HPL Additives Limited

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Read full terms of disclosure

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11/24/2025, 08:40 am

Contents

C14. SME Introduction

(14.1) In which language are you submitting your response?

Select from:

☑ English

(14.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ INR

(14.3) Provide an overview and introduction to your organization.

(14.3.1) Organization type

Select from:

☑ Privately owned organization

(14.3.2) Description of organization

At HPL Additives, we have been pioneering polymer additives and specialty chemicals since 1964. We specialise in Chemical Blowing Agents, Antioxidants, Azo-Initiators, Chain Extenders, Cross-Linking Agents, Water Treatment Chemicals, Hydrazine Hydrate and derivatives. We operate four advanced manufacturing plants in Haryana and Punjab, ensuring safe, efficient and reliable production. All technologies are developed in-house, led by a Government of India-certified R&D centre and implemented through close collaboration across engineering, manufacturing and EHS teams to deliver innovation, quality and speed. Sustainability is core to our strategy. We have completed a Double Materiality Assessment, maintain third-party verified GHG inventories, report to EcoVadis and are pursuing SBTi-aligned net zero through solvent recovery, recycling, ZLD and supplier engagement. We are committed to providing high-quality, sustainable solutions that meet global standards. We pursue ongoing gains now.
[Fixed row]

(14.4) State the end date of the year for which you are reporting data.

	End date of reporting year	Alignment of this reporting period with your financial reporting period
	03/30/2025	*Select from:* ☑ Yes

[Fixed row]

(14.5) How do the entities you are including in your CDP response compare to those included in your financial statements?

	Are the entities included in your CDP response the same as those included used in your financial statements?
	Select from: ☑ Yes, the entities included in my CDP disclosure are the same as those included in my financial statements

[Fixed row]

(14.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code – bond

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(14.6.2) Provide your unique identifier

INE05JC01015

ISIN code – equity

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(14.6.2) Provide your unique identifier

3358002FEC8W6TBIST66

D-U-N-S number

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(14.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(14.6.2) Provide your unique identifier

CIN: U25209DL1976PLC008309
[Add row]

(14.7) Select the countries/areas in which the entities reported in 14.5 are based and/or conduct business.

Select all that apply

☑ India

C15. SME Identification, Assessment and Management of Risks and Opportunities

(15.1) Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities?

(15.1.1) Process in place

Select from:

☑ Yes

(15.1.2) Risks and/or opportunities evaluated in this process

Select from:

☑ Both risks and opportunities

(15.1.3) Frequency of assessment

Select from:

☑ Annually

(15.1.4) Please explain the process

HPL Additives follows a structured, multi-level process for identifying, assessing, and managing environmental and social (E&S) risks and opportunities, with a dedicated focus on integrating sustainability into business strategy. Each department Safety, Production, Quality Control, Maintenance, Procurement, Customer Engagement & Marketing applies its own methodology for screening relevant environmental issues. These departmental insights are consolidated by a Core Risk Group, which includes senior leadership (MD, CFO, HR Head, and Corporate Development). This group meets at least quarterly, with more frequent meetings as required. Agendas and outcomes are shared with the Executive and Independent Directors, and proceedings are conducted either in-person or virtually. Environmental risks are classified into several categories: Reputational, Legal & Compliance, Operational, Health & Safety, and Financial. Each risk is evaluated based on defined time horizons (short-term <1 year, medium-term 1–3 years, long-term >3 years), and its potential financial impact is assessed using a tiered scale ranging from Low (<0.5% of sales) to High (>5%). The process begins with internal consultations, where department heads and the Core Risk Group jointly review and categorize potential risks. External engagement follows, involving stakeholders such as customers (for sustainability expectations), investors (for ESG concerns), regulators (for compliance requirements), and suppliers/value chain partners (to align with ESG standards). Both environmental risks and opportunities including climate and water related issues are formally assessed on an annual basis, ensuring systematic identification, monitoring, and mitigation of emerging issues.. Financial impact assessments are conducted in two stages: for pre-identified risks, the CFO leads internal analysis based on historical and operational data; for emerging risks (e.g., climate change, supply chain transparency), external consultants and subject-matter experts are engaged. The validity of assumptions is ensured through external audits. Opportunities are identified by leadership through participation in industry seminars, customer and supplier dialogues, and

benchmarking against industry peers. These insights shape strategic investments in areas such as renewable energy, resource efficiency, sustainable supply chains, and circular economy solutions. All findings are integrated into the organization's business strategy and capital allocation decisions. The Board receives regular updates, with continuous monitoring of high-risk areas. Recently, HPL conducted third-party E&S due diligence aligned with national legal requirements, IFC Performance Standards, and World Bank Group Environmental, Health and Safety Guidelines, with an Environmental and Social Action Plan (ESAP) being prepared. HPL is committed to strengthening its Enterprise Risk Management (ERM) framework by aligning with global standards such as COSO, TCFD, and IPCC AR5/6. [Fixed row]

C16. SME Disclosure of Risks and Opportunities

(16.1) Are you aware of any risks created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future?

Climate change

(16.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations (our own operations) and upstream/downstream value chain (our suppliers, distributors, and customers)

Water

(16.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations (our own operations)

(16.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Evaluation in progress

[Fixed row]

(16.1.1) Provide details of the risks created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future.

Climate change

(16.1.1.1) Risk identifier

Select from:

☑ Risk1

(16.1.1.3) Risk type and primary source of the environmental risk

Policy

☑ Carbon pricing mechanisms

(16.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations (our own operations)

(16.1.1.5) Country/area where the risk occurs

Select all that apply

☑ India

(16.1.1.7) Organization-specific description of risk

The EU's Carbon Border Adjustment Mechanism (CBAM) presents a material financial and market risk for HPL Additives if chemical products or intermediates used in its additives portfolio are included in the regulation's scope. CBAM requires exporters to disclose verified product-level emissions and imposes a levy equivalent to the EU carbon price on imported goods. If HPL's processes remain emission-intensive, its exports to the EU would face higher operating costs, eroding competitiveness against EU manufacturers who are already covered under the EU ETS. This exposure not only impacts margins but also risks revenue loss if European customers switch to alternative suppliers with a lower embedded carbon footprint. Beyond direct financial implications, CBAM carries significant compliance and reputational risks.

(16.1.1.8) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(16.1.1.9) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(16.1.1.10) Likelihood of the risk having an effect within the anticipated time horizons

Select from:

☑ Likely (66–100%)

(16.1.1.11) Magnitude

Select from:

☑ Medium-high

(16.1.1.12) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(16.1.1.13) Potential financial effect figure - minimum (currency)

133729290

(16.1.1.14) Potential financial effect figure– maximum (currency)

334323226

(16.1.1.15) Explanation of financial effect figure

*HPL Additives has undertaken an analysis of the potential financial impact of carbon pricing on the organization, particularly related to Scope-1 and Scope-2 emissions. Financial Impact Calculation: FY2024-25: Total emission in 16.2 tCO2e /ton of product Projected emissions by 2030: Assuming a 30% increase in emissions (over-estimated scenario), Projected Emission in tCO2e/ton of product for FY2030 = 21 Out of this 26% of produced goods goes to export. FY25 Total product volume in ton = 13916.22 Projected FY2030 total product volume with assumption of increase in production by 10% = 15307.84 Percentage Carbon Pricing Assumptions: The foreseeable carbon pricing range is based on a variety of studies, with rates ranging from INR 1,600 to INR 4,000 per tCO2e, reflecting expected tax rates across different regions (from the EU's average of 53 EUR/t-CO2 to the IMF's projections for high-income emerging markets). Min Financial Impact: The minimum financial impact is calculated by applying the lowest carbon pricing range (INR 1,600/t-CO2) to the emissions. The minimum potential financial impact is: Min = 21*15307.84 * INR 1,600*26% = INR 13,37,29,290 Max Financial Impact: The maximum financial impact is calculated by applying the highest carbon pricing range (INR 4,000/t-CO2) to the emissions. The maximum potential financial impact is: Max = 21*15307.84* INR 4,000*26%= INR 33,43,23,226*

(16.1.1.16) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(16.1.1.17) Cost of response to risk

540748692

(16.1.1.18) Explanation of cost calculation

The input assumptions were developed through extensive consultations with climate experts, supported by insights from our partners. The key assumptions considered include for estimated investment: a. For Energy efficiency measures investment, estimated at 1–2% of total sales b. For Transition from coal to biomass investment, projected at 1.5% of total sales c. Renewable investments estimated at 3–5% of total sales Collectively, these actions represent an overall response cost of approximately 7% of total sales. Based on a baseline average sales figure of INR 54.9 million and an inflation-adjusted projection of INR 77.25 million by 2030 (assuming 5% annual inflation), the total financial implication is estimated at INR 54,07,48,692. This investment is planned to be executed in a phased manner over the next few years, contingent upon the materialization of the identified risk.

