



LAXMI ORGANIC INDUSTRIES LTD

Geared to Win. Geared for Growth.

Sustainability Report 2024-25



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<https://www.laxmi.com/about-us/sustainability.aspx>



About the Report

This Sustainability Report (SR) presents the environmental, social, and governance (ESG) performance of Laxmi Organic Industries Limited (also referred to as 'Laxmi Organic', 'LOIL', 'The Company' or 'We') for the financial year from April 1, 2024, to March 31, 2025. It reflects our continued commitment to operate responsibly, create long-term stakeholder value, and contribute to a more sustainable future through measurable actions and transparent disclosures. As part of our sustainability commitment, we intend to integrate the Business Responsibility and Sustainability Report (BRSR) with our upcoming Sustainability Report for the financial year 2026.

This integration aims to provide a comprehensive overview of our strategies, practices, and performance in the areas of environmental stewardship, social responsibility, and governance. By aligning our BRSR with our Sustainability Report, we seek to enhance transparency and consistency in our reporting framework, thereby offering our stakeholders, including investors, customers, and the community, a clearer understanding of our sustainability journey and overall corporate responsibility.

We are a company engaged in the production of acetyl intermediates and specialty chemicals. As a result, we recognise our responsibility to manage and mitigate ESG risks. It is also our duty to pursue innovation for sustainability and align our practices with national and global standards of responsible business conduct.



SUSTAINABILITY REPORTS

<https://www.laxmi.com/about-us/sustainability.aspx>

Purpose of the Report

The purpose of this report is to communicate Laxmi Organic's sustainability vision, strategy, governance framework, and performance to all its stakeholders in a transparent and accountable manner. Through this report, we seek to demonstrate our alignment with global sustainability frameworks and regulatory mandates while offering clear insights into how we are addressing the material ESG topics.

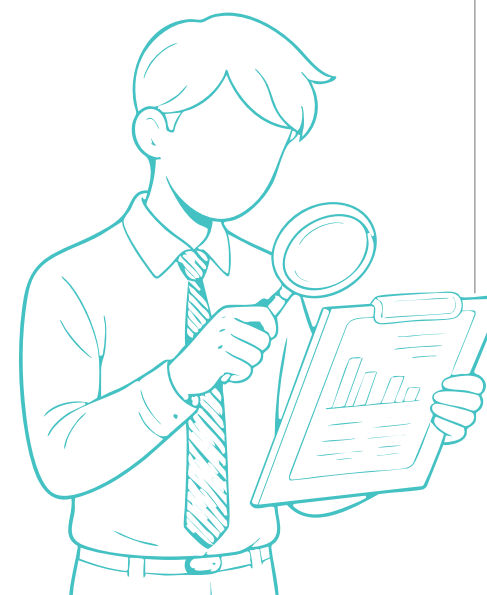
The Report also showcases Laxmi Organic's proactive response to sustainability-related risks and opportunities, supported by measurable progress against its internal goals and external benchmarks. In today's world, investors, customers, employees, regulators, and communities expect responsible, climate-conscious leadership from modern industrial businesses. By enhancing the depth and quality of its sustainability disclosures, the Company aims to foster trust among these stakeholders.

Scope and Boundary

The reporting boundary for this report includes all operations under the direct control of Laxmi Organic. It covers our manufacturing facilities, including our subsidiaries, research and development units, and corporate offices across India. Key locations comprise Mahad and Lote, among others. Data and performance indicators relate only to LOIL's standalone operations unless explicitly specified otherwise.

We have not included joint ventures or supply chain partners in this year's report boundary. However, we recognise the growing importance of Scope 3 considerations. Therefore, we plan to expand our boundary in future cycles to capture value chain impacts more comprehensively.

Quantitative data is presented using internationally recognised metrics and conversion standards. Financial figures are reported in Indian Rupees (₹). All qualitative statements and case studies are reflective of initiatives and outcomes during the 2024–25 reporting period.



Assurance

The data and statements included in this report are based on internal documentation, third-party audits, and operational records. Select quantitative information has been verified as per BRSR Core principles by Intertek India Private Limited. At this time, the GRI report is not externally assured. But we are evaluating third-party assurance options for future reporting cycles to further enhance credibility and stakeholder confidence.

Restatements and Revisions

This report includes enhanced disclosures and updated performance indicators that may differ in format or scope from previous reports. No restatements of data from prior years have been made unless explicitly stated.

Reporting Standards and Frameworks

This report has been prepared in reference to the Global Reporting Initiative (GRI) Standards, which are globally recognised guidelines for sustainability disclosures. The Report also draws reference from:



SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework, mandated for the top 1000 listed companies in India.



The United Nations Sustainable Development Goals (SDGs), which guide our strategic alignment with global priorities.



Select recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to enhance transparency around climate risks and opportunities.

International Integrated Reporting (<IR>) Framework Issued by the IFRS Foundation

The Global Reporting Initiative (GRI) Standards

The Companies Act, 2013 (and the rules made thereunder)

Indian Accounting Standards (Ind AS)

Message from the Managing Director and CEO



Dear Stakeholders,

At Laxmi Organic, sustainability is not an adjunct to our strategy. It lies at the heart of how we think, operate, and grow. As we present our second Sustainability Report, I take immense pride in the progress we have made in embedding responsible practices across our operations, while continuing to deliver value to all stakeholders.

The year under review was marked by both opportunities and challenges. On one hand, the increasing global demand for safer, greener, and more efficient chemical solutions reaffirmed our strategic direction. On the other, it highlighted the need for resilience in the face of mounting environmental pressures, evolving stakeholder expectations, and complex regulatory requirements. Against this backdrop, we made deliberate and measurable strides in strengthening our ESG governance, decarbonising our operations, investing in employee

well-being, and contributing to the communities around us.

We have taken meaningful steps to reduce our environmental footprint. These include improving energy efficiency, enhancing water reuse through Technology Upgradations systems, adopting renewable energy, and optimising waste treatment. Such interventions have allowed us to maintain strong operational discipline while progressing towards long-term climate goals.

Our people remain central to everything we do. We are expanding our efforts in safety training, health monitoring, and employee engagement to build a workplace that is not only productive but also inclusive and empowering. We have also expanded our CSR footprint to make a greater impact in education, healthcare, sanitation, and livelihoods.

Looking ahead, we recognise that stakeholder expectations around transparency, climate risk, and social impact will only intensify. To that end, we have aligned this year's report with the GRI 2021 Standards and further strengthened our disclosures in accordance with BRSR and TCFD recommendations. Furthermore, we are exploring the roadmap for Scope 3 accounting, ESG-linked KPIs, and long-term net-zero planning.



We made deliberate and measurable strides in strengthening our ESG governance, decarbonising our operations, investing in employee well-being, and contributing to the communities around us.

I thank our Board of Directors for their continued guidance, our teams for their dedication, and our stakeholders for their engagement. As we move forward, we remain committed to creating chemistry that sustains, empowers, and endures.

Dr. Rajan Venkatesh

Managing Director and CEO
Laxmi Organic Industries Limited

About Laxmi Organic Industries Limited

Laxmi Organic is a leading, globally recognised manufacturer of acetyl and specialty intermediates. Our products play a critical role in a wide spectrum of downstream applications across pharmaceuticals, agrochemicals, dyes and pigments, coatings, and food processing industries. Incorporated in 1989 and headquartered in Mumbai, India, we have steadily emerged as a trusted partner to industries that demand high-quality, sustainable, and safe chemical solutions.

Our foundational values are rooted in innovation, responsibility, and long-term value creation. These values are reflected in our consistent efforts to balance operational excellence with environmental and social responsibility. Our product

lines are integral to end-use sectors that directly impact human health, food security, hygiene, and industrial productivity. This places us in a position of significant responsibility to ensure that our operations are safe, sustainable, and ethically governed.



We have steadily emerged as a trusted partner to industries that demand high-quality, sustainable, and safe chemical solutions.

Core Business Segments

We operate through two core business verticals:

Acetyl Intermediates (AI)

This segment comprises products such as ethyl acetate, acetic acid, and other downstream acetyl derivatives. These are used extensively in pharmaceuticals, inks, coatings, and packaging industries. We are one of the largest producers of ethyl acetate in India, commanding a substantial market share and exporting to over 30 countries.

Specialty Intermediates (SI)

The specialty intermediates division focusses on high-value, application-specific products like diketene and diketene derivatives. These are complex molecules used in active pharmaceutical ingredients (APIs), agrochemical actives, and performance chemicals. This business unit has become a key driver of our strategic shift towards value-added, innovation-led growth.

In both segments, we pursue continuous process optimisation, green chemistry, and supply chain resilience. Through these, we ensure our operations meet stringent quality, environmental, and safety standards.



VISION

To be a globally respected, sustainable chemical company that creates value through innovation and responsible growth.



MISSION

To deliver high-quality chemical solutions that empower our customers, protect the environment, and enhance human well-being.

These guiding principles shape our strategic decisions and operational priorities. They influence product development, R&D investments, workforce engagement, and community partnerships.

Manufacturing and Operational Footprint

We operate state-of-the-art manufacturing facilities located at Mahad and Lote in Maharashtra, India. These plants are certified for ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health and Safety Management System). The facilities are designed to comply with stringent environmental regulations. In addition, they are supported by well-equipped effluent treatment systems, waste recovery units, and emissions control infrastructure.

The Company also houses advanced R&D and application labs that focus on developing new molecules, enhancing process efficiency, and evaluating product safety. These labs are central to our aspiration to transition from a commodity chemicals player to a knowledge-driven specialty chemicals enterprise.

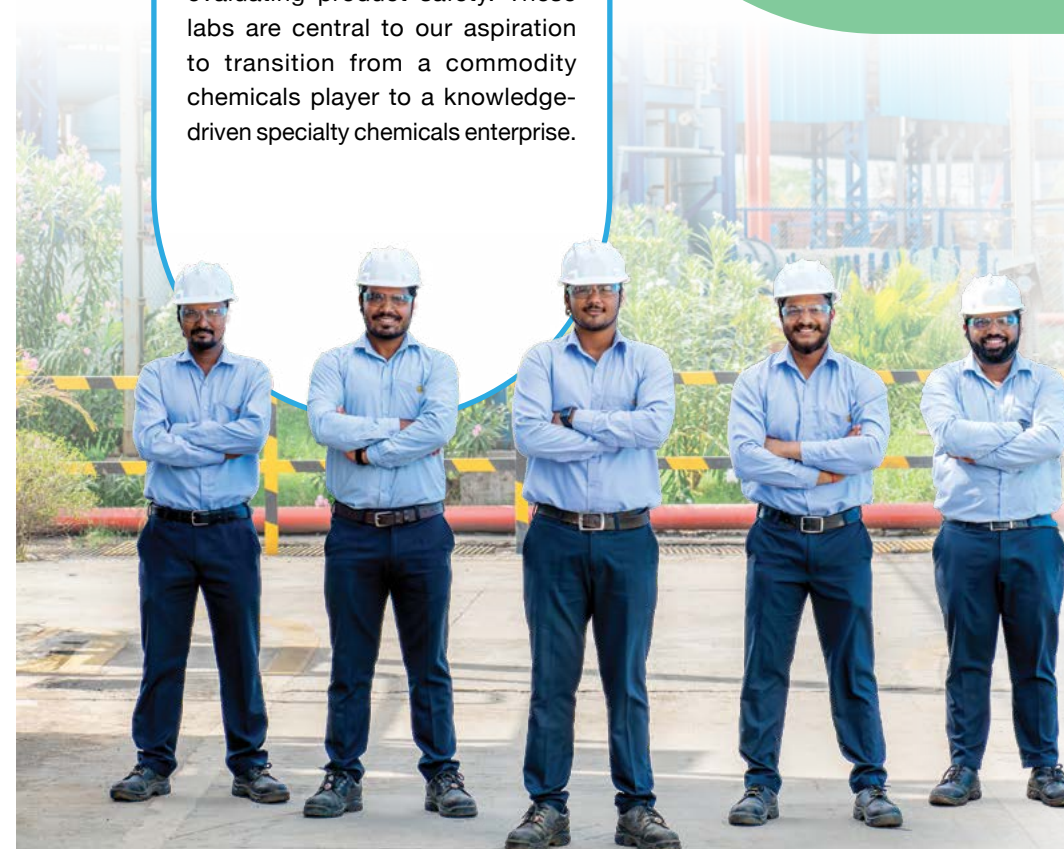


Markets and Global Reach

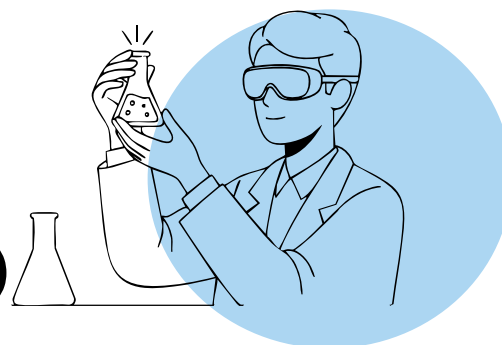
With exports to more than 30 countries across North America, Europe, Latin America, and Asia, we have established a strong global presence. Our export operations are backed by a robust logistics network, REACH-compliant systems, and a commitment to regulatory excellence. Furthermore, we cater to a wide customer base, including global leaders in pharmaceuticals, coatings, and food ingredients, sectors that demand both performance and sustainability.

Responsible Growth Philosophy

Our growth strategy is guided by the principle of 'Responsible Chemistry,' delivering value without compromising on environmental and social integrity. We strive to decouple growth from resource intensity by investing in clean technologies, energy-efficient processes, and circularity initiatives. In line with this commitment, our emphasis on ESG integration is evident across the value chain, from raw material sourcing and operations to product delivery and customer engagement.



Our PRODUCT Portfolio



We are distinguished by our dual-segment product strategy, comprising Acetyl intermediates and specialty intermediates. Together, these segments allow us to serve a broad spectrum of end-use industries, balancing volume-driven business with high-margin, application-specific offerings. This product architecture is also central to our goal of enabling sustainable industrial processes across the globe while fostering value-added innovation.

Acetyl Intermediates

The Acetyl Intermediates division is the backbone of Laxmi Organic's manufacturing ecosystem. It includes basic chemicals derived from acetic acid and ethyl alcohol, which serve as essential building blocks for various downstream applications.

Key Products:

Ethyl Acetate

One of the most widely used solvents in the world, applied in pharmaceuticals, adhesives, printing inks, and flexible packaging.

Acetic Acid

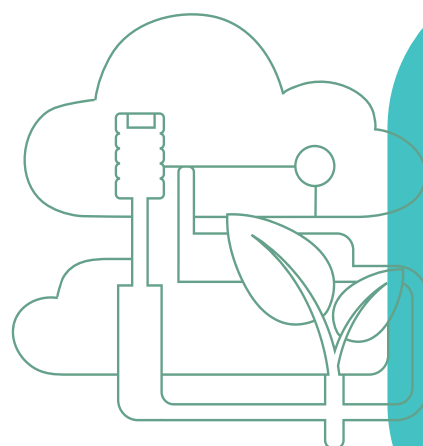
A primary chemical for the synthesis of esters, vinyl acetate monomers, and acetic anhydride.

Other Acetyl Derivatives

Propionic acid, butyl acetate, and related solvents.

We are among the largest producers of ethyl acetate in India, supported by backward integration and flexible manufacturing capacities. The Company's Acetyl intermediates are known for their high purity, consistent quality, and compliance with pharmaceutical and food-grade specifications.

These products are exported to over 30 countries, ensuring robust global connectivity and market relevance. Additionally, our long-standing relationships with leading pharma and packaging brands reinforce our reliability as a supply chain partner.



Specialty Intermediates

The Specialty Intermediates business represents our transition from commodity manufacturing to knowledge-driven, differentiated chemical innovation. These intermediates are designed to serve critical roles in the synthesis of complex active compounds.

Key Products:

Diketene and Diketene Derivatives

Used in manufacturing agrochemical actives, pharmaceutical APIs, and high-performance industrial chemicals.

Esters, Amides, and Acetoacetates

These fine chemicals enable customised applications and precise performance in end-use industries.

Aromatic and Heterocyclic Compounds

Developed in close partnership with R&D for evolving client needs.

Our SI portfolio enables targeted applications and helps customers meet stringent regulatory, environmental, and performance standards. In pharmaceuticals, our intermediates are critical to developing life-saving drugs. In agrochemicals, they enable more efficient and selective

crop protection. Furthermore, in performance chemicals, they support functional coatings and specialty polymers.

The Specialty Intermediates business continues to grow through advanced R&D that focusses on innovating new molecules and developing

sustainable synthesis pathways. Our collaboration with customers drives tailored chemical solutions, enabling co-development of specialised intermediates that address specific performance and regulatory needs.

Differentiators in the Product Portfolio

What sets our product portfolio apart is not only the chemistry itself but also the approach to how we design, manufacture, and deliver each product. We benefit from both backward and forward integration, which enhances cost-effectiveness and ensures control over product quality across the value chain.

Our production systems are guided by a commitment to sustainability, with mechanisms in place for solvent recovery, effluent treatment, and energy-efficient operations. We are fully equipped to meet the demands of tightly regulated global markets through robust regulatory preparedness, including REACH

compliance and Good Manufacturing Practice (GMP) protocols. Additionally, our in-house R&D capabilities allow us to offer customised, application-specific solutions that cater to evolving customer requirements.

Innovation-led Diversification

We are increasingly orienting our strategic focus towards the development of value-added chemicals that not only fulfil market needs but also align with global sustainability imperatives. At the same time, we continue to invest in emerging product platforms, particularly fluorinated intermediates and green solvents, which present opportunities for growth in environmentally sensitive sectors.

The Company's innovation also extends to process chemistry that aims to reduce energy use and minimise by-product generation, contributing to cleaner and leaner manufacturing systems. Moreover, our circularity initiatives emphasise recovery and reuse of solvents and resources, enabling us to close material loops and reduce dependency on virgin inputs.

