the treatment of workers, engagement with local communities, or the integration of newly merged businesses. Recognizing this, our due diligence covers our own operations, our supply chain, and any connected business activities, including new relationships formed through mergers, acquisitions, and joint ventures.

We conduct thorough and periodic risk mapping to identify potential and emerging issues. Our approach focuses on examining a range of salient human rights risks and protecting vulnerable groups and addressing critical risks such as forced labour, human trafficking, child labour, restrictions on freedom of association, barriers to collective bargaining, equal remuneration, and all forms of discrimination. We

also assess risks specific to our employees, women, children, third-party employees and local communities that may be affected by our activities. By systematically reviewing and updating our risk mapping, we can anticipate challenges, respond early, and build stronger, more responsible business relationships. Through these measures, we aim to make respect for human rights not just a principle, but a daily practice embedded in every part of our business.

Human Rights Assessment

During the last financial year, we took a significant step to enhance the rigour of our human rights due diligence by commissioning an independent third-party assessment of our operations. The assessment was undertaken at our operational units in Paradeep, Odisha, and Zuarinagar, Goa. We are currently extending the scope of the assessment to include Mangalore and Mahad plants as well after the merger of MCFL with PPL.

Category	% of total assessed in last three years	% of total assessed where risks have been identified	% of risk with mitigation actions taken
Own operations (as a % of sites)	100	0	0
Contractors and Tier I suppliers (as a % of contractors or Tier I Suppliers)	0%	0%	0%
Joint ventures	0%	0%	0%

Human Rights Mitigation and Remediation

Category	Remarks
Processes implemented to mitigate human rights risks	Human rights oversight is supported through active engagement between senior leadership and functional teams, helping ensure that human rights considerations are embedded across our day-to-day operations and decision-making processes. While we do not employ child labour, we take proactive steps to reduce the likelihood of such risks within our supply chain. During the reporting period, these included: • Providing ongoing training for management on applicable legal requirements and methods for identifying early warning signs of child labour risks. • Maintaining a detailed employee register to verify compliance with legal working age requirements. To reduce the risk of unresolved human rights concerns, we maintain a clear and accessible grievance mechanism that includes: • A formal procedure for lodging complaints, communicated to all stakeholders. • A structured system to track and resolve grievances timely and transparently. • Continuous review of grievance data to identify patterns and drive organizational improvements. In addition, our Internal Complaints Committee (ICC) provides a dedicated mechanism for addressing complaints, supporting fair investigations, and facilitating appropriate remedies and support for affected individuals.
The number of sites with mitigation plans	Although the Company did not cause or contribute to any adverse human rights impacts or violations during the reporting year, our operational sites have established mitigation plans to reduce the likelihood of potential risks arising in the future.
The type of remediation actions taken	Although no human rights-related remediation measures were required during the reporting year, the Company maintains robust systems to enable a swift and effective response should the need arise. Our approach is underpinned by a zero-tolerance stance on retaliation and supported by procedures that enable concerns to be raised and handled confidentially, impartially, and without fear of reprisal. Where potential risks are identified, targeted corrective and preventive measures are implemented to reinforce our human rights safeguards and reduce the likelihood of recurrence.

3.2. Human Capital Management

Our human capital approach focuses on three areas: building employee skills through relevant learning opportunities, maintaining an inclusive and respectful workplace culture, and taking practical steps to support employee well-being. These measures help us strengthen our workforce for current and future needs.

Training and Development Inputs

To address skills gaps and support business needs, we invest in learning and development that builds employee capabilities while encouraging retention and engagement. Continuous learning is vital for our industry, where evolving technology, safety protocols, and regulatory standards demand up-to-date skills. By strengthening our workforce knowledge, we ensure operational excellence and deliver better solutions to the farming communities we serve.

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total hours of training and development	63,756	68,354	58,775	1,35,683
Average hours per FTE of training and development	43	45.23	40	62
Total spend on training and development (in INR)	29,675,270	14,880,088	7,281,260	31,690,000
Average amount spent per FTE on training and development (in INR)	20,105	6,565.7	7,097	14,443

TRAINING DATA BREAKDOWN (MANAGEMENT LEVEL & GENDER WISE) FY 26		
Employee Category	Unit	FY 2025-26
Management Staff	Total hours	1,33,717
	Average training hours	71
Non-Management Staff	Total hours	1,966
	Average training hours	6
Male	Total hours	1,19,774
	Average training hours	57
Female	Total hours	15,909
	Average training hours	156

Employee Development Programs

We provide structured employee development programs to strengthen leadership capability, accelerate the development of early-career talent, improve managerial effectiveness and build technical and operational capabilities. The programs are delivered through a combination of internal learning interventions, partnerships with academic institutions and personalized coaching engagements. Learning methods (externally/internally) offered at PPL for employee development include:

Type of program offered for employee development	Remarks	Coverage (Employees/Contractual/Both)
Leadership development program	We invest in the growth of our critical talent through structured Learning Journey programs in partnership with premier institutions. Program LEAD, conducted with IIM Mumbai and IIM Lucknow, combines executive education, campus immersions, and Action Learning Projects to enhance leadership capability, strategic thinking, and cross-functional collaboration. Program Utthan further supports leadership readiness through experiential	Employees

Type of program offered for employee development	Remarks	Coverage (Employees/Contractual/Both)
	learning focused on personal effectiveness and managerial capability.	
Coaching or Mentorship	We provide personalized leadership coaching through structured one-to-one engagements delivered in virtual and in-person formats. During the reporting period, 28 leaders across the Paradeep and Goa units participated in the Leadership Coaching Program, which included 31 coaching interventions designed to support professional growth and leadership effectiveness.	Employees

	Program 1	Program 2
Name & Description of the program	Program LEAD: Leadership Development Program for Asset-Facing Talent: We partnered with IIM Mumbai to deliver Program LEAD, a structured leadership development journey for high-potential employees in asset-facing roles. The program is designed to develop the leadership capabilities required to manage manufacturing operations, work effectively across functions, and contribute to strategic business priorities. The initiative follows a 9-to-12-month development journey that integrates structured learning, campus immersion, interaction with academic experts, and application-based learning. The program covered 30 high-potential leaders and included nine learning days and three campus immersions. An important component of the program was the completion of nine Action Learning Projects focused on strategic business opportunities. These projects enabled participants to apply the concepts covered during the program to business situations and link leadership learning with organizational requirements.	Program LEAD: Leadership Development Program for Customer-Facing Talent: This program has been designed for high-potential employees in customer-facing and market-facing roles. A partnership with IIM-Lucknow, the program is designed to develop customer-centric leadership, strategic thinking, and commercial effectiveness among employees responsible for supporting the Company's engagement with customers and markets. The initiative follows a 9-to-12-month development journey that combines structured learning with the practical application of business concepts. The program covered 30 high-potential leaders and included nine learning days. Participants also undertook eight business-focused Action Learning Projects. These projects provided participants with an opportunity to apply their learning to business priorities and explore solutions capable of delivering measurable organizational value.
Business benefits of the program	Program LEAD strengthens manufacturing leadership capability among high-potential, asset-facing employees. The program enables participants to develop a broader understanding of business priorities while enhancing their ability to work across functions and address strategic business opportunities. The program also supports improved cross-functional collaboration by bringing together leaders from relevant business areas in a common development journey. Through the Action Learning Projects, participants apply their learning to actual organizational opportunities rather than limiting the program to classroom-based development. The initiative also contributes to strengthening PPL's succession pipeline by preparing high-potential employees for broader and more complex leadership responsibilities.	The program strengthens customer-centric leadership capability and strategic thinking among high-potential employees in market-facing functions. The program supports the development of leadership capabilities that are relevant to understanding business priorities, responding to customer requirements, and improving commercial effectiveness. The Action Learning Projects create a direct connection between structured learning and the Company's business context. By working on business-focused projects, participants are able to apply strategic and commercial concepts to organizational opportunities. This approach enables the program to support leadership development while generating measurable organizational value through application-based learning.
Quantitative impact of business benefits	The program covered 30 high-potential leaders through a 9-to-12-month development journey. Participants completed nine learning days, including three campus	The program covered 30 high-potential leaders through a 9-to-12-month development journey. Participants completed nine learning days and

	Program 1	Program 2
	immersions, and undertook nine Action Learning Projects addressing strategic business opportunities. The savings potential associated with each Action Learning Project was mapped, thereby establishing a mechanism to quantify the potential organizational value of the projects.	undertook eight business-focused Action Learning Projects designed to deliver measurable organizational value.

	Program 3	Program 4
Name & Description of the program	Program Prarambh: Program Prarambh is our structured flagship Trainee Development Program for Graduate Engineer Trainees. The program is designed to support the transition of young engineering talent into the organization and prepare participants for technical and operational responsibilities. The program follows a structured 34-week development journey covering technical capability, behavioral capability, manufacturing readiness, safety awareness, and organizational alignment. Through an integrated learning experience, participants develop an understanding of PPL's manufacturing environment and the professional and behavioral expectations associated with their roles.	Leadership Coaching Program: We provide personalized executive coaching to leaders through structured coaching engagements. The program offers one-to-one developmental support to enrolled leaders through a combination of in-person and virtual sessions.
Business benefits of the program	Through a structured and extended development journey, the program facilitates the faster integration of young talent into PPL's business operations. It strengthens the technical and behavioral capabilities of Graduate Engineer Trainees and prepares participants to work within a manufacturing environment. The program improves manufacturing readiness by providing participants with structured exposure to operational requirements and workplace expectations. Its focus on safety awareness helps participants understand the importance of safe operating practices from the beginning of their careers. The program also strengthens organizational alignment by familiarizing trainees with the capabilities and behaviors required to contribute effectively within PPL.	The Leadership Coaching Program provides personalized development support to leaders through structured one-to-one engagements. The individualized format enables the coaching intervention to focus on the development requirements of enrolled leaders rather than applying a uniform learning approach. The combination of in-person and virtual coaching provides a structured mechanism for leadership development for participants. Through these engagements, the program supports the continued development of leaders and complements PPL's broader leadership development and succession-building initiatives.
Quantitative impact of business benefits	The program covered 143 Graduate Engineer Trainees through a structured 34-week development journey. More than 60,000 learning hours were delivered through the program, supporting the development of technical capability, behavioral capability, manufacturing readiness, safety awareness, and organizational alignment among participating trainees.	15 leaders were enrolled at the Paradeep Unit and 13 leaders at the Goa Unit, representing a total of 28 enrolled leaders. PPL conducted 14 structured coaching interventions at Paradeep and 17 structured coaching interventions at Goa, resulting in a total of 31 coaching interventions across the two units.