(16.1.1.19) Description of response

In line with our commitment to achieving net-zero emissions by 2050, HPL Additives is actively engaging with the Science Based Targets initiative (SBTi) to ensure our climate targets are aligned with internationally recognized pathways. We are in the process of defining and seeking formal SBTi approval for our net-zero transition plan, which will serve as a foundation for our long-term climate strategy. While these initiatives will reduce long-term exposure to carbon taxes and strengthen our resilience, we anticipate higher capital expenditures in the short- to medium-term (next 10 years) as we focus on deep decarbonization of operations. Key areas of investment and action to achieve our SBTi-aligned net-zero targets include: Energy efficiency remains the most cost-effective decarbonization lever and is a cornerstone of our transition strategy. Key initiatives include: Equipment Modernization: Replacing outdated motors, compressors, and pumps with high-efficiency alternatives; deploying Variable Frequency Drives (VFDs) and high-efficiency burners. Heat Recovery Systems: Capturing waste heat from furnaces and boilers for reuse in production processes and facility heating. Building Efficiency: Retrofitting facilities with energy-efficient lighting (LEDs), HVAC optimization, insulation upgrades, and smart building management systems. Renewable Energy Transition – Expanding the use of solar, wind, and biomass, with partial substitution of coal by biomass. This will involve boiler conversions, renewable energy procurement contracts, and on-site solar installations. The total capital expenditure required for this transition will be spread over multiple years, depending on our starting point, ambition level, and the specific technologies and solutions we adopt. These investments, while substantial, are integral to ensuring that HPL Additives meets its net-zero emissions targets by 2050 and contributes meaningfully to global climate efforts.

Water

(16.1.1.1) Risk identifier

Select from:

☑ Risk2

(16.1.1.3) Risk type and primary source of the environmental risk

Chronic physical (gradual changes to the state of nature)

☑ Water stress

(16.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations (our own operations)

(16.1.1.5) Country/area where the risk occurs

Select all that apply

☑ India

(16.1.1.6) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Yamuna River basin

(16.1.1.7) Organization-specific description of risk

According to Central Ground Water Board (CGWB) three out four of manufacturing units of HPL Additives located in Faridabad and Ballabgarh, regions designated as 'over-exploited' and classified as 'highly water-stressed' by the World Resources Institute. One of the most immediate and high-priority climate change risks in the short term is related to groundwater withdrawal, use, and the extent of reuse or recycling within the facility. A third party led Environmental and Social Due Diligence (E&S DD) assessment observed that not all treated effluent is reused within the facility; a portion of the treated water continues to be discharged externally. HPL Additives faces water stress risks typical of chemical and polymer additive manufacturers. Chemical production, including additives and specialty chemicals, generally requires significant water for processing, cooling, and effluent management, which increases exposure to water stress risk in regions facing supply constraints or regulatory tightening. The use and treatment of water in cooling towers, effluent management, and process applications means that operational sites can be sensitive to local water availability, quality, and cost fluctuations.

(16.1.1.8) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(16.1.1.9) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(16.1.1.10) Likelihood of the risk having an effect within the anticipated time horizons

Select from:

☑ Likely (66–100%)

(16.1.1.11) Magnitude

Select from:

☑ Medium

(16.1.1.12) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(16.1.1.13) Potential financial effect figure - minimum (currency)

46692679

(16.1.1.14) Potential financial effect figure– maximum (currency)

52365621

(16.1.1.15) Explanation of financial effect figure

HPL Additives has assessed the potential financial impact of water stress on its three plants located in Haryana, which are in areas projected to be classified as Highly Water Stressed by 2030 under optimistic climate scenarios. If groundwater withdrawal is restricted by regulation, the plants would need to source operational water from third-party suppliers via tankers. Financial Impact Calculation: a. For FY 2025 tanker water cost: INR 125/KL b. Estimated premium water cost during lean period high-demand and low-availability: 10–20% (INR 137.5–150/KL) FY 2025 water consumption across three sites are: 33,351 KL, 1,65,612 KL, and 1,20,586 KL. Total water consumption in FY 2025= 317367.4 KL. Projected increase in water consumption by short term (2030) is 7–10% from FY 2025 due to higher production, evapo-transpiration, and domestic consumption. Projected minimum water consumption for three sites in FY 2030= 339,582 KL(33351 + 177204 + 129027) Projected maximum water consumption for three sites in FY 2030= 5,65,563 KL (34286 + 182173 + 349104) We assume the following for FY 2030: -Minimum water cost will be INR 137.5 per KL -Maximum water cost will be INR per 150 KL Minimum financial impact: 137.5 × (33351 + 177204 + 129027) KL = INR/year 4,66,92,679 Maximum financial impact: 150 × (34286 + 182173 + 349104) KL = INR /year 5,23,65,621

(16.1.1.16) Primary response to risk

Infrastructure, technology and spending

☑ Increase environment-related capital expenditure

(16.1.1.17) Cost of response to risk

58085115

(16.1.1.18) Explanation of cost calculation

To address water stress risks at facilities located in high-water-stressed regions, HPL Additives is planning strategic investments in Zero Liquid Discharge (ZLD) systems. The ZLD solution integrates advanced technologies such as electrocoagulation, nano-treatment, and secondary reverse osmosis (RO) to effectively treat RO reject streams, cooling tower blowdown, and boiler effluents. The estimated CAPEX of implementing ZLD across three sites is INR 5,80,85,115.

(16.1.1.19) Description of response

HPL Additives has successfully deployed a Zero Liquid Discharge (ZLD) system at its largest facility located in a high water-stress area, enabling sustainable wastewater management and significantly reducing freshwater withdrawals. The system integrates electrocoagulation, nano-treatment, and secondary reverse osmosis (RO) to treat effluents from RO reject streams, cooling towers, and boilers. Building on this experience, the company plans to scale ZLD implementation across its remaining two plants in the region. This forward-looking initiative not only ensures compliance with evolving water regulations but also decreases reliance on groundwater, mitigates operational risks associated with water scarcity, and strengthens progress toward the company's long-term sustainability objectives in highly water-stressed locations. areas.
[Add row]

(16.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*During FY 2025, HPL Additives did not pay any water-related fines.*

[Fixed row]

(16.3) Are you aware of any opportunities created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(16.3.1) Provide details of the opportunities created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future.

Climate change

(16.3.1.1) Opportunity identifier

Select from:

☑ Opp1

(16.3.1.3) Opportunity type and primary source

Energy source

☑ Use of low-carbon energy sources

(16.3.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations (our own operations)

(16.3.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(16.3.1.7) Organization specific description

We have identified a significant opportunity to transition to low-carbon energy sources, specifically by replacing coal with biomass for boiler applications. This shift aligns with the increasing global pressure to reduce reliance on fossil fuels, particularly as fossil fuel prices are projected to rise due to supply chain disruptions. By integrating locally sourced biomass, which the Haryana state government is actively promoting for industrial use, we can secure a more sustainable and cost-effective energy source. This transition offers financial benefits by reducing direct operational costs and simultaneously lowering our environmental impact. The transition has already commenced, with reductions in Scope 1 and Scope 2 emissions achieved through the partial substitution of coal with biomass briquettes. In the medium to long term, this opportunity is expected to have a substantive positive impact, with the benefits being of medium magnitude as the shift continues. This change supports our commitment to reducing our environmental footprint while improving cost efficiency.