Laxmi Organic maintains a thoughtful balance between large-scale production of Acetyl intermediates and the innovation-driven growth of specialty intermediates. This balance reinforces our position as a responsible leader in sustainable chemical manufacturing, creating long-term value and enabling industry transformation.

Global Presence and Manufacturing Footprint

We have built a strong operational and commercial presence in India and international markets. Our strategically located manufacturing facilities and expanding global distribution network strengthen this presence. Together, our production capabilities, export reach, and regulatory readiness position us as a reliable supplier of high-quality acetyl and specialty intermediates to a wide range of industries around the world.



Strategic Manufacturing Locations

Our manufacturing operations are primarily based in the chemical hubs of Mahad and Lote in the state of Maharashtra, India. These locations provide logistical advantages due to their proximity to raw material suppliers, industrial infrastructure, and key transport corridors, including ports for export.

The Mahad facility has historically served as the Company's flagship plant, particularly for the production of ethyl acetate and other acetyl intermediates. The Lote facility, on the other hand, is dedicated largely to the production of high-value Specialty Intermediates, including diketene derivatives and other fine chemicals.

Both facilities are designed with a focus on modular scalability, operational flexibility, and stringent process control. These allow us to quickly adapt to changing market demands while ensuring consistent product quality.



Certifications and Compliance

Our manufacturing units operate under rigorous quality and safety standards. They are certified for:



Infrastructure for Sustainability

Our plants are equipped with infrastructure that supports our sustainability goals. These include:

Water management systems, which ensure that all wastewater is treated and recycled, minimising freshwater withdrawal and preventing environmental discharge.

Solvent recovery units, which capture and reuse solvents used during chemical processing, reducing both cost and emissions.

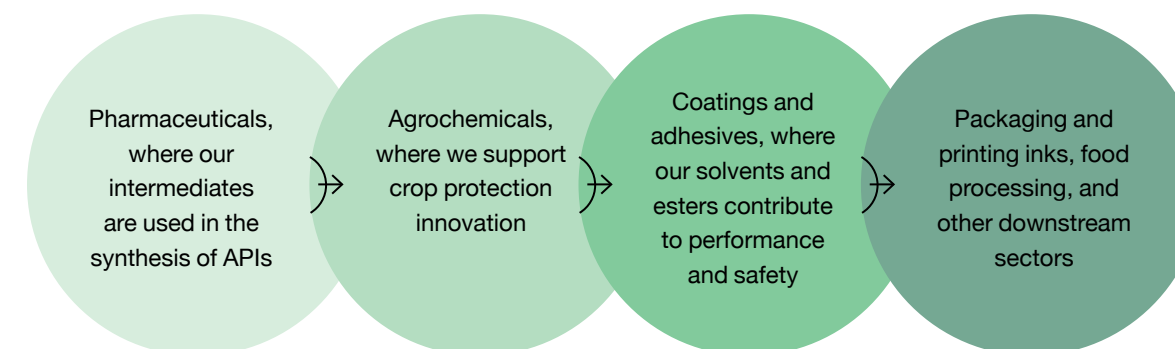
Waste management systems that facilitate responsible handling, treatment, and disposal of hazardous and non-hazardous waste in accordance with environmental laws.

Energy monitoring systems, which help optimise process efficiency and reduce overall carbon intensity.

Such systems form the backbone of our environmentally responsible manufacturing philosophy, allowing us to integrate sustainability into the core of our operations rather than treating it as a peripheral concern.

Export Markets and Global Reach

We serve customers in over 30 countries across North America, South America, Europe, Asia, and the Middle East. Our products cater to internationally renowned companies in sectors such as:

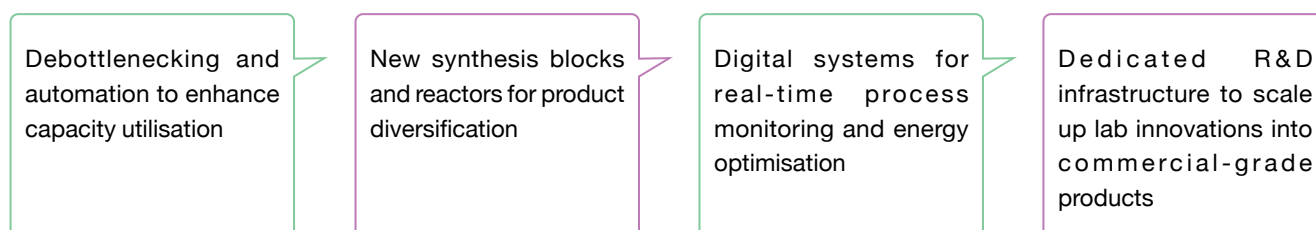


Our global supply chain is supported by well-established logistics partners and robust warehousing facilities. Additionally, a dedicated regulatory affairs team ensures timely documentation and full customs compliance.

With expanding demand for sustainable and high-quality chemical ingredients worldwide, Laxmi Organic is well-positioned to deepen its global market penetration through product innovation, capacity expansion, and stronger customer engagement.

Investments in Capacity and Future-readiness

To cater to future demand and introduce next-generation products, we are investing in:



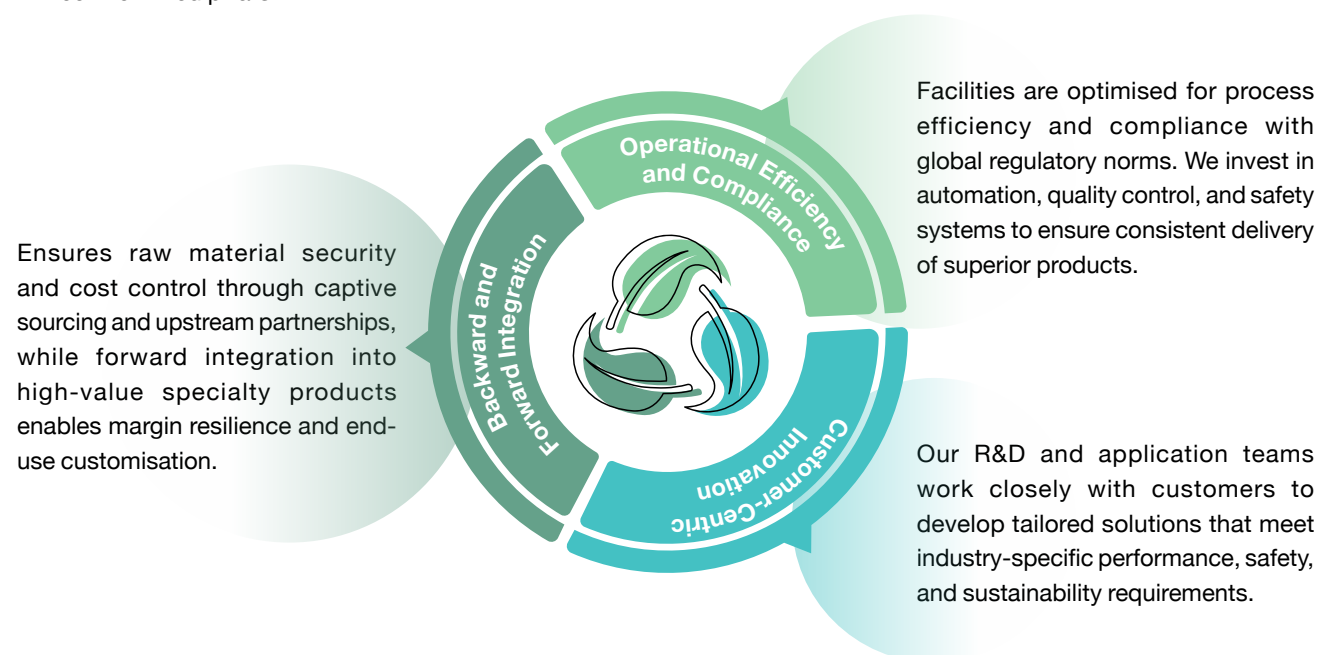
These investments are aligned with our long-term strategy of delivering operational excellence while lowering our environmental footprint. They also enable faster, safer, and more sustainable manufacturing.

Business Model and Value Chain

We operate a robust, vertically integrated business model that balances cost efficiency, value creation, innovation, and sustainability across our operations. Our model is designed to deliver differentiated chemical solutions while minimising environmental impact, managing risks, and creating long-term economic and social value for all stakeholders.

Business Model Overview

At its core, the Company's business model is driven by a deep understanding of the chemical value chain, from raw material procurement to product development, manufacturing, distribution, and customer engagement. The model is anchored on three interlinked pillars:



This integrated approach allows us to serve diverse markets across pharmaceuticals, agrochemicals, food ingredients, coatings, and performance chemicals, sectors requiring both scale and specialisation.

Value Chain Structure

The Laxmi Organic value chain is strategically aligned to deliver sustainability and performance at each stage:

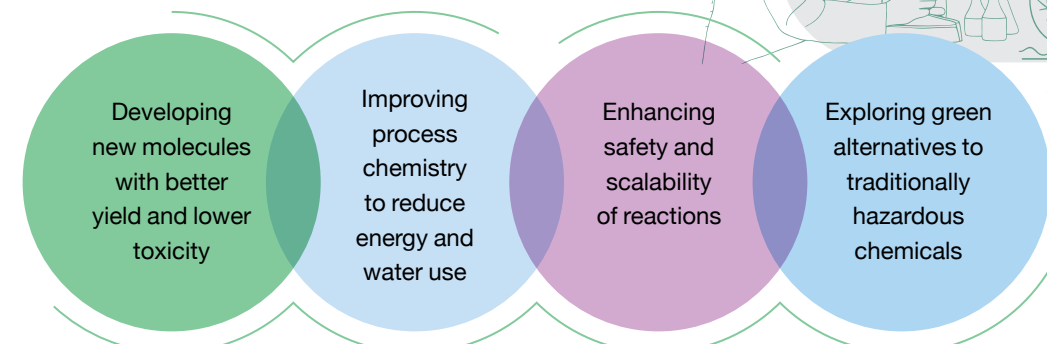
Raw Material Sourcing

Our primary inputs include ethanol, acetic acid, ketenes, and other petrochemical derivatives. We maintain long-term partnerships with suppliers who meet our quality and compliance standards. Increasingly, we are engaging with vendors to assess ESG performance, thereby encouraging responsible sourcing practices across the supply chain.



Product Development and R&D

Innovation is embedded early in the value chain through R&D. Our scientists focus on:



Our ability to co-develop solutions with customers sets us apart and creates lasting commercial relationships.

Manufacturing

Our plants in Mahad and Lote are central to our production value chain. They house continuous and batch processing systems for both acetyl and specialty intermediates. Moreover, lean manufacturing, solvent recovery and process automation ensure high output quality while reducing waste and resource intensity.

All units adhere to ISO standards for quality, environment, and occupational health and safety, ensuring both regulatory compliance and stakeholder confidence.



Quality Control and Compliance

We conduct rigorous quality checks at each production stage using advanced analytical technologies.

Our quality assurance teams ensure that each batch conforms to customer specifications, statutory standards,

and regulatory documentation requirements, especially for exports to REACH-regulated markets.

Packaging, Logistics, and Distribution

We ensure product safety and integrity through certified packaging processes and a network of reliable logistics partners. Our dispatch operations are designed for traceability, minimal spillage risk, and just-in-time deliveries. International exports are managed through customs-compliant documentation and dedicated regulatory support.



Customer Solutions and Technical Support

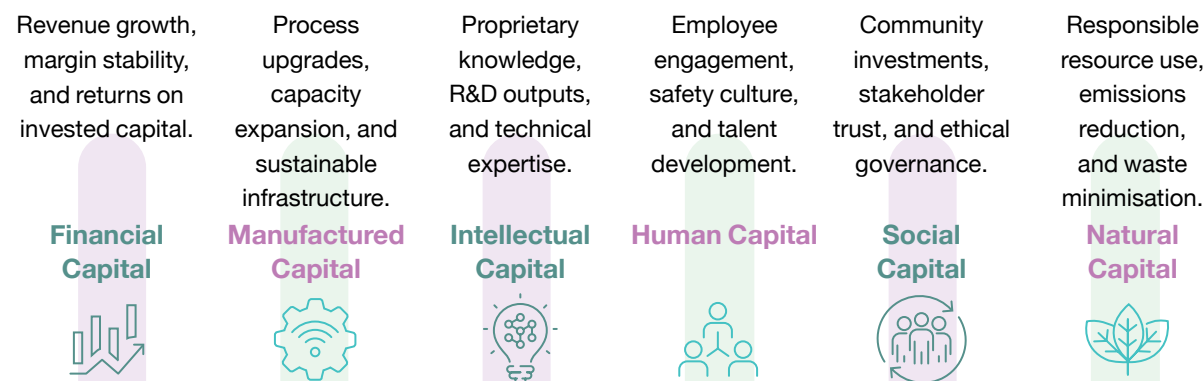
Laxmi Organic is more than a supplier; it is a solution provider. Our application development teams

offer technical guidance to customers on product usage, substitution, and regulatory adaptation. These

value-added services foster customer satisfaction, loyalty, and long-term partnerships.

Value Creation across Capitals

Our business model creates tangible and intangible value across six interconnected capital dimensions:



Each of these is monitored and managed through KPIs, risk controls, and internal governance frameworks to ensure that value creation is inclusive, long-term, and in line with our sustainability vision.

Awards, Recognitions, and Certifications

Recognition from peers, regulators, industry bodies, and customers serves as a validation of our commitment to excellence, sustainability, and continuous improvement. Over the years, we have been honoured with several awards and certifications. These reflect our performance in quality, environmental management, occupational safety, and responsible business conduct.

The achievements are not merely symbolic. They represent the collective efforts of our people, the robustness of our systems, and our ongoing pursuit of operational, ethical, and environmental benchmarks.



Integrated Management System: A Unified Commitment to EHSQ

We maintain compliance with all relevant legal and regulatory requirements and have adopted the 'Responsible Care' codes and guiding principles into our business model. Our Environmental, Health, Safety, and Quality (EHSQ) policy is aligned with the following certifications:

Management System Certifications



Product-specific Standards



Sustainability-specific Standards



This integrated framework supports consistent performance, rigorous accountability, and the embedding of sustainability into every operational and strategic decision.

Awards and Industry Recognitions

While we do not pursue awards as an end in themselves, the following accolades received during recent years acknowledge our leadership in areas such as innovation, sustainability, quality, and environmental responsibility:

CII Sustainability Recognition

Recognised for implementing energy-efficient technologies and advancing sustainability practices in chemical manufacturing

Maharashtra State Safety Award

Conferred in recognition of our consistent record in occupational safety, emergency preparedness, and employee training programmes

Outstanding Exporter Award

Honoured by the CHEMEXCIL (Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council) for our performance in international trade, reliability of supply, and compliance with global standards

Innovation Excellence in Specialty Chemicals

Presented by an industry body for our work in diketene derivatives and client-specific formulation development

CSR Impact Award

Livelihood and Education Category (Shortlisted): Acknowledgement of our contribution to rural skill development and educational infrastructure in underprivileged communities



These recognitions underscore our efforts to not only meet but exceed stakeholder expectations through ethical conduct, technological advancement, and meaningful societal engagement.

Significance of Recognitions in Our Sustainability Journey

These awards and certifications strengthen our reputation as a responsible corporate citizen and a trusted partner to customers, investors, and regulators. More importantly, they:

Reinforce employee morale and pride in the organisation

Inspire us to set higher goals and embed best practices

Offer external validation of internal governance and impact metrics

As we continue to expand and diversify, we remain committed to scaling excellence while maintaining integrity and responsibility in every aspect of our operations.



Sustainability Strategy

Our Approach to Sustainability

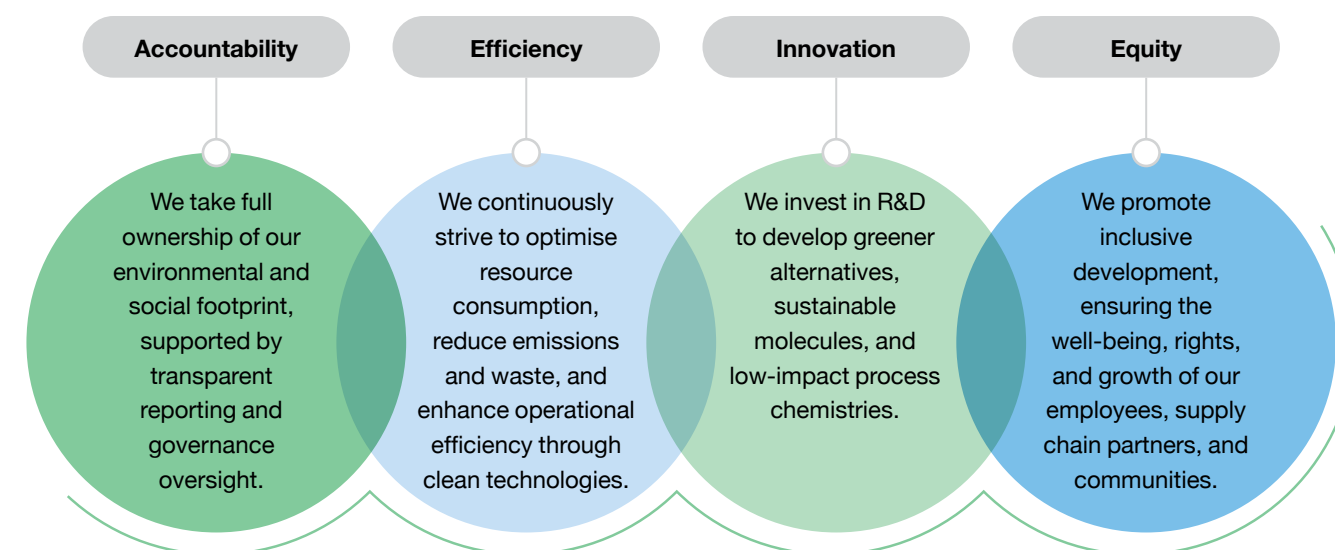
At Laxmi Organic, sustainability is embedded in our corporate ethos and operational mindset. We view sustainability not merely as a compliance requirement but as a strategic enabler that allows us to build a resilient business, create long-term stakeholder value, and contribute meaningfully to society and the planet. Our approach is rooted in science, guided by ethics, and responsive to the evolving expectations of our customers, regulators, investors, and communities.