	Program 5	Program 6
Name & Description of the program	Program Utthan: This is an experiential development initiative aimed at strengthening employees' personal effectiveness and managerial capabilities. The program is designed to help participants build self-awareness, improve interpersonal effectiveness, strengthen decision-making skills, and enhance their ability to manage people and workplace responsibilities. Through a highly interactive learning approach, employees are exposed to practical experiences that support the development of essential managerial and behavioral competencies.	Technical Capability Building and Operational Excellence Programs: We conduct a range of Technical Capability Building and Operational Excellence Programs to enhance employees' functional expertise and support continuous improvement across operations. The programs are designed to strengthen technical knowledge, operational excellence capabilities, and problem-solving skills required in a highly technical manufacturing environment.
Business benefits of the program	The program supports the development of future leaders and people managers by strengthening behavioral and managerial capabilities that are critical for effective workplace performance. By focusing on personal effectiveness, communication, collaboration, and managerial readiness, the initiative helps employees enhance their ability to lead teams, manage responsibilities, and contribute effectively to organizational objectives. The program also supports the creation of a leadership pipeline by preparing employees for expanded roles and responsibilities.	These programs help employees remain current with evolving operational practices and industry requirements while strengthening functional expertise in key business areas. By developing competencies in quality management, energy efficiency, process improvement, and operational excellence, employees are better equipped to identify improvement opportunities, contribute to productivity enhancement initiatives, and support reliable and efficient plant operations. The programs also promote a culture of continuous learning and operational discipline across the organization.
Quantitative impact of business benefits	Program Utthan was implemented as part of PPL's employee development portfolio to strengthen managerial and behavioral competencies through experiential learning interventions. The program forms part of the Company's broader efforts to build leadership capability and improve managerial effectiveness across the workforce.	During the reporting period, employees participated in technical and operational excellence learning programs covering Energy Management Systems, Quality Management Systems, energy savings and conservation practices, and Lean Six Sigma methodologies. These programs formed an integral part of our capability-building framework aimed at strengthening technical expertise and supporting operational excellence.



Program LEAD IIM-Mumbai Batch



Program LEAD IIM-Lucknow Batch



Program Prarambh for plant trainees

Transition Assistance for Retiring Employees

We facilitate retirement transition through a formal framework that provides eligible employees with opportunities for continued professional engagement beyond superannuation. Where business continuity, critical capability retention, or succession requirements justify such arrangements, retiring employees may be offered an extension of employment or re-engagement as retainers or consultants. These opportunities support a gradual transition from full-time employment while enabling employees to continue applying their skills, sharing knowledge, and mentoring future talent.

Through structured post-retirement engagement arrangements, we seek to support continued employability, preserve critical organizational knowledge, and ensure effective succession and handover processes. The framework also provides flexibility in the form of full-time or part-time engagements based on business requirements and the individual's expertise, contributing to a smooth and well-managed transition for retiring employees.

Training Programs for our Contract Workforce

We extend training and awareness programs to contract workers engaged across our operations to support their safety, wellbeing, and compliance with workplace requirements. During FY25-26, contract workers participated in a broad range of training programs covering occupational health and safety topics such as fire prevention and firefighting, chemical and process safety, electrical safety, confined space safety, hazard identification and risk assessment, emergency preparedness and rescue operations, road safety, safe material handling, machine guarding, and work permit requirements. We also conducted practical demonstrations on the use of personal protective equipment (PPE), self-contained breathing apparatus (SCBA), fire extinguishers, and other safety equipment. In addition, we provided training on human rights, prevention of sexual harassment (POSH), and statutory employee welfare programs. Through these initiatives, we help ensure that contract workers receive role-relevant training and are equipped to work safely and responsibly within our operations.

Human Capital Return on Investment

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total Revenue (INR)	133,407,219,000	115,751,198,000	138,202,080,000	218,263,402,000
Total Operating Expense (INR)	125,397,300,000	109,272,800,000	125,643,700,000	196,740,703,000
Total Employee-related expenses (salaries + benefits) (INR)	2,132,025,000	2,297,877,000	2,491,005,000	3,366,836,000
Resulting HC ROI (a - (b-c)) / c	4.75	3.81	6.04	7.39
Total Employees	1,476	1,467	1,457	2,194

Hiring

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total number of new employee hires	166	252	133	350
Percentage of open positions filled by internal candidates (internal hires)	9%	0%	4%	7%
Average hiring cost/ FTE (in INR)	59,669	31,009	56,104	65,179

NEW HIRES DATA BREAKDOWN (MANAGEMENT, GENDER AND AGE-WISE)			
Category	Breakdown	Unit	FY 2025-26
Management Staff	Male	No.	320
	Female	No.	30
	<30	No.	249
	30-50	No.	88
	>50	No.	13
Non-Management Staff	Male	No.	0
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	0
Permanent Workmen	Male	No.	0
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	0
Contractual employees	Male	No.	2,529
	Female	No.	20
	<30	No.	1,180
	30-50	No.	1,210
	>50	No.	159

INTERNAL HIRES DATA BREAKDOWN (MANAGEMENT, GENDER AND AGE-WISE)			
Category	Breakdown	Unit	FY 2025-26
Management Staff	Male	No.	23
	Female	No.	1
	<30	No.	0
	30-50	No.	12
	>50	No.	12
Non-Management Staff	Male	No.	0
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	0
Contractual employees	Male	No.	0
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	0

Local Hiring and Market Presence

We regard local employment as a direct and measurable channel through which our operations create economic value in the regions that host them. The term "senior management" is defined as employees at the top and middle management levels who hold functional or unit-level decision-making authority, and "local community" is defined as the State in which the operating location is situated, Odisha, Goa,

Karnataka, and Maharashtra. Our four manufacturing facilities and offices across multiple states, constitute the significant locations of operation.

As on 31 March 2026, 61.29% of senior management positions across these locations were held by individuals hired from within the respective State. This demonstrates majority of our senior leadership is drawn from the communities in which we operate.

Employee Turnover Rate

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total employee turnover rate	9%	10.2%	9.8%	11.03%
Voluntary employee turnover rate	5.35%	6.95%	6.2%	7.43%
Data coverage (as % of all FTEs globally)	100%	100%	100%	100%

TOTAL EMPLOYEE TURNOVER DATA BREAKDOWN (MANAGEMENT, GENDER AND AGE-WISE)			
Category	Breakdown	Unit	FY 2025-26
Management Staff	Male	No.	196
	Female	No.	7
	<30	No.	89
	30-50	No.	65
	>50	No.	49
Non-Management Staff	Male	No.	39
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	39
Permanent Workmen	Male	No.	0
	Female	No.	0
	<30	No.	0
	30-50	No.	0
	>50	No.	0
Contractual employees	Male	No.	2,661
	Female	No.	12
	<30	No.	1,089
	30-50	No.	1,309
	>50	No.	275

Long-Term Incentives for Employees

1. The type of long-term incentive program 2. The type of employees below the senior management level the program applies to	Company's long-term incentives for employees below the senior management level are on average paid out after	Percentage of company's workforce below senior management level (max. two levels from the CEO) that this program applies to	Do the long-term incentives include targets associated with sustainability performance?
Under our Employee Stock Option Program (ESOP 2021), eligible employees are awarded stock options that provide the right to purchase Company shares at a future date, subject to applicable terms and conditions. The program is designed to align employee interests with the	Longer than 3 years	100%	No

1. The type of long-term incentive program	Company's long-term incentives for employees below the senior management level are on average paid out after	Percentage of company's workforce below senior management level (max. two levels from the CEO) that this program applies to	Do the long-term incentives include targets associated with sustainability performance?
2. The type of employees below the senior management level the program applies to			
Company's long-term growth and profitability objectives while promoting commitment, performance, and value creation. In addition, it serves as an important mechanism for attracting, motivating, and retaining talent by enabling employees to participate in the Company's future growth.			

Employee Support Programs

We approach employee well-being with the understanding that good health, balance, and a supportive workplace are essential for sustained performance. Our initiatives address the varied needs of our workforce, taking into account differences in roles, locations, and personal circumstances.

Milestone Ceremony



Trainers Felicitation



Abhilasha-Mangrove Plantation



Abhilasha-Niksha Mitra Program



PoSH Training



Employee engagement activities and programs



Leadership connects with new joiners



Cultural activities and other programs

Workplace stress management

We recognize that employee well-being is fundamental to engagement, productivity, and long-term organizational success. To support employees in balancing their professional and personal responsibilities, we provide wellness initiatives focused on physical, mental, and financial well-being, including yoga sessions, mental health support, and financial planning workshops.