(16.3.1.8) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(16.3.1.9) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(16.3.1.10) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(16.3.1.11) Magnitude

Select from:

☑ Medium-low

Water

(16.3.1.1) Opportunity identifier

Select from:

☑ Opp2

(16.3.1.3) Opportunity type and primary source

Resource efficiency

☑ Water recovery from sewage treatment

(16.3.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations (our own operations)

(16.3.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(16.3.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Yamuna River basin

(16.3.1.7) Organization specific description

The Central Ground Water Board has classified three out of four sites in Faridabad and Ballabgarh as "over-exploited" zones. In addition, the World Resources Institute (WRI) identifies these regions as highly water-stressed. During the third-party Environmental & Social Due Diligence, it was observed that the facilities do not fully utilize treated effluent within the premises, with a portion discharged externally. To address this, the implementation of sewage water recovery systems represents a strategic opportunity for cost efficiency, resource optimization, and risk mitigation at HPL Additives. By treating and reusing sewage water for non-potable industrial applications (e.g., cooling towers, boilers, and process cleaning), the company can significantly reduce its reliance on freshwater sources. Key value drivers include: a. Cost Savings on Freshwater Procurement: Lower dependence on external water supply reduces recurring purchase and logistics expenses. b. Reduction in Effluent Disposal Costs: Internal reuse minimizes wastewater discharge, thereby reducing treatment and compliance costs. c. Strengthened Regulatory Compliance: Proactive alignment with evolving water regulations mitigates risks of penalties and unplanned capital expenditure. d. Enhanced Operational Resilience: Diversifying water sources improves circularity and safeguards production continuity against water scarcity risks.

(16.3.1.8) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(16.3.1.9) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(16.3.1.10) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(16.3.1.11) Magnitude

Select from:

☑ Medium-high

Climate change

(16.3.1.1) Opportunity identifier

Select from:

☑ Opp3

(16.3.1.3) Opportunity type and primary source

Resource efficiency

☑ Use of recycling

(16.3.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations (our own operations)

(16.3.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(16.3.1.7) Organization specific description

At HPL Additives, our commitment to recycling and circular economy principles is significantly reducing our direct operating costs, with ongoing and future benefits across the short, medium, and long term. As resources become more expensive and water scarcity presents a growing challenge, the medium to high impact of these initiatives is increasingly evident. In one of our plants, we have implemented a solvent recovery system, allowing us to recycle solvents and reduce the need for fresh solvent procurement. During Kinox-30 production, H2SO4 is generated as a by-product and is used to manufacture gypsum, which is then sold as a product. Similarly, in Kinox-10 production, we recover and recycle 2,6 DTBP from the sludge, reducing waste and maximizing resource efficiency. Our Hydrazine Hydrate production generates by-products that are sold to the soap industry in Chandigarh, and ammonia is recovered and sold as aqueous ammonia in the local market. This benefits us: Lower Raw Material Costs: Recycling and reusing materials such as process by-products, solvents, or packaging reduces the need for new inputs, directly lowering procurement expenses. Reduced Waste Management Expenses: Diverting waste from disposal or incineration to recycling channels decreases

treatment and landfill costs. Operational Efficiency: Integrating recycled materials into production streams can improve resource efficiency and reduce energy consumption associated with processing virgin materials.

(16.3.1.8) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(16.3.1.9) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(16.3.1.10) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(16.3.1.11) Magnitude

Select from:

☑ Medium-high

[Add row]

C17. SME Governance

(17.1) Is there responsibility for environmental issues within your organization?

	Responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes

[Fixed row]

(17.1.1) Provide the highest positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(17.1.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer :Managing Director

(17.1.1.2) Environmental responsibilities of this position

Risks and opportunities

☑ Assessing future trends in environmental risks and opportunities

☑ Assessing environmental risks and opportunities

☑ Managing environmental risks and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Engagement

☑ Managing value chain engagement related to environmental issues

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(17.1.1.3) Who in the organization does this position report to

Select from:

☑ Reports to the board directly

(17.1.1.4) Frequency of reporting on environmental issues via this reporting line

Select from:

☑ Quarterly

(17.1.1.5) Please explain

At HPL Additives, the leadership and oversight of environmental issues are managed through several key positions and committees: Leadership on ESG Strategy: The Managing Director holds the highest management position and is responsible for the overall ESG vision, ensuring its integration into the company's long-term business strategy. This leadership role includes authorizing CAPEX and OPEX budgets necessary for climate adaptation and mitigation efforts. Stakeholder Engagement: The ESG Steering Committee, comprising senior leaders, drives engagement with key stakeholders, including investors, regulatory bodies, and other relevant entities, on climate and ESG initiatives. Decision-Making on Climate Risks: The Executive Board is responsible for making critical decisions regarding climate risk management. They ensure that strategies are implemented to mitigate and address climate-related risks across the organization. Oversight: The ESG Governance Committee oversees the stewardship of ESG policies, ensuring that these principles are integrated into the corporate ethos and that accountability and

transparency are maintained. Enterprise Risk Management Framework: The Risk Management Committee, in collaboration with cross-functional teams, formulates and implements the company's Enterprise Risk Management (ERM) framework. This ensures that ESG policies are synergistically integrated into operational practices and that the company remains aligned with global best practices.

Water

(17.1.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer :Managing Director

(17.1.1.2) Environmental responsibilities of this position

Risks and opportunities

☑ Assessing environmental risks and opportunities

☑ Managing environmental risks and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing annual budgets related to environmental issues

(17.1.1.3) Who in the organization does this position report to

Select from:

☑ Reports to the board directly

(17.1.1.4) Frequency of reporting on environmental issues via this reporting line

Select from:

☑ Quarterly

(17.1.1.5) Please explain

At HPL Additives, the leadership and oversight of environmental issues are managed through several key positions and committees: Leadership on ESG Strategy: The Managing Director holds the highest management position and is responsible for the overall ESG vision, ensuring its integration into the company's long-term business strategy. This leadership role includes authorizing CAPEX and OPEX budgets necessary for climate adaptation and mitigation efforts. Stakeholder Engagement: The ESG Steering Committee, comprising senior leaders, drives engagement with key stakeholders, including investors, regulatory bodies, and other relevant entities, on climate and ESG initiatives. Decision-Making on Climate Risks: The Executive Board is responsible for making critical decisions regarding climate risk management. They ensure that strategies are implemented to mitigate and address climate-related risks across the organization. Oversight: The ESG Governance Committee oversees the stewardship of ESG policies, ensuring that these principles are integrated into the corporate ethos and that accountability and transparency are maintained. Enterprise Risk Management Framework: The Risk Management Committee, in collaboration with cross-functional teams, formulates and implements the company's Enterprise Risk Management (ERM) framework. This ensures that ESG policies are synergistically integrated into operational practices and that the company remains aligned with global best practices.
[Add row]

(17.2) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(17.2.1) Provide details of your environmental policies.

Row 1

(17.2.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(17.2.1.2) Level of coverage

Select from:

☑ Organization-wide

(17.2.1.3) Value chain stages covered

Select all that apply

☑ Direct operations (our own organization)

☑ Upstream activities (suppliers)

(17.2.1.4) Explain the coverage

This policy applies to all HPL employees, contractors, suppliers, and business partners. It is relevant throughout the entire operational lifecycle, encompassing stages from exploration and planning to evaluation, operation, and closure. All parties interacting with or on behalf of HPL are expected to adhere to these principles. Alignment with Global Standards: Our Climate Change Policy is aligned with: 1. The Paris Agreement. 2. The United Nations Sustainable Development Goals, specifically SDG 13 (Climate Action). 3. The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Commitment to Climate Action: HPL is dedicated to mitigating climate change impacts and integrating sustainable practices into all aspects of our operations, ensuring compliance with global standards and contributing to a resilient future.