Sustainability as a Business Imperative

We operate in a sector that is both energy-intensive and deeply integrated with everyday life. Chemicals are vital to sectors such as pharmaceuticals, agriculture, food, and infrastructure, making our responsibility towards safe, responsible, and sustainable operations even more critical. Recognising this, Laxmi Organic has made sustainability a core part of its long-term business strategy.



Our sustainability approach is structured around the following principles:



Alignment with Global Frameworks

Laxmi Organic's sustainability commitments are guided by a combination of international frameworks and national mandates. Our actions are aligned with the United Nations Sustainable Development Goals (SDGs), which provide a global blueprint for inclusive and sustainable growth. The Global Reporting Initiative (GRI) 2021 Standards serve as the foundation for our disclosures in this report, ensuring transparency and comparability across sectors. We also adhere to the SEBI-mandated Business Responsibility and Sustainability Reporting (BRSR) framework, which defines key ESG indicators for Indian listed companies. In addition, the principles of the Task Force on Climate-related Financial Disclosures (TCFD) shape our approach to identifying and managing climate-related risks and opportunities. These frameworks collectively inform our ESG strategy, policies, and performance monitoring.



Operationalising Sustainability across Functions

Sustainability is deeply integrated across all functional domains of our business. In production, this takes the form of cleaner processes, emissions control, and energy efficiency. In procurement, we focus on responsible sourcing and evaluating suppliers against ESG criteria. In research and development, we prioritise green chemistry, low-toxicity formulations, and product lifecycle improvements. In human resources, we promote employee health, safety, diversity, and inclusive workplace practices. In community engagement, our CSR initiatives support education, healthcare, livelihood enhancement, and sanitation in underserved areas. By embedding sustainability across functions, we ensure that it is not an isolated effort but a shared organisational priority.

Looking Ahead

As global value chains shift towards climate resilience, low-carbon transitions, and greater social accountability, Laxmi Organic is scaling up its ambitions. We are preparing for a future where ESG performance will increasingly influence access to capital, customer preference, regulatory licences, and talent retention.

In the years to come, our sustainability approach will expand to include:

- 1 ESG-linked financing and credit risk assessments.
- 2 Science-based target setting for climate mitigation.
- 3 Life cycle thinking in product innovation.
- 4 Digital tools for ESG performance tracking and reporting.

Sustainability is a journey, and we are committed to advancing it with clarity, commitment, and credibility.



Board Oversight and Leadership Commitment

The Board of Directors at Laxmi Organic plays an active role in overseeing the Company's sustainability agenda. The Board regularly reviews the Company's ESG risks, opportunities, and performance indicators in alignment with long-term business strategy. Sustainability-related matters are integrated into Board discussions and committee agendas. This ensures that ESG considerations are not treated in isolation but are intertwined with strategic, operational, and financial planning.

Leadership commitment is further reinforced by the Managing Director and Executive Management Team, who champion sustainability objectives and ensure alignment between business goals and ESG performance targets. Their visible involvement ensures that sustainability is prioritised across the organisation and that cross-functional ownership is maintained.

ESG Governance Structure

Laxmi Organic recognises that robust governance is the foundation of responsible and impactful sustainability performance. Our Environmental, Social, and Governance (ESG) governance structure is designed to provide clear oversight, strategic direction, and accountability across all ESG dimensions. It ensures that sustainability is embedded at the highest levels of corporate decision-making and operational execution.

ESG Committee and Management Structures

To operationalise ESG at an institutional level, Laxmi Organic has constituted an internal ESG Committee. This committee comprises senior representatives from key departments, including Environment, Safety, R&D, Operations, Finance, Legal, Human Resources, Procurement, and CSR.

This committee plays a central role in translating strategic sustainability goals into operational reality. Its key responsibilities include:

Driving ESG Strategy Implementation

The committee ensures that the sustainability roadmap is integrated into business planning and that relevant goals are cascaded across departments.

Monitoring ESG Performance and KPIs

It reviews progress against defined environmental, social, and governance metrics and identifies areas for improvement.

Coordinating Internal and External Disclosures

The committee facilitates the preparation of sustainability reports and supports compliance with BRSR, GRI, and other reporting frameworks.

Ensuring Regulatory and Policy Compliance

It monitors evolving regulations and ensures the Company's sustainability practices are aligned with national and international mandates.

Engaging with Stakeholders and Auditors

The committee serves as a liaison between internal teams, external assurance providers, rating agencies, and other stakeholders during ESG assessments and audits.

The ESG Committee functions as a bridge between strategic oversight and operational execution. It is tasked with assessing material risks and opportunities, identifying process improvements, integrating sustainability criteria into business planning, and coordinating with external consultants and stakeholders during ESG assessments and audits.

The committee reports periodically to senior management and ensures that ESG matters receive the attention, resources, and follow-through required for continuous improvement.

Operational Integration and Departmental Accountability

At the operational level, sustainability-related responsibilities are assigned to departmental heads and line managers across functions. Environmental officers manage compliance with air, water, and waste regulations, while health and safety personnel are responsible for implementing and monitoring safety protocols, training, and incident management. Procurement teams ensure that vendor selections align with ethical sourcing and ESG screening, and the R&D division incorporates sustainability criteria into new product development and process innovations.

Each department is accountable for meeting specific ESG targets aligned with corporate objectives. These targets are reviewed periodically through internal audits, performance appraisals, and reporting dashboards, ensuring transparency and responsiveness.

Capacity Building and Stakeholder Engagement

To strengthen ESG governance, Laxmi Organic emphasises capacity building and internal awareness. Training programmes are conducted to enhance employee understanding of sustainability concepts, compliance obligations, and emerging ESG trends. These efforts ensure that ESG is not seen as a peripheral responsibility but as a core capability embedded in everyday decision-making.

Our governance structure also supports stakeholder engagement, enabling dialogue with investors, customers, suppliers, regulators, and communities. Feedback from stakeholders is used to refine priorities, strengthen disclosures, and improve overall governance responsiveness.

Continuous Improvement and External Benchmarking

The ESG governance framework at Laxmi Organic is not static. It is subject to continuous refinement based on internal reviews, global best practices, and benchmarking with industry leaders. The Company actively participates in ESG ratings, disclosures, and audits and uses external feedback to drive improvements.

By institutionalising ESG governance through a structured framework of leadership, committees, and cross-functional ownership, Laxmi Organic ensures that sustainability is not just a value but a system of accountability, innovation, and long-term value creation.



ESG Policy and Integration with Business Strategy

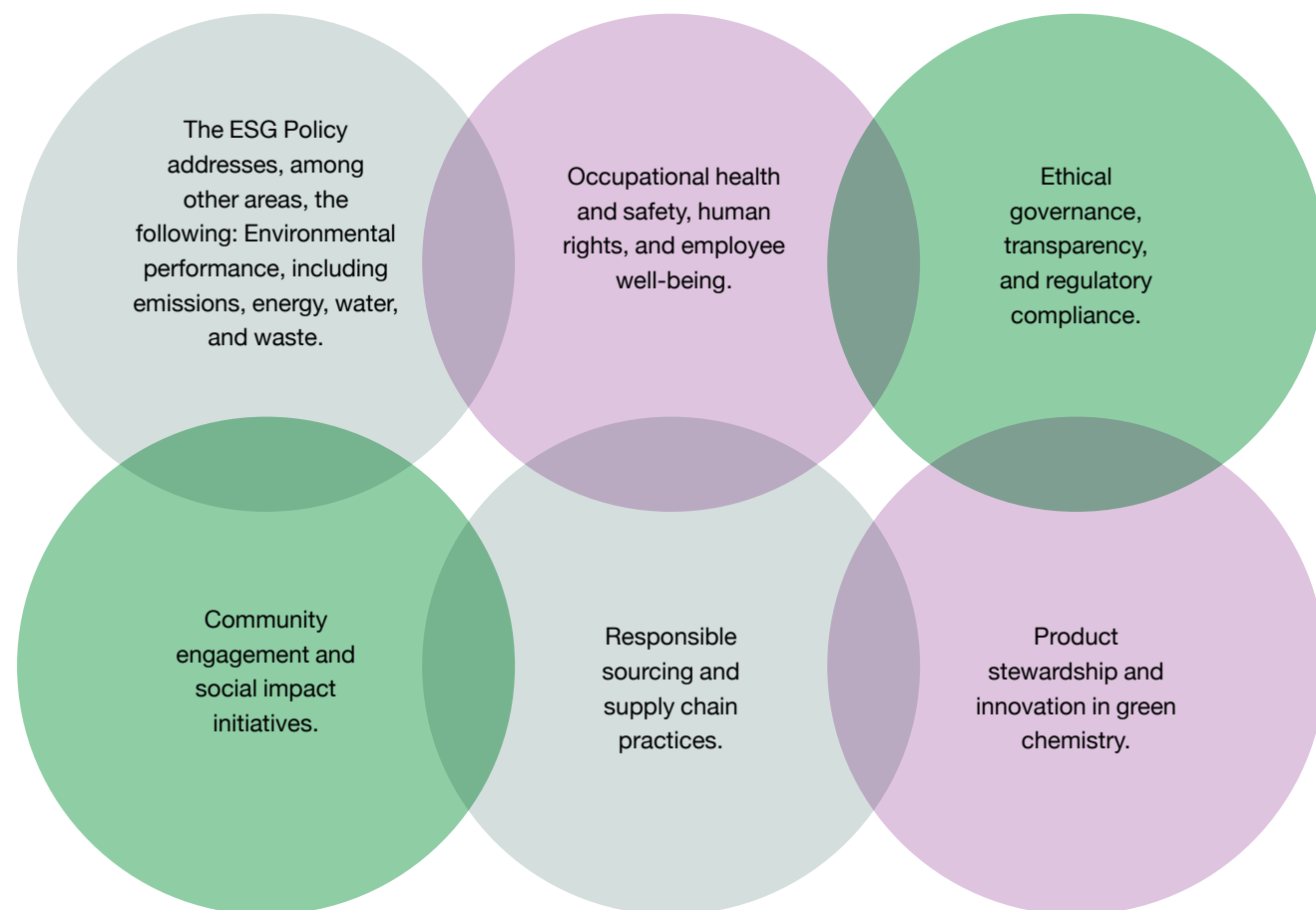
At Laxmi Organic, our commitment to sustainability is formally anchored in our Environmental, Social, and Governance (ESG) Policy. This policy provides the guiding principles and operational directives that shape our conduct, influence our decision-making, and integrate sustainability considerations across all levels of the organisation. More than a statement of intent, the ESG Policy is a tool for strategic alignment, risk mitigation, stakeholder engagement, and long-term value creation.



Foundation and Scope of the ESG Policy

The ESG Policy of Laxmi Organic has been developed in alignment with internationally recognised frameworks such as the Global Reporting Initiative (GRI), the United Nations Sustainable Development Goals (UN SDGs), and SEBI's Business Responsibility and Sustainability Reporting (BRSR) requirements. It reflects our deep understanding of material topics relevant to the chemical industry and our proactive commitment to managing their impacts.

The policy applies to all employees, contractors, and business units of the Company. It also guides the conduct of suppliers, partners, and other stakeholders in our value chain. It is reviewed periodically by the ESG Committee and approved by the senior leadership team to ensure relevance, responsiveness, and alignment with business goals.



Strategic Integration across the Business

The principles outlined in the ESG Policy are not stand-alone; they are integrated directly into Laxmi Organic's business strategy, growth roadmap, and operational practices. This integration ensures that ESG is not viewed as a separate or support function but as a core dimension of value creation.

In strategic planning, ESG risks and opportunities are evaluated alongside financial and operational considerations. Capital investments are screened not only for commercial returns but also for environmental and social implications. Similarly, R&D initiatives are assessed for their contribution to safer, greener, and more resource-efficient products.

Procurement decisions increasingly factor in the ESG credentials of vendors. Human resources policies promote inclusivity, diversity, employee safety, and continuous learning. Community programmes are aligned with both national development goals and local needs, ensuring relevance and impact.

Governance and Accountability

Accountability for ESG Policy implementation lies across multiple layers. The ESG Committee ensures compliance with policy provisions, while senior management is responsible for embedding ESG goals in departmental plans and KPIs. Regular training, capacity building, and audits ensure that the policy is understood, applied, and continuously improved upon.

The policy is disseminated internally through awareness sessions and digitally accessible platforms and externally through vendor communications, sustainability disclosures, and stakeholder engagements.

ESG as a Driver of Business Resilience and Market Trust

The integration of ESG into our core strategy reinforces our business resilience, enhances operational agility, and builds long-term trust with stakeholders. It allows us to anticipate regulatory shifts, adapt to changing customer preferences, attract responsible capital, and retain top talent.

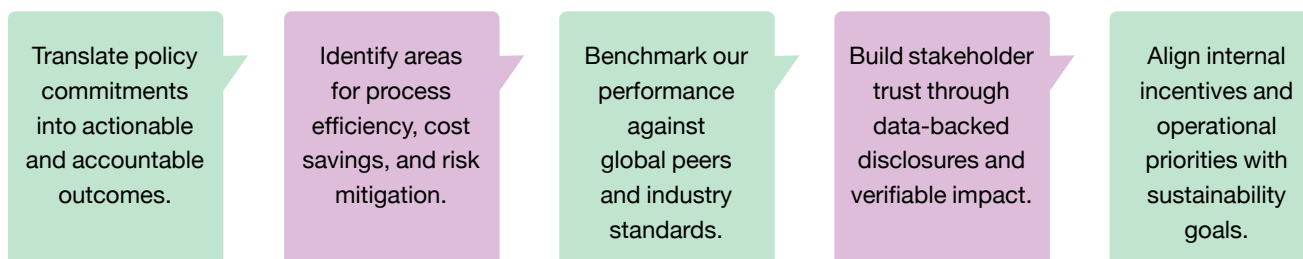
As we move forward, the ESG Policy will continue to evolve to reflect emerging global standards, stakeholder expectations, and sectoral risks. It will serve as a compass to guide responsible business conduct and ensure that sustainability remains a fundamental pillar of how we operate, grow, and create shared value.

Sustainability-linked KPIs and Targets

Laxmi Organic has adopted a structured approach to sustainability performance by defining measurable Key Performance Indicators (KPIs) that align with our ESG priorities and long-term business strategy. These KPIs serve as tangible benchmarks that drive continuous improvement, enhance transparency, and enable informed decision-making across the organisation. Our focus is not just on tracking outputs but on setting forward-looking targets that reflect our ambition to lead with responsibility, resilience, and innovation.

Rationale for Defining ESG KPIs

As a responsible chemical manufacturer, we operate in a sector with high environmental sensitivity and growing regulatory and stakeholder expectations. Tracking ESG performance through quantitative and qualitative KPIs allows us to:



Our KPIs are informed by materiality assessments, internal risk reviews, customer audits, and compliance requirements under frameworks such as BRSR, GRI, and TCFD.

Key Environmental KPIs

We track a comprehensive set of environmental indicators across our manufacturing units. These include energy consumption, water usage, waste generation, effluent discharge, and greenhouse gas (GHG) emissions. Highlights of our environmental performance monitoring include:

We aim to reduce energy consumption per tonne of product output through energy efficiency measures and process optimisation.

We have set internal goals to minimise hazardous and non-hazardous waste generation per unit of output. Our waste reduction strategy focusses on reuse, recycling, and safe disposal.

We track the volume of freshwater withdrawn and the percentage recycled through our Water management system.

GHG emissions, particularly Scope 1 and Scope 2 emissions, are regularly monitored. We have defined short-term targets, supported by initiatives in renewable energy sourcing and process efficiency.

Key Social KPIs

We monitor a range of social indicators to ensure that our growth is inclusive, ethical, and people-centric. Our key social KPIs include:

We are committed to maintaining zero fatalities and reducing Total Recordable Incident Rate (TRIR) year-on-year. Our safety performance is strengthened through regular training, mock drills, and system audits.

We track gender diversity across roles and aim to improve female representation, especially in technical and leadership positions.

Our employee training programmes are aligned with operational needs and personal development goals.

We measure the reach and impact of our community development programmes in education, health, sanitation, and livelihoods.

Key Governance KPIs

Governance KPIs help us measure ethical conduct, regulatory compliance, and stakeholder trust. Our focus areas include:

We monitor the frequency and resolution time of whistleblower complaints and aim to maintain a 100% resolution rate for all reported concerns within the review period.

We aim to achieve 100% compliance with environmental and safety audits across all facilities. Non-compliance observations are tracked, closed within timelines, and used for corrective action planning.

We aim to complete third-party ESG ratings and sustainability assurance exercises annually, using them as inputs to drive internal improvements and external communication.

Target Monitoring and Review Mechanism

Our ESG KPIs and targets are monitored on a quarterly basis by the ESG Committee and reported to senior management. Departmental heads are responsible for tracking function-specific targets and submitting updates. Corrective actions are implemented where gaps are identified.

Targets are reviewed annually and updated based on business growth, regulatory changes, stakeholder expectations, and industry benchmarking. Data integrity is maintained through internal audits, system automation, and external assurance as applicable.

Looking Forward

As we expand our ESG maturity, we intend to evolve our KPIs into science-based, externally assured, and performance-linked metrics. We are exploring the integration of ESG metrics into incentive structures, financial planning, and supplier assessments.

By linking our sustainability ambitions with clear, measurable, and verifiable performance indicators, Laxmi Organic reaffirms its commitment to creating long-term value that benefits all stakeholders while safeguarding the environment and society.