Employee engagement is further reinforced through our **PPL CARES Framework**, which comprises seven pillars: **We Empower, We Recognize, We Grow, We Bond, We Communicate, We Celebrate, and We Nurture**. The framework provides a structured approach to strengthening employee experience through recognition, learning and development, career growth, collaboration, open dialogue, and well-being initiatives. By embedding these elements into our people practices, we foster an inclusive,

	supportive, and high-performing workplace culture.
Sports & health initiatives	We foster employee well-being and engagement through a range of recreational, cultural, and community-building initiatives across our Paradeep and Goa locations. Employee-led forums, including the PPL Ladies Club, Mandir Committee, Jai Kisaan Club, and Management Club, provide opportunities for social interaction, cultural participation, and volunteerism, helping strengthen workplace connections and a sense of community. To enhance coordination and participation, PPERC and PPOC were consolidated into the Navratna Club, which now serves as the central platform for sports, recreation, and community engagement activities. Supporting the physical well-being of employees and their families, we also inaugurated two open gyms within the township and expanded healthcare access through a new outpatient department (OPD) wing and 24x7 pharmacy services operated by Apollo Pharmacy.
Work Conditions	We support employees in balancing their professional and personal commitments through flexible work arrangements, including flexible working hours and remote work options for eligible office-based roles. By providing greater flexibility in how work is performed, we aim to enhance employee well-being, promote work-life integration, and create a supportive and inclusive work environment.
Family Benefits	Childcare and Breastfeeding Support We support employees in balancing their professional and caregiving responsibilities through family-friendly workplace provisions. Fully equipped crèche facilities are available across our plant locations, providing a safe and supportive environment for children during working hours while also enabling lactating mothers to breastfeed conveniently. In addition, we provide 26 weeks of paid parental leave for primary caregivers in accordance with statutory requirements and one week of paid parental leave for non-primary caregivers, helping employees navigate important family responsibilities while remaining connected to the workplace. Adoption Leave We support employees through different stages of parenthood by providing 12 weeks of paid adoption leave to employees who legally adopt a child below three months of age. This benefit enables adoptive parents to dedicate time to caregiving, family integration, and bonding during the early months following adoption. Health Insurance We provide comprehensive health insurance coverage for employees and their families, including benefits that support maternal and child healthcare. Through these provisions, we help ensure access to quality medical care and promote the health and well-being of parents and children at every stage of their journey.

Type of Performance Appraisal

Our performance evaluation approach blends structured goal setting with diverse feedback channels and ongoing dialogue, ensuring that employees remain aligned with business priorities while continuously developing their capabilities.

	Remarks
Management by objectives	Our performance management framework promotes accountability, development, and recognition. Employees and their managers collaboratively define annual goals at the beginning of the year that support both individual growth and organizational priorities. Progress and accomplishments are formally reviewed at year-end to recognize contributions and support continuous performance improvement.
Multidimensional performance appraisal	Annual performance reviews are informed by feedback from multiple stakeholders, including managers, peers, and, where relevant, subordinate team members. This 360-degree approach provides employees with well-rounded insights into their performance and behaviors, supporting continuous learning, professional development, and career growth.
Team-based performance appraisal	We align individual and team performance with our strategic and operational priorities through a structured performance management framework. At the beginning of each year, business objectives are established at the entity and

	Remarks
	functional levels and subsequently cascaded across teams and employees. Progress against these goals is assessed through the annual performance review process. Employee performance evaluations consider both individual contributions and the achievement of team and organizational objectives, reinforcing a culture of accountability and collaboration. Compensation outcomes, including performance incentives and salary increments, are linked to overall performance outcomes, with variable pay reflecting the collective results achieved by the relevant entity or function alongside individual performance.
Agile conversations	We complement our formal performance review process with regular manager-employee check-ins throughout the year. These ongoing conversations provide opportunities to discuss progress, exchange feedback, address emerging challenges, and realign priorities where needed, helping employees stay focused on achieving their goals and supporting business objectives.
Performance Appraisal Frequency	At least yearly

Trend of Employee Wellbeing

We seek to understand employee perspectives and continuously enhance employee experience through a combination of feedback channels, including town halls, surveys, and ongoing engagement initiatives. During the year, we conducted an Employee Satisfaction Survey to understand perceptions around job satisfaction, sense of purpose, well-being, workplace relationships, and fairness. The Employee Satisfaction Index (ESI) for the year was 65.8. Insights from the survey have guided us in prioritizing improvement areas. Initiatives are underway to strengthen well-being, enhance workplace relationships, and create a more positive work environment. Recognizing that job satisfaction varies by individual, we strive to align employees' strengths and interests with their roles wherever possible.

During FY 2025-26, we expanded our workforce footprint through the integration of the newly merged Mangalore and Mahad sites. We continue to report the most recent available ESI score of **65.8** as our baseline against a **target ESI score of 70%**.

Core focus	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Employee engagement (% of employees with top level of engagement, satisfaction)	65.8	65.8	65.8	65.8
Data coverage (% of FTEs)	64	64	64	64

Aspects addressed in the company's employee surveys	Remarks
Job satisfaction	The employee survey that we conduct assesses critical markers of employee experience, such as job satisfaction, sense of purpose, overall happiness, and stress levels at work.
Purpose	
Happiness	
Stress	

3.3. Occupational Health and Safety

OHS Programs

We believe that a truly safe and healthy workplace is fundamental to our success, our environmental responsibility, and the well-being of our people and communities. Our safety philosophy is built on the pillars of proactive risk mitigation, continuous improvement, and the empowerment of every individual

to be an active participant in their safety journey. This dedication extends across all operations, encompassing our employees, contractors, and the broader ecosystem within which we operate.

Four of our manufacturing units in Paradeep (Odisha), Mangalore (Karnataka), Mahad (Maharashtra), and Zuarinagar (Goa), proudly hold ISO 45001:2018 certification, covering 100% of our entity, including both regular employees and contractors. This foundational certification underscores our dedication to a robust occupational health and safety management system. Additionally, our ISO 50001 Energy Management System and 5S Certification for housekeeping further contribute to a safe and efficient operational environment.

Our approach to risk management

- **Systematic Hazard Identification:** We employ a comprehensive strategy including Hazard Identification and Risk Assessment (HIRA), HAZOP studies, and extensive safety audits to identify work-related hazards and assess risks routinely and non-routinely.
- **Emergency Preparedness:** Proactive measures include well-defined emergency preparedness plans, robust fire safety protocols, and regular electrical safety audits.
- **Health Surveillance:** Special health checks are conducted periodically for workers in hazardous areas. An On-Campus Hospital provides round-the-clock health services to employees and their families, ensuring immediate medical attention when needed.
- **Instant Alert & Action:** Our Safety Mobile App enables instant recording and sharing of unsafe observations, ensuring prompt action. Coupled with "safety touch" initiatives and "safety hot spots," we proactively identify unsafe conditions on the shop floor.
- **Accident Abatement:** The well-maintained workplace model AAINAA (Advance Action in Industries to Abate Accidents) is implemented in 9 locations.
- **Advanced Detection:** A Fire Detection System is installed at the Navratna Building and emergency control room.
- **Emergency Infrastructure:** An Emergency Water Pond is constructed at the SAP plant for acid splash emergencies.
- **External Collaboration:** Recognizing safety knowledge gaps among transporters, we collaborated with CSIR-NEERI to develop SOPs for spill cleanup and soil decontamination.
- **Integration of Action Plans and Targets:** We integrate findings from Hazard Identification and Risk Assessment (HIRA), incident investigations, safety observations and compliance audits into site-specific action plans. Risks are prioritized based on severity and likelihood, and mitigation measures are assigned to accountable owners with defined timelines. For significant risks, we establish measurable objectives and Key Performance Indicators (KPIs), including targets related to incident reduction, closure of corrective actions, safety training completion, critical control verification and contractor safety performance. Progress against these targets is reviewed through the Apex Safety Committee and site-level safety governance forums to ensure accountability and continuous improvement.
- **Monitoring Progress Against Targets:** We monitor progress against occupational health and safety objectives through a structured performance management process. Leading and lagging indicators, including LTIFR, Total Recordable Injury Rate, safety observations, near-miss reporting, training completion rates, audit findings and corrective action closure rates, are tracked through periodic dashboards and management reviews. Performance is evaluated against predetermined annual targets, and gaps are addressed through corrective and preventive action plans. Findings from internal inspections, ISO 45001 audits and third-party assessments are reviewed by management committees to drive continual improvement in safety performance.
- **OHS in Procurement and Contractual Practices:** Occupational health and safety requirements are embedded into our procurement and contractual processes, ensuring that suppliers, contractors, and service providers adhere to the same safety standards as our own workforce. This integration reinforces a culture of safety across our extended value chain and safeguards all stakeholders involved in our operations.

Cultivating a safety-first mindset at PPL

- **Structured Governance:** Our Central Safety Committee (Apex Safety Committee) and Zonal Safety Committees (Sub-Safety Committees) provide leadership and oversight over the safety culture at the company.
- **Internal Inspections:** A cross-functional team performs monthly inspections of the plant and contractors' sheds to ensure the safety of tools and equipment. Our Task Force Committee oversees workplace safety, ensuring personnel comply with Standard Operating Procedures (SOPs) and implementing safe practices
- **Engaged Participation:** Through monthly safety meetings, regular audits, and daily safety briefings, we actively encourage worker participation in safety processes and hazard identification.
- **Continuous Learning:** A guided annual safety training calendar ensures regular health and safety training, both on-site and off-site, keeping our workforce updated and skilled.
- **Empowering Voices:** Employee safety concerns are directly addressed in monthly meetings. Suggestion boxes provide an anonymous feedback channel, while "Safety Mann Ki Baat" sessions, safety theme meetings, and morning safety pep talks foster open dialogue and responsiveness.

Assessments conducted during the year:

Number of Internal Health & Safety audits in FY26	5
Number of External/ Third party Health & Audits (ISO 45001) in FY26	4

Safety Performance

Safety Incident/ Number	Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Number of work-related fatalities	Employees	0	0	0	0
	Contractors	3	1	0	0
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.57	0.96	0
	Contractors	0.13	0.07	0.58	0
Process Safety Events: Tier 1 (Number per million hours worked)	Employees	NA	0	0	0
Data Coverage (as % of employees)	% of employees	NA	100%	100%	100%



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Safety Awareness Session



Awareness on Disaster Preparedness

Celebration of 55th National Safety Week

3.4. Customer Relations

Customer Relations Management

Channels customers can use to request support and give feedback

We maintain a structured approach to customer relationship management centered on farmer engagement, product stewardship, customer support, and continuous market outreach. As one of India's leading phosphatic fertilizer companies, we serve more than 9.5 million farmers through an extensive network of over 6,000 channel partners, 95,000 retailers, and 25 regional marketing offices across 18 states. Our customer engagement model combines direct farmer interactions, dealer and distributor relationships, agronomic advisory services, and dedicated customer support channels to strengthen customer satisfaction and responsible product use.

Category	Remarks
AI-based Chatbot	We offer a WhatsApp-based chatbot that serves as a digital channel for customer support, query resolution, and feedback collection, enabling timely and convenient customer interactions.
Online form submission or direct email contact	We provide customers with multiple digital communication channels, including direct email contacts and a dedicated contact form hosted on our corporate website. These channels enable customers and other stakeholders to submit queries, seek information, and provide feedback directly to the Company.
Dedicated phone line	We have dedicated telephone numbers for our registered office, corporate office, and manufacturing facilities, enabling customers and stakeholders to directly connect with us for support and inquiries.
In person	We engage directly with customers and farming communities through field-level interactions, farmer meetings, field demonstrations, dealer engagement programs, and agronomy outreach initiatives. During FY 2025-26, we continued to strengthen our relationships with farmers through our extensive on-ground network and customer engagement activities across our key markets.

Process to incorporate customer feedback into product and service development

We maintain continuous engagement with farmers, retailers, distributors, and channel partners to better understand customer needs and evolving market requirements. Through farmer meetings, field demonstrations, agronomic advisory programs, and market interactions, we gather insights on crop nutrition requirements, product performance, and customer expectations. These insights support the development and refinement of our crop nutrition solutions and contribute to our customer-centric approach of designing products and services around farmer needs.

Customer service improvement mechanisms for disabled or elderly customers

PPL markets its products primarily through an established distributor and dealer network and does not provide direct-to-customer delivery services. As customer interactions are primarily facilitated through channel partners, dedicated customer service measures tailored specifically for disabled or elderly customers have not been formalized separately within the current customer engagement framework.

Complaint handling and resolution process

We maintain grievance redressal mechanisms for customers and consumers as part of our broader stakeholder engagement framework. Customers can raise concerns through our established communication channels, and our processes are designed to facilitate the reporting, tracking, and resolution of customer complaints. During FY 2025-26, we reported no pending customer or consumer grievances at year-end.

Category	Remarks
Confirmation to the customer that the complaint has been received	Customer complaints are received through multiple channels, including the customer care email ID, customer care helpline, market visits, and direct interactions with farmers, dealers, and retailers. All complaints are recorded in a customer feedback register and monitored until closure.
Transparency on timelines for complaint resolution	Resolution timelines are communicated based on the nature and complexity of the complaint. Certain complaints, such as queries related to fertilizer application practices, may be resolved immediately, while product quality-related complaints may require further investigation and are typically resolved within one day to one week.
Independent external verification of the complaint handling process following standards such as ISO 10002	The customer feedback and complaint management process is reviewed as part of external audits and assessments, including Quality Management System audits conducted by BVI and Product Stewardship audits conducted by SGS. In addition, the customer feedback and complaint management system is reviewed under the Responsible Care assessment conducted by ICC.

Customer Satisfaction Measurement

Core focus	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Satisfaction Measurement (Percentage of satisfied customers)	88%	88%	88%	88%
Data coverage	74%	74%	74%	74%

3.5. Community Relations

Stakeholder Engagement Programs

We believe meaningful change begins with listening. Our community engagement approach is built on partnership, participation, and transparency, ensuring that every initiative reflects local voices and delivers lasting impact. Snapshots of our stakeholder and community engagement programs are given below.



Training sessions organized with farmers



Awareness drives for community members



Sessions conducted with women entrepreneurs



Water supply for beneficiaries

Category	Objective	Our Approach
Conducting local stakeholder or community impact assessments	To understand community priorities, assess social and environmental impacts, and ensure interventions address the most material local needs	We conduct participatory rural appraisals (PRA), baseline assessments, focus group discussions, stakeholder consultations, field visits, and community need assessments. Inputs from Gram Panchayats, community leaders, SHGs, FPOs, government departments, educational institutions, healthcare providers, and local residents inform the design and prioritization of community development programs.
Clear communication channels for local stakeholders to communicate with the company	To ensure local stakeholders can communicate concerns, needs, feedback, and suggestions directly to the Company	We maintain ongoing engagement through village-level consultations, community meetings, stakeholder forums, Gram Panchayats, SHGs, FPOs, local government bodies, and project implementation partners. These mechanisms facilitate regular dialogue and ensure stakeholder perspectives are incorporated into program planning and decision-making.
Capacity building for local stakeholders to ensure they can communicate with the company	To strengthen stakeholder participation, local ownership, and community representation in development initiatives	We provide capacity-building programs for SHGs, Farmer Producer Organizations, producer groups, and women entrepreneurs. These initiatives strengthen governance, leadership, business management, and stakeholder engagement capabilities, enabling communities to participate meaningfully in program design and implementation.
Regular surveys/reviews of perceptions for local stakeholders on engagement strategy	To assess program effectiveness, understand stakeholder perceptions, and continuously improve engagement practices	We periodically review community priorities and program effectiveness through beneficiary feedback, stakeholder consultations, field monitoring visits, impact assessments, baseline reviews, and third-party evaluations for selected flagship programs. The findings help refine program design and address evolving community needs.
Meeting with local stakeholders to identify emerging concerns	To proactively identify new social, environmental, and economic issues affecting local communities.	We engage regularly with Gram Panchayats, community leaders, SHGs, FPOs, local government agencies, teachers, healthcare providers, and beneficiaries to understand emerging concerns related to healthcare, education, livelihoods, environment, water, sanitation, and rural infrastructure. These discussions guide future interventions and resource allocation.
Tracking of grievances	To ensure stakeholder concerns are recorded, monitored, and resolved in a timely and transparent manner.	We maintain grievance redressal mechanisms and stakeholder feedback processes that support the reporting, monitoring, and resolution of community concerns. Inputs received through stakeholder engagement activities and feedback channels are reviewed periodically and used to strengthen program delivery and responsiveness.
Stakeholder engagement programs are applied at all local operations	To ensure a consistent and structured stakeholder engagement approach across all operational geographies.	Through our flagship CSR program, <i>Navratna Prayas</i> , we implement stakeholder engagement and community development initiatives across our operational plant locations. Programs are delivered through a common engagement framework covering healthcare & WaSH, education, livelihoods, environment & biodiversity, and rural development while addressing location-specific priorities.

GRI Index

Statement of use	Paradeep Phosphates Limited has reported the information cited in this GRI content index for the period FY 2025-26 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
General Disclosures				
GRI 2 - General disclosures	2-1	Organizational details	About us: Empowering the backbone of the nation	Annual Report, Page 4-5
	2-2	Entities included in the organization's sustainability reporting	Scope, Boundary, and Reporting Period	ESG Factbook, Page 4
	2-3	Reporting period, frequency and contact point	Scope, Boundary, and Reporting Period	ESG Factbook, Page 4
	2-4	Restatements of information	VOC emissions estimation methodology	ESG Factbook, Page 39
	2-5	External assurance	ESG Factbook	ESG Factbook, Page 5, 94-99
	2-6	Activities, value chain and other business relationships	Value creation model, Stakeholder engagement, Innovating for sustained value creation, Customer engagement activities	Annual Report, Page 44-45, 64-65
	2-7	Employees	Our people Cultivating excellence by building a result-driven workforce	Annual Report, Page 60-63 and 114
	2-8	Workers who are not employees	Business Responsibility & Sustainability Report – Section A: General Disclosures	Annual Report, Page 114-120
	2-9	Governance structure and composition	Governance Leading with expertise and experience	Annual Report, Page 92-97
	2-10	Nomination and selection of the highest governance body	Directors' Report: Nomination and Remuneration Policy and Disclosure on Remuneration	Annual Report, Page 171-172
	2-11	Chair of the highest governance body	Leading with expertise and experience – Board of Directors	Annual Report, Page 96 ESG Factbook, Page 8

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
	2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance Oversight	ESG Factbook, Page 10,11
	2-13	Delegation of responsibility for managing impacts	ESG Governance Oversight	ESG Factbook, Page 10,11
	2-14	Role of the highest governance body in sustainability reporting	ESG Governance Oversight	ESG Factbook, Page 10,11
	2-15	Conflicts of interest	Business Responsibility & Sustainability Report	Annual Report, Page 125-126 and 161
	2-16	Communication of critical concerns	Reporting on Breaches	ESG Factbook, Page 23
	2-17	Collective knowledge of the highest governance body	Leading with expertise and experience - Board expertise	Annual Report, Page 95 ESG Factbook, Page 8
	2-18	Evaluation of the performance of the highest governance body	Directors' Report: Performance Evaluation	Annual Report, Page 171-172
	2-19	Remuneration policies	Directors' Report: Nomination and Remuneration Policy and Disclosure on Remuneration	Annual Report, Page 171-172
	2-20	Process to determine remuneration	Directors' Report: Nomination and Remuneration Policy and Disclosure on Remuneration	Annual Report, Page 171-172
	2-21	Annual total compensation ratio	CEO-to-Employee Pay Ratio	ESG Factbook, Page 9-10
	2-22	Statement on sustainable development strategy	Our Strategic Approach, Resilient Performance, Sustainable Future CEO message	Annual Report, Page 14-19, 23, 72-73
	2-23	Policy commitments	Leading with expertise and experience – Our Key Policies	Annual Report, Page 92-95
	2-24	Embedding policy commitments	Leading with expertise and experience – Our Key Policies	Annual Report, Page 92-95
	2-25	Processes to remediate negative impacts	Leading with expertise and experience – Our Key Policies	Annual Report, Page 92-95
	2-26	Mechanisms for seeking advice and raising concerns	Leading with expertise and experience – Our Key policies: Human Rights	Annual Report, Page 92-95
	2-27	Compliance with laws and regulations	ESG Factbook: Environmental Violations BRSR Principle 1	ESG Factbook, Page 33-34 Annual Report,

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
				Page 124-126
	2-28	Membership associations	BRSR Principle 7	Annual Report, Page 150
	2-29	Approach to stakeholder engagement	Stakeholders' engagement Fostering strong partnerships for shared success	Annual Report, Page 64-65
	2-30	Collective bargaining agreements	BRSR Principle 5	Annual Report, Page 140-142
GRI 3: Material Topics				
	3-1	Process to determine material topics	ESG Factbook, Materiality	ESG Factbook, Page 11-16
	3-2	List of material topics	ESG Factbook, Materiality Materiality Assessment BRSR - Overview of the entity's material responsible business conduct issues	ESG Factbook, Page 11-16 Annual Report, Page 66-68, 117-120
	3-3	Management of material topics	ESG Factbook, Materiality Materiality Assessment BRSR - Overview of the entity's material responsible business conduct issues	ESG Factbook, Page 11-16 Annual Report, Page 66-68, 117-120
GRI 101: Biodiversity				
	101-2	Management of biodiversity impacts	ESG Factbook: Biodiversity	ESG Factbook, Page 50 to 54
GRI 201 - Economic performance	201-1	Direct economic value generated and distributed	Directors' Report – Financial Highlights Company Overview	Annual Report, Page 164
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Risk Management Financial risk of Climate Change Financial Opportunities Arising from Climate Change	ESG Factbook, Page 47-50
	201-3	Defined benefit plan obligations and other retirement plans	Notes to the consolidated financial statements - Note 32: Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'	Annual Report, Page 251-254
GRI 202 – Market Presence	202-2	Proportion of senior management hired from the local community	ESG Factbook: Local hiring and market presence	ESG Factbook, Page 72-23
GRI 203- Indirect Economic Impacts	203-2	Significant indirect economic impacts	The Reach of Our Responsibility	Annual Report, Page 78-91
GRI 204: Procurement	204-1	Proportion of spending on local suppliers	Annual report, Principle 8 (Percentage of input material sourced from suppliers)	Annual report, Page 151

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
Practices				
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	Risk management	Annual Report, Page 125
	205-2	Communication and training about anti-corruption policies and procedures	BRSR Principle 1	Annual Report, Page 124-126
	205-3	Confirmed incidents of corruption and actions taken	BRSR Principle 1	Annual Report, Page 124-126
GRI 301 - Materials	301-1	Materials used by Weight or Volume	Factbook Renewable Raw Materials	ESG Factbook, Page 57-60
	301-2	Recycled Input materials used	Factbook Renewable Raw Materials	ESG Factbook, Page 57-60
	301-3	Reclaimed products and their packaging materials	Factbook Renewable Raw Materials	ESG Factbook, Page 57-60
GRI 302 - Energy	302-1	Energy consumption within the organization	BRSR Principle 6 ESG Factbook: Energy Consumption	Annual Report, Page 143-150 ESG Factbook, Page 34-37
	302-2	Energy consumption outside of the organization	BRSR Principle 6 ESG Factbook: Energy Consumption	Annual Report, Page 143-150 ESG Factbook, Page 34-37
	302-3	Energy intensity	BRSR Principle 6 ESG Factbook: Energy Consumption	Annual Report, Page 143-150 ESG Factbook, Page 34-37
	302-4	Reduction of energy consumption	ESG Factbook: Energy Management Program	ESG Factbook, Page 34-37
GRI 303 - Water and Effluents	303-1	Interactions with water as a shared resource	Sustainable Future: Environment – Water Stewardship ESG factbook: Environment Policy and Management: Water	Annual Report, Page 75 ESG Factbook, Page 40-44
	303-2	Management of water Discharge-related impacts	Sustainable Future: Environment – Water Stewardship ESG factbook: Environment Policy and Management: Water	Annual Report, Page 75 ESG Factbook, Page 40-44
	303-3	Total water withdrawal by source	BRSR: Principle 6	Annual Report,

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
			ESG factbook: Environment Policy and Management: Water	Page 143-150 ESG Factbook, Page 40-44
	303-4	Water discharge	BRSR: Principle 6 ESG factbook: Environment Policy and Management: Water	Annual Report, Page 143-150 ESG Factbook, Page 40-44
	303-5	Water consumption	BRSR: Principle 6 ESG factbook: Environment Policy and Management: Water	Annual Report, Page 143-150 ESG Factbook, Page 40-44
GRI 305 - Emissions	305-1	Direct (Scope 1) GHG emissions	Sustainable Future: Environment – Climate and Energy BRSR: Principle 6	Annual Report, Page 143-150 ESG Factbook, Page 45-46
	305-2	Energy indirect (Scope 2) GHG emissions	Sustainable Future: Environment – Climate and Energy BRSR: Principle 6	Annual Report, Page 143-150 ESG Factbook, Page 45-46
	305-3	Other indirect (Scope 3) GHG emissions)	Sustainable Future: Environment – Climate and Energy BRSR: Principle 6	Annual Report, Page 143-150 ESG Factbook, Page 45-46
	305-4	GHG emissions intensity	Sustainable Future: Environment – Climate and Energy BRSR: Principle 6	Annual Report, Page 143-150 ESG Factbook, Page 45-46
	305-5	Reduction of GHG emissions	ESG Roadmap BRSR: Section B: Management and Process Disclosures	Annual Report, Page 46-47, 121-123
	305-6	Emissions of ozone-depleting substances (ODS)	ESG Factbook	ESG Factbook, Page 46
	305-7	Nitrogen Oxides (NOX), Sulphur Oxides (SOX), and other significant air emissions	BRSR: Principle 6 ESG Factbook	Annual Report, Page 143-150 ESG Factbook, Page 39-40

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
GRI 306 - Waste	306-1	Waste generation and significant waste related impacts	Sustainable Future: Environment – Advancing Circular Economy BRSR: Principle 6	Annual Report, Page 76, 143-150 ESG Factbook, Page 37-38
	306-2	Management of significant waste-related impact	Sustainable Future: Environment – Advancing Circular Economy BRSR: Principle 6	Annual Report, Page 76, 143-150 ESG Factbook, Page 37-38
	306-3	Waste generated	Sustainable Future: Environment – Advancing Circular Economy BRSR: Principle 6 ESG Factbook	Annual Report, Page 76, 143-150 ESG Factbook, Page 37-38
	306-4	Waste diverted from disposal	ESG Factbook BRSR: Principle 6	ESG Factbook, Page 37-38 Annual Report, Page 143-150
	306-5	Waste directed to disposal	ESG Factbook BRSR: Principle 6	ESG Factbook, Page 37-38 Annual Report, Page 143-150
GRI 308: Supplier Environmental Assessment	308-1	Suppliers that were screened using environmental criteria	KPIs for Supplier Screening	ESG Factbook, Page 26
	308-2	Negative environmental impacts in the supply chain and actions taken	KPIs for Supplier Assessment and Development	ESG Factbook, Page 26-27
GRI 401 Employment	401-1	New employee hires and employee turnover	Human Capital Management: Hiring	ESG Factbook, Page 72
	401-2	Benefits provided to full-time employees	Management Discussion and Analysis	Annual Report, Page 111-112
	401-3	Parental leave	BRSR: Principal 3	Annual Report, Page 131
GRI 403 - Occupational health and safety	403-1	Occupational health and safety management system	Occupational Health and Safety: OHS Programs	ESG Factbook, Page 77-79
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety: OHS Programs	ESG Factbook, Page 77-79
			BRSR: Principal 3	Annual Report, Page 132-133

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
	403-3	Occupational health and services	BRSR: Principal 3	Annual Report, Page 134-136
	403-4	Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety: OHS Programs	ESG factbook, Page 79
	403-5	Worker training on occupational health and safety	Human Capital Management: Employee Development Programs	ESG Factbook: Page 67-71
			Occupational Health and Safety: OHS Programs	ESG Factbook: Page 79
			BRSR: Principle 3	Annual Report, Page 132
	403-6	Promotion of worker health	BRSR: Principle 3	Annual Report, Page 133
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	BRSR: Section A General Disclosures	Annual Report, Page 117
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety: OHS Programs	ESG factbook, Page 78-79
	403-9	Work-related injuries	BRSR: Principle 3	Annual Report, page 133-134
			Occupational Health and Safety: Safety Performance	ESG Factbook: Page 79
GRI 404- Training and education	404-1	Average hours of training per year per employee	Human Capital Management: Training and Development Inputs	ESG Factbook Page: 67
	404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital Management: Employee Development Programs	ESG Factbook Page: 67-71
			Human Capital Management: Training and Development Inputs	ESG Factbook Page: 67
	404-3	Percentage of employees receiving regular performance and career development reviews	BRSR: Principle 3	Annual Report, page 132
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Our People Governance	Annual Report, Page 94
			BRSR: Section A General Disclosures	Annual Report, Page 115

GRI Standard	Disclosure	Description	Section/Subsection Title	Page No.
	405-2	Ratio of Basic Salary and Remuneration of Women to Men	BRSR Principle 5	Annual Report, Page 140-141
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	BRSR: Principle 5	Annual Report, Page 141
GRI 412: Human Rights Assessment	412-2	Employee training on human rights policies and procedures	BRSR: Principle 5	Annual Report, Page 142
			Human Rights	ESG Factbook Page 65-66
GRI 413- Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	BRSR: Section A General Disclosures	Annual Report, page 120
	413-2	Operations with significant actual and potential negative impacts on local communities	BRSR: Section A General Disclosures	Annual Report, page 120
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR: Principle 9	Annual Report, Page 153-155

SASB Index

SASB Indicator	Section/ Sub-Section	Page No.
RT-CH-110a.1. Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Sustainable Future: Environment – Climate and Energy BRSR: Principle 6	Annual Report, Page 143-150 ESG Factbook, Page 45-48
RT-CH-110a.2. Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	ESG Roadmap BRSR: Section B: Management and Process Disclosures	Annual Report, Page 46-47, 121-123
RT-CH-120a.1. Air emissions of the following pollutants: (1) NOX (excluding N ₂ O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	BRSR: Principle 6	Annual Report, Page 144 ESG Factbook, Page 39-40
RT-CH-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	BRSR: Principle 6	Annual Report, Page 143-150
RT-CH-140a.1. (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	BRSR: Principle 6 ESG factbook: Environment Policy and Management: Water	Annual Report, Page 143-150 ESG Factbook, Page 40-44
RT-CH-140a.2. Number of incidents of non-compliance associated with water quality permits, standards, and regulations	BRSR: Principle 1	Annual Report, Page 124-126
RT-CH-140a.3. Description of water management risks and discussion of strategies and practices to mitigate those risks	ESG Factbook Water Risk Management Programs	ESG Factbook, Page 42-44
RT-CH-150a.1. (1) Amount of hazardous waste generated; (2) percentage recycled	BRSR: Principle 6	Annual Report, Page 146,147 ESG Factbook, Page 37-38

SASB Indicator	Section/ Sub-Section	Page No.
RT-CH-210a.1. Discussion of engagement processes to manage risks and opportunities associated with community interests	Social: The Reach of Our Responsibility	Annual Report, Page 78
RT-CH-320a.1. (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	BRSR: Principle 3	Annual Report, Page 133-134
RT-CH-320a.2. Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	BRSR: Section A General Disclosures BRSR: Principle 3	Annual Report, Page 117-120, 130-137
RT-CH-410a.1. Revenue from products designed for use-phase efficiency	ESG Factbook Sustainable Products	ESG Factbook, Page 61
RT-CH-410b.2 Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	BRSR: Section A General Disclosures	Annual Report, Page 117-120
RT-CH-530a.1. Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	BRSR: Section A General Disclosures	Annual Report, Page 117-120
RT-CH-540a.1. Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Safety Performance	ESG Factbook, Page 77-79

Independent Assurance Statement



Independent Assurance Statement

To,
 The Board of Directors and Management,
 Paradeep Phosphates Limited,
 3rd Floor, No. 28, Union Street,
 Off-Cubbon Road, Bengaluru – 560001, Karnataka

Paradeep Phosphates Limited (hereafter 'PPL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of non-financial ESG indicators disclosed in PPL's Sustainability Report (hereinafter 'the Report') for the period 01/04/2025 to 31/03/2026. The Sustainability Report has been prepared with reference to the GRI Standards 2021. The assurance engagement was conducted as an Independent Limited Assurance engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), with reference to the Global Reporting Initiative (GRI) Standards 2021 and PPL's internal ESG data management procedures, applied specifically to the assurance of selected non-financial ESG disclosures and data within the specified organizational boundary. The verification was conducted within the reporting boundary during July 2026.

The assurance process was conducted with reference to the following applicable frameworks and guidelines:

- GRI Standards 2021, including GRI 1: Foundation, GRI 2: General Disclosures, GRI 3: Material Topics, and applicable Topic-specific Standards (300 and 400 series); and
- The International Standard on Assurance Engagements ISAE 3000 (Revised).

Management's Responsibility

PPL has developed the Report content and is responsible for identifying material sustainability issues relevant to its operations through its materiality determination process, and for establishing corresponding processes for performance management, data governance, and quality control. PPL's management is accountable for the collection, analysis, preparation, and disclosure of ESG information presented in the Report, whether in web-based or printed format, including the maintenance and integrity of the company's website where such information may be presented. The Report has been prepared with reference to the applied criteria of the GRI Standards 2021, and PPL's management is responsible for ensuring it is free from material misstatements, whether intentional or unintentional, thereby maintaining the trust and confidence of stakeholders in the disclosed information.

Financial figures referenced within the Sustainability Report were derived from PPL's audited financial statements; however, such financial information was not subject to assurance procedures under this engagement, and PPL remains responsible for its appropriate presentation and application within the Report. PPL is further responsible for ensuring the archiving and reproducibility of disclosed ESG data, making it available to relevant stakeholders upon request. Any partial reproduction of this assurance statement may lead to misinterpretation of its scope, procedures, and conclusions; therefore, the assurance conclusion should be read in its entirety, together with the defined scope, methodology, limitations, and criteria described in this statement.

Scope and Boundary

The scope of this assurance engagement covered the verification of selected non-financial ESG disclosures included in PPL's Sustainability Report, prepared with reference to the GRI Standards 2021. The assurance engagement included the following key activities:

- 1. Verification of Report Content and Material Topics** Assessed the application of Report content with reference to material topics identified through PPL's materiality determination process, and evaluated the quality, clarity, and completeness of sustainability information disclosed, consistent with the principles of the GRI Standards 2021 over the defined reporting period.
- 2. Review of Governance Policies and Practices** Examined key governance-related policies and practices referenced in the Report, including but not limited to the Code of Conduct, Corporate Social Responsibility (CSR) policy, Prevention of Sexual Harassment (POSH) policy, and the Whistle Blower mechanism, along with related management approach, initiatives, and performance disclosures as per the GRI Standards.
- 3. Review and Verification Against GRI Standards 2021 Requirements** Reviewed the non-financial disclosures presented in the Report for alignment with the applicable requirements of the GRI Standards 2021, and verified the reliability of selected disclosures related to environmental and social topics through sampling and testing of supporting data and documentation.
- 4. Assessment of Specified Information for Stakeholder Relevance** Evaluated whether the specified ESG disclosures selected for assurance are based on PPL's materiality determination, reflect material concerns, and are meaningful and relevant to the Report's intended stakeholders.
- 5. Verification of Supporting Evidence** Verified supporting evidence on a sample basis for the ESG disclosures listed within the scope of this engagement.

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TUVI has verified the below-mentioned disclosures given in the Report:

GRI Standard / Topic	GRI Disclosure
GRI 2: General Disclosures	2-1 to 2-30
101: Biodiversity	101-2
GRI 201: Economic Performance	201-1, 201-2, 201-3
GRI 202: Market Presence	202-2
GRI 203: Indirect Economic Impacts	203-2
GRI 204: Procurement Practices	204-1
GRI 205: Anti-Corruption	205-1, 205-2, 205-3
GRI 3: Material Topics	3-1, 3-2, 3-3
GRI 301: Materials	301-1, 301-2, 301-3
GRI 302: Energy	302-1, 302-2, 302-3, 302-4
GRI 303: Water and Effluents	303-1, 303-2, 303-3, 303-4, 303-5
GRI 305: Emissions	305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7
GRI 306: Waste	306-1, 306-2, 306-3, 306-4, 306-5
GRI 308: Supplier Environmental Assessment	308-1, 308-2
GRI 401: Employment	401-1, 401-2, 401-3
GRI 403: Occupational Health and Safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9
GRI 404: Training and Education	404-1, 404-2, 404-3
GRI 405: Diversity and Equal Opportunity	405-1, 405-2
GRI 406: Non-discrimination	406-1
GRI 412: Human Rights Assessment	412-2
GRI 413: Local Communities	413-1, 413-2
GRI 418: Customer Privacy	418-1

Notes:

- GRI 413 (Local Communities): Community engagement and development activities disclosed under GRI 413-1 and 413-2 were verified on the basis of PPL's CSR and community-development expenditure for FY 2025-26. The quantification basis is the actual CSR spend recorded in PPL's financial and CSR records (maintained consistent with the company's statutory CSR obligations under Section 135 and Schedule VII of the Companies Act, 2013), allocated by project category and beneficiary location under the company's community-development activities.
- The reported Scope 3 GHG emissions exclude emissions associated with the procurement of renewable materials and transportation of traded goods. Emissions associated with the transportation of traded goods have not been quantified due to the unavailability of relevant transportation distance data for the reporting period.
- The environmental KPI's reported only for the manufacturing facilities.

The reporting aspect boundaries are set out in the Report covering the ESG KPI performance of PPL, encompassing PPL's 04 manufacturing plants — Goa Plant (Zuarinagar, Goa), Mangalore Plant (Mangalore, Karnataka), Mahad Plant (Mahad, Raigad, Maharashtra) and Paradeep Plant (Paradeep, Jagatsinghpur, Odisha) — and its Corporate Office at Bengaluru, Karnataka. The addresses are as follows:

- Corporate Office: Paradeep Phosphates Limited
3rd Floor, No. 28, Union Street, Off-Cubbon Road, Bengaluru – 560001, Karnataka
- Paradeep Phosphates Limited – Goa Plant
Zuarinagar, Goa – 403726
- Paradeep Phosphates Limited – Mangalore Plant
Mangalore, Karnataka
- Paradeep Phosphates Limited – Mahad Plant
Mahad, Raigad, Maharashtra
- Paradeep Phosphates Limited – Paradeep Plant
Paradeep, Jagatsinghpur, Odisha – 754145

Onsite Verification:

Mangalore Plant, Mangalore, Karnataka – 13 & 14 July 2026.

Remote Verification:

- Goa Plant, Zuarinagar, Goa – 403726 – 06/07/2026;

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2. Corporate Office, Bengaluru – 560001, Karnataka – 07/07/2026;
3. Mangalore Plant, Mangalore, Karnataka – 08/07/2026;
4. Mahad Plant, Mahad, Raigad, Maharashtra – 09/07/2026;
5. Paradeep Plant, Paradeep, Jagatsinghpur, Odisha – 754145 – 10/07/2026.

The assurance engagement was conducted during July 2026 based on the finalized Sustainability Report for FY 2025-26.

The relationship between the reporting period and the assurance timeline is summarised below. The reporting period is FY 2025-26 (01/04/2025 to 31/03/2026). Verification activities were carried out during July 2026, following the year-end data consolidation, internal review, and finalisation of the Sustainability Report for FY 2025-26. The assurance statement was issued following completion of fieldwork, resolution and closure of all corrective actions, and internal quality-control review. This sequencing is normal for an independent assurance engagement and does not affect the reliability of the FY 2025-26 data subject to assurance.

Stage	Period / Date	Remarks
Reporting period	01/04/2025 – 31/03/2026	FY 2025-26 data subject to assurance
Onsite & remote verification	06 – 14 July 2026	Plant visits and desk review

Management has provided a written representation that, between the close of the reporting period (31/03/2026) and the date of this Statement, no events or changes occurred that would materially affect the ESG disclosures within the assurance scope. Our procedures did not identify any such subsequent matters requiring adjustment to, or disclosure within, the assured information, and our conclusion is expressed accordingly in relation to the reporting period.

In addition to on-site and remote verification activities, assurance procedures included a desk review of the reported disclosures of PPL, covering the manufacturing plants and the Corporate Office within the reporting boundary.

Our Responsibility

TUVI's responsibility under this engagement is to perform an independent limited assurance engagement in accordance with ISAE 3000 (Revised), focused on selected non-financial ESG indicators disclosed in PPL's Sustainability Report prepared with reference to the GRI Standards 2021, and to express a conclusion based on the procedures conducted. This engagement did not include an evaluation of the adequacy or effectiveness of PPL's overall sustainability strategy, governance, or management systems, nor an assessment of the sufficiency of the Report against the overarching principles of the GRI Standards 2021, beyond the elements explicitly covered within the defined scope.

The ESG data was verified on a sample basis; the responsibility for the authenticity, accuracy, and completeness of the data lies entirely with PPL, which is also responsible for archiving the related data for a reasonable period of time. The primary intended users of this assurance statement are PPL's management, Board, shareholders, and regulators. This assurance engagement is based on the assumption that all data and information made available to TUVI by PPL were complete, accurate, and true to the best of PPL's knowledge. TUVI's liability under this engagement is limited to the subject matter and conclusions expressed herein; TUVI does not accept responsibility for any inaccuracies or erroneous data reported by PPL, nor for decisions made by third parties relying on this statement.

Assurance Methodology

TUVI adopted a risk-based approach, focusing verification efforts on disclosures and Key Performance Indicators (KPIs) of high material relevance to PPL's business and its stakeholders, as disclosed in the Report. The primary objective was to evaluate the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, information flows, and internal controls. TUVI's assurance activities included:

1. Document and Data Review

- Examination of documents, datasets, and supporting evidence provided by PPL, covering the management approach and performance disclosures for all material GRI Topic-specific Standards;
- Evaluation of disclosure quality, clarity, and completeness against the requirements of the GRI Standards 2021; and
- Review conducted on a sample basis, focusing on non-financial ESG information disclosures.

2. Stakeholder Engagement and Materiality Review

- Reviewed PPL's approach to stakeholder engagement and the process for identifying and prioritising material ESG topics, ensuring alignment with the materiality principles of the GRI Standards 2021; and
- Assessed the adequacy of stakeholder identification and the integration of stakeholder concerns into material topic determination.

3. Stakeholder Interviews

- Engaged with key personnel, including data owners, process managers, and decision-makers across relevant functions of PPL, during onsite and remote verification phases to gather insights and corroborate reported information; and
- Reviewed qualitative statements included in the Report to assess their consistency with responses received during interviews and the evidence reviewed.

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4. Process, System, and ESG Policy Assessment

- Review of systems and processes for implementing ESG and sustainability-related policies as described in the Report;
- Assessment of data management systems and internal processes supporting the preparation of ESG disclosures, including data flows, aggregation procedures, and supporting records; and
- Sample-based evaluation of the implementation of ESG-related policies to verify adherence and operational effectiveness.

5. Substantive Testing

TÜV performed walkthrough procedures to understand ESG data flows and conducted substantive testing including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. Examples of KPI-category procedures applied:

- **GHG Emissions** — Recalculation of Scope 1 and Scope 2 emissions and related emission intensity using primary fuel and electricity consumption data; verification of Scope 1 sources including but not limited to natural gas, furnace oil, and high-speed diesel used in manufacturing operations; verification of Scope 2 electricity consumption and application of GHG Protocol methodology and emission factors; consistency checks of totals against prior-year figures and internal aggregation workpapers.
- **Energy** — Verification of total energy consumption from renewable and non-renewable sources, including electricity and fuel consumption; cross-verification of meter readings, utility bills, and fuel invoices; validation of energy intensity calculations.
- **Water** — Verification of water withdrawal and consumption by source, including groundwater and third-party/municipal water; traceability to supply records, groundwater permissions, and site-level water logs; review of water discharge records and treated water reuse and recycling data.
- **Safety** — Verification of employee and contractor safety KPIs, including Lost Time Injury, Lost Time Injury Frequency Rate, fatalities, and total person-hours worked, against site-level incident registers, investigation records, HR/attendance records, contractor workforce records, and corrective action evidence.
- **Waste** — Reconciliation of waste generated, recovered, and disposed by category, including hazardous and non-hazardous waste; verification of recycling, reuse, recovery, and disposal records against authorised recycler certificates, disposal manifests, and site-level waste registers.

6. Sampling Methodology

TÜV applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering the following factors: Sample sizes were not fixed but were determined for each KPI on the basis of its risk, materiality, and the complexity of the underlying data-generation systems, with larger samples drawn for higher-risk and more complex disclosures.

- Materiality of ESG indicators;
- Magnitude of reported impacts;
- Complexity of data generation systems;
- Historical inconsistencies identified during verification; and
- Risk of misstatement and estimation uncertainty.

Site Verification Coverage: Data samples were reviewed across PPL's manufacturing plants — the Goa Plant, Mangalore Plant, Mahad Plant and Paradeep Plant — and the Corporate Office at Bengaluru, through onsite verification at the Mangalore Plant (13 & 14 July 2026) complemented by remote and desk review procedures. Supporting evidence such as meter records, management reports, operational logs, HR databases, and environmental monitoring reports were examined on a sample basis to assess the reliability and traceability of reported data. Sample selection prioritised facilities with significant operational ESG impact and KPIs with higher inherent risk, supported by PPL's internal ESG data management procedures, to provide sufficient appropriate evidence to support the limited assurance conclusion in accordance with the agreed scope of work. In terms of site coverage, the manufacturing plants within the reporting boundary were included in verification, and the Corporate Office at Bengaluru was covered for governance, employment, training, and community disclosures.

For the volume-based environmental KPIs (GHG emissions, energy, water, and waste), substantive recalculation and traceability testing were performed on samples corresponding to approximately 80–100% of the reported annual quantum at each site, with the remaining balance covered through analytical review. For transaction-based social and safety KPIs (employee, training, and OHS records), a minimum sample of the higher of 10% of records or 15 records per site was tested, increased for sites or indicators assessed as higher risk. The assurance team applied professional judgement consistent with a limited level of assurance, and the coverage obtained was assessed as sufficient and appropriate to support the assurance conclusion.

Basis for Sample Adequacy and Level of Assurance: Consistent with a limited level of assurance under ISAE 3000 (Revised), the sampling applied was judgmental (non-statistical) rather than statistical. Sample sizes and coverage were determined using professional judgement based on the assessed risk, materiality, and data-system complexity of each KPI, as described above, rather than by statistical sampling parameters. Accordingly, no statistical confidence level or precision

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interval is expressed, and none is implied by the coverage percentages reported; those percentages describe the extent of data tested and not a statistical inference about the untested population.

The adequacy of each sample was evaluated against the following criteria: (i) achievement of the planned coverage for the KPI's risk tier, with higher-risk and more complex KPIs subjected to larger samples and full recalculation; (ii) consistency of the sampled records with source documentation and the absence of unexplained exceptions; (iii) corroboration of sampled values through analytical review of the residual population; and (iv) satisfactory resolution of any exceptions identified, through correction or corrective action, within the applicable materiality thresholds. On this basis, the assurance team concluded that the nature, timing, and extent of the samples obtained provided sufficient appropriate evidence to support the limited assurance conclusion. A limited level of assurance provides a lower level of assurance than a reasonable assurance engagement, the procedures being less extensive in nature and timing, and the conclusion is expressed in the limited-assurance (negative) form.

KPI-Specific Materiality Approach: A KPI-specific materiality approach was applied in accordance with TÜV's internal ESG Materiality Protocol (TUVI ESG Materiality Protocol, Rev. 02), which documents the basis and approval of the thresholds applied: (i) a **5% quantitative threshold** was applied to volume-based KPIs (GHG emissions, energy, water, and waste); and (ii) a **qualitative zero-tolerance threshold** was applied to high-risk ESG indicators — fatalities, permanent disabilities, POSH complaints upheld, instances of regulatory non-compliance or material breaches of applicable law, and customer data breaches — for which any occurrence is treated as material irrespective of magnitude. Where disclosures are based on estimation or standard assumptions, the estimation uncertainty has been acknowledged and factored into the assurance conclusion. PPL is encouraged to supplement estimated KPIs with explicit quantitative uncertainty ranges or sensitivity analysis in future reporting periods to further enhance the reliability and comparability of disclosed data.

7. Evaluation Against the GRI Reporting Principles

As part of the assurance engagement, TÜV evaluated the Report against the reporting principles of the GRI Standards 2021 within the defined scope.

Evaluation Criteria

The Report was evaluated against the GRI Standards 2021 reporting quality principles, including accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Assurance Limitations

This assurance engagement was based on selected samples of qualitative and quantitative information and therefore is subject to the inherent limitations of sampling and internal control systems. The assurance procedures relied on information, data, and explanations provided by PPL management and personnel. Forward-looking statements, including targets, projections, ambitions, and future commitments, were excluded from the scope of assurance. Estimation uncertainty may exist in selected ESG indicators due to the use of assumptions, conversion factors, and estimation methodologies. Accordingly, the assurance conclusion should be read in the context of these inherent limitations.

No assurance is provided on any disclosures, data, or statements falling outside the stated scope and boundary of this engagement, including forward-looking statements (targets, projections, ambitions, and future commitments) and value-chain disclosures, on which no conclusion is expressed.

Opportunities for Improvement

The following are the opportunities for improvement identified for PPL. However, they are generally consistent with PPL management's objectives and programs.

- Energy management:** PPL has strengthened its energy management practices through ISO 50001 certification at 2 manufacturing sites (Odisha and Mangalore). As a further step, PPL may consider pursuing ISO 50001 certification at Goa site to further strengthen energy efficiency and performance optimization.
- Sustainable procurement:** PPL has established a strong base through its existing sustainable procurement policies and practices and may further strengthen this framework by progressively aligning it with the principles of ISO 20400.
- Emissions accounting:** PPL can further enhance the reporting of its environmental performance by establishing an automated emissions accounting system for the tracking of monitoring parameters across its operations.

Our Conclusion

Applicable Assurance Level vs Subject Matter

Subject Matter	Applicable Standard	Assurance Level
Selected non-financial ESG disclosures prepared with reference to GRI Standards 2021	ISAE 3000 (Revised)	Limited Assurance

Engagement Type: Independent Limited assurance engagement, conducted in accordance with ISAE 3000 (Revised), covering PPL's selected non-financial ESG disclosures prepared with reference to the GRI Standards 2021, and evaluating

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the reliability of selected performance information within the defined scope.

Applicable Criteria: GRI Standards 2021 (GRI 1: Foundation, GRI 2: General Disclosures, GRI 3: Material Topics, and applicable Topic-specific Standards).

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected ESG disclosures and related information provided by PPL have not been prepared, in all material respects, in accordance with the applicable GRI Standards 2021 requirements within the defined scope and boundary of the engagement. PPL has appropriately disclosed Key Performance Indicators (KPIs) and actions aimed at creating value over the short, medium, and long term. The selected KPIs are fairly represented, and the underlying data management processes reflect a commitment to transparency and integrity. The practitioner applied professional judgment and maintained professional skepticism throughout the engagement, consistent with the requirements of ISAE 3000 (Revised). TÜV did not perform any assurance procedures on prospective information, such as targets, forecasts, expectations, or ambitions disclosed in the Report. Consequently, TÜV draws no conclusion on such prospective information or on any disclosure outside the agreed scope of work. For the avoidance of doubt, value-chain ESG disclosures are excluded from this engagement and were neither verified nor concluded upon.

Data Governance and Internal Controls

Sustainability data is generated at plant level, validated by the corporate sustainability team, and subjected to internal review before external assurance. This hierarchical data validation process supports data accuracy, traceability, and transparency within the reporting framework.

Disclosures Evaluation

TÜV is of the opinion that PPL's sustainability disclosures have been prepared with reference to the GRI Standards 2021. The following reporting elements have been appropriately addressed:

Universal Standards:

- GRI 1: Foundation 2021 — requirements and principles for using the GRI Standards;
- GRI 2: General Disclosures 2021 — disclosures about PPL's organisational profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process; and
- GRI 3: Material Topics 2021 — disclosures and guidance about PPL's material topics and management approach.

Topic-Specific Standards: The GRI 300 series (Environmental topics) and GRI 400 series (Social topics) were applied to report the organisation's impacts on relevant environmental and social issues. TÜV is of the opinion that the reported material topics and Topic-specific Standards used by PPL to prepare its Report are appropriately identified and addressed.

Evaluation Against the GRI Reporting Principles

Stakeholder Inclusiveness: Stakeholder identification and engagement are carried out by PPL on a periodic basis to bring out key stakeholder concerns as material topics of significant stakeholders.

Sustainability Context: PPL has established the relationship between ESG and organisational strategy within the Report, as well as the context in which disclosures are made.

Materiality: The materiality determination process has been conducted based on the requirements of the GRI Standards 2021, considering the involvement of internal and external stakeholders across the upstream and downstream value chain in identifying material issues relevant to PPL's range of businesses. The Report fairly brings out the aspects, topics, and their respective boundaries across PPL's operations.

Responsiveness: TÜV believes that the responses to the material aspects identified through the materiality determination process are fairly articulated in the Report, including disclosures on PPL's policies, management systems, and governance.

Impact: PPL communicates its sustainability performance through regular, transparent internal and external reporting, aligned with the GRI Standards 2021, as part of its policy framework encompassing environmental, social, ethical, and other policies. PPL reports on sustainability performance to the Board of Directors, who oversees and monitors implementation, performance against objectives, and progress against goals and targets for addressing sustainability-related issues.

Completeness: The Report has fairly disclosed the selected non-financial KPIs as per the GRI Standards 2021.

Reliability: The majority of the data and information was verified by TÜV's assurance team during onsite visits and remote assessments, and was found to be fairly accurate. Some inaccuracies identified during the verification process — commonly arising from manual data aggregation, transcription between source records and reporting templates, and differences in interpretation of definitions — have been corrected. With reference to the GRI Standards 2021, nothing has come to our attention that causes us to believe that the selected ESG data and information presented in the Report are materially misstated. The observations were raised through the formal review and clarification process across the sites within the reporting boundary and were below the applicable materiality threshold, both individually and in aggregate. Each observation was resolved at source, re-verified, and closed prior to issuance, as summarised in the accompanying Management Report.

Compliance (GRI 2-27): Based on the disclosures reviewed and management representations obtained, and with reference to GRI 2-27 (Compliance with laws and regulations), nothing has come to our attention to indicate any significant instances of non-compliance with environmental, social, or occupational health and safety laws and regulations, or any significant fines or non-monetary sanctions, during the reporting period at the sites within the assurance boundary. PPL confirmed nil significant fines and nil significant non-monetary sanctions for FY 2025-26. This statement relates only to the selected

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disclosures within the defined scope and is not an assurance conclusion on PPL's overall legal or regulatory compliance. GRI 2 (General Disclosures), including GRI 2-27, is a Universal Standard considered on a contextual basis supported by management representation and is not among the topic-specific disclosures listed in the assured-disclosure table; the limited assurance conclusion is confined to the selected topic-specific GRI disclosures listed in this statement.

Neutrality: The disclosures related to ESG issues and performance are reported in a neutral and balanced manner, in terms of content and presentation.

This assurance statement does not endorse any environmental or social claims by PPL (including those related to products, manufacturing processes, packaging, or disposal) and should not be used in connection with any misleading or unsubstantiated representations, or for purposes of greenwashing. This assurance statement has been prepared solely in connection with PPL's Sustainability Report prepared with reference to the GRI Standards 2021, and should not be used, relied upon, or distributed for any purpose other than its intended reporting context without the prior written consent of the assurance provider.

Our Assurance Team and Independence

TUVI is an independent and neutral third-party assurance provider offering sustainability assurance services through a team of qualified environmental and social specialists with relevant experience in ESG assurance and GRI Standards 2021 application. TUVI confirms its independence, impartiality, and objectivity in relation to this engagement in accordance with the IESBA Code of Ethics, applying a threats-and-safeguards approach — through internal conflict-of-interest checks, adherence to a documented code of ethics, separation of assurance and advisory functions, reviewer oversight, and quality control procedures — to avoid self-interest, self-review, advocacy, familiarity, and intimidation threats. Independence is governed by TUVI's internal independence policy (TUVI Independence and Impartiality Policy, Doc. Ref. TUVI-IMP-POL, Rev. 03), and the engagement team completed mandatory pre-engagement conflict-of-interest declarations. Engagement fees are fixed and are not contingent on the outcome or conclusions of the assurance, and TUVI maintains neutrality and impartiality with respect to all individuals interviewed during the assurance process.

TUVI confirms that no non-assurance services were provided to PPL that could create self-review, advocacy, familiarity, self-interest, or other independence threats — including preparation of GRI disclosures, ESG strategy development, target setting, ESG data-system design, GHG inventory calculations, internal ESG audits, materiality assessments, or KPI-improvement advisory services. TUVI further confirms that no engagements during the reporting year compromised its independence, and it was not involved in the preparation of any content or data presented in PPL's Report, with the sole exception of this independent assurance statement.

Quality Control: The Assurance Team complies with the Code of Ethics for Professional Accountants issued by IESBA, founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. In accordance with the International Standard on Quality Management (ISQM 1), TUVI maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

This assurance statement has been prepared in accordance with the terms of our engagement and ISAE 3000 (Revised) requirements.




For and on behalf of TÜV India Private Limited
Manojkumar Borekar – Product Head, Sustainability Assurance Service

Date: 05/10/2026
 Place: Mumbai, India
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Registered Office

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