(17.2.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

Additional references/Descriptions

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

Row 2

(17.2.1.1) Environmental issues covered

Select all that apply

☑ Water

(17.2.1.2) Level of coverage

Select from:

☑ Organization-wide

(17.2.1.3) Value chain stages covered

Select all that apply

☑ Direct operations (our own organization)

☑ Upstream activities (suppliers)

(17.2.1.4) Explain the coverage

This policy applies to all HPL employees, contractors, suppliers, and business partners. It is relevant throughout the entire operational lifecycle, from exploration and planning to evaluation, operation, and closure. All parties interacting with or on behalf of HPL are expected to adhere to these principles. Alignment with Global and Local Standards: Our Water and Wastewater Management Policy is aligned with: 1. The United Nations Sustainable Development Goals, specifically SDG 6 (Clean Water and Sanitation). 2. India's National Water Policy. 3. Applicable local and national water regulations. Commitment to Water Stewardship: HPL is committed to responsible water use and wastewater management, ensuring that our operations contribute to sustainable water resources management and compliance with all relevant standards.

(17.2.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Water-specific commitments

☑ Commitment to reduce water consumption volumes

☑ Commitment to reduce water withdrawal volumes

☑ Commitment to water stewardship and/or collective action

[Add row]

C18. SME Business Strategy

(18.1) Have risks and opportunities created by environmental issues influenced your strategy and/or financial planning?

(18.1.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

[Fixed row]

(18.1.1) Describe where and how risks and opportunities created by environmental issues have influenced your strategy and/or financial planning?

Strategy

(18.1.1.1) Business areas that have been affected

Select all that apply

☑ Operations

(18.1.1.3) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(18.1.1.4) Environmental issues relevant to the risks and/or opportunities that have affected your strategy and/or financial planning in this area

Select all that apply

☑ Climate change

☑ Water

(18.1.1.5) Describe how environmental risks and/or opportunities have affected your strategy and/or financial planning in this area

At HPL Additives, environmental issues such as climate change and water related issues, rising energy costs, and regulatory pressures have significantly influenced our strategic planning. To manage both operational and long-term business risks, we have prioritized clean energy adoption, fuel transition, and energy efficiency improvements. In response to rising energy costs and environmental regulations, we have reduced our reliance on non-renewable electricity, lowering both GHG emissions and exposure to grid electricity price fluctuations. This shift to cleaner energy aligns with our sustainability goals while offering financial stability. Additionally, transitioning from High-Speed Diesel (HSD) to Piped Natural Gas (PNG) and increasing the use of biomass feed has further reduced GHG emissions and improved cost efficiency. PNG's cleaner and more stable nature provide greater supply reliability and helps mitigate risks from fossil fuel price volatility. In response, we have strategically invested in water sustainability initiatives. The installation of a Zero Liquid Discharge (ZLD) system at our largest plant has already reduced groundwater dependence by reusing treated wastewater through advanced technologies such as Electro Coagulation, Nano Treatment, and Secondary RO. Investments in energy-efficient technologies, including solar-powered lighting and high-performance Grundfos pumps, have reduced energy demand and enhanced operational resilience. These measures not only lower operational costs but also contribute to our long-term sustainability. Looking forward, these strategies position HPL Additives to remain resilient in the face of regulatory changes, including India's Carbon Credit Trading Scheme (CCTS) and potential carbon taxes. By reducing reliance on fossil fuels and conventional grid electricity, we are better prepared for stricter carbon regulations and rising energy costs. These proactive steps also support mandatory renewable energy procurement, ensuring compliance with future environmental standards. Incorporating environmental considerations into our core strategy helps safeguard current operations in Faridabad, Bawal, and Sahibabad while creating opportunities for sustainable growth. This approach enhances our competitiveness, drives cost savings, and strengthens compliance, positioning HPL Additives as a leader in sustainability and operational efficiency.

Financial planning

(18.1.1.2) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

☑ Capital expenditures

(18.1.1.3) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(18.1.1.4) Environmental issues relevant to the risks and/or opportunities that have affected your strategy and/or financial planning in this area

Select all that apply

☑ Climate change

☑ Water

(18.1.1.5) Describe how environmental risks and/or opportunities have affected your strategy and/or financial planning in this area

At HPL Additives, climate change-related risks, particularly water scarcity, have significantly influenced our financial planning. With three of our four operational units in Faridabad and Ballabgarh located in regions categorized as "over-exploited" by the Central Ground Water Board and highly water-stressed by the World Resources Institute (WRI), water availability presents a serious operational and financial risk. A third-party Environmental and Social Due Diligence (E&S DD) assessment highlighted that not all treated effluent is reused, increasing reliance on scarce groundwater resources. In response, we have strategically invested in water sustainability initiatives. The installation of a Zero Liquid Discharge (ZLD) system at our largest plant has already reduced groundwater dependence by reusing treated wastewater through advanced technologies such as Electro Coagulation, Nano Treatment, and Secondary RO. We are expanding the ZLD system to other plants and evaluating rainwater harvesting systems to further reduce groundwater usage. These initiatives, while requiring significant initial capital expenditure, align with our financial planning by providing long-term cost savings through reduced water consumption. Additionally, they ensure compliance with increasingly stringent water regulations, mitigating future regulatory risks. With rising water prices and increasing scarcity, these investments will enhance our operational resilience and position HPL Additives as a leader in sustainable water management, creating opportunities for green financing. Moreover, by addressing water scarcity proactively, we anticipate stronger relationships with environmentally conscious customers and a competitive advantage in an increasingly sustainability-driven market, reinforcing our commitment to both operational efficiency and long-term financial stability. Therefore, we include climate and water related issues in our annual financial planning. [Add row]

(18.2) Does your organization's strategy include a climate transition plan?

	Transition plan
	Select from: ☑ No, but we are developing a climate transition plan within two years

[Fixed row]

(18.3) Do you engage with suppliers, customers, and other stakeholders within your value chain on environmental issues?

Suppliers

(18.3.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(18.3.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(18.3.4) Type of engagement

Select all that apply

☑ Capacity building

☑ Information collection

(18.3.5) Details of engagement

At HPL Additives, we actively engage with our suppliers to align them with our sustainability objectives and business integrity standards. As part of this effort, we collaborate with third-party consultants to conduct Environmental & Social Due Diligence (ESDD) and supplier assessments for our key suppliers. This enables us to identify any gaps in their environmental, social, and governance (ESG) practices and provide tailored recommendations for improvement, ensuring that they adhere to high standards of environmental and social responsibility. We maintain a sustainable supply chain policy and engage with suppliers regularly through phone calls, site visits, and assessment forms to collect essential ESG data. For our key suppliers, these engagements occur quarterly to ensure continuous alignment with our sustainability goals. Our Managing Director (MD) and Chief Financial Officer (CFO) directly engage with key suppliers, often visiting them to foster long-term business relationships. Environmentally, we encourage our suppliers to reduce emissions, conserve water, manage waste, and adopt renewable energy practices. Additionally, we promote the reduction of hazardous materials and the adoption of recycling practices, aligning with our commitment to a circular economy and resource efficiency. We also expect suppliers to implement quality management systems, uphold fair labour practices, and support employee health and safety. Through our ongoing supplier engagement and collaborative efforts, including ESDD assessments, we strive to drive transparency, reduce risks, and promote long-term sustainability across our supply chain, ensuring that all partners meet our environmental and social responsibility standards.