ESG & Sustainability Management Systems Implementation, Dissemination and Disclosures – Key reflections, insights and learnings:

- 1 The global landscape of ESG ratings and benchmarks is rapidly expanding and increasingly fragmented.
- 2 Ratings differ in scope, weighting, and measurement methodologies, often resulting in divergent scores for the same ESG topic.
- 3 According to the World Business Council for Sustainable Development (WBCSD), there are over 600 ESG ratings and benchmarks covering more than 2,000 ESG indicators.
- 4 This diversity makes it impractical to actively participate in every rating or benchmark available in the market.
- 5 Laxmi prioritises participation in ESG ratings and benchmarks that are most relevant and valuable to our stakeholders.
- 6 We reassess our prioritisation at recurring intervals, ensuring alignment with evolving stakeholder expectations and industry standards.
- 7 Our participation strategy is guided by materiality assessments, focusing on ESG topics most critical to our business and communities.
- 8 We emphasise quality over quantity, ensuring that our disclosures are robust, transparent, and comparable across selected frameworks.
- 9 Engagement with ESG ratings helps us identify gaps, benchmark performance, and drive continuous improvement.
- 10 We maintain open dialogue with rating agencies and stakeholders to clarify methodologies and enhance the accuracy of our ESG profile.
- 11 Our approach ensures that ESG ratings serve as a tool for accountability and progress, not just compliance.

Risk Management and Compliance

Laxmi Organic operates in a complex and rapidly evolving regulatory, environmental, and stakeholder landscape. As a responsible chemical manufacturer, we recognise the importance of identifying, evaluating, and proactively mitigating risks that could impact our business, people, environment, and reputation. Our approach to risk management is integrated with our overall governance framework and sustainability strategy, ensuring resilience, adaptability, and compliance across all levels of the organisation.



Enterprise Risk Management Framework

Laxmi Organic has implemented a structured Enterprise Risk Management (ERM) framework that helps identify strategic, operational, financial, environmental, and reputational risks. This framework enables us to prioritise risks based on likelihood and potential impact and take appropriate measures to prevent, mitigate, or respond effectively to them.

Risk identification is carried out at both corporate and operational levels, involving cross-functional teams across production, safety, legal, finance, R&D, and supply chain. These risks are reviewed by senior management and the Audit Committee of the Board on a periodic basis. Risk registers are maintained, and risk mitigation plans are regularly updated to reflect the dynamic nature of our operations and external environment.

The ERM system is not static; it evolves to incorporate lessons learnt, emerging global trends, regulatory developments, and stakeholder feedback.



Legal and Regulatory Compliance

Compliance is a fundamental pillar of our risk management philosophy. Laxmi Organic adheres to all applicable Indian and international laws, including environmental regulations, labour laws, chemical handling standards, REACH and GHS requirements, and industry-specific safety norms.

Our legal and compliance team works closely with external advisors, auditors, and consultants to ensure timely updates on regulatory changes and their implications. Periodic internal audits, third-party inspections, and management reviews are conducted to identify and rectify compliance gaps. All statutory obligations related to air, water, waste, hazardous materials, emissions, and occupational health are diligently met.

Cybersecurity and Data Privacy

As our operations become increasingly digitalised, we have also recognised the growing importance of cyber risk. Measures such as firewalls, data encryption, access controls, disaster recovery protocols, and cybersecurity training are implemented to protect sensitive business and stakeholder information.

We are also enhancing our capabilities in ESG data governance to ensure data accuracy, confidentiality, and compliance with future disclosure regulations.



Sustainability-related Risks and Controls

In the context of sustainability, several material risks have been identified, and mitigation measures have been institutionalised:

Environmental risks such as emissions violations, water shortages, hazardous waste mismanagement, and non-compliance with pollution control norms are addressed through strict adherence to environmental regulations, real-time monitoring systems, and a ZLD commitment. We also conduct environmental impact assessments and invest in cleaner technologies to reduce operational risk.

Social risks include workplace health and safety incidents, employee attrition, and supply chain labour issues. These are mitigated through ISO 45001-certified safety systems, regular training, stakeholder audits, and a strong focus on employee engagement, diversity, and well-being.

Governance risks such as non-compliance, fraud, or ethical violations are addressed through robust internal controls, periodic audits, whistleblower mechanisms, anti-corruption policies, and Board oversight. Our Code of Conduct and ESG Policy provide a clear foundation for ethical business practices.

Climate-related risks are increasingly becoming a key consideration. Physical risks from extreme weather events and transition risks related to carbon pricing, policy shifts, and investor expectations are being mapped. We have initiated the process of aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to strengthen climate risk preparedness.



Business Continuity and Emergency Preparedness

Laxmi Organic maintains a comprehensive Business Continuity Plan (BCP) that outlines procedures for operational recovery during unforeseen events such as natural disasters, pandemics, or supply chain disruptions. Emergency response teams are trained and equipped to respond to chemical spills, fire hazards, or health emergencies.

Mock drills, scenario planning, and resource redundancy ensure that we are prepared to respond quickly, minimise downtime, and protect people and the environment.

Forward View

Our risk management and compliance systems are central to our sustainability journey. As we scale and diversify, we are enhancing our capabilities in predictive risk analytics, integrated compliance dashboards, and ESG risk mapping. We are also exploring alignment with emerging regulatory regimes such as the EU Green Deal, Indian EPR frameworks, and global chemical safety directives.

By embedding risk intelligence and compliance integrity into the core of our operations, Laxmi Organic aims to navigate complexity with confidence, safeguard stakeholder trust, and sustain value in an unpredictable world.



Stakeholder Engagement

Stakeholder engagement forms the backbone of our sustainability strategy. We understand that our long-term success depends on maintaining trust and transparency with all parties we interact with. Therefore, we undertake a structured and inclusive approach to identifying, engaging, and responding to our stakeholders. These engagements help align our operations with stakeholder expectations. Additionally, they support more informed decision-making and improved environmental, social, and economic outcomes.

Key Topics Raised by Stakeholders

Stakeholders across categories have shared concerns, expectations, and feedback that influence the Company's sustainability priorities. Customers seek high-performance products with a low environmental footprint, along with improved product traceability and regulatory compliance. Employees consistently emphasise workplace safety, career development, fair compensation, and mental well-being. Investors are focussed on ESG risk mitigation, governance, transparency in disclosures, and long-term value creation. Communities emphasise the need for inclusive growth, local employment, education, health, and environmental safeguards. Regulatory bodies prioritise compliance with air, water, and hazardous waste standards, emergency preparedness, and industrial safety.

In recent engagements, climate-related disclosures, waste minimisation, renewable energy adoption, circular economy integration, and ethical sourcing have emerged as top-of-mind themes. These insights have been directly incorporated into our materiality reassessment and ESG roadmap.



Stakeholder Mapping and Engagement Mechanisms

We identify our stakeholders based on their influence on, and dependence upon, our business. The key stakeholder groups include employees, customers, investors, suppliers and contractors, regulators, local communities, and industry associations. We engage each of these groups through formal and informal channels, ensuring two-way communication and timely responsiveness.

We engage employees through structured induction programmes, regular townhalls, performance appraisals, anonymous feedback channels, and health and safety








briefings. We connect with customers through periodic reviews, product audits, co-development workshops, and service feedback loops. At the same time, we manage supplier relationships through audits, capacity-building initiatives, and procurement assessments that emphasise quality, compliance, and ethical conduct.

We keep our investors and shareholders informed through quarterly earnings releases, shareholder meetings, analyst calls, and sustainability disclosures, including the BRSR and Sustainability Reports. By conducting CSR projects, we engage local community members

through need assessments, grievance redressal platforms, and participation in development planning. Through compliance filings, inspections, joint monitoring programmes, and proactive consultations, we work closely with regulatory stakeholders. Furthermore, industry bodies and policy forums serve as key platforms for advocacy, policy alignment, and knowledge sharing.

We have designed the engagement mechanisms to be inclusive, recurring, and aligned with material ESG themes relevant to each stakeholder group.

Stakeholder-wise Engagement

Stakeholder Group	Mode of Engagement	Frequency	Key Concerns Raised
 Employees	Townhalls, surveys, HSE meetings, training	Ongoing	Health and safety, skill development, job satisfaction
 Customers	Product audits, satisfaction surveys, joint innovation	Quarterly/As needed	Product quality, compliance, carbon footprint
 Suppliers and Contractors	Site audits, code of conduct, capacity-building	Annually/Ongoing	Fair procurement, human rights, timely payments
 Investors	AGM, earnings calls, ESG reports	Quarterly/Annually	Governance, climate risk, transparency
 Communities	CSR projects, public consultations	Periodic	Livelihood, environment, health, education
 Regulators	Statutory filings, compliance reviews, inspections	Periodic/As scheduled	Environmental compliance, industrial safety
 Industry Associations	Forums, roundtables, policy submissions	As needed	Sectoral sustainability, advocacy

The insights generated from stakeholder interactions are not only documented but also reviewed periodically by the ESG Committee and management. They directly influence the materiality assessment, the prioritisation of ESG topics, and the development of policies and programmes.

We are committed to deepening this engagement further through technology integration, more frequent disclosure, and stronger grievance redressal systems. This participatory governance model ensures the sustainability journey remains inclusive, transparent, and continuously evolving.

Materiality Assessment

Materiality Assessment Process

We conducted our last formal materiality assessment in 2022–23, following the GRI 3: Material Topics 2021 Standard. The assessment aimed to identify key sustainability topics and set their priorities. It examined the Company's actual and potential impacts on the environment, society, and economy. It also considered the expectations of key stakeholders.

For the 2024–25 reporting period, we have retained the material topics identified in the previous cycle. The reason being, our overall business model, stakeholder landscape, and regulatory environment have remained consistent. The list continues to reflect the most material concerns to our stakeholders and aligns well with our ESG risks, opportunities, and performance priorities.

1 Identification of Relevant Topics

In the previous cycle, a comprehensive pool of sustainability topics was developed, drawing from the GRI Standards (Universal and topic-specific), SEBI's BRSR framework, peer disclosures, and global sustainability trends. Internal documentation, ESG ratings, and industry-specific issues were also analysed to identify areas where we may have significant actual or potential impacts across our value chain.

2 Stakeholder Engagement

Structured engagements were conducted in 2022–23 with internal and external stakeholders, including senior management, employees, suppliers, customers, communities, regulators, and investors. These interactions were facilitated through interviews, surveys, and consultations to gather insights into the issues they considered most important and impactful.

3 Assessment of Actual and Potential Impacts

The Company evaluated each topic by considering the scale, scope, and likelihood of both positive and negative impacts. This included environmental impacts such as emissions and waste, social issues like health and safety and community engagement, and governance matters such as ethics and compliance. These were assessed not only from a risk perspective but also through the lens of opportunity and long-term value creation.

4 Prioritisation and Validation

Each topic was scored and mapped based on its importance to stakeholders and the magnitude of our impact. This prioritisation was reviewed and validated by the ESG Committee and senior leadership, ensuring alignment with business strategy, regulatory expectations, and sustainability goals.

5 Integration with ESG Strategy and Reporting

The material topics identified through this process continue to form the foundation of our ESG policy framework, internal reporting structures, and external disclosures. They also guide the structure of this report, helping ensure relevance and clarity for stakeholders.

Future Updates

While no new materiality assessment was conducted in 2024–25, the existing matrix remains valid. The ESG Committee is scheduled to initiate the next formal materiality reassessment in the future reporting cycle. This will align with evolving business dynamics, stakeholder expectations, and regulatory developments.





Material Topics for 2024–25

The following topics remain material to our business and have been prioritised for continued management and disclosure:

List of Material Topics and Prioritisation Matrix

The list of material topics disclosed in this report is based on the materiality assessment we conducted during 2022–23. This assessment, aligned with the GRI 3: Material Topics 2021 Standard, continues to remain relevant for 2024–25. The consistency in business operations, stakeholder priorities, and regulatory focus during the current reporting year supports its continued relevance.

These topics represent the most significant actual and potential impacts of our operations on the environment, society, and economy, as well as the issues of highest concern to our key stakeholders. They also inform our internal ESG risk registers, strategic initiatives, and the focus areas of this Sustainability Report.

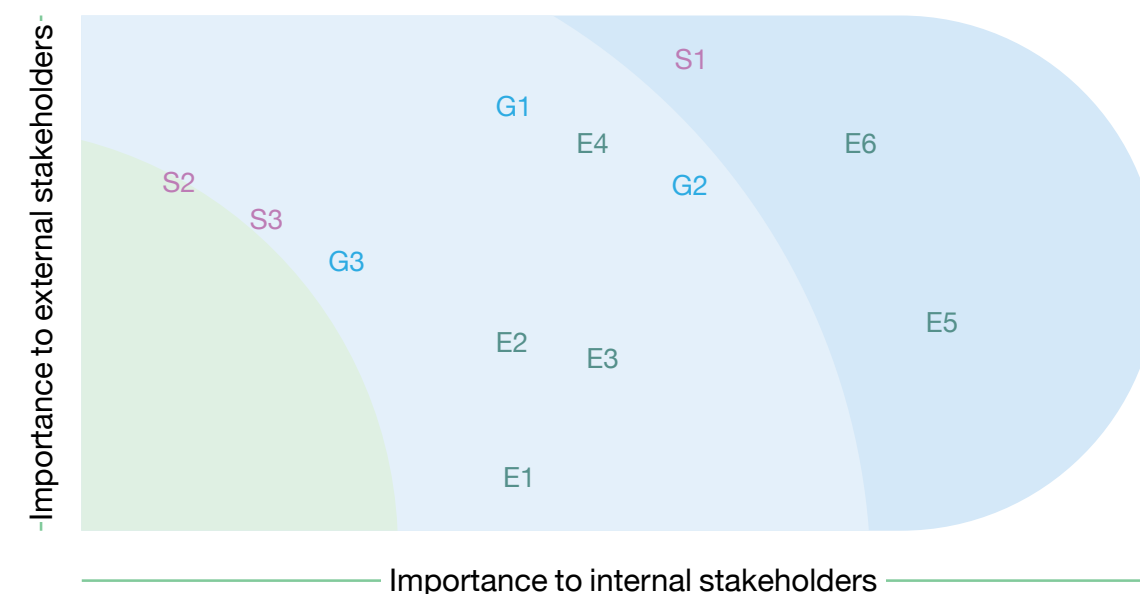
ESG Theme	Laxmi Organic's Material Topics	GRI Alignment
Resource Footprint	Energy Management	GRI 302: Energy
	GHG Emissions	GRI 305: Emissions
	Waste Management	GRI 306: Waste
	Air Quality	GRI 305: Emissions
	Water Quality and Wastewater Management	GRI 303: Water and Effluents
	Hazardous Materials Management	GRI 306: Waste
Responsible Operations	Occupational Health and Safety	GRI 403: Occupational Health and Safety
	Human Rights	GRI 412: Human Rights Assessment
	Product Responsibility	GRI 500: Product Responsibility*
Trusted Partner	Business Ethics	GRI 2-24 to 2-26: Governance and Ethics
	Management of Legal and Regulatory Environment	GRI 201: Economic Performance
Climate Leadership	Climate Risks and Opportunities	GRI 201: Economic Performance (Climate Risk)

* Note: GRI 500-series modules include multiple product-specific disclosures and are cross-referenced with sectoral standards, as applicable.

These topics have been validated by the ESG Committee and endorsed by senior leadership as continuing to reflect the key sustainability impacts, risks, and opportunities relevant to the Company.

Prioritisation Matrix

The prioritisation matrix used in this report is consistent with the one developed during the previous assessment cycle. The matrix positions each material topic based on two dimensions: the significance of the Company's impact and the importance of the topic to stakeholders. This visualisation helps us direct resources towards high-impact, high-interest areas, and ensure focussed disclosure.



ESG Topic	ESG Theme	Code	Material Topic	GRI Alignment
Environment	Resource Footprint	E1	Energy Management	GRI 302: Energy
		E2	GHG Emissions	GRI 305: Emissions
		E3	Waste Management	GRI 306: Waste
		E4	Air Quality	GRI 305: Emissions
		E5	Water Quality & Wastewater Management	GRI 303: Water and Effluents
		E6	Hazardous Materials Management	GRI 306: Waste
Social	Responsible Operations	S1	Occupational Health and Safety	GRI 403: Occupational Health and Safety
		S2	Human Rights	GRI Universal Standards
	Product Footprint	S3	Product Responsibility	GRI 416: Customer Health and Safety GRI 417: Marketing and Labelling
Governance	Trusted Partner	G1	Business Ethics	GRI 2: General Disclosures
		G2	Management of Legal & Regulatory Environment	GRI 201: Economic Performance
		G3	Climate Risk & Opportunities	GRI 201: Economic Performance

Mapping to GRI Standards and SDGs

Our sustainability disclosures for 2024–25 are aligned with the GRI 2021 Standards, ensuring consistency, global comparability, and stakeholder relevance. Each of our material topics has been mapped to the corresponding GRI topic standard and associated Sustainable Development Goals (SDGs). This dual alignment reflects our commitment to structured and transparent reporting, as well as our contribution to broader national and global development agendas.

Energy Management GRI 302: Energy  	GHG Emissions GRI 305: Emissions   	Waste Management GRI 306: Waste 
Air Quality GRI 305: Emissions   	Water Quality and Wastewater Management GRI 303: Water and Effluents   	Hazardous Materials Management GRI 306: Waste   
Occupational Health and Safety GRI 403: Occupational Health and Safety  	Human Rights GRI 412: Human Rights Assessment  	Product Responsibility GRI 416: Customer Health and Safety  
Business Ethics GRI 2-24 to 2-26 (Ethics and Integrity) 	Legal and Regulatory Compliance GRI 201: Economic Performance  	Climate Risk and Opportunities GRI 201-2: Risks and Opportunities Due to Climate Change   

This mapping ensures that our disclosures are not only GRI-compliant but also demonstrate how our actions contribute towards achieving specific SDG targets. While we do not claim alignment with all 17 SDGs, the mapping above represents the core themes where our operations, products, and policies generate measurable sustainability impact.

Our alignment of material topics with the SDGs is based on the nature and scale of our operations. It also draws from the initiatives, performance indicators, and targets we have publicly disclosed under each topic. In addition, we follow guidance from global frameworks such as the GRI-UN Global Compact's 'Business Reporting on the SDGs'.

Furthermore, this mapping approach ensures relevance, traceability, and a credible reflection of our contribution to sustainable development.