Customers

(18.3.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(18.3.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(18.3.4) Type of engagement

Select all that apply

☑ Education/ Information sharing

(18.3.5) Details of engagement

At HPL Additives, customer engagement is a core priority, and we take a proactive approach in building and maintaining strong relationships with our key clients. Both our Managing Director (MD) and Chief Financial Officer (CFO) maintain regular communication with major customers, often visiting them in person to ensure continued business collaboration and address evolving needs and expectations. A key aspect of our customer engagement strategy involves responding to their Scope-3 emissions requirements. We actively provide detailed disclosures on our Product Carbon Footprint (PCF) and share our EcoVadis and CDP scores to demonstrate transparency in our environmental practices. This commitment to sustainability strengthens trust with our customers and aligns us with their own environmental goals, reinforcing our role as a reliable partner. In addition to meeting environmental expectations, we are deeply committed to product quality. We take customer feedback seriously, and when grievances arise, we conduct thorough investigations to address the issue promptly and efficiently. This dedication to continuous improvement has led to a steady decline in customer complaints over time. We also keep our customers informed by providing regular updates on our sustainability initiatives and progress. By sharing our achievements and ongoing efforts, we ensure our customers are confident in our ability to meet their expectations for both product quality and environmental responsibility, reinforcing our long-term partnerships in their sustainability journey.

Investors and shareholders

(18.3.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(18.3.3) Primary reason for no engagement

Select from:

☑ Judged to be unimportant or not relevant, explanation provided

Other value chain stakeholders, please specify

(18.3.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(18.3.3) Primary reason for no engagement

Select from:

☑ Judged to be unimportant or not relevant, explanation provided

[Fixed row]

C19. SME Environmental Performance – Consolidation Approach

(19.1) Select the consolidation approach used by your organization to determine the climate-related impacts that are reported on throughout your response. Note that this option should align with your chosen approach for consolidating your GHG inventory.

(19.1.1) Consolidation approach used

Select from:

☑ Operational control

(19.1.2) Provide the rationale for the choice of consolidation approach

HPL Additives applies the operational control approach to consolidate climate-related impacts across its business. Under this approach, HPL reports 100% of the GHG emissions from operations where it has the full authority to introduce and implement operating, health, safety, and environmental policies. As HPL holds majority control over its four manufacturing facilities in Haryana and Punjab, India, the company has both the responsibility and ability to influence emissions reductions. The operational control approach therefore provides the most accurate representation of HPL's climate impacts and aligns with the company's chosen methodology for preparing its corporate GHG inventory.
[Fixed row]

C20. SME Environmental Performance – Climate Change

(20.1) Do you evaluate your organization's greenhouse gas (GHG) emissions? Note that you can measure your emissions or estimate them using the assistance of a carbon accounting tool.

Scope 1 (direct emissions from owned or controlled activities)

(20.1.1) Emissions evaluated

Select from:

☑ Yes, we use tailored in-house or paid-for resources to calculate them

(20.1.4) Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year

Select from:

☑ No

(20.1.8) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(20.1.9) Number of past reporting years you will be providing emissions data for

Select from:

☑ 3 years

Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)

(20.1.1) Emissions evaluated

Select from:

☑ Yes, we use tailored in-house or paid-for resources to calculate them

(20.1.2) Scope 2 approach

Select from:

☑ We are reporting a Scope 2 location-based figure

(20.1.3) Primary reason for not reporting a market-based figure

Select from:

☑ We have no operations where we are able to access electricity supplier emission factors or residual emission factors, and are unable to report a Scope 2, market-based figure

(20.1.4) Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year

Select from:

☑ No

(20.1.8) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(20.1.9) Number of past reporting years you will be providing emissions data for

Select from:

☑ 3 years

Scope 3 (indirect emissions in upstream/downstream value chain)

(20.1.1) Emissions evaluated

Select from:

☑ Yes, we use tailored in-house or paid-for resources to calculate them

(20.1.4) Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year

Select from:

☑ No

(20.1.8) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(20.1.9) Number of past reporting years you will be providing emissions data for

Select from:

☑ 3 years

[Fixed row]

(20.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

☑ ISO 14064-1

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(20.3) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions which are attributed to the entities you are including in your CDP response which are not included in your disclosure?

Select from:

☑ No

(20.4) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(20.4.1) Gross global Scope 1 emissions (metric tons CO2e)

3237.67

(20.4.3) Methodological details

FY 2024-25, Boundary: Operational control; GHG Protocol Corporate Standard and ISO 14064-1. Sources: Stationary combustion, owned mobile combustion, fugitive and process emissions. Measurement: activity from ERP/fuel invoices, tank/meter and DG runtime logs, vehicle logs; fugitives by mass-balance (top-ups – recoveries) per gas. Factors: IPCC 2006 for combustion; GWPs from IPCC AR6 (100-yr). QA/QC: purchase-to-use reconciliation, variance checks vs production, second-person review. Rationale: IPCC/GHG Protocol ensures consistency and comparability. Change vs Past year 1: 3,237.67 tCO□e, –57.18% from 7,561.679 tCO□e, driven by continuous emission-saving projects across operations.

Past year 1

(20.4.1) Gross global Scope 1 emissions (metric tons CO2e)

7561.679

(20.4.2) End date

03/30/2024

(20.4.3) Methodological details

For FY 2023-24 the consolidation approach is operational-control boundary and source set as above. Data from invoices/logs; fugitives via mass-balance. Factors: IPCC 2006/2019; GWPs reflect the factor set used at the time (AR5/AR6); no retrospective restatement here. QA/QC as above. Rationale: preserve auditability to contemporaneous records. Change vs Past year 2: 7,561.679 tCO□e, –76.8% from 32,626.189 tCO□e, due to continuous emission-saving projects across operations.

Past year 2

(20.4.1) Gross global Scope 1 emissions (metric tons CO2e)

32626.189

(20.4.2) End date

03/30/2023

(20.4.3) Methodological details

For FY 2022-23, boundary/method: operational control; GHG Protocol/ISO 14064-1. Sources, measurement, and QA/QC as described; fugitives by mass-balance. Factors: IPCC 2006/2019; GWPs used contemporaneous to the year (not restated here). Change vs Past year 3: 32,626.189 tCO□e, –46.4% from 60,859.327 tCO□e, reflecting continuous emission-saving projects across operations.

Past year 3

(20.4.1) Gross global Scope 1 emissions (metric tons CO2e)

60859.327

(20.4.2) End date

03/30/2022

(20.4.3) Methodological details

For FY 2021-22, boundary/method consistent with other years (operational control; GHG Protocol/ISO 14064-1). Sources: stationary and owned mobile combustion, refrigerant fugitives. Measurement and factors as above, using contemporaneous GWPs for that year. Assumptions limited and conservative; QA/QC via reconciliation and review. Continuous emission-saving projects initiated during/after this year underpin subsequent reductions.
[Fixed row]

(20.5) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(20.5.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

14890.83

(20.5.5) Methodological details

For FY 2024-25, Boundary: operational control, per GHG Protocol Corporate Standard and Scope 2 Guidance. Source: purchased grid electricity (no purchased steam/heat/cooling). Measurement: kWh from utility invoices/meters. Emission factors: India-specific grid factor from the Central Electricity Authority (CEA) Baseline CO2 Emission Database (latest version available in the year), applied as location-based kgCO2/kWh; state/national factor used per supply context. Rationale: CEA is the official India dataset and ensures consistency/comparability. Market-based Scope 2: not applicable—no supplier-specific factors, residual mix, or credible market instruments available at our sites. Change vs. Past year 1: 14,890.83 tCO2e, –5.96% from 15,836.063 tCO2e, driven by constant emission-saving projects across operations.

Past year 1

(20.5.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

15836.063

(20.5.4) End date

03/30/2024

(20.5.5) Methodological details

For FY 2023-24, same operational-control boundary and Scope 2 source as above. kWh from utility bills and meters. Emission Factors: India CEA Baseline CO2 Emission Database (version contemporaneous to the year) applied as location-based; we have not retrospectively restated factors. Rationale: CEA provides authoritative India grid factors for comparability. Market-based Scope 2: not applicable—no supplier/residual factors or instruments available. Change vs. Past year 2: 15,836.063 tCO2e, –6.4% from 16,912.442 tCO2e, reflecting constant emission-saving projects across operations.

Past year 2

(20.5.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

16912.442

(20.5.4) End date

03/30/2023

(20.5.5) Methodological details

For FY 2022-23, Boundary/method remain operational control per GHG Protocol/Scope 2 Guidance. Source and measurement as above; kWh from utility bills. Emission Factors: India CEA Baseline CO2 Emission Database used for location-based calculation (year-appropriate version); no back-cast restatement. Rationale: CEA ensures consistent, audit-ready disclosure. Market-based Scope 2: not applicable—no access to supplier-specific/residual mix factors or credible instruments. Change vs. Past year 3: 16,912.442 tCO2e, –15.3% from 19,955.691 tCO2e, due to constant emission-saving projects across operations.

Past year 3

(20.5.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

19955.691

(20.5.4) End date

03/30/2022

(20.5.5) Methodological details

For FY 2021-22, Operational-control boundary; GHG Protocol Corporate Standard/Scope 2 Guidance. Source: purchased grid electricity only. Measurement: kWh from utility invoices. Factors: India CEA Baseline CO2 Emission Database (version applicable to the year) used for location-based calculation. Rationale: CEA is the most relevant official source for India and supports comparability over time. Market-based Scope 2: not applicable for our operations—no supplier-specific/residual mix factors or market instruments available.
[Fixed row]

(20.7) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(20.7.1) Evaluation status

Select from:
☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

190955.36

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category covers all purchased raw materials (solvents, intermediates, additives, packaging) and operating services (maintenance, utilities services, third-party processing). A hybrid method was used: (i) activity-based factors for high-impact raw materials where material-specific emission factors were available (cradle-to-gate, kg CO□e/kg), and (ii) spend-based EEIO factors for diverse OPEX where activity data were unavailable. Exclusions: items already captured as Capital Goods (Cat.2) to prevent double count.

Capital goods

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

234.76

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category includes machinery, plant upgrades, process equipment, and significant spares with useful life >1 year. Spend-based calculation using asset-class EEIO factors (cradle-to-gate) applied to CapEx line items; repairs/maintenance remain in PG&S to avoid double counting.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

1848.02

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category covers well-to-tank (WTT) emissions for all fuels combusted in Scope 1 and T&D losses for purchased electricity. Activity data: fuel volumes (liters/kg/Nm³) and grid electricity (kWh) from Scope 1/2 datasets. Factors: WTT emission factors by fuel type; grid T&D loss factor and upstream generation intensity based on India conditions (CEA used for grid intensity; recognized sources for losses/WTT).

Upstream transportation and distribution

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

7513.05

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category includes inbound shipments paid by HPL (raw materials/packaging from suppliers to HPL sites). Distance-based method using origin-destination pairs and mode splits (road/rail/air/sea as applicable).

Waste generated in operations

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

295.5

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category covers all production and facility wastes managed by third parties (hazardous/non-hazardous, sludge, ETP cake, packaging, recyclables).

Business travel

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

26.45

(20.7.3) Please explain

Boundary = operational control; 12-month reporting year. Methods follow the GHG Protocol Scope 3 Standard. Double counting with Scope 1/2 is avoided. Primary inputs come from ERP (purchase ledgers), utility/transport/vendor records, and waste manifests. Emission factors are taken from reputable sources (e.g., IPCC/GHG Protocol guidance, India CEA for grid loss where applicable, DEFRA/BEIS/equivalent for transport, and waste-treatment-specific databases). Emission in this category covers air, rail, and road travel paid by HPL. Data from the travel agency and employee claims. Method: distance-based for air (by haul band and booking class where available), rail and car/hired vehicles; default occupancy and vehicle mix applied where vendor specifics were missing

Employee commuting

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

239.95

(20.7.3) Please explain

Boundary: all India sites under operational control; employees on payroll/long-term contract. Method: distance-based, survey hybrid HR headcount and attendance provided working days on-site; an annual commuting survey (and site HR records) provided mode split (two-wheeler, car, bus/shuttle, rail/metro, walking/cycle, EV). Home-to-work one-way distance measured by pin-code pairs; round-trip × working days; car/bus occupancy defaults applied where unknown. Life-cycle stage: Well-to-Wheel (WTW) factors used for all motorized modes; EV commuting uses India grid intensity (CEA) for electricity.

Upstream leased assets

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

Screening under the GHG Protocol shows no material upstream leased assets (extraction/production/storage/warehousing) that are not already under HPL's operational control. Office/IT rentals and short-term equipment hires are de minimis and, where operated by HPL on-site, their energy is captured in Scopes 1 and 2.

Downstream transportation and distribution

(20.7.1) Evaluation status

Select from:

☑ Relevant, calculated

(20.7.2) Emissions in reporting year (metric tons CO2e)

6197.06

(20.7.3) Please explain

Scope: outbound shipments of sold products from HPL plants/warehouses to first customer/DC; third-party carriers and facilities not owned/controlled by HPL. Method: distance-based (tonne-km) using dispatch weights from ERP and lane distances (origin–destination) by mode (road/rail/sea/air). Life-cycle stage: WTW emission factors applied per mode (aligned with GLEC/DEFRA).

Processing of sold products

(20.7.1) Evaluation status

Select from:

☑ Not evaluated

(20.7.3) Please explain

HPL Additives sells B2B chemical additives that are further processed by customers through diverse, customer-specific operations (e.g., blending/compounding, polymerization, dispersion, curing/finishing). In this cycle we did not quantify Category 10 because we lacked verifiable downstream process inventories (energy, yields, solvent recovery, scrap rates) and standardized process maps by product family/end-use. Customer data are fragmented, often confidential, and reported on non-aligned periods; applying generic factors across heterogeneous chemistries risked material misstatement and double counting with Category 11 (use of sold products) or Category 9 (downstream transport). A screening based on sales mix indicates the category may be material, hence we will prioritize it. As we engage with downstream stakeholders, we aim to better understand the emissions impact associated with the processing of our products after they are sold. This will allow us to assess the category's significance and determine the appropriate steps for including it in future emissions reporting.

Use of sold products

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

HPL supplies chemical additives that are blended or embedded into customers' products. They are not fuels, energy-using equipment, or GHG-releasing substances in use, and do not drive in-use energy demand attributable to HPL. A GHG Protocol screen indicates immaterial use-phase emissions relative to total Scope 3. We will review annually and quantify if any product line is shown to have material use-phase impacts.

End of life treatment of sold products

(20.7.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(20.7.3) Please explain

Additives are dispersed within customers' products; EoL impacts depend on downstream product types and disposal routes outside HPL's control (recycling, landfill, incineration, wastewater). Data gaps on product mapping and regional disposal mix prevented a defensible estimate this cycle. Our products, primarily used as additives in plastics and polymers, eventually reach the end of their lifecycle in various industries. The disposal, recycling, or degradation of these products can contribute to GHG emissions, depending on the methods used. We recognize the potential emissions impact at this stage and are currently in discussions with our value chain partners to better understand and quantify the emissions associated with the end-of-life treatment of our products. This will allow us to include this category in future emissions reporting as part of our ongoing sustainability efforts. We will estimate and re-evaluate the relevance of this category.

Downstream leased assets

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

HPL does not own assets leased to other entities (e.g., plants, warehouses, equipment) that are outside our operational control. Screening of fixed-asset and legal records found no such assets; therefore emission source is not applicable at present.

Franchises

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

HPL does not operate a franchise model and has no franchisees. No emissions arise in this category per GHG Protocol definitions. Reviewed annually.

Investments

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

HPL is a manufacturing company, not a financial institution and immaterial versus total Scope 3. No consolidated investees outside operational control that would trigger Category 15 accounting.

Other (upstream)

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

A GHG Protocol screen indicates no additional upstream sources outside Categories 1 to 8. Any potential minor items are captured in PG&S (Cat.1) or deemed de minimis. We will revisit during annual inventory improvements.