Environmental Stewardship

Energy Management

Energy management is a critical pillar of Laxmi Organic's environmental strategy. Given the energy-intensive nature of our operations, we continuously seek to improve efficiency, reduce consumption, and progressively increase the share of cleaner energy sources in our energy mix.



Energy Consumption Overview

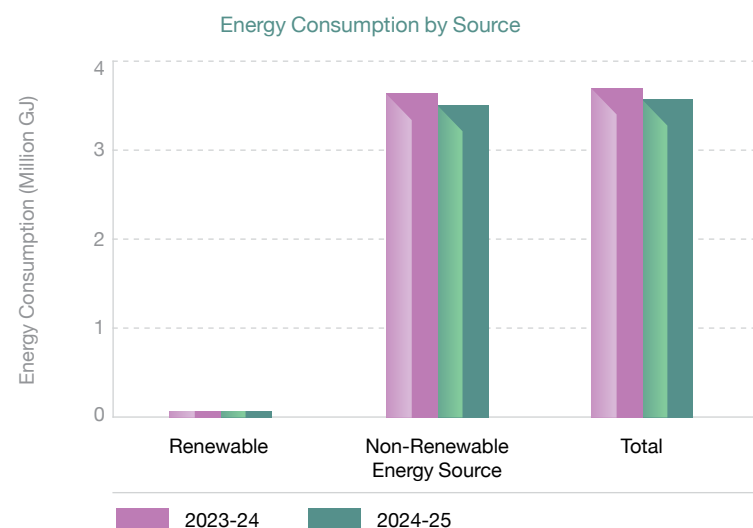
In 2024-25, Laxmi Organic consumed a total of 3,572,370 GJ of energy, a slight reduction from 3,699,922 GJ in the previous year. This reduction is primarily attributed to improved process efficiencies, operational streamlining, and optimisation initiatives across our manufacturing facilities. Energy is sourced from both renewable and non-renewable channels.

247,472 MT

Production Quantity for FY 2024-25

Renewable energy consumption stood at 63,787 GJ, nearly consistent with 63,949 GJ in 2023-24.

Non-renewable energy consumption declined to 3,508,583 GJ from 3,635,973 GJ, indicating marginal but significant progress towards decarbonising operations.



Energy Intensity

Laxmi Organic achieved a notable reduction in energy intensity per rupee of turnover, which declined from 131.03 GJ/₹ Mn in 2023-24 to 121.31 GJ/₹ Mn in 2024-25. Similarly, when adjusted for Purchasing Power Parity (PPP),

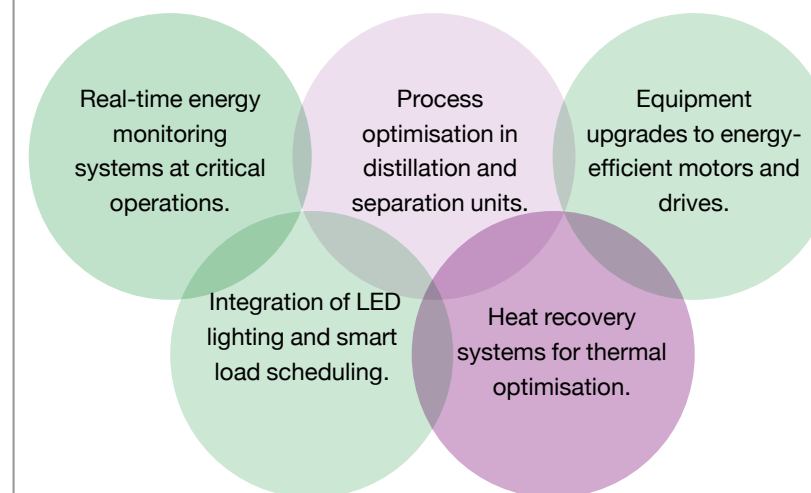
energy intensity improved from 0.64×10^{-5} to 0.59×10^{-5} . Energy intensity per tonne of production also showed a marginal improvement, moving from 14.56 to 14.44 GJ/tonne. These improvements reflect operational efficiency measures and

conscious resource management across business units.

These metrics are visualised in the bar chart titled 'Energy Intensity Comparison', demonstrating multi-dimensional progress in energy performance.

Operational Measures

Laxmi Organic has implemented a range of measures to reduce energy consumption and enhance process efficiency. These include:



Though the share of renewable energy remains modest, the Company is actively evaluating power purchase agreements for green energy and on-site renewable installations to scale up adoption.

Way Forward

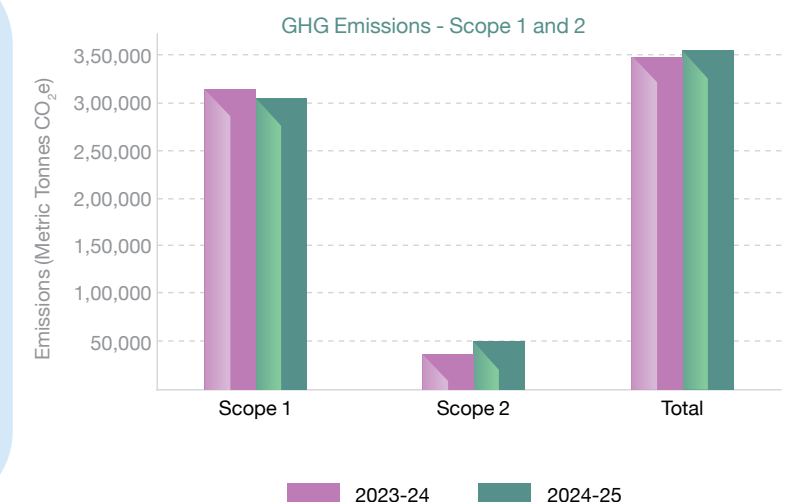
Laxmi Organic aims to reduce energy intensity further through continuous improvement projects and scale its renewable energy mix in alignment with national targets and emerging stakeholder expectations. While no formal renewable energy target has been adopted, the Company is focussed on feasibility assessments and policy engagement to support a gradual transition.

GHG Emissions

Laxmi Organic recognises climate change as a critical environmental and business risk. Monitoring and managing greenhouse gas (GHG) emissions is a central focus of our sustainability strategy, especially given the emission-intensive nature of chemical manufacturing. Laxmi Organic tracks and discloses Scope 1 and Scope 2 emissions annually and is in the process of assessing Scope 3 emissions in alignment with industry practices.

Scope 1 and Scope 2 Emissions

In 2024-25, the Company reported a total of 304,343 metric tonnes (MT) CO₂e under Scope 1 and 50,705 MT CO₂e under Scope 2. Compared to the previous year, Scope 1 emissions declined by approximately 3%, while Scope 2 emissions rose significantly due to increased reliance on grid electricity. Despite this, the Company achieved a marginal reduction in total GHG emissions, bringing the combined total to 355,048 MT CO₂e in 2024-25, down from 349,628 MT CO₂e in 2023-24.



Emission Intensity

Laxmi Organic has demonstrated consistent efforts to improve the efficiency of its operations, which is reflected in the reduction of GHG emission intensity. In 2024–25, total Scope 1 and Scope 2 emissions per rupee of turnover stood at 1.21×10^{-5} MT CO₂e, compared to 1.23×10^{-5} MT CO₂e in 2023–24. When adjusted for Purchasing Power Parity (PPP), the emissions intensity was 0.59×10^{-5} in 2024–25, slightly higher than 0.54×10^{-5} in the previous year, reflecting minor currency-adjusted variance. Meanwhile, the GHG intensity per tonne of physical output increased marginally from 1.38 MT CO₂e/tonne to 1.43 MT CO₂e/tonne, which may be attributed to changes in the product mix, production volumes, or process energy profiles during the reporting year.

Emissions Breakdown and Methodology

Laxmi Organic calculates its greenhouse gas emissions in accordance with the principles outlined in the GHG Protocol Corporate Accounting and Reporting Standard and GRI 305: Emissions. The emissions inventory covers both Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from the generation of purchased electricity).

Scope 1 emissions are primarily derived from the combustion of fuels such as LPG, PNG, diesel, C9 solvents, and coal, used in various manufacturing and utility operations across the Company's facilities. These are estimated using activity data (fuel quantities) and corresponding emission factors sourced from internationally accepted databases, including IPCC Guidelines and India GHG Programme tools. Currently, Scope 1 reporting is consolidated and expressed in CO₂ equivalents; disaggregated values for CH₄, N₂O, or other gases are not separately tracked.

Scope 2 emissions account for indirect GHG emissions from the purchase of grid electricity. These are computed using a location-based approach, applying grid emission factors published by the Central Electricity Authority (CEA), Government of India, to reflect the specific emission intensity of the regional power mix.

While Scope 1 and 2 emissions are reported in metric tonnes of CO₂ equivalent (MT CO₂e), the Company is actively working to enhance the granularity of reporting by exploring gas-wise emissions and additional intensity metrics in future disclosures.

Importantly, the Company's GHG inventory for 2024–25 has undergone limited third-party assurance, conducted by an independent environmental assurance agency to validate the integrity, accuracy, and consistency of reported data. The assurance engagement followed recognised standards and enhanced stakeholder confidence in the reliability of disclosures.

To ensure ongoing improvement in emissions accounting, Laxmi Organic is investing in digital energy monitoring systems, audit-grade emissions tracking, and internal training on GHG protocols.

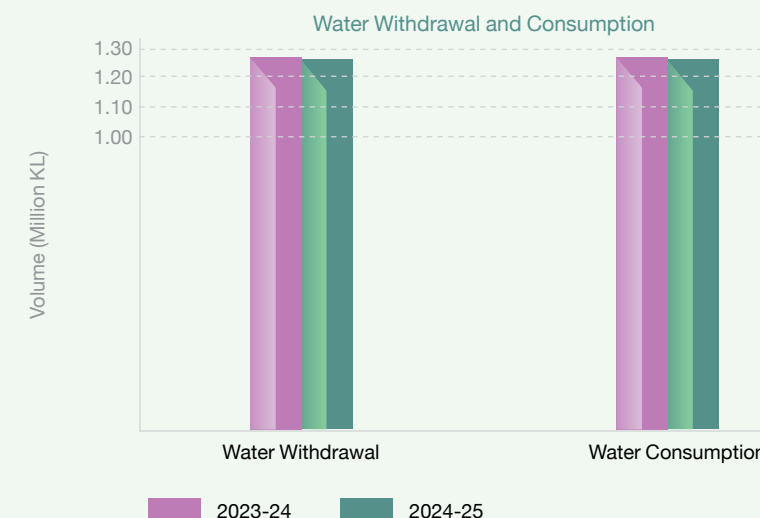
Water Management

Water is an essential input for Laxmi Organic's operations and a priority environmental aspect, particularly due to the Company's manufacturing footprint in regions with water stress risks. The Company is committed to sustainable water stewardship through efficient use, closed-loop systems, treatment, and reuse of effluents in alignment with Zero Liquid Discharge (ZLD) principles.



Water Withdrawal and Consumption

In 2024–25, Laxmi Organic sourced 1,259,868 kilolitres (KL) of water entirely from third-party supply sources. There was no water withdrawal from surface water, groundwater, seawater, or any other category. This volume represents a marginal decline from 1,267,298 KL in 2023–24. All withdrawn water is accounted for as consumed, indicating either full evaporation, process integration, or recycling with no direct discharge into natural sources.



Water Intensity

The Company's water intensity per rupee of turnover improved slightly from 4.48×10^{-5} KL/₹ in 2023–24 to 4.27×10^{-5} KL/₹ in 2024–25. Similarly, when adjusted for Purchasing Power Parity (PPP), the intensity moved from 1.96×10^{-6} to 2.09×10^{-6} . In terms of physical output, the water consumption remained nearly constant at 5.0 KL/tonne in 2023–24 and 5.1 KL/tonne in 2024–25. These figures reflect Laxmi Organic's strong water efficiency measures even as operational scales shift.

Water Discharge and Reuse

Laxmi Organic does not discharge untreated water to surface water bodies, groundwater, or seawater. All effluents are either treated and sent to third-party Common Effluent Treatment Plants (CETPs) or reused internally. In 2024–25, 137,354 KL of treated water was sent to CETPs, compared to 114,699 KL in the previous year. Additionally, 335,280 KL of treated water was recycled and reused within the operations, a significant increase from 220,600 KL in 2023–24, reinforcing the Company's Water Management commitment.

51.98%
Increase in water
recycled and reused

Commitment to Zero Liquid Discharge (ZLD)

Laxmi Organic operates three manufacturing units that contribute to over 99% of its total turnover. All these facilities integrate ZLD principles in their design and expansion phases. As part of this strategy, the Company has deployed Low Temperature Evaporation and Mechanical Vapour Recompression (MVR) technologies to ensure efficient treatment of effluents. Recovered water is reintroduced into the process cycle, significantly reducing freshwater dependency and environmental footprint.

Resource Efficiency and Innovation

Laxmi Organic continuously explores innovative solutions to enhance resource efficiency and minimise environmental impact. As part of its commitment to sustainable operations, the Company has implemented advanced wastewater treatment technologies such as Volute Sludge Dewatering, Multiple Effect Evaporators, Strippers, Low Temperature Evaporators, and

Agitated Thin Film Driers. These systems have significantly improved effluent treatment effectiveness and enabled greater recovery and reuse of water within operations.

Additionally, the Company developed an in-house sludge hydrolysis unit to neutralise hazardous characteristics of waste sludge. This process not only improves safety and handling but also

enhances raw material efficiency and generates by-products used in manufacturing. The hydrolysed sludge is further utilised as boiler fuel, contributing to energy recovery and circularity. These innovations reflect Laxmi Organic's integrated approach to operational excellence and environmental sustainability.

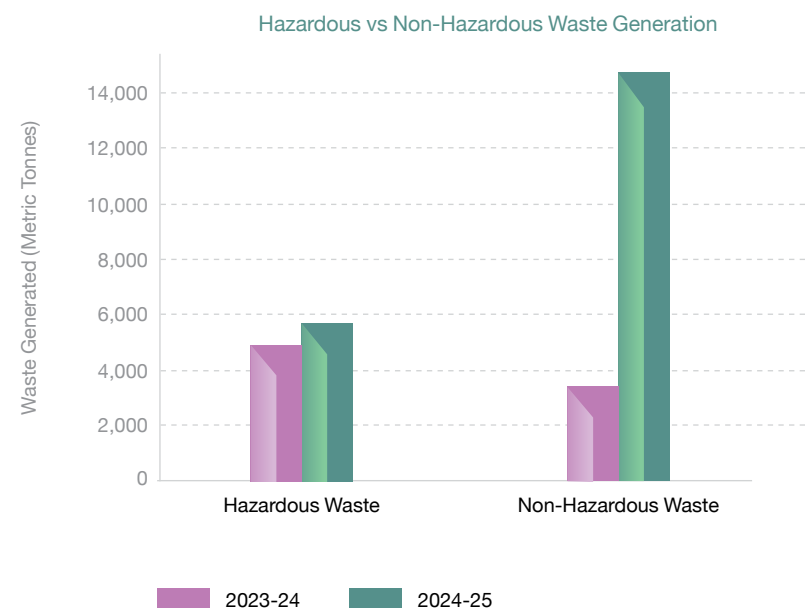
Waste Management

Laxmi Organic prioritises responsible waste management as part of its broader environmental stewardship commitment. As operations grow in scale and complexity, so do the Company's efforts to minimise waste generation, enhance segregation, and increase the recovery and reuse of materials.



Waste Generation

In 2024-25, the Company generated a total of 20,477 metric tonnes of waste, up from 8,230 metric tonnes in 2023-24. This increase is primarily due to higher volumes of non-hazardous waste (including coal ash and metal scrap), which rose from 3,344 MT to 14,747 MT, and hazardous waste, which increased from 4,862 MT to 5,695 MT. Plastic waste generation rose to 33.99 MT, while biomedical waste, though minimal, saw a slight uptick to 0.13 MT. Other categories, such as e-waste, battery waste, radioactive waste, and construction waste, remained negligible or at zero.



Waste Intensity

Waste generation intensity per rupee of turnover increased from 0.29×10^{-6} KL/₹ in 2023-24 to 0.69×10^{-6} KL/₹ in 2024-25. When adjusted for Purchasing Power Parity (PPP), the intensity also rose from 0.0127 to 0.34×10^{-7} . Waste intensity in relation to physical output grew from 0.032 MT/tonne to 0.083 MT/tonne, reflecting changes in input material composition and operational throughput.



Waste Recovery and Disposal

Laxmi Organic emphasises resource recovery over disposal wherever possible. In 2024-25, a total of 16,490 metric tonnes of waste was diverted from disposal through recovery mechanisms. Of this, 14,781 MT was processed through recycling, 941 MT was reused internally or by downstream users, and 768 MT was directed to third-party recovery operations. These figures demonstrate a significant increase from the previous year's total of 1,334 MT recovered, highlighting the Company's expanding circularity focus.

16,490 MT

Waste recovered in 2024-25

Despite higher waste generation overall, only 3,987 MT was sent for final disposal in 2024-25. This includes 492 MT disposed of through incineration and 3,495 MT through landfill. Other disposal methods were not reported during the period. These figures reflect a disposal-to-recovery ratio that continues to improve year-on-year, further aligning with Laxmi Organic's commitment to environmental responsibility.

Waste Management Practices

Laxmi Organic employs a comprehensive approach to waste management, integrating prevention, segregation, recovery, and safe disposal. All types of waste, hazardous and non-hazardous, are collected and stored in designated, clearly labelled areas to ensure proper handling and reduce the risk of cross-contamination.

One of the Company's key innovations includes utilising a process stream to recover energy from waste, thereby reducing emissions and recovering useful by-products. In addition, all manufacturing sites are enrolled with approved hazardous waste treatment, storage, and disposal facilities, operating under the oversight of the State Pollution Control Board.





Air Emissions and Biodiversity

Air Emissions

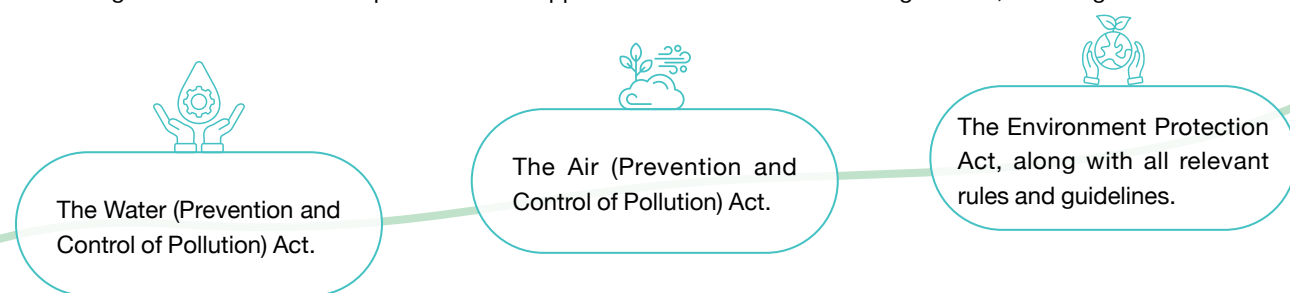
Laxmi Organic monitors and manages its non-GHG emissions to ensure full compliance with national air quality standards and to minimise health and ecological risks. In 2023-24, NOx emissions decreased to 32,987 kg, from 48,560 kg in the previous year, reflecting improvements in fuel combustion efficiency and process optimisation. SOx emissions increased significantly to 348,398 kg from 58,694 kg, driven by changes in operational throughput and raw material input composition. Particulate Matter (PM) emissions remained stable, reported at 45,687 kg compared to 45,591 kg in 2022-23.



Although other emissions like Persistent Organic Pollutants (POP), Volatile Organic Compounds (VOC), and Hazardous Air Pollutants (HAP) are not currently applicable to Laxmi Organic's processes, future evaluations may include these categories as operations evolve.

Compliance with Environmental Regulations

Laxmi Organic remains in full compliance with all applicable Indian environmental regulations, including:



No violations or non-compliance events were reported in 2023-24. This compliance status is supported by internal audits, third-party monitoring, and oversight by regulatory bodies, including the Maharashtra Pollution Control Board (MPCB).

Biodiversity Impact

Laxmi Organic's manufacturing and administrative operations are located within designated industrial zones such as MIDC, GIDC, and SEZs. These sites are not situated near ecologically sensitive areas like national parks, sanctuaries, wetlands, or biodiversity hotspots. As such, environmental approvals related to biodiversity impact are not applicable.

The Company continues to ensure that all future expansions or changes in operations are aligned with the Environment Impact Assessment (EIA) requirements and do not infringe on biodiversity-rich zones.

Environmental Risk Management and Resilience

Laxmi Organic recognises that the stability and integrity of its operations are closely linked to effective risk preparedness and environmental risk governance. The Company has institutionalised several measures to manage disruptions, safeguard the environment, and ensure resilience across its value chain.

Business Continuity and Disaster Management

A comprehensive disaster management plan is in place at the plant level, along with a structured Business Continuity Plan (BCP) to mitigate operational disruptions. These frameworks outline emergency response protocols, identify critical assets, and prioritise the safety of employees and customers. Risk assessments are carried out collaboratively with both internal and external subject matter experts to ensure that contingency scenarios are evaluated realistically.

Key features of the plan include rapid escalation protocols, contingency process flows, and mechanisms for minimising downtime and ensuring swift recovery. These preparedness frameworks help Laxmi Organic uphold service continuity even under adverse conditions.

Managing Adverse Environmental Impacts across the Value Chain

While no significant incidents were recorded during the reporting period, the Company acknowledges the inherent environmental risks associated with chemical operations and transportation. One area of focus is the risk of accidental material spills during transit, which could result in localised environmental damage.

To mitigate such risks, Laxmi Organic has implemented a multi-tiered value chain safety protocol, which includes:

A Journey Management Programme to monitor and plan safe routes for transportation.

A robust screening and evaluation process for Logistics Service Providers (LSPs), ensuring alignment with safety standards.

Regular audits and assessments of vendors involved in logistics and material handling.

Periodic training and retraining sessions for all LSP personnel to reinforce emergency preparedness and regulatory compliance.

A Distribution Emergency Response Plan (DERP) with clearly assigned responsibilities and rapid-response infrastructure.



These measures reflect a proactive approach to supply chain environmental management, positioning Laxmi Organic as a responsible operator capable of minimising adverse environmental outcomes beyond its direct operations.

Responsible Operations

Occupational Health and Safety

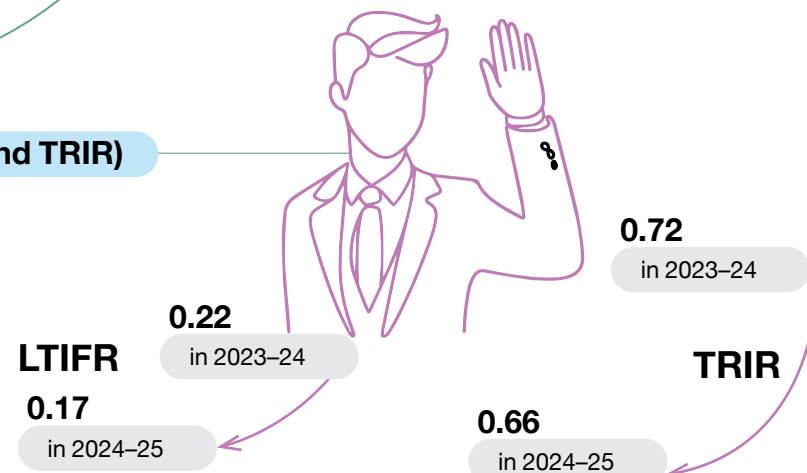
At Laxmi Organic, a safe workplace is not only a legal and ethical obligation but also a strategic imperative. The Company recognises that protecting the health and safety of its workforce is fundamental to operational excellence, business continuity, and stakeholder confidence. A proactive, systems-based approach governs Laxmi Organic's safety culture, anchored in internationally benchmarked practices, leadership commitment, and employee ownership at all levels.



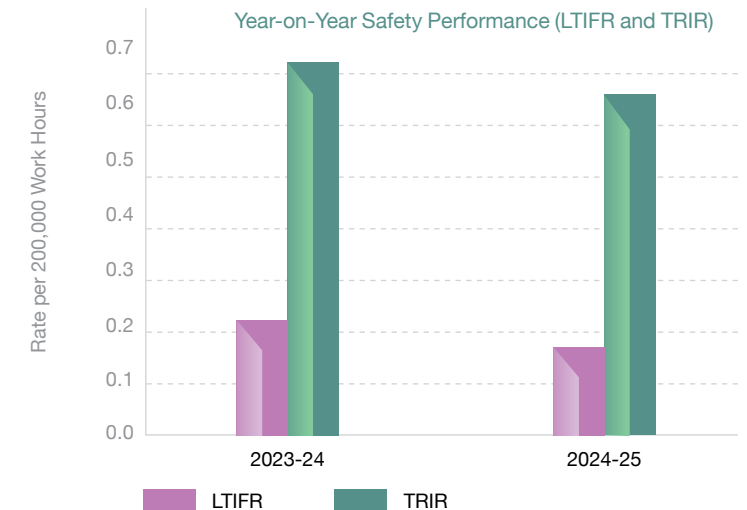
Safety Performance (LTIFR and TRIR)

Monitoring and improving safety performance is an ongoing priority. Laxmi Organic uses key performance indicators such as Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Incident Rate (TRIR) to evaluate safety effectiveness across operations. These metrics are measured per 200,000 hours worked, allowing Laxmi Organic to benchmark its performance against industry standards.

In 2024-25, Laxmi Organic achieved a notable decline in both LTIFR and TRIR. The LTIFR reduced from 0.22 in 2023-24 to 0.17 in 2024-25, while the TRIR decreased from 0.72 to 0.66 over the same period. This improvement is attributed to enhanced safety engineering controls, targeted awareness campaigns, and incident root-cause analysis followed by corrective actions.



As part of its continuous improvement programme, all incidents, including near misses and first aid cases recorded, investigated, and discussed in monthly cross-functional safety review meetings. These discussions ensure that learnings are institutionalised and action plans are implemented promptly.



Safety Training and Awareness Programmes

Recognising that knowledge is the first line of defence, Laxmi Organic invests significantly in training and awareness building. Laxmi Organic has institutionalised a formal safety training calendar that covers all categories of personnel, including permanent, contractual, supervisory, and managerial.

In 2024-25, training on a diverse range of topics was conducted, including:

- Chemical handling and storage
- Emergency response procedures
- Fire safety and use of firefighting equipment
- Confined space entry protocols
- Use of Personal Protective Equipment (PPE)
- Behaviour-Based Safety (BBS) training
- First aid and CPR certifications
- Safety induction for new employees and contractors

40,000

Hours of employee training conducted in 2024-25

Mock drills, both scheduled and surprise, are carried out regularly in coordination with the on-site Emergency Response Teams (ERTs). These simulations help assess preparedness and coordination during critical scenarios such as chemical leaks, fires, or natural disasters.

ISO 45001 Practices and Audits

Laxmi Organic's commitment to systematic occupational health and safety management is underscored by its ISO 45001 certification at all major manufacturing locations. ISO 45001 provides a robust framework for identifying workplace hazards, evaluating associated risks, and implementing control measures.

Each site follows a documented Health and Safety Management System that includes risk assessments, control hierarchies, permit-to-work systems, and emergency preparedness plans. The implementation of ISO 45001 is subject to:

Annual internal audits by trained safety professionals

Scheduled external audits by accredited third-party certification bodies

Periodic Management review meetings to assess system effectiveness and recommend improvements

All audit findings are tracked through a centralised compliance management platform, which ensures timely closure of non-conformities and systemic corrective action. Furthermore, senior leadership, including the Managing Director, reviews safety performance quarterly to reinforce accountability and resource allocation.

Contractor Safety and Cross-site Learning

Given the high proportion of contract workers in the chemical sector, Laxmi Organic has made contractor safety a foundation of its operational discipline. Dedicated safety induction modules, supervision protocols, and penalty systems are implemented to ensure consistent

compliance. In addition, safety champions are appointed at each site to foster peer-to-peer learning and vigilance.

Laxmi Organic also facilitates cross-site safety audits and knowledge-sharing sessions. Lessons from high-potential incidents (HiPos) or process

safety near misses are captured in a centralised repository accessible to all units. This collective intelligence enables better prevention and fosters a uniform safety culture across geographies.

Health and Occupational Surveillance

Besides preventing accidents, Laxmi Organic also prioritises occupational health. All employees undergo periodic medical check-ups, including pre-employment, annual, and exit medicals. Workers exposed to hazardous environments

or chemicals are subjected to additional surveillance for respiratory, dermatological, and other specific risks.

Onsite health centres and tie-ups with local hospitals ensure prompt medical

attention. During 2024–25, there were no reported cases of occupational disease or long-term health impairment related to workplace exposure.

Human Rights and Labour Practices

Laxmi Organic upholds the fundamental rights and dignity of every individual across its operations, guided by global frameworks such as the Universal Declaration of Human Rights and the ILO Core Conventions. Laxmi Organic is committed to ensuring that its workplace is free from discrimination, coercion, harassment, or any form of unfair treatment. This commitment extends across its operations, subsidiaries, and supply chain partners, forming an integral part of its ESG strategy.



Human Rights Policy and Implementation

Laxmi Organic's Human Rights Policy outlines its obligations towards ethical labour practices, including the prohibition of child labour, forced labour, and discrimination based on caste, gender, ethnicity, religion, or disability. The policy is embedded across operational processes, supplier codes of conduct, and employee training programmes.

All employment terms adhere strictly to national labour laws, and the Company maintains full compliance with the Factories Act, Payment of Wages Act, Minimum Wages Act, and other applicable regulations.

In 2024–25, awareness sessions on human rights were held across all major sites, reaching over 1,000 employees and contract workers.

These sessions reinforced the importance of respectful conduct, grievance redressal rights, and ethical reporting procedures. Compliance audits conducted by internal and third-party teams during the reporting period found no evidence of human rights violations.

Grievance Redressal Mechanism

Laxmi Organic has implemented a transparent and anonymous grievance redressal mechanism, accessible to all employees, contract workers, and third-party personnel. A whistleblower policy governed by the Board's Audit Committee provides a formal channel to report concerns related to discrimination,

harassment, unethical behaviour, or human rights infringements.

Grievances are addressed through designated HR representatives and grievance redressal committees at the plant and corporate levels. During 2024–25, zero complaints were reported related to discrimination or violation of human rights.

Periodic awareness drives are conducted to encourage employees to use these mechanisms without fear of retaliation. The system is regularly audited to ensure effectiveness and confidentiality.

Freedom of Association

Laxmi Organic respects employees' rights to freedom of association and collective bargaining, as per legal provisions. While there are no active labour unions at present within Laxmi Organic, employees are encouraged to express concerns or feedback through structured platforms such as employee engagement surveys, townhall meetings, and one-on-one sessions with leadership.

Open communication and constructive dialogue are key tenets of the Company's engagement strategy. Laxmi Organic fosters a participatory work culture that promotes mutual respect, inclusiveness, and trust, ensuring that workers' voices are heard and acted upon at every level.



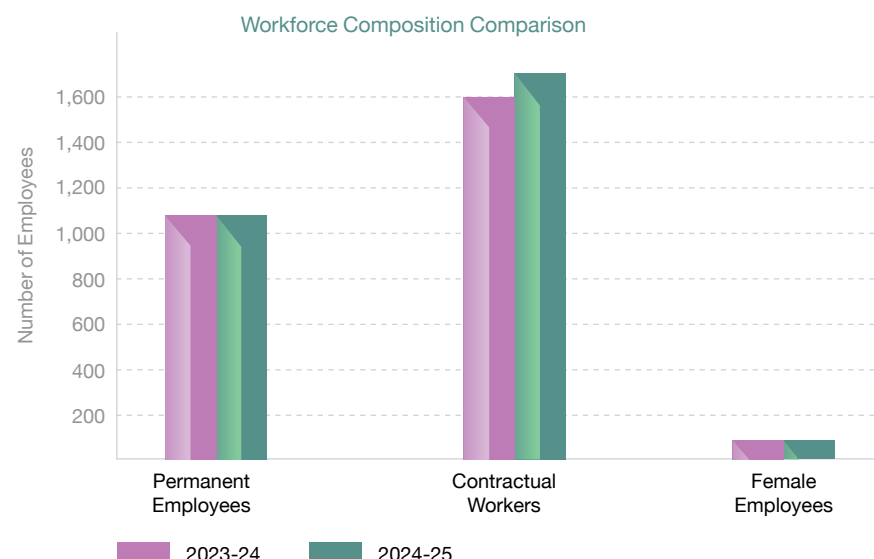
Employee Engagement and Development

At Laxmi Organic, employees are seen as the most vital asset in driving innovation, resilience, and sustainable growth. The Company nurtures a culture of learning, inclusivity, and continuous development, aiming to create an engaged workforce that is aligned with its values and long-term strategic goals. Guided by its human capital philosophy, Laxmi focusses on enhancing workforce competencies, diversity, and leadership capabilities to meet evolving industry demands.



Workforce Composition and Diversity

As of 2024–25, Laxmi Organic employed 1,086 permanent employees and 1,712 contract workers across its manufacturing and corporate locations. Of the permanent workforce, 82 were women employees. Though the industry remains traditionally male-dominated, Laxmi Organic has continued efforts to foster gender diversity through targeted recruitment and inclusive HR policies.



Training Hours by Gender and Function

Laxmi Organic believes in continuous upskilling and learning. Training programmes in 2024–25 covered a wide spectrum from process safety and compliance to leadership development and digital capability building. Training hours are tracked by function and gender to ensure inclusiveness in development opportunities.

Training Metric	2024–25	2023–24
Average Training Hours per Male Employee	10.2	11.4
Average Training Hours per Female Employee	11.1	12.0
Technical/Functional Training (%)	60	58
Managerial/Leadership Training (%)	40	42

Training modules are customised based on business needs and employee role, with growing emphasis on sustainability, process optimisation, and quality systems.

Performance Management and Leadership Development

Laxmi Organic follows a structured performance management system anchored in goal setting, continuous feedback, and mid- and year-end reviews. The system is designed to recognise high performers, identify learning needs, and provide career progression pathways.

Laxmi Organic has implemented a robust succession planning mechanism and runs leadership development programmes for high-potential employees. These include role rotations, mentoring by senior management, and capability assessments. In 2024–25, over 45 mid- and senior-level employees were enrolled in these leadership development interventions.

The performance appraisal process is 100% digitised and emphasises both behavioural and functional competencies. Regular employee feedback is integrated to improve transparency, consistency, and alignment with the organisation's values.

Diversity, Equity, and Inclusion

Laxmi Organic recognises that a diverse, equitable, and inclusive workplace drives innovation, collaboration, and organisational resilience. The Company fosters a work culture where all employees, irrespective of gender, caste, religion, or background, feel respected, valued, and empowered to contribute fully.

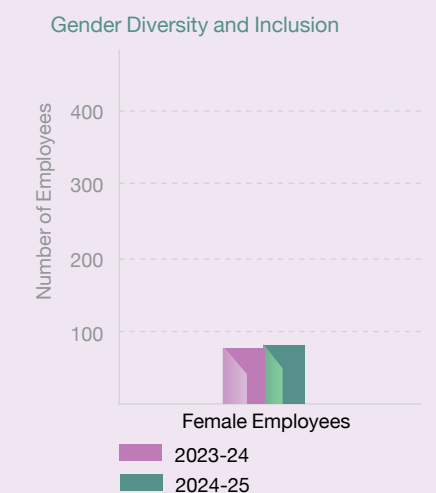


Gender Diversity and Inclusion

Laxmi Organic is committed to building a diverse, equitable, and inclusive workplace that reflects its core values and supports long-term sustainable growth. The Company recognises diversity in gender, age, culture, educational background, and professional experience as a key enabler of innovation and resilience. Equal opportunity is ensured across recruitment, training, performance management, and career progression processes. Laxmi Organic maintains zero tolerance for discrimination, harassment, or bias of any kind and promotes a work environment founded on dignity and mutual respect. Inclusive policies

and transparent human resource practices guide merit-based decision-making across the organisation. The Company actively encourages employee participation, open communication, and collaboration across teams. Leadership at all levels is accountable for fostering inclusive behaviors and strengthening a culture of belonging. Regular awareness and sensitisation programmes support respect, fairness, and inclusion in the workplace. Safe, healthy, and supportive working conditions are provided to all employees. Diversity and inclusion initiatives are aligned with the Company's ethical principles, governance framework, and ESG

commitments, reinforcing its belief that empowered people drive sustainable value creation.



Inclusion Programmes and Initiatives

Laxmi Organic continues to embed inclusion as a core cultural value through targeted training and employee awareness programmes. Sensitisation workshops on unconscious bias, inclusive communication, and workplace respect were conducted during the

year, covering both managerial and non-managerial staff.

Employee resource groups and cross-functional team initiatives are in place to ensure that minority voices are heard. Efforts are also ongoing to enhance infrastructure accessibility

and safety for female employees at plant locations.

Further, as part of its vendor engagement programme, Laxmi Organic promotes supplier diversity by encouraging partnerships with women-led and socially inclusive enterprises.

Maternity and Paternity Benefits

Laxmi Organic offers industry-standard parental leave benefits in compliance with national regulations. Women employees are entitled to paid maternity leave, and paternity leave is provided to male employees to support work-life

balance. Additionally, flexible work arrangements and return-to-work assistance post-leave ensure that new parents are supported in managing both personal and professional responsibilities.

These benefits are part of Laxmi Organic's broader commitment to employee well-being and gender-equitable workforce policies.

Product Responsibility and Innovation

Product Quality and Safety

Laxmi Organic is committed to ensuring the safety and quality of its products throughout their life cycle. The Company's approach to product stewardship is built upon proactive risk management, regulatory compliance, customer safety, and responsible innovation.

Product Stewardship and Safety Protocols

Product safety is a critical pillar of Laxmi Organic's operational philosophy. The Company's adopts a preventive approach to managing product-related risks. Material Safety Data Sheets (MSDS) are prepared for all products and shared with downstream users to promote safe handling, transport, storage, and disposal. Each product undergoes hazard assessments in alignment with international chemical safety standards.

Standard operating procedures for packaging, labelling, and transport are implemented to reduce accidental exposure or spillage risks during distribution. Products intended for international markets comply with stringent safety protocols and are evaluated for end-use risks and regulatory alignment.

Certifications and Regulatory Compliance

Laxmi Organic's product safety practices are supported by multiple certifications. The Company's facilities maintain ISO 9001:2015 certification for quality management and ISO 14001:2015 for environmental management. Additionally, the pharmaceutical and specialty chemical divisions comply with Good Manufacturing Practices (GMP) and relevant FDA and REACH requirements for export destinations.

Regular audits, both internal and external, ensure compliance with Indian and international product quality norms, thereby safeguarding consumer health and reinforcing brand trust.

Lifecycle Thinking and Green Chemistry

Laxmi Organic has embraced lifecycle thinking in its product design and development processes. This includes assessing environmental impacts from raw material sourcing to end-of-life disposal. Initiatives such as reducing hazardous raw material use, solvent recovery systems, and designing formulations with minimal environmental persistence are integrated into the product development process.

Laxmi Organic's adoption of green chemistry principles is evident in its transition towards safer synthesis routes, lower energy-intensive processes, and the promotion of recyclable and biodegradable intermediates. These practices not only align with GRI 416 but also reinforce Laxmi Organic's long-term vision of sustainable product responsibility.

Sustainable Innovation

At Laxmi Organic, innovation is not only a driver of growth but also a strategic pillar for embedding sustainability across the product lifecycle. The Company's R&D efforts are focussed on developing safer, cleaner, and more efficient chemical solutions that meet stringent environmental norms and evolving customer demands.

R&D for Cleaner Technologies

Laxmi Organic operates state-of-the-art research and development centres equipped with advanced process simulation tools, analytical labs, and pilot plants. The R&D teams collaborate closely with production units and regulatory experts to design synthesis routes that minimise toxic inputs, reduce by-products, and enhance atom economy.

One of the key advancements has been the development of energy-efficient reaction pathways and closed-loop solvent systems, which significantly reduce resource intensity. Technologies such as hydrolysis of hazardous sludge and Low Temperature Evaporation (LTE) for effluent management have not only reduced environmental impact but have also improved operational efficiency.



Green Product Development

Laxmi Organic has been investing in green product platforms, particularly in the domains of bio-based solvents, halogen-free flame retardants, and less toxic intermediates for agrochemicals and pharmaceuticals. These innovations support customers in reducing their own environmental footprints and complying with stricter regulations like REACH and California Proposition 65.

Lifecycle assessments are increasingly being applied to new products at the R&D stage to evaluate their environmental impact from cradle to grave. This ensures that product innovation aligns with sustainability benchmarks right from inception.

Circular Business Models

A significant focus area for Laxmi Organic is designing products and processes that support a circular economy. The Company has implemented solvent recovery loops and sludge reutilisation mechanisms, where process waste is repurposed as raw material or fuel. For instance, hydrolysed sludge is used in boilers to generate steam, reducing waste disposal and fossil fuel consumption.

By embedding circularity into its innovation framework, Laxmi Organic is moving towards a regenerative model of production that decouples growth from environmental harm.

Customer Engagement

Laxmi Organic believes that meaningful customer engagement is vital to sustaining long-term partnerships, delivering value-added solutions, and upholding product responsibility. The Company ensures that all communication with customers is transparent, compliant, and aligned with their expectations regarding safety, sustainability, and performance.

Customer Satisfaction Surveys

Laxmi Organic periodically conducts structured customer satisfaction surveys to gauge the effectiveness of its products, service delivery, and technical support. These surveys are designed to assess product quality, responsiveness, complaint resolution timelines, and alignment with customer-specific needs.

The feedback collected is analysed and used to drive continuous improvement. Actionable insights from the surveys are shared with relevant departments such as R&D, sales, and operations to refine processes and improve responsiveness.

Complaint Handling and Resolution

The Company follows a structured customer complaint management process that ensures every grievance is logged, investigated, and resolved within a defined turnaround time. Each case is handled by a cross-functional team to ensure root cause analysis, corrective action, and preventive strategies are in place.

This process is integrated with Laxmi Organic's quality management system (ISO 9001:2015) and is subject to internal audits. The low recurrence rate of complaints demonstrates the robustness of this system.

Product Labelling and Transparency

All products are supplied with accurate and compliant labelling in accordance with applicable national and international norms. Labels include critical safety, handling, and disposal instructions, hazard classification symbols, and batch traceability.

Material Safety Data Sheets (MSDS) are provided to customers for all products and are regularly updated to reflect changes in formulation, classification, or regulations. This transparency enables customers to make informed decisions and ensures safe use across their value chains.

Through these engagement mechanisms, Laxmi Organic continues to foster trust and co-create value with its global clientele, while ensuring product responsibility remains a top priority.

Sustainable Supply Chain

Our sustainability journey is rooted not only in internal operations but also extends to our broader value chain. Recognising the environmental and social footprint of upstream partners, we actively work to embed ESG considerations into our procurement and supply chain management systems. A responsible supply chain ensures resilience, compliance, and shared value for all stakeholders, from raw material suppliers to end customers.

Vendor Selection and Evaluation Process

We maintain a robust and transparent vendor selection process that ensures alignment with quality, safety, and sustainability standards. Before onboarding, suppliers undergo a multi-stage screening process involving technical, financial, and regulatory evaluations. Priority is given to vendors who exhibit robust EHS (Environment, Health, and Safety) practices and have certifications such as ISO 14001, ISO 45001, or REACH compliance.

New vendors are assessed through site visits, documentation reviews, and sample testing (where applicable). The procurement and quality assurance teams evaluate the supplier's track record for reliability, past compliance with industry norms, and their responsiveness to corrective actions. This due diligence ensures that only those suppliers who meet the Company's operational and sustainability expectations are engaged.

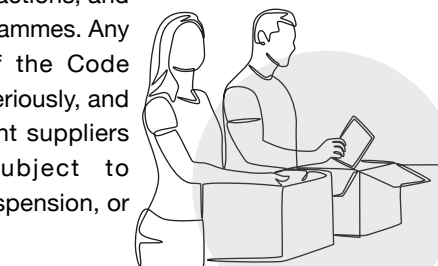
Existing suppliers are subject to continuous monitoring through performance scorecards. These consider parameters such as product quality, delivery punctuality, grievance responsiveness, and safety incidents. Poor-performing vendors are either supported through corrective action plans or phased out depending on the severity of the gaps.

Code of Conduct for Suppliers

All suppliers are contractually bound to comply with the Company's Supplier Code of Conduct. It is a formal document that outlines the behavioural, legal, and ethical expectations from third parties. The Code mandates:



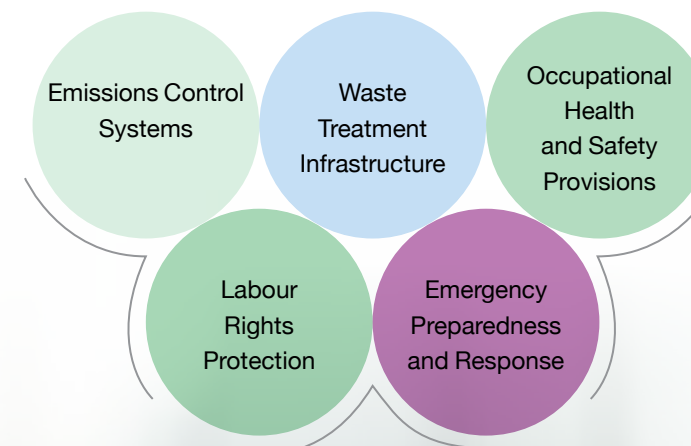
The Code of Conduct is disseminated during the onboarding process and is reinforced during audits, supplier interactions, and training programmes. Any violations of the Code are treated seriously, and non-compliant suppliers may be subject to penalties, suspension, or termination.



ESG Risk Management in Supply Chain

The Company employs a risk-based approach to manage environmental, social, and governance risks across its supply base. Based on criticality, suppliers are categorised into high, medium, and low-risk groups. High-risk categories typically include vendors dealing with hazardous chemicals, logistics providers, and outsourced waste handlers.

For such suppliers, detailed ESG assessments are conducted to evaluate aspects such as:



Self-assessment questionnaires are periodically sent to all critical vendors, and on-site evaluations are conducted as required. Laxmi Organic plans to strengthen supplier development through structured ESG capacity-building programmes and regular engagement. The Company will enhance supplier assessments by integrating advanced ESG risk screening and performance monitoring mechanisms. Targeted training and awareness initiatives will be conducted to support suppliers in improving environmental performance, occupational health and safety, and ethical practices. Collaboration with key suppliers will be expanded to drive emissions reduction, resource efficiency, and compliance improvement. These initiatives aim to build a resilient, responsible, and sustainable supply chain aligned with the Company's long-term ESG objectives.



Local Procurement Practices

We believe in fostering regional economic development by sourcing locally wherever possible. A significant share of raw materials, packaging materials, engineering services, and logistics are procured from vendors within a 500-kilometre radius of our manufacturing units in Maharashtra and Gujarat.

Local sourcing has multiple advantages. It reduces greenhouse gas emissions associated with transportation, improves delivery timelines, lowers procurement costs, and promotes trust-based relationships with suppliers. Moreover, working with regional suppliers enables closer monitoring and capacity-building opportunities.

We are also mindful of supporting Micro, Small, and Medium Enterprises (MSMEs) as part of our inclusive sourcing strategy. Wherever feasible, we encourage participation from small vendors, particularly in non-critical procurement categories such as canteen services, housekeeping, and utilities management.

Supplier Training and Audits

At present, Laxmi Organic spreads awareness through suppliers with meetings and circulating sustainable procurement policies. Moving forward, to strengthen ESG compliance across the supply chain, we intended to conduct regular engagement and training programmes for suppliers. These cover key areas such as:

Compliance with Hazardous Chemical Handling Rules

Occupational Safety and Industrial Hygiene Practices

GHG Emissions Measurement and Control

Labour Laws and Ethical Recruitment Practices

Laxmi Organic will adopt a forward-looking approach to supplier training and audits by leveraging digital platforms for continuous learning and engagement. ESG-focussed e-learning modules and virtual workshops will be introduced to

build supplier capabilities on environmental compliance, safety, ethics, and human rights. The Company plans to implement risk-based and data-driven audit frameworks, using ESG scorecards and self-assessment tools for ongoing monitoring. Technology-enabled audits, including remote and hybrid audits, will enhance coverage, efficiency, and transparency. This futuristic approach aims to promote continuous improvement, strengthen supplier accountability, and support a sustainable and resilient supply chain.



Climate Change and Resilience

Climate change poses complex, multi-faceted risks to industries across the globe, including the specialty chemicals sector in which we operate. We recognise that climate challenges are systemic. Hence, we have adopted a strategic approach to managing climate risk, enhancing resilience, and aligning our disclosure with internationally recognised frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD). Our commitment extends beyond regulatory compliance towards creating long-term value by integrating climate action into our core business strategy, operations, product development, and stakeholder engagement.

Climate-related Risks and Opportunities (TCFD-aligned)

In line with the TCFD framework, we began mapping and disclosing our exposure to climate-related risks and opportunities under four key pillars: Governance, Strategy, Risk Management, and Metrics & Targets.

Transition Risks

We stay attentive to evolving regulatory requirements. These include potential carbon pricing, extended producer responsibility norms, and stricter discharge or emission limits. We also track ESG-based procurement mandates from multinational clients. These may result in increased compliance costs, higher capital expenditure, or potential product obsolescence if proactive measures are not taken.

Physical Risks

Our operations are susceptible to acute risks such as intense rainfall and flooding, particularly at our Maharashtra and Gujarat-based facilities. Chronic risks, such as changing temperature profiles and humidity, may affect the stability of certain raw materials and process efficiency. These risks can also have an indirect impact on our logistics network and worker health.

Opportunities

While climate change brings challenges, it also presents opportunities. Our increased focus on green solvents and fluorinated intermediates caters to industries seeking low-carbon and sustainable chemical solutions. Further, our circularity initiatives, including solvent recovery and sludge-to-steam systems, are contributing to cost efficiencies and reputational advantages in ESG-conscious markets. Several global clients now consider carbon disclosure and performance a key criterion for vendor selection.

Transition and Physical Risk Assessment

During 2024–25, the Company initiated a site-level climate risk assessment across its three primary manufacturing locations. The assessment was undertaken in consultation with internal safety and engineering teams and reviewed by the ESG Committee.

Key Risks Identified

- Monsoon-related flood vulnerability at select low-lying sites within the MIDC zone
- Exposure to regulatory tightening around effluent discharge and GHG emissions under emerging carbon markets
- Rising expectations from global clients for product-level carbon footprint and Scope 3 emissions disclosure
- Dependence on freshwater sources for operations amid regional water stress

Proposed Site-level Actions

- Engineering controls such as improved stormwater drains and elevated storage units
- Internal modelling of carbon cost impacts under different regulatory scenarios
- Pilot assessments of cradle-to-gate emissions for key product categories
- Water conservation initiatives and evaluation of water reuse and recycling potential

Climate Adaptation and Mitigation Measures

Over the years, we have implemented several technical and managerial interventions aimed at reducing the environmental impact of our operations and enhancing adaptive capacity. These include:

Water Management Systems

All major plants are integrated with Water Management system using advanced treatment technologies like Mechanical Vapor Recompression (MVR) and Agitated Thin Film Driers (ATFD)

Energy and Resource Efficiency

Installation of Volute Sludge Dewatering Systems and Multiple Effect Evaporators has helped reduce energy use and improve waste minimisation

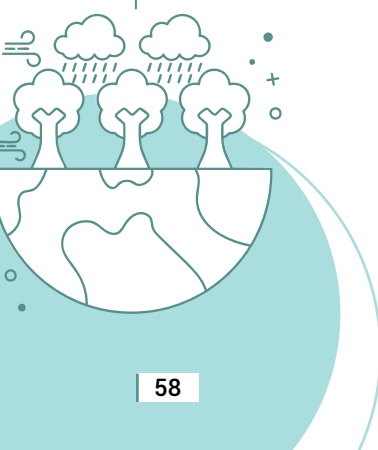
Sludge Hydrolysis Innovation

This proprietary process neutralises hazardous properties of chemical sludge and converts it into steam-grade fuel, thus conserving fossil fuel consumption

Green Product Design

The R&D function has been tasked with integrating lifecycle thinking into product development, ensuring new molecules and formulations are aligned with principles of green chemistry and circularity

In addition, our logistics division has adopted a Journey Management Programme that monitors emissions during transit. It also supports route optimisation, and mandates regular training for third-party logistics providers on safety and emissions control.



Empowering Communities for Lasting Impact

We understand that the chemical industry carries a strong responsibility not only to the environment but also to the communities that exist alongside our operations. At Laxmi, we believe business success should reflect shared progress. Our commitment to inclusive and sustainable growth is highlighted in how we engage, support, and uplift communities around our manufacturing sites.

Core Areas of Focus

₹ **46.59 Mn**
Total CSR Spend

64,000+
Lives Impacted



Health



Education



Water



Skill Development

Education

We focus on strengthening rural education through infrastructure upgrades and access to quality semi-English instruction. Collaboration with local government bodies and village leaders ensures that our education efforts are both practical and lasting.

Key Initiatives

- We constructed 7 classrooms, 2 washrooms, and bathrooms in Parsule, directly benefitting over 130 students.
- This allowed the school to accommodate more than 400 primary students, up to 7th standard, from 11 nearby villages in the Mahad-Poladpur region.



Responsive & Inclusive Community Support

Beyond planned programmes, we remain attentive to urgent and emerging community needs, whether through disaster relief, infrastructure upgrades, or support for education and public services.

Key Initiative

- Constructed a flood-resilient community hall in Asanpoi for 3,000+ people.

Water Access & Sustainability

Water scarcity remains a critical challenge in rural Maharashtra. Our projects are designed to deliver reliable water access through renewable energy solutions and durable infrastructure, developed with community involvement.

Key Initiative

- Constructed Jackwell in partnership with the local Panchayat body to help overcome the challenge of drinking water availability and water supply to villagers in Kosumwadi-Lote. The initiative benefitted around 700 villagers.



Skill Development (NAPS)

Through the National Apprenticeship Promotion Scheme, we are helping build a future-ready workforce by equipping young people with practical industry skills, while making room for more diverse representation in shop-floor roles.

Key Initiatives

- Trained 140+ trainees under the NAPS programme.
- Delivered on-ground, technical training at the Mahad facility.
- Encouraged gender diversity in shop-floor roles.
- Supported employability of entry-level industrial workers.



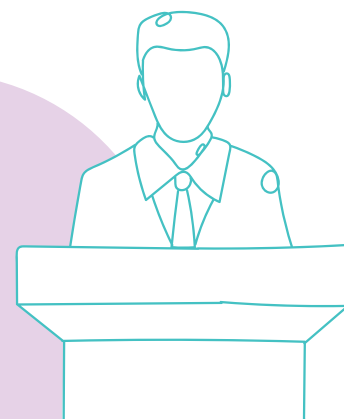
Looking Ahead: Projects Underway

Our forward pipeline reflects a deepened commitment to long-term community development. We continue to invest in sustainability, rural education, green energy, and local infrastructure across the Lote, Mahad and Dahej regions.

Key Initiatives

- Waste management initiatives for Mahad and Lote regions benefitting around 100+ villages.
- Installation of solar lighting systems in 11 villages across Lote and Mahad.
- Donation of smart TVs to schools in five Lote-Khed villages.
- Water conservation and restoration projects in Mahad and Lote.

Ethics and Corporate Governance



Governance Framework and ESG Oversight

Laxmi Organic's governance framework is designed to uphold transparency, ethical conduct, and strategic oversight, forming the foundation for responsible corporate citizenship. The Company is governed by a well-structured Board of Directors, which includes independent members with diverse experience in industry, finance, and regulatory matters.

The Board is supported by key subcommittees such as the Audit Committee, Risk Management Committee, and CSR Committee. These committees ensure focussed oversight on compliance, ethics, sustainability, and social performance. Each of these committees meets at regular intervals to review progress against corporate goals and risk indicators.

In line with global sustainability norms, Laxmi Organic has established a cross-functional ESG Steering Committee composed of senior leadership from operations, EHS, legal, and human resources. This committee is tasked with overseeing the development and implementation

of the Company's ESG strategy, tracking performance against KPIs, and aligning actions with international frameworks such as the GRI, SDGs, and the emerging Indian BRSR framework.

The Company ensures ESG is embedded into the business at all levels, from strategic planning to operational execution. ESG-related risks and opportunities are periodically reviewed as part of the enterprise risk management process, ensuring that long-term sustainability considerations are well integrated into decision-making.

This integrated governance structure enables Laxmi Organic to stay ahead of emerging environmental and social expectations, comply with regulatory norms, and create long-term value for all stakeholders.

Code of Conduct and Business Ethics

Laxmi Organic's commitment to ethical business practices is embedded in its Code of Conduct, which forms the foundation of a culture built on integrity, fairness, and accountability across the organisation. The Code applies to all employees, directors, and senior executives and also extends to vendors, suppliers, and third-party associates wherever applicable.

The Code sets out clear principles and expectations to guide how we work and make every decision every day. It covers key areas such as:

Managing conflict of interest: Employees are expected to disclose any personal or financial interests that could influence their professional or business decisions.

Preventing bribery and corruption: The Company maintains a strict zero-tolerance policy towards kickbacks, facilitation payments, or any other unethical advantages.

Protecting data and confidentiality: Sensitive business and customer information must always be handled with care, ensuring privacy and security at every level.

Promoting fair competition: The Company supports open and competitive markets and firmly prohibits practices like price-fixing or market collusion.

Upholding respect and dignity: Laxmi Organic fosters a workplace built on mutual respect where discrimination, harassment, or any form of inappropriate behaviour have no place.

To ensure full awareness and compliance, the Code is disseminated through multiple channels, including employee handbooks, induction sessions, and the Company's internal portal. Annual reaffirmation of compliance is mandated for all employees, and functional heads are accountable for enforcing ethical standards within their teams.

A dedicated Ethics and Compliance Officer has been appointed to oversee the policy's implementation, address employee queries, and ensure proper investigation and resolution of any reported breaches. Periodic internal audits and third-party assessments are conducted to review adherence, and corrective action plans are implemented wherever necessary.

In addition, targeted ethics training programmes are conducted annually, especially for functions deemed high-risk, such as procurement, sales, and regulatory affairs. These sessions include real-world ethical dilemmas, interactive discussions, and quizzes to promote better understanding and application of the Code.

By fostering a strong ethical climate, Laxmi Organic ensures compliance with regulatory mandates such as the Prevention of Corruption Act and SEBI's LODR requirements. This approach also helps the Company build long-term trust with its investors, partners, and communities.

Whistle-blower Mechanism

Laxmi Organic upholds a culture of transparency and ethical accountability through a well-established Whistle-blower Policy. This mechanism allows employees, vendors, and external stakeholders to confidentially report any actual or suspected unethical behaviour, fraud, policy violations, or misconduct without fear of retaliation. It is an essential part of the Company's governance framework and reinforces its commitment to integrity.

The scope of the Whistleblower Policy includes concerns related to:

Financial and Accounting Irregularities

Bribery or Corruption

Discrimination or Harassment

Unsafe Workplace Practices

Breach of the Company's Code of Conduct

To enable convenient and secure reporting, Laxmi Organic has established multiple access points. Complaints can be submitted confidentially via a dedicated email: whistleblower@laxmiorganic.com. Additionally, a physical drop-box facility is available at all plant locations for employees who prefer offline reporting. In cases of serious or sensitive concerns, individuals can also directly reach out to the Chairperson of the Audit Committee.

Upon receiving a complaint, the Ethics and Compliance Officer initiates a preliminary review to determine its

admissibility. Valid concerns are then formally investigated, ensuring due process, confidentiality, and impartiality. The identity of the whistleblower is protected at all stages, and no punitive action is taken against anyone reporting in good faith, even if the concern proves unfounded after investigation.

The Audit Committee of the Board receives quarterly updates on the number of complaints received, resolution status, and corrective actions taken. Furthermore, regular training and awareness campaigns are conducted across the organisation to

sensitise employees about the whistleblower policy and procedures.

By offering this secure and confidential platform, Laxmi Organic safeguards ethical conduct within the organisation. It also reinforces trust among employees and partners, promoting a responsible and values-driven culture.

Anti-bribery and Corruption Measures

Laxmi Organic is firmly committed to conducting its business with the highest standards of integrity, transparency, and fairness. The Company has adopted a zero-tolerance approach to bribery and corruption in all its forms, in line with applicable laws and international best practices.

The Anti-Bribery and Corruption (ABC) Policy applies to all employees, directors, contractors, vendors, and third-party associates, both in India and in jurisdictions where the Company operates or conducts business. The policy prohibits offering, giving, soliciting, or receiving any form of bribe, monetary or otherwise, to influence business decisions or gain undue advantage.

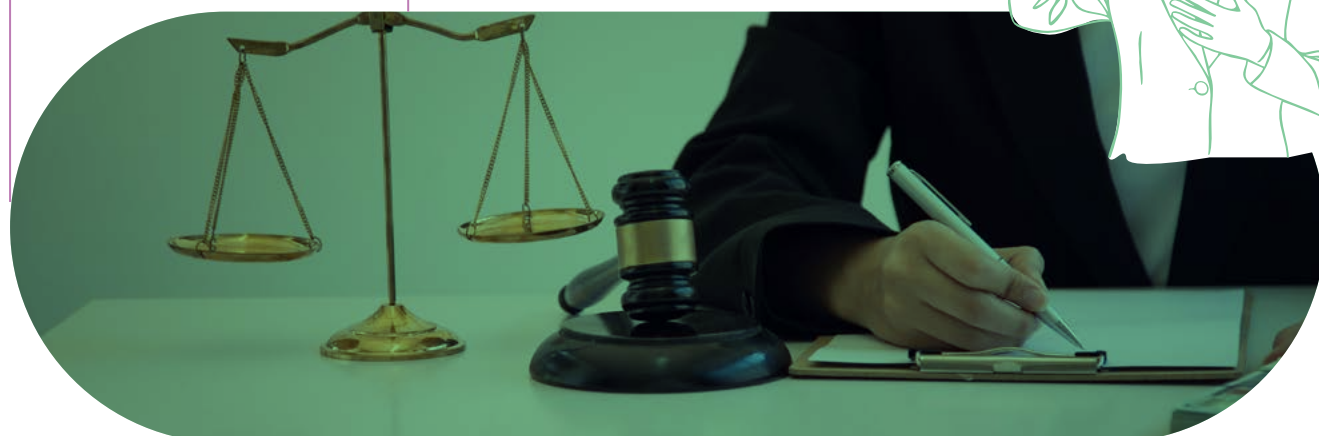
To strengthen internal compliance, the Company has implemented the following measures:

1 Employees are required to undergo periodic training on anti-bribery and anti-corruption norms to ensure awareness of their roles and responsibilities. All employees must annually declare their compliance with the Code of Conduct, which includes provisions related to gifts, hospitality, and conflict of interest. High-risk transactions, such as vendor onboarding and regulatory interactions, are subject to enhanced due diligence protocols.

2 In addition, internal audits include ABC compliance checks, and any red flags are escalated to the Ethics and Compliance Officer. A strong control environment is maintained to detect and prevent any corrupt practices. Any suspected violation of the ABC Policy may be reported through the whistleblower mechanism and is investigated independently.

3 To ensure third-party alignment, Laxmi Organic includes anti-corruption clauses in contracts with suppliers, consultants, and other business partners. Background verification and due diligence are conducted for high-risk vendors and intermediaries to assess ethical and legal compliance.

By embedding anti-bribery practices into daily operations and maintaining a robust compliance ecosystem, Laxmi Organic ensures ethical governance and protects its long-term reputation in the global marketplace.



Compliance and Legal Proceedings

Laxmi Organic places utmost importance on adhering to applicable laws, regulations, and industry standards across all its operations. The Company's commitment to legal compliance is integrated into its governance framework. This commitment is monitored through internal controls, third-party audits, and oversight by the Board and its committees.

Compliance obligations span environmental regulations, labour laws, taxation, product safety, data protection, corporate governance, and sector-specific guidelines under national and international regimes. The Company regularly updates its

policies to reflect changes in the regulatory landscape and ensures that all employees and relevant stakeholders are informed and trained accordingly.

A dedicated legal and compliance team is responsible for monitoring legal developments, managing statutory filings, reviewing contracts, and mitigating legal risks across functions. Quarterly compliance reports are submitted to the senior management and the Board Audit Committee for oversight.

As of 2024–25, Laxmi Organic has not been involved in any material legal proceedings related to non-compliance with environmental,

labour, taxation, or anti-corruption laws. Furthermore, there have been no fines or penalties levied by regulatory authorities during the reporting period. This clean compliance record underscores the Company's proactive approach and strong internal governance systems.

Through continuous risk identification, capacity-building initiatives, and third-party evaluations, Laxmi Organic ensures a culture of compliance that safeguards its stakeholders and enhances long-term business sustainability.



GRI Content Index

We understand that the chemical industry carries a strong responsibility not only to the environment but also to the communities that exist alongside our operations. At Laxmi, we believe business success should reflect shared progress. Our commitment to inclusive and sustainable growth is highlighted in how we engage, support, and uplift communities around our manufacturing sites.

Statement of Use

LOIL has reported the information cited in this GRI content index for the period April 01, 2022 to March 31, 2023, with reference to the GRI Standards.

GRI 1 Used

GRI 1: Foundation 2021 (GRI 101 does not include any disclosure)

GRI Standard	Disclosure	Section
GRI 2: General Disclosures 2021	2-1 Organisational details	About the Company
	2-2 Entities included in the organisation's sustainability reporting	About the Company
	2-3 Reporting period, frequency and contact point	About the Company
	2-4 Restatements of information	About the Company
	2-5 External assurance	About the Company
	2-6 Activities, value chain and other business relationships	About the Company
	2-7 Employees	Our Employees
	2-8 Workers who are not employees	Our Employees
	2-9 Governance structure and composition	Governance
	2-10 Nomination and selection of the highest governance body	Governance
	2-11 Chair of the highest governance body	Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance
	2-13 Delegation of responsibility for managing impacts	Governance
	2-14 Role of the highest governance body in sustainability reporting	Governance
	2-15 Conflict of interest	Governance
	2-16 Communication of critical concerns	Governance
	2-17 Collective knowledge of the highest governance body	Governance
	2-18 Evaluation of the performance of the highest governance body	Governance
	2-19 Remuneration policies	Governance

GRI Standard	Disclosure	Section
	2-20 Process to determine remuneration	Governance
	2-21 Annual total compensation ratio	Governance
	2-22 Statement on sustainable development strategy	CEO's Message
	2-23 Policy commitments	Governance
	2-24 Embedding policy commitments	
	2-25 Processes to remediate negative impacts	Risk and Opportunity, Policies
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder
	2-27 Compliance with laws and regulations	Governance, BRSR P6:E12
	2-28 Membership associations	About the Company, BRSR P7:E1
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment (also check alignment)
GRI 3: Material Topics 2021	2-30 Collective bargaining agreements	Our Employees
	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment
	3-2 List of material topics	Stakeholder Engagement and Materiality Assessment
GRI 201: Economic Performance 2016	3-3 Management of material topics	Stakeholder Engagement and Materiality Assessment
	201-1 Direct economic value generated & distributed	Laxmi glimpses
	201-2 Financial implications and other risks & opportunities due to climate change	Risk and Opportunity
	201-3 Defined benefit plan obligations and other retirement plans	BRSR; P3: E2
GRI 202: Market Presence 2016	201-4 Financial assistance received from the government	
	202-1 Ratios of standard entry level wage by gender compared to the local minimum wage	
GRI 203: Indirect Economic Impacts 2016	202-2 Proportion of senior management hired from the local community	Our Employees
	203-1 Infrastructure investments and services supported	
GRI 204: Procurement Practices 2016	203-2 Significant indirect economic impacts	
	204-1 Proportion of spending on local suppliers	Supply Chain Management
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	
	205-2 Communication and training about anticorruption policies and procedures	P1: E4, Governance
	205-3 Confirmed incidents of corruption and actions taken	Governance
GRI 206: Anti-Competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	

GRI Standard	Disclosure	Section
GRI 207: Tax 2019	207-1 Approach to tax	
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Resource Footprint P6: E1, P6: L1
	302-2 Energy consumption outside the organisation	Resource Footprint
	302-3 Energy intensity	Resource Footprint
	302-4 Reduction of energy consumption	Resource Footprint
	302-5 Reductions in energy requirements of products and services	Resource Footprint
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Resource Footprint
	303-2 Management of water discharge-related impacts	Resource Footprint
	303-3 Water withdrawal	Resource Footprint; P6: E3
	303-4 Water discharge	Resource Footprint; P6: L2
	303-5 Water consumption	Resource Footprint P6: E3
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Resource Footprint
	304-2 Significant impacts of activities, products and services on biodiversity	Resource Footprint
	304-3 Habitats protected or restored	Resource Footprint
	304-4 IUCN Red List species and national conservation list's species with habitats in areas affected by operations	Resource Footprint
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Resource Footprint; P6: E6
	305-2 Energy indirect (Scope 2) GHG emissions	Resource Footprint; P6: E6
	305-3 Other indirect (Scope 3) GHG emissions	Resource Footprint; P6: L4 (not calculated for current FY)
	305-4 GHG emissions intensity	Resource Footprint; P6: E6
	305-5 Reduction of GHG emissions	Resource Footprint
	305-6 Emissions of ozone-depleting substances (ODS)	Resource Footprint
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Resource Footprint; P6: E5
GRI 306: Waste 2020	306-1 Waste generation and significant wasterelated impacts	Resource Footprint; P6: E8
	306-2 Management of significant waste-related impacts	Resource Footprint; P6: E9
	306-3 Waste generated	Resource Footprint; P6: E8
	306-4 Waste diverted from disposal	Resource Footprint; P6: E8
	306-5 Waste directed to disposal	Resource Footprint; P6: E8
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain Management
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain Management; P6: L8

GRI Standard	Disclosure	Section
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees; Section A-IV-20
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Employees; P3: E2
	401-3 Parental leave	Our Employees; P3: E5
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Our Employees
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Responsible Operations; P3: E10, P3: E12
	403-2 Hazard identification, risk assessment, and incident investigation	Responsible Operations; P3: E10
	403-3 Occupational health services	Responsible Operations
	403-4 Worker participation, consultation, and communication on occupational health and safety	Responsible Operations
	403-5 Worker training on occupational health and safety	Responsible Operations; P3: E8
	403-6 Promotion of worker health	Responsible Operations
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Responsible Operations
	403-8 Workers covered by an occupational health and safety management system	Responsible Operations
	403-9 Work-related injuries	Responsible Operations
	403-10 Work-related ill health	Responsible Operations
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our Employees
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Our Employees
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Employees
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Strong Governance
	405-2 Ratio of basic salary and remuneration of women to men	Strong Governance
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Our Employee
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	



GRI Standard	Disclosure	Section
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	
	413-2 Operations with significant actual and potential negative impacts on local communities	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain Management
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain Management
GRI 415: Public Policy 2016	415-1 Political contributions	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Our Customers
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Our Customers
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Our Customers
	417-2 Incidents of non-compliance concerning product and service information and labeling	Our Customers
	417-3 Incidents of non-compliance concerning marketing communications	Our Customers
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Our Customers



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