Other (downstream)

(20.7.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(20.7.3) Please explain

A GHG Protocol screen indicates no additional downstream sources beyond Categories 9 to 15 that are relevant to HPL's business model. If future business changes introduce new downstream activities, we will assess and disclose.
[Fixed row]

(20.7.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(20.7.1.1) End date

03/30/2024

(20.7.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

89014

(20.7.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(20.7.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

(20.7.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

993.145

(20.7.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(20.7.1.7) Scope 3: Business travel (metric tons CO2e)

0

(20.7.1.8) Scope 3: Employee commuting (metric tons CO2e)

89.31

(20.7.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(20.7.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

1719.927

(20.7.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(20.7.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(20.7.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(20.7.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(20.7.1.15) Scope 3: Franchises (metric tons CO2e)

0

(20.7.1.16) Scope 3: Investments (metric tons CO2e)

0

(20.7.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(20.7.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(20.7.1.19) Comment

During FY 2023-24, our total scope 3 emission was 91,816.382 metric tons CO2e resulting in 4.32% reduction in comparison to previous year i.e., FY 2022-23 during which our scope 3 emission stood at 95,959.949 metric tons CO2e.

Past year 2

(20.7.1.1) End date

03/30/2023

(20.7.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

92894.737

(20.7.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(20.7.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

(20.7.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

846.358

(20.7.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(20.7.1.7) Scope 3: Business travel (metric tons CO2e)

0

(20.7.1.8) Scope 3: Employee commuting (metric tons CO2e)

110.79

(20.7.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(20.7.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

2108.064

(20.7.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(20.7.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(20.7.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(20.7.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(20.7.1.15) Scope 3: Franchises (metric tons CO2e)

0

(20.7.1.16) Scope 3: Investments (metric tons CO2e)

0

(20.7.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(20.7.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(20.7.1.19) Comment

During FY 2022-23, our total scope 3 emission was 95,959.949 metric tons CO2e resulting in 24.36% reduction in comparison to previous year i.e., FY 2021-22 during which our scope 3 emission stood at 1,26,864.602 metric tons CO2e.

Past year 3

(20.7.1.1) End date

03/30/2022

(20.7.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

123052.816

(20.7.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(20.7.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

(20.7.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

1011.908

(20.7.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(20.7.1.7) Scope 3: Business travel (metric tons CO2e)

0

(20.7.1.8) Scope 3: Employee commuting (metric tons CO2e)

112.09

(20.7.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(20.7.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

2687.788

(20.7.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(20.7.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(20.7.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(20.7.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(20.7.1.15) Scope 3: Franchises (metric tons CO2e)

0

(20.7.1.16) Scope 3: Investments (metric tons CO2e)

0

(20.7.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(20.7.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(20.7.1.19) Comment

During FY 2021-22, our total scope 3 emission was 1,26,864.602 metric tons CO2e.
[Fixed row]

(20.8) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status	Attach verification evidence/report (optional)
Scope 1 (direct emissions from owned or controlled activities)	*Select from:* ☑ Third-party verification or assurance process in place	*HPLA GHG Assurance Statement_1609251531.pdf*
Scope 2 (location-based or market-based indirect emissions from purchased electricity, heat, steam or cooling)	*Select from:* ☑ Third-party verification or assurance process in place	*HPLA GHG Assurance Statement_1609251531.pdf*
Scope 3 (indirect emissions in upstream/downstream value chain)	*Select from:* ☑ Third-party verification or assurance process in place	*HPLA GHG Assurance Statement_1609251531.pdf*

[Fixed row]

(20.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

(20.9.1) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☑ Decreased

(20.9.2) Reason

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

(20.9.3) Please explain

Our combined Scope 1+2 fell to 18,128.5 tCO□e in FY2024–25 from 23,397.742 tCO□e in FY2023–24 that is –22.52% reduction. Scope 1: 7,561.679 to 3,237.67 tCO□e (–57.18%) driven by a higher share of biomass in thermal systems displacing HSD/FO, tighter fuel management (DG hour curtailment, maintenance/leak prevention), and process efficiency measures implemented across sites. Biogenic CO□ from biomass is tracked and reported separately; CH□/N□O are included in Scope 1. Scope 2 (location-based): 15,836.063 to 14,890.83 tCO□e (–5.96%) due to increased on-site renewable electricity (e.g., rooftop solar) and continuous power optimization (VFDs, PF correction, lighting upgrades, load rationalization). Optimization of water systems (incl. ZLD at our largest plant) further reduced auxiliary energy needs. All Scope 2 figures are location-based using India CEA grid factors; we do not have supplier-specific/residual mix factors and do not use market instruments (RECs/green tariffs), so market-based Scope 2 is not reported.
[Fixed row]

(20.10) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary Combustion*	*2058.809*
Row 2	*Mobile Combustion*	*68.895*
Row 3	*Process Emissions*	*198.042*
Row 4	*Fugitive Emissions*	*911.925*

[Add row]

(20.11) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Purchased Electricity*	*14890.83*	*0*

[Add row]

(20.15) Does your organization break down its electricity consumption by country/area.

Select from:

☑ Yes

(20.15.1) Provide a breakdown by country/area of your purchased or acquired electricity consumption in MWh.

Row 1

(20.15.1.1) Country/area

Select from:

☑ India

(20.15.1.2) MWh from renewable sources

57.97

(20.15.1.3) MWh from non-renewable sources

20478.68

(20.15.1.4) Total (renewable + non-renewable) MWh

20536.65

(20.15.1.5) Comment

Electricity consumption is based on DISCOM invoices and AMR/sub-meter reads for FY2024–25 under operational control. Renewable = 57.97 MWh (~0.3%) from on-site rooftop solar credited via net-metering; non-renewable = 20478.68 MWh grid supply. Scope 2 is calculated location-based using India CEA grid factors; we do not have supplier-specific/residual-mix factors and do not use unbundled RECs, so market-based Scope 2 is not reported. We plan to scale rooftop solar/green power next year.

[Add row]

(20.16) Did you have an emissions or other climate-related target that was active in the reporting year?

(20.16.1) Emissions or other climate-related target

Select all that apply

☑ Absolute emissions target

☑ Net-zero target

[Fixed row]

(20.16.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(20.16.1.1) Target reference number

Select from:

☑ Abs1

(20.16.1.2) Date target was set

02/28/2025

(20.16.1.3) Target coverage

Select from:

☑ Organization-wide

(20.16.1.4) Scopes covered by target

Select all that apply

☑ Scope 1 (direct emissions from owned or controlled activities)

☑ Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)

(20.16.1.5) Scope 2 accounting method

Select from:

☑ Location-based

(20.16.1.7) End date of base year

03/30/2022

(20.16.1.8) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

80815.018

(20.16.1.9) End date of target

03/30/2030

(20.16.1.10) Targeted reduction from base year (%)

20

(20.16.1.11) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

64652.014

(20.16.1.12) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

18128.5

(20.16.1.13) % of target achieved relative to base year

387.84

(20.16.1.14) Target status in reporting year

Select from:

☑ Achieved and maintained

(20.16.1.15) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

(20.16.1.17) Explain target coverage and identify any exclusions

HPL is committed to reducing absolute Scope 1 and 2 greenhouse gas emissions by 20% by 2030, relative to a 2021 base year. This target encompasses 100% of our direct operations.

Row 2

(20.16.1.1) Target reference number

Select from:

☑ Abs2

(20.16.1.2) Date target was set

02/28/2025

(20.16.1.3) Target coverage

Select from:

☑ Organization-wide

(20.16.1.4) Scopes covered by target

Select all that apply

☑ Scope 3 (indirect emissions in upstream/downstream value chain)

(20.16.1.6) Scope 3 categories

Select all that apply

☑ Scope 3, Category 1 – Purchased goods and services

☑ Scope 3, Category 4 – Upstream transportation and distribution

☑ Scope 3, Category 7 – Employee commuting

☑ Scope 3, Category 9 – Downstream transportation and distribution

(20.16.1.7) End date of base year

03/30/2022

(20.16.1.8) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

126864.602

(20.16.1.9) End date of target

03/30/2040

(20.16.1.10) Targeted reduction from base year (%)

40

(20.16.1.11) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

76118.761

(20.16.1.12) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

204905.42

(20.16.1.13) % of target achieved relative to base year

-153.79

(20.16.1.14) Target status in reporting year

Select from:

☑ Underway

(20.16.1.15) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

(20.16.1.17) Explain target coverage and identify any exclusions

HPL is committed to reducing absolute Scope 3 greenhouse gas emissions by 40% by 2040, based on a 2021 baseline. This target applies to 100% of our scope 3 emissions.
[Add row]

(20.16.3) Provide details of any other climate-related targets that were active in the reporting year.

Row 1

(20.16.3.1) Active climate-related target

Select from:

☑ Net-zero target

(20.16.3.2) Target reference number

Select from:

☑ Oth1

(20.16.3.3) Date target was set

02/28/2025

(20.16.3.4) Target coverage

Select from:

☑ Organization-wide

(20.16.3.5) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Abs2

(20.16.3.6) End date of base year

03/30/2021

(20.16.3.7) End date of target

03/30/2050

(20.16.3.8) Description of target

HPL commits to reduce absolute scope 1, 2, and 3 Green House Gas emissions 90% by 2050 from a 2021 base year

(20.16.3.9) Target status in reporting year

Select from:

☑ New

(20.16.3.10) Is this target part of an overarching initiative?

Select all that apply

☑ Science Based Targets initiative – SME target

(20.16.3.11) Explain target coverage and identify any exclusions

The net-zero target applies organization-wide across all HPL Additives legal entities, manufacturing plants, laboratories, warehouses, and offices under operational control, and covers all Kyoto GHGs (CO□, CH□, N□O, HFCs, PFCs, SF□, NF□) using IPCC AR6 GWPs. It includes all Scope 1 sources (stationary/mobile combustion, process, refrigerants), Scope 2 electricity (tracked location-based; market-based will be disclosed if instruments become available), and Scope 3 across the material categories reported in 20.7 (e.g., Purchased goods & services, Capital goods, Fuel & energy-related activities, Upstream/Downstream transport, Waste, Business travel, Employee commuting, EoL of sold products, etc.). As Category 10/12 methods mature, any newly quantified categories will be incorporated without exclusions and the base year adjusted per CDP/SBTi rules for structural changes. The target is consistent with SBTi SME Net-Zero framing: ≥90% absolute reduction by 2050 from the FY2020–21 base year, with neutralization of residual <10% via high-quality, durable carbon removals at net-zero. No geographic, asset, scope, or category exclusions apply.
[Add row]

(20.17) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

	Emissions reduction initiative
	Select from: ☑ Yes

[Fixed row]

(20.17.1) Provide details on the emissions reduction initiatives implemented in the reporting year in the table below.

Row 1

(20.17.1.1) Initiative type

Company policy or behavioral change

☑ Supplier engagement

(20.17.1.2) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 3 category 1: Purchased goods & services

☑ Scope 3 category 4: Upstream transportation & distribution

(20.17.1.3) Voluntary/ Mandatory

Select from:

☑ Voluntary

(20.17.1.4) Are you able to estimate CO2e savings and financial impacts?

Select from:

☑ No

(20.17.1.9) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(20.17.1.10) Comment

We are engaging with our key suppliers through supply chain assessment (questionnaire approach) and also supporting them with third-party ESDD to identify gaps in performance and reporting. This engagement will eventually help us reduce the Scope-3 emissions if our key suppliers adhere to good practices towards ESG performance.

Row 2

(20.17.1.1) Initiative type

Low-carbon energy consumption

☑ Solid biofuels

(20.17.1.2) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(20.17.1.3) Voluntary/ Mandatory

Select from:

☑ Voluntary

(20.17.1.4) Are you able to estimate CO2e savings and financial impacts?

Select from:

☑ No

(20.17.1.9) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(20.17.1.10) Comment

We have increased the utilization of biomass at our facilities which has resulted in reduction of Scope-1 and Scope-2 emissions. Furthermore, we have utilized ZLD at our largest production plant which resulted in reduction of water-related emissions.

Row 3

(20.17.1.1) Initiative type

Waste reduction and material circularity

☑ Product/component/material recycling

(20.17.1.2) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 3 category 1: Purchased goods & services

(20.17.1.3) Voluntary/ Mandatory

Select from:

☑ Voluntary

(20.17.1.4) Are you able to estimate CO2e savings and financial impacts?

Select from:

☑ No

(20.17.1.9) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(20.17.1.10) Comment

At HPL Additives, our commitment to recycling and circular economy principles is significantly reducing our direct operating costs. This opportunity is already being realized and will continue to generate benefits in the short, medium, and long term. With resources becoming more expensive and water scarcity posing a potential challenge, the medium to high impact of these initiatives is becoming increasingly apparent. In one of our plants, we have implemented a solvent recovery system, allowing us to recycle solvents and reduce costs on fresh solvent procurement. During the production of Kinox-30, H2SO4 is generated as a by-product and is utilized to manufacture gypsum, which is then sold as a product. Similarly, in Kinox-10 production, we recover and recycle 2,6 DTBP from the sludge, minimizing waste and maximizing resource efficiency. Our Hydrazine Hydrate production also generates by-products that are sold to the soap industry in Chandigarh, while ammonia is recovered and sold as aqueous ammonia in the local market. Furthermore, we have implemented ZLD in one of our plants, where treated effluent is reused for irrigation, reducing water costs and contributing to our sustainability goals. These initiatives, aligned with circular economy principles, are helping us optimize resources, reduce waste, and minimize costs while driving long-term operational resilience.

Row 4

(20.17.1.1) Initiative type

Energy efficiency in production processes

☑ Process optimization

(20.17.1.2) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(20.17.1.3) Voluntary/ Mandatory

Select from:

☑ Voluntary

(20.17.1.4) Are you able to estimate CO2e savings and financial impacts?

Select from:

☑ Yes

(20.17.1.5) Estimated annual CO2e savings (metric tons CO2e)

1650.47

(20.17.1.6) Investment required (unit currency – as specified in 14.2)

300000000

(20.17.1.7) Annual monetary savings (unit currency – as specified in 14.2)

50000000

(20.17.1.8) Payback period

Select from:

☑ 4-10 years

(20.17.1.9) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(20.17.1.10) Comment

This voluntary process optimisation initiative targets operational efficiency improvements to reduce fuel and electricity consumption across relevant sites, thereby reducing Scope 1 and location-based Scope 2 emissions. Based on measured reductions for 11 projects in site energy use against the baseline and applying standard emissions factors, the initiative is estimated to deliver ~1,650.47 tCO□e of annual emissions savings. The total investment required is 300,000,000 (unit currency as reported in section 14.2) with estimated annual monetary savings of 500,000,000 (unit currency as reported in section 14.2). The financial payback period is expected to be 4–10 years, and the estimated operational lifetime of the measures is 6–10 years. Emissions and energy savings are tracked through the company's energy monitoring systems and periodic performance reviews to ensure delivery of projected benefits and to capture further optimisation opportunities. [Add row]

C21. SME Sign Off

(21.1) Is any environmental information included in your CDP response (not already reported in 20.8) is verified and/or assured by a third party?

Select from:

☑ Yes

(21.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(21.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(21.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ All data points in module 20

(21.1.1.3) Verification/assurance standard

General

☑ ISAE 3000

(21.1.1.4) Further details of the third-party verification/assurance process

International Standard on Assurance Engagements (ISAE) 3000 (revised)

(21.1.1.5) Attach verification/assurance evidence/report (optional)

HPLA GHG Assurance Statement_1609251531.pdf
[Add row]

(21.2) Provide the following information for the person that has signed off (approved) your CDP response.

(21.2.1) Job title

Managing Director

(21.2.2) Corresponding job category

Select from:
☑ Other C-Suite Officer
[Fixed row]

(21.3) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute