

Sustainability Report 2025-26

GROWING RESPONSIBLY, SCALING RESILIENCE





Growing with Trust

"Growing with Trust" is our passion and guiding principle. It embodies our core values and defines who we are: unlocking potential, enriching lives, exceeding expectations, and cultivating a joyful work environment. This mantra underscores DCM Shriram's unwavering commitment to fostering a positive impact. Our people, products, services, and initiatives collectively contribute to a better world for our customers and investors through sustainable growth.

We nurture a work environment that prioritizes employee development, satisfaction, and well-being. "Growing with Trust" reflects our firm belief in the transformative power of workplace happiness, enhancing performance, creativity, collaboration, and resilience. It drives us to pursue and achieve our organizational and personal purposes.

It is a proud declaration that we are an organization where happy individuals place the interests of all stakeholders above their own, becoming a force for positive change.

Table of Contents

1	About DCM Shriram Limited	1
2	Vision and Our Values	3
3	Our Businesses	4
4	About the Report	5
5	Chairman & Vice-Chairman’s Message	6
6	ESG at a glance	8
7	Our Strategic Approach & ESG Philosophy	9
8	Value Creation Model	12
9	Creating Sustainable Value For Stakeholders	13
10	Materiality Assessment	20
11	Corporate Governance	25
12	Strengthening Organizational Resilience through Disciplined Risk Management	32
13	Information Security & Cyber Resilience	38
14	Awards & Accolades	43
15	Strengthening Resilience through Sustainable and Strategic Growth	44
16	Manufactured Capital	49
17	Intellectual Capital	58
18	Natural Capital	63
19	Social & Relationship Capital	75
20	Customer Governance, Product Stewardship & Responsible Marketing	87
21	Sustainable Supply Chain and Responsible Procurement	91
22	Human Capital	97
23	Building a Safe and Responsible Workplace	105
24	Assurance Statements	119
25	SDG Mapping & UNGC Ten Principles	123
26	GRI Content Index	125



About DCM Shriram Limited

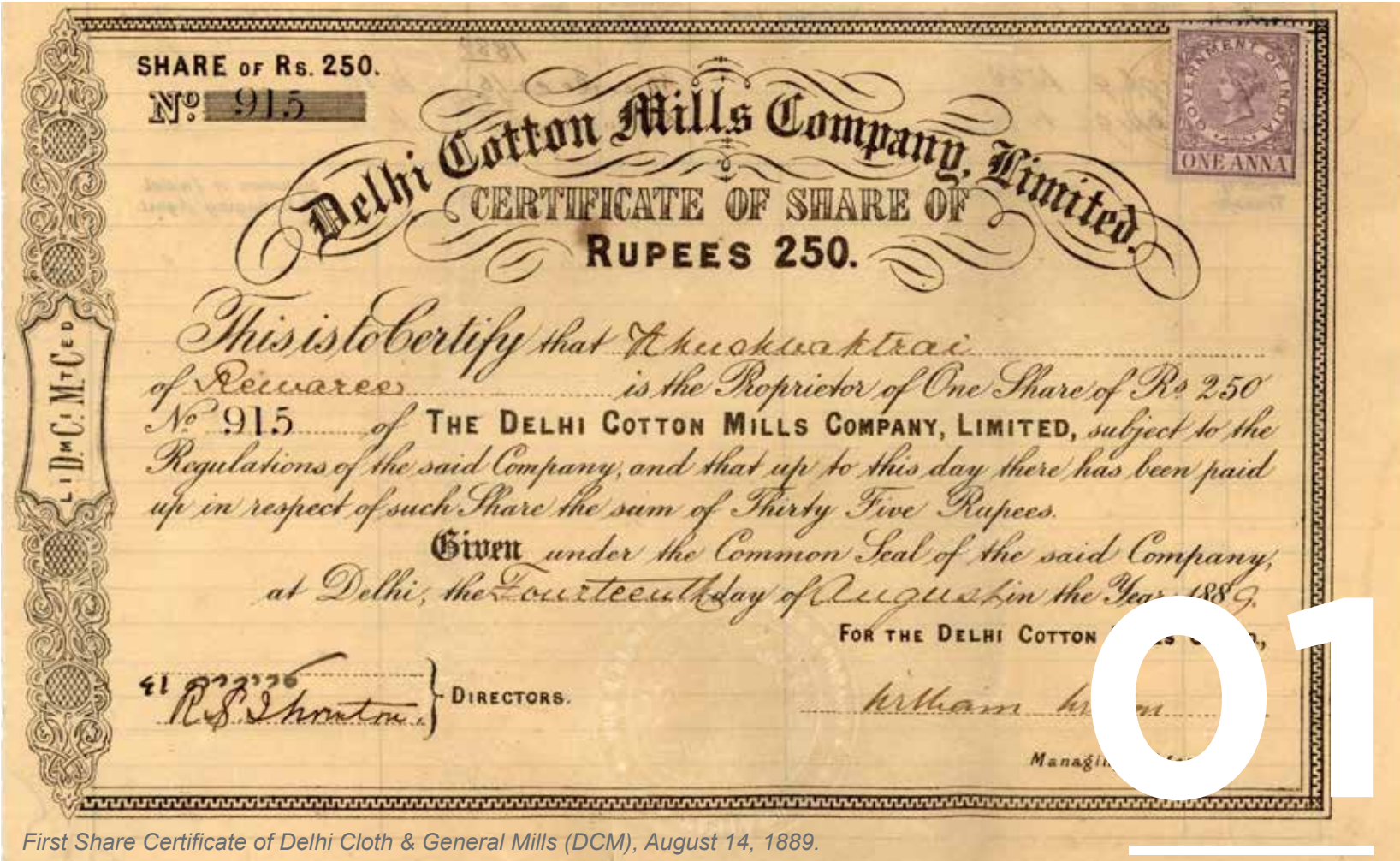
With a rich heritage spanning decades, DCM Shriram is a name synonymous with stability, sustained growth, and corporate excellence. Our businesses span critical sectors, including Agri- Rural, Chemicals & Vinyl, Sugar, Cement, Fertilizers, and Value-Added Products, contributing to India's industrial and economic progress. Our unwavering commitment to innovation, operational excellence, and environmental stewardship drives us to continually raise the bar. Through our people, products, services, and initiatives, we aim to unlock potential, enrich lives, and foster sustainable growth, creating a positive impact on all stakeholders.



Sir Shri Ram and Sir Shankar Lall with the staff and workers of Delhi Cloth & General Mills (DCM), Delhi, 1939.

A heritage of excellence, shaping a sustainable future

The company's forward-thinking approach integrates global priorities like climate change, digitization, and sustainable practices into its strategic growth roadmap. Leveraging world-class processes such as Total Quality Management (TQM) and Total Productive Maintenance (TPM), DCM Shriram continually benchmarks operations against global standards. Its unwavering commitment to environment, health, and safety has earned international accolades, including certifications for Environment Management Systems and the prestigious British Safety Council Sword of Honour. By fostering innovation, operational excellence, and sustainability, DCM Shriram remains dedicated to shaping a progressive and responsible future.



First Share Certificate of Delhi Cloth & General Mills (DCM), August 14, 1889.



DCM Shriram's sustainability journey is a story of growing with India while steadily strengthening the systems that keep its businesses, farmers and communities resilient in a changing world. At the heart of this journey is a simple idea: every additional tonne of production, every new investment, move the company towards cleaner energy, smarter resource cycles and more inclusive development, not away from it. "Growing Responsibly, Scaling Resilience" captures this shift from linear, incremental improvement to an integrated, future-ready organization.



Our "Growing Responsibly, Scaling Resilience" theme reflects our integrated approach built on three pillars, INCLUSIVE, CIRCULAR and RESPONSIBLE GROWTH.

We are accelerating low carbon operations through RE hybrids at Bharuch and Kota, enhanced use of biomass and adopting green chemistry in operations such as the Glycerin based Epichlorohydrin plant, together expected to supply a significant share of our energy from non-fossil sources and avoid substantial CO₂ emissions over the long term. By closing loops, using fly ash and lime sludge from Carbide in Cement manufacturing, turning biomass into power and recycling by-products arising out of Sugar manufacturing, we reduce dependence on virgin resources and build circularity with operational buffers against future constraints.

RESILIENCE for us means the ability to withstand disruption and emerge stronger, year after year. Climate aligned energy contracts, our Sustainability Pledge, Circular resource flows and Nature aware risk assessment under TNFD reduce volatility in costs and inputs, while farmer centric water solutions, strong EHS culture and community investments create stable, trusting ecosystems around our operations. Together, these capabilities allow DCM Shriram to keep serving customers, supporting livelihoods and growing with various stakeholders even in a more climate and resource challenged world.

At the same time, farmer focused initiatives like the AgWater Challenge, community programmes under Khushali and integrated DEI strategy anchor social resilience around our sites. Underpinned by robust governance, transparent reporting and global frameworks such as TNFD and TCFD, these efforts ensure that every step of growth today also strengthens our ability to thrive in tomorrow's environment.



VISION

Vibrant growth with trust.
Energised employees and delighted customers.

Our values

Integrity

Uphold ethical standards. Be socially responsible. Deliver on promises.

Agility

Act with speed. Adapt continuously. Deliver results.

Customer - Centricity

Listen to customers. Build long lasting relationships.

Team Work

Foster collaborative working.
Promote meritocracy.
Practice empathy & humility.

Openness

Encourage diverse views.
Build external orientation

Newness

Be innovative,
Be Creative.

Transforming lives Through Experience, Engineering, and Engagement

At DCM Shriram, we understand the complexities of driving transformation in the agri-rural and chemicals sectors within a dynamic market landscape. Guided by innovation and sustainability, we deliver solutions that empower farmers, industries, and communities to optimize resources, enhance productivity, and achieve scalable growth. From providing advanced agri-inputs and rural support to manufacturing high-quality chemicals, we are equipped to address diverse needs at every stage of the value chain, fostering progress and creating a sustainable future for all. Our approach emphasizes creating impactful outcomes, fostering meaningful engagement, and engineering solutions that amplify success for our clients while delivering long-term value for all stakeholders.

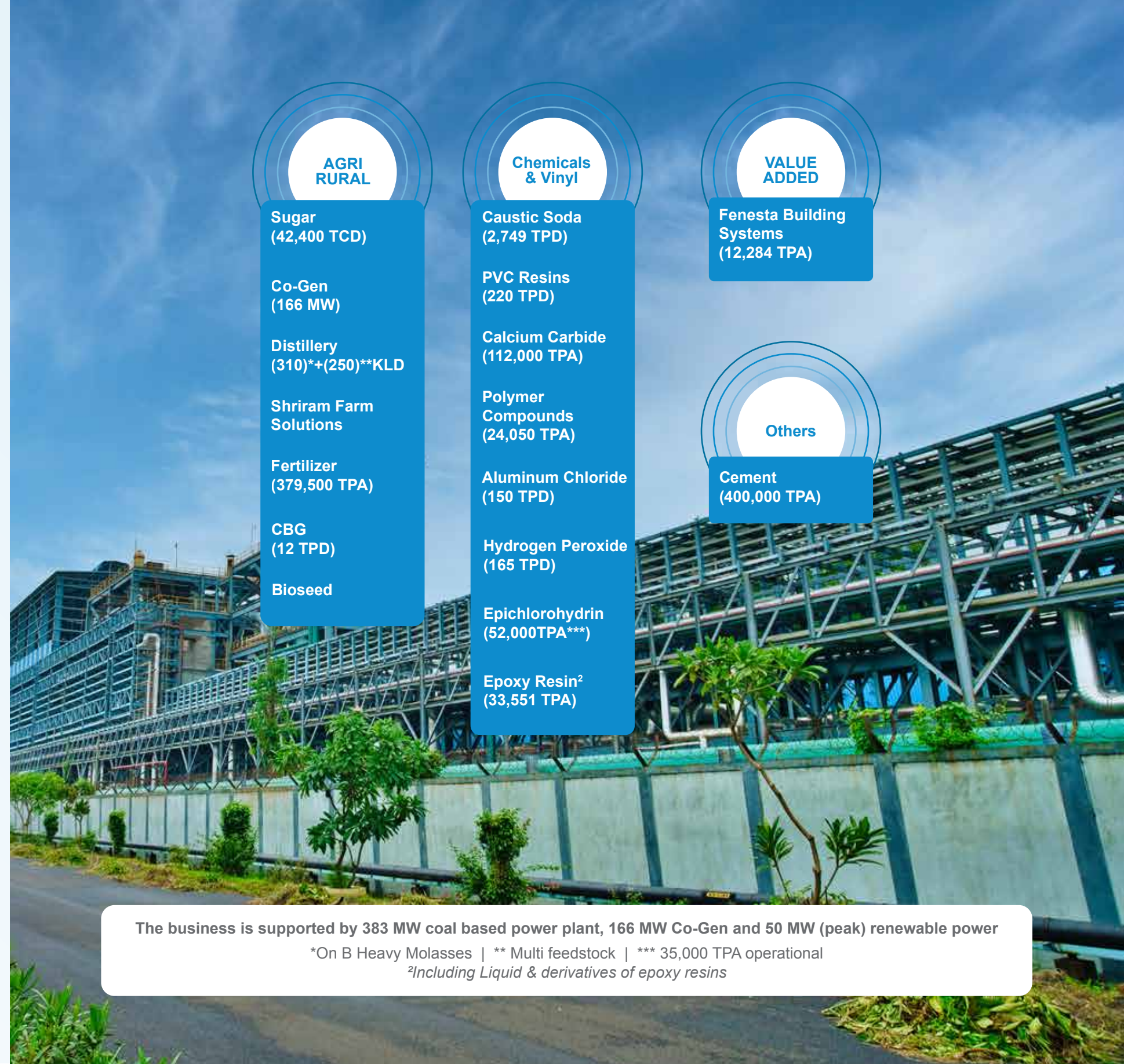
Our strategic investments in core sectors, innovative processes, and a highly skilled talent pool reinforce DCM Shriram as a resilient and forward-looking organization with stakeholder-centricity at its heart. Over the past year, we have made substantial progress toward our ambitious goals. Despite broader market challenges, our stakeholder engagements remain strong, our business pipeline is robust, operational efficiencies are improving, and profitability continues to grow. Our expertise in delivering high-quality agri-rural solutions and advanced chemical products, while embedding sustainability and innovation into every aspect of our operations, is increasingly recognized by our customers and partners. We remain steadfast in our commitment to creating value through integrated strategies and diverse capabilities, ensuring a sustainable and impactful contribution across all our business verticals.





Our Businesses

- ★ Shriram Fertilizers & Chemicals, Kota - Rajasthan
- ▲ Fenesta Building Systems, Kota, Bhiwadi, Chennai, Bhubaneswar, Hyderabad
- Shriram Alkali & Chemicals, Bharuch - Gujarat
- 📍 Bioseed, Hyderabad & Philippines
- Sugar Production Units (Central UP) - Ajbapur, Rupapur, Hariawan & Loni & Distillery Units-Ajbapur & Hariawan



The business is supported by 383 MW coal based power plant, 166 MW Co-Gen and 50 MW (peak) renewable power

*On B Heavy Molasses | ** Multi feedstock | *** 35,000 TPA operational

²Including Liquid & derivatives of epoxy resins

About The Report

Overview

DCM Shriram Limited is pleased to present its seventh Sustainability Report, prepared in accordance with the guiding principles of the International Integrated Reporting Framework. This Report showcases our integrated approach to value creation and our efforts to provide holistic, decision-useful information for stakeholders in a transparent and comparable manner. It offers a comprehensive view of the Company’s ability to create sustainable value over the short, medium and long term. The Report also maps our annual environmental, social and governance (ESG) performance against recognised international standards and regulatory requirements, articulating our strategic priorities, commitments, material issues and defined reporting boundary and scope.

Scope And Boundary

The report comprehensively highlights our performance across six capitals, drawing on data from all domestic business units under DCM Shriram Limited based on operational control. This includes the Agri-Rural, Chemicals & Vinyl, Sugar, Cement, Fertilizers, and other Value-Added Business segments, with locations spanning Uttar Pradesh, Gujarat, Rajasthan, Telangana, Tamil Nadu, and Odisha. Data from overseas operations, associate companies, joint ventures, and subsidiaries, where the Company does not have operational control, are excluded. The report focuses on our Environmental, Economic, and Social performance for FY 26. Except for economic performance, which is reported on a consolidated basis, all other disclosures are aligned to the stated boundary, which covers more than 95% of the total revenue of the Company.

Reporting Period

Our FY 26 Sustainability Report presents a holistic view of DCM Shriram’s value-creation model and strategic direction in the context of the current external environment, taking into account stakeholder insights, material matters and key risks that influence our business. Using the six capitals of the International Integrated Reporting Framework, we explain how our business model creates, preserves and transforms value and provide a comprehensive overview of our Environmental, Social and Governance (ESG) performance to support informed decision-making by providers of financial capital and other stakeholders. We remain committed to high standards of disclosure, covering all material issues with transparency and integrity. Unless stated otherwise, the disclosures in this Report relate to the period from April 1, 2025 to March 31, 2026 and cover DCM Shriram’s India-based portfolio of businesses.

Our Capitals



Financial Capital



Intellectual Capital



Manufactured Capital



Natural Capital



Social and Relationship Capital



Human Capital

Reporting Principles and Framework

The report is aligned with the Value Reporting Foundation’s Integrated Reporting framework, the UN Global Compact principles, and the Global Reporting Initiative standards - in accordance to option ensuring content and quality.

Our ESG disclosures align with the Sustainability Accounting Standards Board (SASB) and the UN Sustainable Development Goals.

The report also contains applicable requirements and principles of the following:

- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact (UNGC)
- National Guidelines on Responsible Business Conduct (NGRBC) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including compliance with the Business Responsibility and Sustainability Report (BRSR) framework

Forward-Looking Statements

This Report contains certain forward-looking statements that reflect company's current views on future events, strategies and performance. These statements are based on reasonable assumptions and historical trends but are inherently subject to a range of risks and uncertainties. Forward-looking statements include all statements other than those relating to historical facts, including descriptions of performance highlights, strategic objectives, approaches and mitigation plans. Actual outcomes may differ materially from those expressed or implied, owing to factors such as industry developments, macroeconomic and geographic conditions, changes in government policies, regulations and laws, and other external or incidental influences. The Company does not undertake any obligation to update these forward-looking statements, except as required under applicable law.

Stakeholder Feedback

Stakeholder feedback is an integral part of our continuous improvement process. We actively seek and value inputs from stakeholders to enhance our policies, programs and disclosures. We encourage readers to share their insights at sustainability@dcmsriram.com, reaffirming our commitment to transparency, accountability and collaborative growth.

Responsibility Statement

To ensure the credibility and accuracy of the disclosures, data in this report has undergone thorough internal reviews and independent third-party assurance by Deloitte Haskins & Sells LLP. The assurance was conducted as per the International Standard on Sustainability Assurance Engagements (SSAE) 3000 under limited assurance criteria. The assurance statement is available on page 119.



Chairmen's Message

At DCM Shriram Ltd., sustainability is not an adjunct to business - it is embedded in how we define growth, resilience and long-term value creation. As a diversified enterprise operating across Chemicals, Agri-inputs, consumer-facing businesses and bio-based industries, we recognize our responsibility to balance economic progress with environmental stewardship, social inclusion and strong governance.

During FY 2025–26, we continued to deepen our Environmental, Social and Governance (ESG) integration across business processes and decision-making. Our approach is guided by the principles of responsible growth, operational excellence and a steadfast commitment to all our stakeholders-employees, communities, customers, partners and shareholders.

We are pleased to share that DCM Shriram achieved an ESG score of 63 under the S&P Global Corporate Sustainability Assessment (CSA) during the year and was recognized in the Sustainability Yearbook 2026. This achievement reflects our steady progress in strengthening governance frameworks, enhancing transparency in disclosures, improving environmental performance and building robust risk management systems. While this milestone validates our direction, we remain conscious that sustainability is a continuous journey requiring higher ambition, sharper execution and alignment with global best practices.

Environmental stewardship remains a central pillar of our sustainability strategy. During FY 2025–26, we made measurable progress across climate action, energy efficiency, water stewardship and circular resource management. A key highlight of the year is the 6% reduction in specific energy intensity achieved through our decarbonization pathway that includes greater integration of renewable energy and agri-based fuels, alongside continuous efficiency improvements. We reaffirmed our long-term climate commitments undertaking Sustainability Pledge for achieving carbon neutrality by 2050.

Water stewardship remains critically important, particularly as the sectors we operate in consume large quantities of water. Our sustained efforts in water conservation, recycling, and rainwater harvesting resulted in the conservation and harvesting of more than ten times the water consumed at our manufacturing sites. In addition, we achieved an 7% reduction in specific water withdrawal intensity, reflecting improved operational efficiency and responsible water management practices. These achievements underscore our belief that environmental responsibility and operational efficiency are mutually reinforcing, enabling us to create long-term value while minimizing our ecological footprint.

At DCM Shriram, the safety, health, and well-being of our employees, contractors, and stakeholders remain our highest priority. Our aspiration is to create workplaces that are not only compliant but also inherently safe, inclusive, and conducive to individual growth.

We are proud to report that a significant 52% reduction in Lost Time Injury Frequency Rate (LTIFR) and alongside zero fatalities were recorded across our operations during the year.

These outcomes reflect sustained leadership commitment, robust safety management systems, and a proactive approach to hazard identification and risk mitigation.

Our safety philosophy goes beyond compliance-it emphasizes, preventive risk management, learning from near-misses and incidents, continuous capability building through training & audits and strengthening behavioral safety culture across all levels. We have continued to invest in structured training programs, safety audits, and employee engagement initiatives to reinforce a culture where safety is a shared responsibility.

Equally important is our focus on employee well-being and inclusivity. We remain committed to fostering a workplace where individuals feel respected, empowered, and supported-ensuring that our human capital continues to be a key enabler of our long-term success.





At DCM Shriram, our engagement with communities is guided by the belief that inclusive and sustainable growth must extend beyond business operations to create long-term social value. Through DCM Shriram Foundation and our Khushali initiatives, we continued to strengthen interventions across healthcare, education, livelihoods, skilling, water, sanitation and environmental sustainability in communities around our manufacturing locations. Our approach focuses on enabling resilient communities through structured, need-based and locally relevant programs that contribute to social and economic progress.

During FY 2025–26, we continued to strengthen our focus on outcome-oriented and scalable interventions. Across our programs, greater emphasis was placed on improving measurable impact, institutional convergence and community participation. In healthcare, our efforts remained focused on preventive and community-based models, particularly in maternal and child health. In education, we worked towards improving foundational learning and school readiness, while our skilling and livelihood initiatives aimed at enhancing employability, entrepreneurship and income opportunities for youth and rural communities. Our environmental initiatives continued to promote water conservation, circular resource management, plantation and climate resilience at the community level. We believe that long-term social impact can only be achieved through partnerships and shared ownership. Accordingly, our CSR initiatives are implemented in close collaboration with local communities, government institutions, implementation partners and other stakeholders to ensure sustainability and alignment with regional development priorities. Going forward, we will continue to strengthen our impact measurement frameworks and build programs that are scalable, inclusive and capable of creating enduring value for communities while contributing meaningfully to India's sustainable development journey.

Strong governance is the foundation upon which sustainable enterprises are built. At DCM Shriram, we place significant emphasis on maintaining the highest standards of corporate governance, ethical conduct and transparency. Regular audits, compliance reviews and continuous monitoring ensure that our systems remain effective and aligned with regulatory requirements as well as stakeholder expectations.

Our financial performance during the year reflects the strength of our business fundamentals and our ability to navigate a dynamic environment. Revenue increased to ₹13,538 Crore, demonstrating broad-based growth. Profits before depreciation, interest, tax and exceptional items (PBDIT) rose by 15% to ₹1,694 Crore and Profit after tax (PAT) increased by 42% to ₹856 Crore. Margins improved, supported by operational efficiencies and cost discipline.

We affirm that sustainability and financial performance are complementary drivers of long-term value. As global expectations around climate action, resource efficiency and accountability intensify, we are embedding sustainability at the core of our strategy. Our priorities include accelerating decarbonization, strengthening climate resilience, enhancing stakeholder engagement and integrating sustainability into capital allocation. Through innovation, collaboration, and a long-term vision, we aim to build a resilient, future-ready organization that delivers enduring value while contributing meaningfully to society.

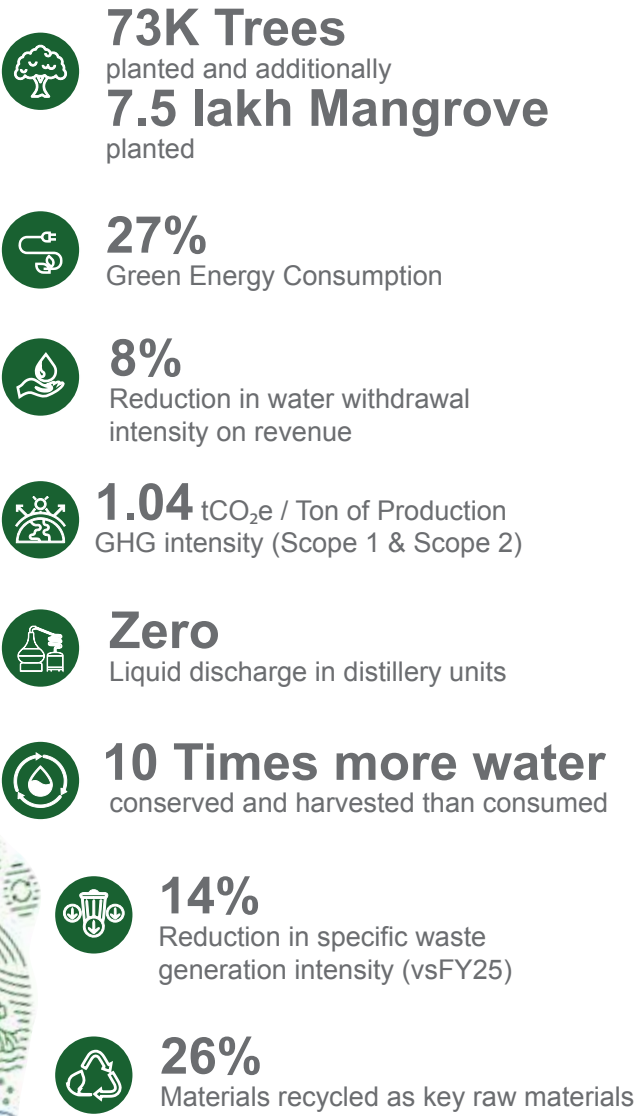
We would like to express our sincere appreciation to our employees for their dedication, to our partners for their collaboration, to the communities for their trust and to our shareholders for their continued confidence in our vision. Together, we will continue to advance our sustainability journey and build a more resilient, responsible and prosperous future.

Ajay S. Shriram
Chairman & Sr. Managing Director

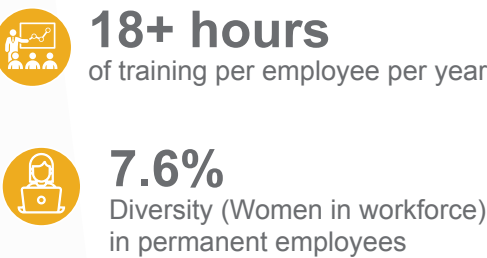
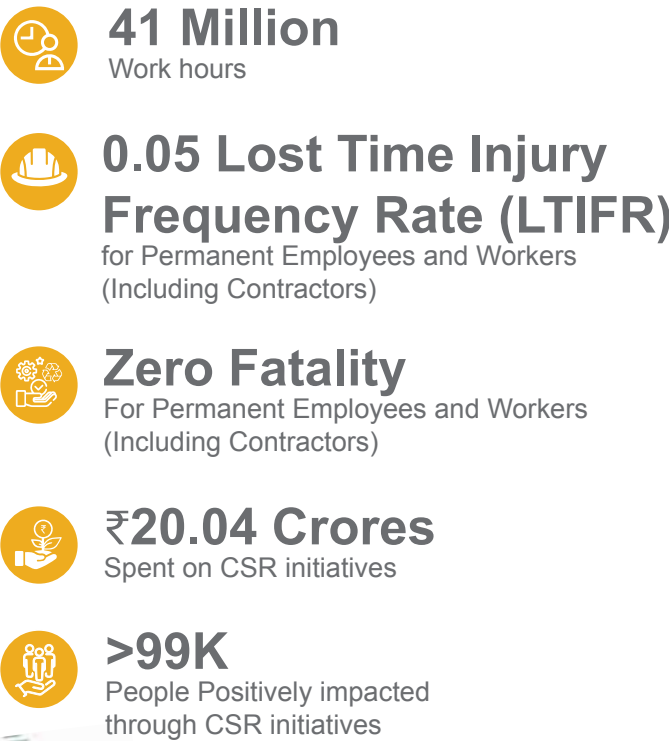
Vikram S. Shriram
Vice Chairman & Managing Director

ESG at a glance

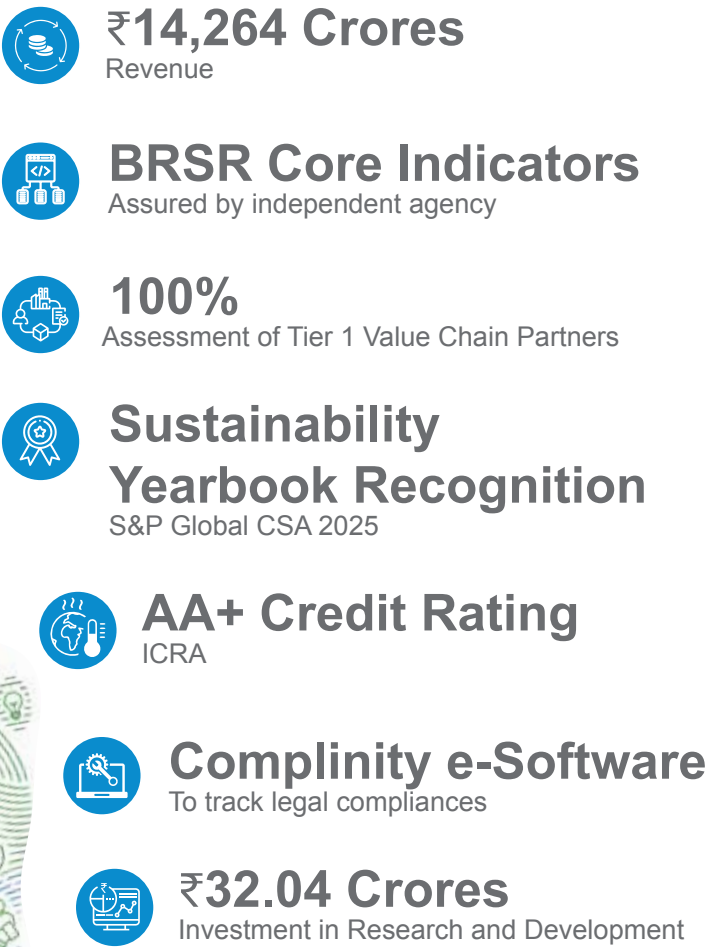
FY 2025-26



ENVIRONMENTAL



SOCIAL



GOVERNANCE

Our Strategic Approach

Today’s business landscape is shaped by a rapidly evolving set of challenges driven by a combination of internal dynamics and external forces. Increasing frequency and intensity of extreme weather events is creating pronounced physical and operational risks, while shifting global regulations and policy responses are expanding the scope and stringency of compliance expectations for companies.

To navigate this evolving context, organisations need to demonstrate resilience, adaptability and agility to sustain long-term growth. DCM Shriram has consistently responded to these challenges by embedding robust sustainability principles into its strategy and day-to-day operations. The Company continues to drive operational excellence to lower its carbon footprint and adopts a proactive approach to environmental stewardship, with water conservation and waste management identified as key priorities.

DCM Shriram places the well-being of its people and the communities it serves at the heart of its sustainability agenda, remaining focused on building a growth trajectory underpinned by a resilient and sustainable business model. With an emphasis on creating positive social impact, the Company works to advance the well-being, progress and development of its stakeholders and aligns its actions to material topics that contribute to the achievement of multiple Sustainable Development Goals (SDGs).



ESG Philosophy

DCM Shriram’s ESG philosophy is anchored in its proprietary ASCRIBE framework, which guides how the Company deepens and broadens ESG impact across its value chain. Through ASCRIBE, sustainability is embedded into the core of the business model and treated as a holistic strategy for all stakeholders, including customers, suppliers, investors, employees, communities and the environment. The framework steers the Company’s focus on material topics that promote inclusive economic opportunities, foster a culture of trust, empowerment and growth and help ensure that its people and businesses remain resilient and future ready.

- A ACTION FOR CLIMATE CHANGE**
- S SUSTAINABLE PROCUREMENT PRACTICES**
- C CIRCULARITY IN PRODUCTS FOR ECO-EFFICIENCY**
- R RELIABLE DATA SYSTEMS FOR DATA PRIVACY AND SECURITY**
- I INCLUSIVITY AND DIVERSITY IN HIRING AND COMMUNITIES’ DEVELOPMENT**
- B BUSINESS ETHICS AND CORPORATE GOVERNANCE**
- E EFFICIENT HEALTH AND SAFETY MANAGEMENT SYSTEMS**



ASCRIBE has enabled DCM Shriram to articulate robust ESG policies and a structured implementation roadmap, with ESG principles integrated into decisionmaking and behaviour at every level of the organisation. The Company’s “ASCRIBE” motto on ESG reflects its commitment to work towards clear, transparent and achievable objectives that translate philosophy into measurable action.



Strategic Priorities, Framework Alignment And Progress Update

Creating enduring value through targeted strategies

The ASCRIBE framework sits at the heart of DCM Shriram’s sustainability strategy, shaping how the organisation identifies and manages material topics and aligns its operations with leading global standards. Built around seven Strategic Priorities (SPs) for business transformation, ASCRIBE links each priority to clearly defined material topics and Key Performance Indicators (KPIs), ensuring that growth ambitions and ESG commitments are pursued in an integrated manner. These priorities are systematically mapped to the United Nations Global Compact (UNGC) principles, the Sustainable Development Goals (SDGs) and the Business Responsibility and Sustainability Reporting (BRSR) framework, reinforcing alignment with both International and National expectations on climate action, resource efficiency, inclusivity and governance.

While every Strategic Priority addresses specific ESG themes, their combined impact depends on strong collaboration across the organisation. The SPs are communicated in a simple, accessible manner and are supported by technology-enabled dashboards and review mechanisms that foster accountability, transparency and cross-functional ownership. Each priority also connects dynamically with the six capitals under the Integrated Reporting framework, illustrating how initiatives help preserve, enhance and use financial, manufactured, intellectual, human, social and relationship, and natural capital more effectively.

Embedding this roadmap across the Company requires building capabilities and a shared sense of purpose. DCM Shriram therefore, focuses on developing competencies, strengthening succession planning and deepening leadership communication, alongside enhancing managerial skills and promoting diversity to nurture a resilient and inclusive workforce. During the reporting period, operations were continually aligned with the Strategic Priorities through investments in innovative and sustainable practices, with regular progress updates presented to the Board to enable course-corrections and drive a performance-oriented, accountable implementation.

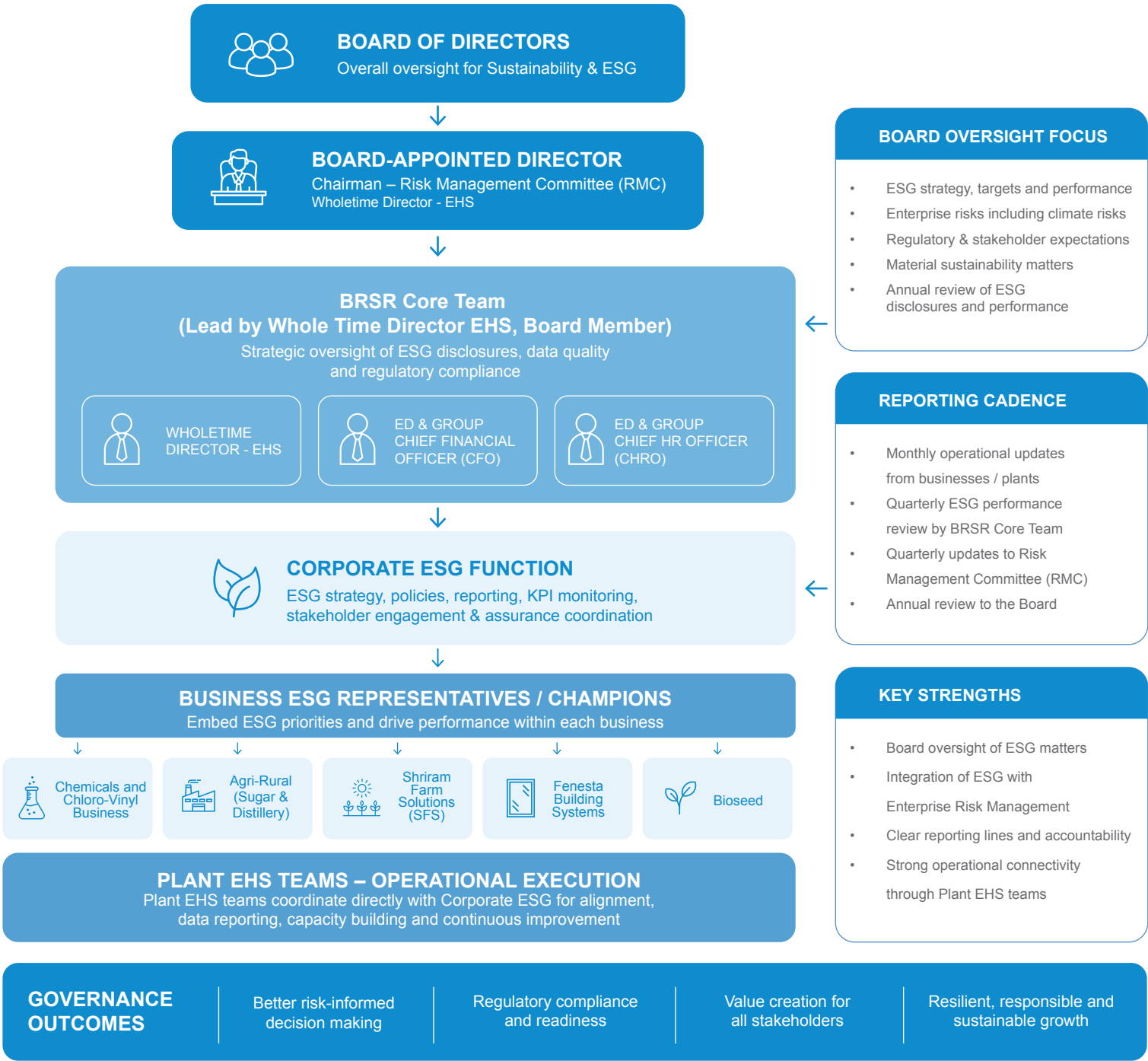
Across its businesses, DCM Shriram seeks to leverage product and process innovation to advance a more sustainable future, assessing the impact of decisions on people and the planet in everything it does. The nature of its product portfolio offers significant scope to deliver wider societal benefits, and the Company is continually improving its offerings and processes to maximise positive outcomes.

DCM Shriram aspires to sectoral leadership as a responsible corporate citizen, reflected in ongoing efforts to cut its carbon footprint, enhance energy efficiency and embed circular-economy practices. The Company aims to remain water positive and to support healthy ecosystems and rich biodiversity, while placing people at the centre of its sustainability journey by promoting a safe, inclusive and engaging workplace that nurtures well-being, opportunity and long-term growth.

Our Business Leaders and senior management are assessed against a balanced set of Key Performance Indicators (KPIs) that span long-term and short-term, as well as financial and non-financial dimensions. The non-financial metrics encompass critical areas such as innovation and new business creation, expansion into new markets, development of future growth engines, organizational and leadership development and performance against compliance and ESG priorities. At the same time, the Company places people at the heart of its sustainability journey by fostering a safe, inclusive and engaging workplace that promotes well-being, enables opportunity and supports long-term growth and success for all employees.

DCM SHRIRAM LIMITED - ESG GOVERNANCE STRUCTURE

Board-led Oversight | Risk Integrated | Financially Aligned | Responsibly Executed



The table below highlights the alignment of ASCRIBE Objectives and Strategic Priorities with the ESG frameworks & Principles, detailing how each objective contributes to fostering responsible business practices

ASCRIBE Framework Elements	SP1	SP2	SP3	SP4	SP5	SP6	SP7
Objectives	Action for Climate Change	Sustainable Procurement Practices	Circularity in Products for Eco-Efficiency	Reliable Data Systems for Data Privacy and Security	Inclusivity and Diversity in Hiring and Communities" Development	Business Ethics and Corporate Governance	Efficient Health and Safety Management Systems
Strategic Priority	Transition to renewable energy, enhance energy efficiency, and integrate climate-related risk assessments into business strategies.	Strengthen supplier partnerships with a focus on ESG compliance & ethical practices.	Promote circular economy principles to minimize waste and maximize resource efficiency.	Establish cutting-edge digital systems to improve transparency and operational efficiency.	Build a diverse workforce and strengthen community programs for education, healthcare, and livelihoods.	Strengthen governance frameworks and ethical practices across the value chain.	Create safe working environments and implement effective health and safety measures.
Focus Areas (material issues)	- Climate Change Strategy - Energy Management & Emission Reduction - Water Stewardship - Biodiversity & Ecosystem Management - Technology & Innovation	Sustainable Supply Chain	- Circularity - Waste Management - Product Stewardship	Data Security and Privacy	- Employee engagement, diversity and inclusion (including recruitment, retention and development) - Community Development	- Ethics and Governance - Human Rights and Labour Practices	Health & Safety
SDGs Impacted	SDG 7, SDG 9, SDG 13, SDG 15,	SDG 8, SDG 12, SDG 17	SDG 9, SDG 12	SDG 9, SDG 16	SDG1, SDG 3, SDG 4, SDG 5, SDG 8, SDG 10	SDG 16, SDG 17	SDG 3, SDG 8
UNGC Principles	P7, P8, P9	P1, P2, P4, P5, P6	P7, P8	P1, P10	P1, P6	P2, P10	P3, P6
BRSR Principles	P2, P6, P7	P4, P9, P5	P2, P6	P1, P4	P3, P4, P5	P1, P7	P3, P8, P5
Capital Impacted	Natural Capital, Intellectual Capital, Financial Capital	Social & Relationship Capital, Natural Capital Financial Capital	Natural Capital, Intellectual Capital, Manufactured Capital	Intellectual Capital, Social & Relationship Capital, Financial Capital	Human Capital, Intellectual Capital, Social & Relationship Capital	Financial Capital, Intellectual Capital, Social & Relationship Capital	Human Capital, Social & Relationship Capital, Financial Capital
Key KPIs	GHG Emissions, Energy & Water Consumption, Waste-to-landfill status, Investment in R&D, Patents Applied	Suppliers Screened on ESG parameters	Recycled material in use, waste generation and disposal, low carbon products	Number of data security breaches	Gender diversity, hiring and turnover, training and employee support programs, CSR projects & investment	Annual CoC compliance, regulatory compliances and breaches, Board oversight	Safety and Hazard reporting, HSE Training
Progress achieved	- Climate Pledge undertaken and disclosed publicly. - TNFD Disclosure undertaken	Awareness on Supplier's Code of Conduct for Tier 1 Suppliers	- CBG Plant successfully commissioned and operated through the year. - Successful pilot trials for Utilization of Glycerin Pitches for CBG/ as biofuel feed	- Zero events reported for Data Security breaches. - Third party diagnostics of the data privacy system under progress	7.6% diversity achieved	- Risk Management Policy updated. - Revision of Emerging Risks. - Continued periodic review of the Business Risks. - Enhanced awareness on ERM among key stakeholders. 100% CoC Compliance. - Public disclosure of Stakeholder Engagement Policy.	- Safety Excellence Programs at Bharuch, Kota and Sugar Sites. - Surveillance audits for ISO 45001
Way forward	Actions aligned with Climate Pledge for implementation. Review of Recommendation of TNFD. LCA for Sugar and Distillery Business products	Roadmap for ESG assessment of Tier-1 Suppliers	Scale-up of the Glycerin Pitches utilization	Review and actions based on Third party diagnostics data privacy systems	Striving to achieve 10%	Continue periodic sessions related to Risk Management for enhanced awareness among key stakeholders. Periodic monitoring of the Risks.	Continue Safety Excellence Programs for sustaining safety



Value Creation Model - *It's About Trust*

Co-creating value, empowering progress, enriching heritage

Our business model is innovative and future-focused, designed to adapt and thrive amidst challenges such as climate change, geopolitical uncertainties, supply chain disruptions, fluctuating input costs and evolving customer demands. As we continue to enhance the scale and quality of our operations, we gain greater clarity and confidence in our growth prospects, ensuring long-term value creation.

INPUTS

Our resources and relationships we rely on

- Financial Capital**
- A well balanced cost effective funding mix (debt and equity) deployed for sustaining, supporting and creating value across all capitals

- Manufactured Capital**
- Foundations like plants, warehousing, logistics, facilities and actual assets,
 - Raw materials- Sugarcane, Chemical compounds, reagents, solvents etc

- Intellectual Capital**
- R&D capabilities, analytical and investigative expertise for process development and optimisation.

- Human Capital**
- The knowledge, abilities, experience and inspiration of our workers help us to create value and grow.

- Natural Capital**
- Adhering to our sustainability framework, we promote efficient resource utilisation and sustainable practices.

- Social & Relationship Capital**
- Caring for our communities with several initiatives and projects that empower their lives
 - Collaborations and alliances with industry bodies and business partners
 - Engaging with quality suppliers.

Cash & Cash Equivalents: ₹306 Cr.
Net Worth: ₹7660 Cr.
Net Debt: ₹1,767 Cr.
SPV for Renewable Energy Projects: ₹57 Cr

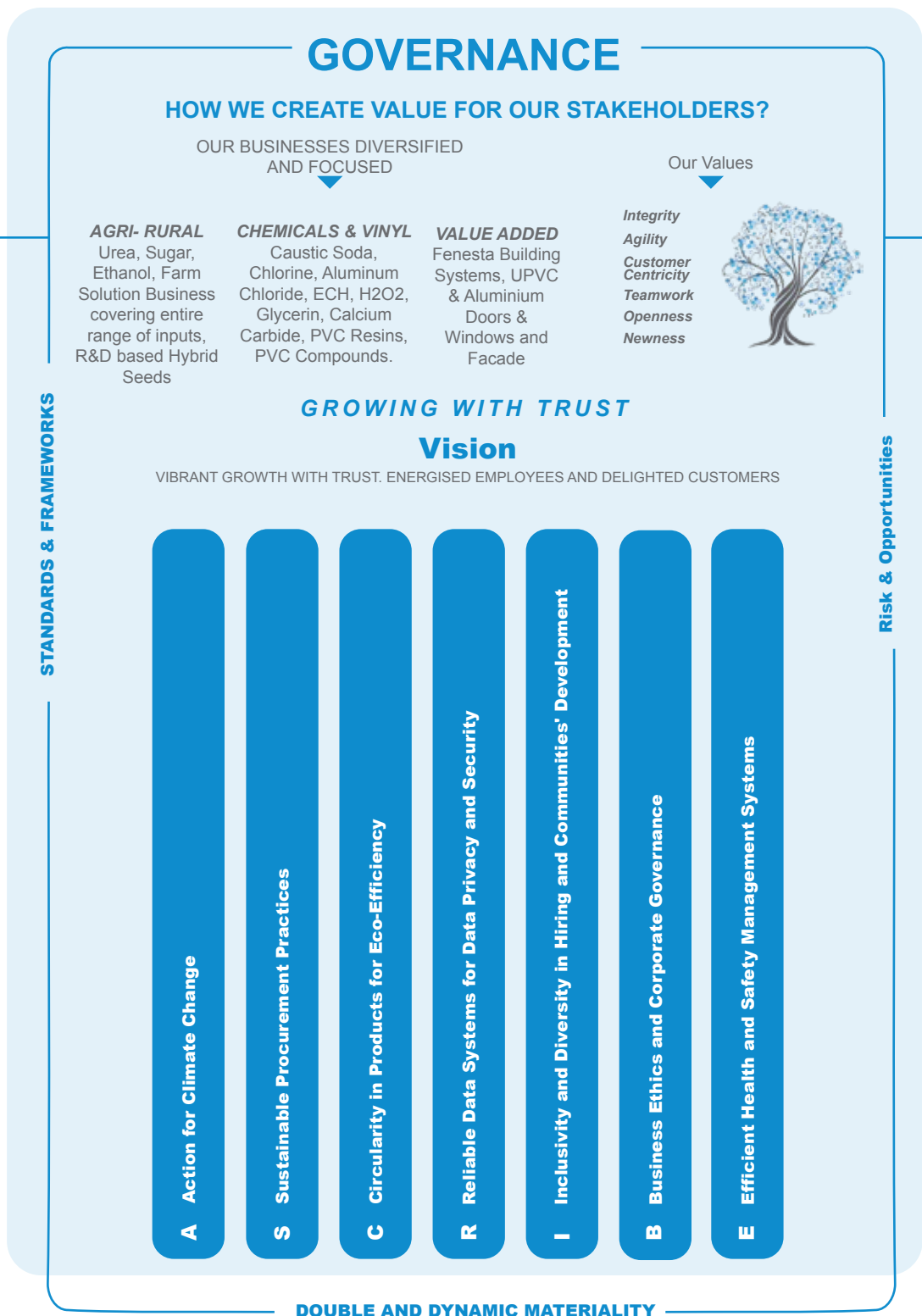
Manufacturing Locations: 11
Number of Offices: 47
Capacities
Sugar: 43,100 TCD
Urea: 3,79,500 TPA
Caustic Soda: 2,749 TPD
CAPEX under Environmental Projects: INR 121 Cr

Investment in R&D:
₹32.04 Crores
R&D Sites: 14
Number of R&D team members: 131

Permanent FTEs: 6,609
Avg. Training: 18 hrs/FTE/Year
Spend on Employee Benefits: ₹1,260.17 Crores

Total Energy Consumption: 51,957 TJ
Green Energy Consumption: 15,232 TJ
Water Consumption: 13.04 Million m3

CSR expenditure: ₹20.04 Crores
99k+ Beneficiaries



OUTPUTS

Revenue: INR 14,264 Cr
PBDIT: INR 1,694 Cr
Growth in Revenue: 12%
Current Long Term Credit rating by ICRA: AA+

Growth In:

- Chemicals Business: 38%
- Vinyl Business: 4%
- Shriram Farm Solutions: 18%
- Bioseed Business: 3%
- Fenesta Business: 28%

2 Sites with ZLD Status

Plant Variety Protection (PVP) registrations filed: 154 and Granted: 120
Patents for Invention Granted: 5 in 52 Jurisdictions

Women in the workforce: 7.6%
Employee Engagement Survey: 97%
LTIFR:
• Employees: 0.17
• Contractual employees: 0.03
Reportable incidents: 2

Scope1 & Scope 2 Emissions: 3,897,428 tCO2e
Waste recycled: 95%
10 Times Water Harvested and Saved more the amount consumed

CSR Beneficiaries: 99k+ people benefited

Trees Planted: 73,000

Mangrove plantation: 7.5 Lakh

Local Procurement: 93%

MSME Procurement: 25%

OUTCOMES

Co-creating value with stakeholders

Shareholders and Investors

- Creating long-term value and wealth with regular and timely updates of business and sustained growth in business

Customers

- Reliable access to high-quality products and solutions, supported by robust innovation and sustainable practices tailored to DCM Shriram's diverse business portfolio.

Employees

- Creating a diverse, inclusive, engaged and effective workplace

Government and Regulators

- Compliance with all regulatory and governance frameworks
- Regular audits across quality, safety and environment processes
- Leaving a lasting positive impact on society with products that enrich lives

Local Communities

- Contributing to the development of local residents within our area of operations through various social empowering activities

Suppliers/Business Partners

- Continuous engagement with essential suppliers for raw materials to ensure enhanced product quality and undisrupted operations



Creating Sustainable Value For Stakeholders

Our ability to operate with speed and scale and set industry benchmarks is driven by our enduring relations with stakeholders. Our ongoing engagements address their concerns and help gain insights that ensure our success. This deep collaboration enables us to create long- term value for stakeholders and seize opportunities to deliver on our goals.

DCM Shriram maintains continuous and structured engagement with its diverse stakeholder base, recognising that informed dialogue is central to sound decision making and long-term value creation. Regular interactions and feedback mechanisms enable the Company to refine priorities, deploy capital more efficiently and channel resources toward areas of maximum strategic and societal impact. The organisation remains committed to systematically identifying and addressing issues that stakeholders consider material. This commitment is operationalised through a periodic materiality assessment exercise, ensuring that evolving expectations are integrated into corporate strategy, risk management and performance monitoring frameworks.

DCM Shriram is committed to fostering transparent, inclusive and responsive engagement with local stakeholders across its areas of operation. The Company has established clear communication channels that enable local communities and stakeholders to effectively reach out and share their concerns, feedback and expectations. These channels support accessibility and help build trust through open and continuous dialogue.

A structured grievance tracking mechanism is in place to record, monitor and address stakeholder concerns in a timely and accountable manner. This system ensures that grievances are handled with due diligence and resolution progress is systematically tracked to closure.

In addition, the Company recognises the importance of strengthening its stakeholder engagement practices further. Efforts are ongoing to enhance the depth and effectiveness of engagement through initiatives such as comprehensive local stakeholder and community impact assessments, capacity building programmes to empower stakeholders and regular perception surveys to evaluate the effectiveness of engagement strategies. There is also a focus on strengthening proactive engagement through periodic interactions with local stakeholders to identify and address emerging concerns in a timely manner.

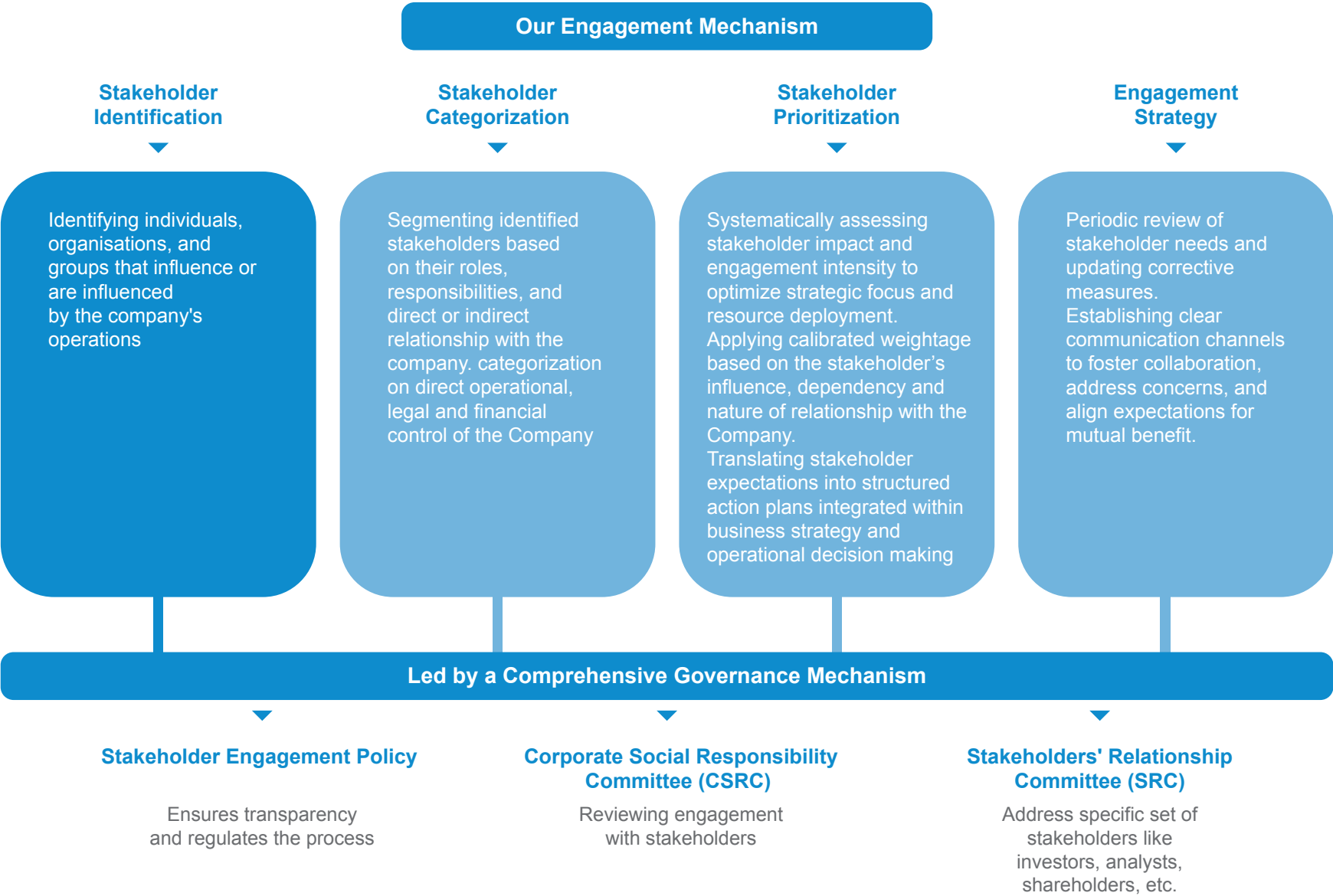
DCM Shriram continues to work towards standardising and scaling stakeholder engagement programmes across all its locations, ensuring a consistent, inclusive and structured approach to community engagement aligned with its sustainability and social responsibility commitments.

Accountability to stakeholders is embedded within the Company's governance philosophy. Partnerships are cultivated through a clearly defined engagement architecture based on a liability and control approach, under which stakeholders are categorised into three broad groups: key stakeholders, strategic stakeholders, and external influencers. This classification enables differentiated engagement intensity aligned with influence, dependency and impact. A structured and evolving stakeholder engagement framework guides ongoing interactions. Engagement methodologies are periodically refined to remain relevant, inclusive and capable of capturing forward looking perspectives, constructive feedback and opportunities for improvement.

Given the diversity of stakeholder interests and expectations, the Company adopts a tailored engagement strategy for each stakeholder category, calibrated to its nature, influence and level of impact. Notwithstanding this customised approach, two principles remain foundational across all interactions: transparency in disclosure and accountability in action.

How We Engage with Our Stakeholders

We follow a structured process to identify, prioritise and engage with our internal and external stakeholders based on business impact, responsibility and influence. Impactful results are ensured through a robust stakeholder engagement policy, governance for oversight and continual improvement by sharing best practices with our Board and Senior Management. We further have a holistic grievance mechanism to promptly address stakeholder concerns.



How We Prioritize Our Stakeholders

We have adopted a Stakeholder Saliency Model to prioritise these engagements, recognising the synergetic value of each collaboration. Our multi-channel engagement approach has not only strengthened trust and credibility but has also enhanced our industry reputation. These platforms offer valuable insights into emerging risks and opportunities, creating an environment that fosters innovation. The Company applies a three-dimensional stakeholder saliency and vulnerability framework incorporating power, legitimacy, urgency and socio-economic vulnerability in alignment with NGRBC Principle 4. Vulnerable stakeholder categories including small and marginal farmers, contract labour, rural women and local communities near manufacturing sites are identified as priority groups requiring enhanced engagement and protection mechanisms.

Our saliency and vulnerability-based stakeholder prioritization framework ensures enhanced protection and engagement of marginalized stakeholder groups using classic saliency categories. This framework underpins the Company’s Business Responsibility and Sustainability Report (BRSR), particularly disclosures relating to stakeholder engagement and prioritisation of material issues (NGRBC Principle 4).

Definitive (Power + Legitimacy + Urgency)

Regulators, Investors, Small Farmers (during payment cycle),
Communities during expansion projects

Dominant (Power + Legitimacy)

Shareholders, Customers

Dependent (Legitimacy + Urgency but low Power)

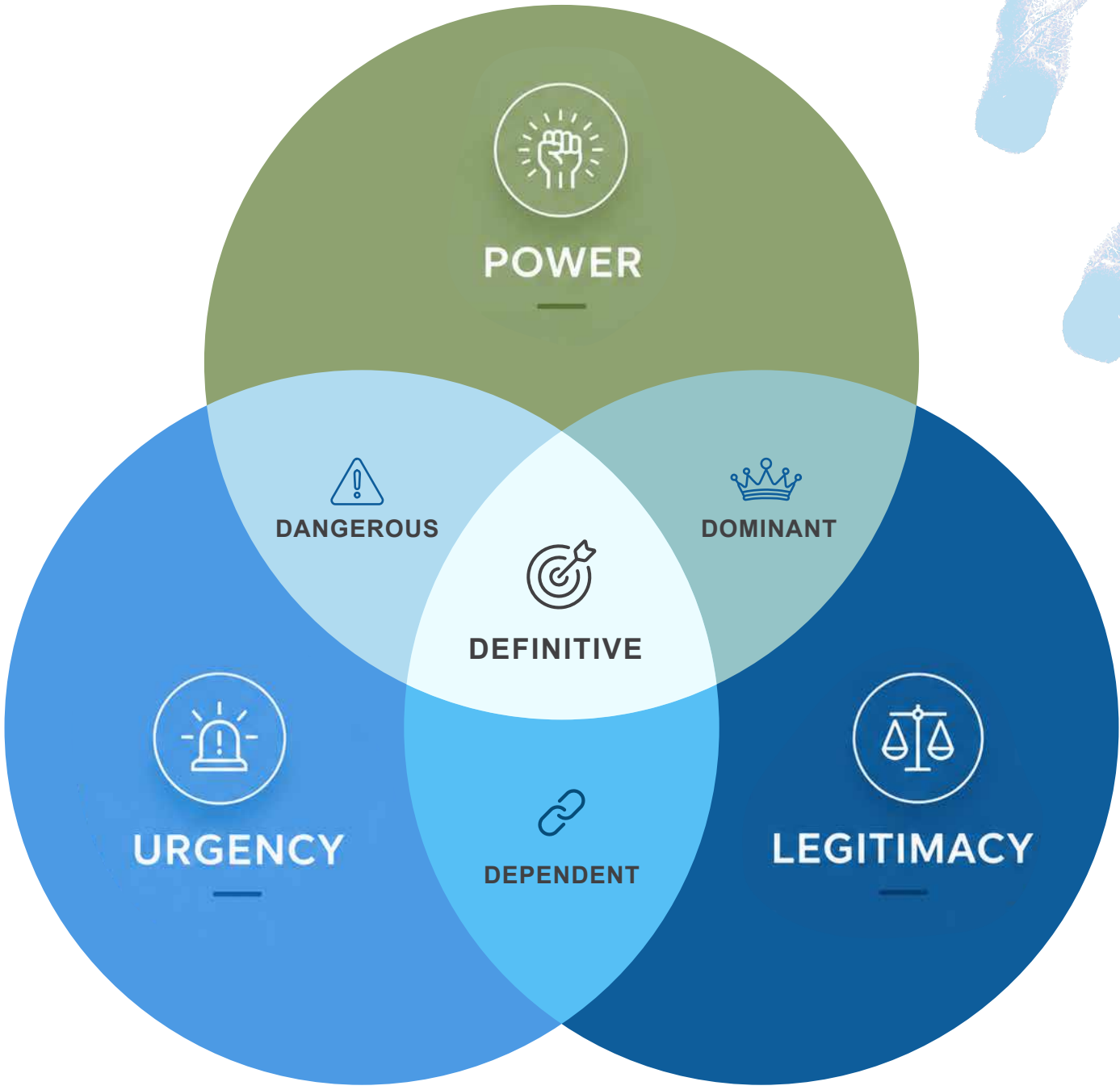
Marginal farmers, Contract labour, Rural women

Dangerous (Power + Urgency without Legitimacy)

Activist groups during environmental disputes

Dormant (Power only)

Institutional investors with passive holding



Stakeholder Impact and Engagement Assessment

Outputs of the saliency and vulnerability assessment are used as inputs into our double materiality assessment, influencing the selection and weighting of ESG topics.

The stakeholder saliency and vulnerability framework directly informs the Company's materiality assessment, ensuring that the issues prioritised in our sustainability strategy reflect both stakeholder expectations and the Company's most significant impacts.

GOVERNMENT & REGULATORY BODIES

Regulators enable license to operate and compliance continuity

Their Needs and Key Expectations

- Compliance to regulatory requirements
- Transparent reporting
- Policy alignment

How we Create or Preserve Value

- Compliance reporting
- Digital compliance tracking system
- Industry consultationsrt

Related Material Themes

- Climate Change Strategy
- Health & Safety
- Ethics and Governance
- Data Security and Privacy

Capitals Impacted

- Financial Capital
- Intellectual Capital
- Natural Capital
- Social & Relationship Capital

How we engage

- Compliance Reporting
- Policy discussion through Industry Associations

Engagement Outcomes

- Strengthened regulatory compliance through digital tracking systems
- Consistent and timely statutory filings across all jurisdictions
- No material regulatory non-compliance or enforcement actions, if applicable
- Proactive engagement in policy consultations and industry forums
- Compliance with environmental, safety and energy efficiency regulations including PAT targets

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Very high	Low	Very high	Tier 1	Quarterly Monthly/Annually

SHAREHOLDERS AND INVESTORS

Investors provide capital that enables growth and diversification. We ensure sustained availability of capital

Their Needs and Key Expectations

- Improved profitability and growth of organization
- Transparent and effective communication
- Investor servicing

How we Create or Preserve Value

- Regular Business Performance reviews
- Regular business updates communicated through website
- Dedicated investor relations cell

Related Material Themes

- Climate Change Strategy
- Energy Management & Emission Reduction
- Ethics and Governance
- Data Security and Privacy

Capitals Impacted

- Financial Capital
- Intellectual Capital
- Natural Capital
- Social & Relationship Capital

How we engage

- Annual General Meetings
- Quarterly Board Meetings
- Annual Financial Report
- Emails

Engagement Outcomes

- Strong financial performance with consistent EBITDA growth over five years
- Robust credit profile with AA + rating by CRISIL reflecting financial discipline
- Enhanced ESG performance with Sustainability Rating of 63 and recognition in S&P Global Yearbook

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Very high	Low	Very high	Tier 1	Quarterly



Representatives from DCM Shriram and IFC following the announcement of DCM Shriram's USD 90 million Sustainability-Linked Non-Convertible Debentures.

CUSTOMERS

Customers drive revenue growth and market competitiveness.

Their Needs and Key Expectations

- Customer Satisfaction
- Low carbon products
- Quality
- Product Safety

Related Material Themes

- Energy Management & Emission Reduction
- Climate Change Strategy
- Waste Management
- Data Security and Privacy

How we engage

- Customer Surveys.
- Exhibitions
- Plant Visits
- Market Surveys

How we Create or Preserve Value

- Increased renewable energy
- Increased energy efficiency
- Life Cycle Assessment conducted for key products
- Product Safety information provided through MSDS

Capitals Impacted

- Financial Capital
- Natural Capital
- Intellectual Capital

Engagement Outcomes

- High customer satisfaction supporting retention and market competitiveness
- Increased adoption of low carbon and resource efficient product solutions
- Strengthened product transparency through Life Cycle Assessments and safety disclosures

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
High	Low	Very high	Tier 1	Yearly/ Monthly

SUPPLIER, DEALER & DISTRIBUTOR

Suppliers ensure supply chain continuity and operational efficiency.

Their Needs and Key Expectations

- Transparency
- Business Ethics
- ESG Awareness

Related Material Themes

- Sustainable Supply Chain
- Ethics and Governance
- Climate Change Strategy
- Waste Management

How we engage

- Supplier Meet
- Plant Visits
- Exhibitions

How we Create or Preserve Value

- Responsible Procurement Policy
- Code of Conduct for all employees.
- ESG aspects included in the supplier contract
- ESG Awareness conducted

Capitals Impacted

- Social & Relationship Capital
- Financial Capital
- Natural Capital

Engagement Outcomes

- Strengthened responsible sourcing through increased ESG screening of suppliers
- Enhanced supplier capability and awareness on ESG practices through continuous engagement
- Improved supply chain transparency and risk management through integration of ESG criteria in procurement processes

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Medium	Moderate	High	Tier 2	Yearly / Monthly



DCM Shriram and Bayer CropScience sign strategic MoU to advance sustainable and future-ready agriculture

MEDIA

Media influences reputation and transparency perception.

Their Needs and Key Expectations

- Transparency
- Timely disclosures

Related Material Themes

- Ethics and Governance
- Data Security and Privacy

How we engage

- Press Releases
- Financial Results

How we Create or Preserve Value

- Regular website updates
- Press releases
- Financial disclosures

Capitals Impacted

- Social & Relationship Capital
- Intellectual Capital

Engagement Outcomes

- Timely and transparent disclosures strengthening stakeholder confidence
- Consistent media engagement supporting effective communication of business performance
- Enhanced corporate reputation through proactive and transparent communication practices

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Medium	Low	Medium	Tier 1	Quarterly / Monthly

LOCAL COMMUNITIES

Communities form the foundation of social license to operate.

Their Needs and Key Expectations

- Health & Hygiene
- Water Conservation
- Waste Management
- Employment

How we Create or Preserve Value

- Dedicated projects on health, education and environment management
- Impact Assessment conducted for key projects.
- Vocational training projects implemented

Related Material Themes

- Community Development
- Water Management
- Waste Management
- Human Rights and Labour Practices

Capitals Impacted

- Social & Relationship Capital
- Natural Capital
- Human Capital

How we engage

- Surveys
- Public Hearings
- Awareness Camps
- Cultural Events

Engagement Outcomes

- Strengthened social license to operate through sustained community engagement
- Improved community well-being through focused interventions in health, education and livelihoods
- Enhanced community trust through transparent consultations and participatory engagement

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Medium	High	Medium	Tier 1	Quarterly / Monthly



Children and community members at a Smart Anganwadi strengthened through DCM Shriram Foundation's Khushali Shiksha initiative

CIVIL SOCIETY

Civil society partners support social development initiatives.

Their Needs and Key Expectations

- Community Development
- Transparency

How we Create or Preserve Value

- Various projects implemented related to healthcare, education, vocational training etc.
- Impactful CSR Spend

Related Material Themes

- Community Development
- Human Rights and Labour Practices
- Ethics and Governance

Capitals Impacted

- Natural Capital
- Social & Relationship Capital
- Human Capital

How we engage

- Collaboration on various CSR Projects

Engagement Outcomes

- CSR initiatives implemented through partnerships with civil society organizations
- Measurable improvements in community development outcomes
- Strengthened stakeholder trust through transparent and accountable program delivery

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Low	Moderate	Medium	Tier 2	Yearly / Monthly

FARMERS

Farmers are integral to the sugar value chain and agricultural sustainability.

Their Needs and Key Expectations

- Sustainable Agriculture
- Improved Livelihood and Income
- Access to quality agri-input materials like seeds, fertilizers etc.

How we Create or Preserve Value

- Dedicated Call Centre for farmers
- Meetha Sona Project to improve yield and reduce environmental footprint.
- SFS Business dedicated to service the farmers on quality agri-Input materials

Related Material Themes

- Water Management
- Climate Change Strategy
- Biodiversity & Ecosystem Management
- Sustainable Supply Chain

Capitals Impacted

- Natural Capital
- Social & Relationship Capital
- Financial Capital

How we engage

- Awareness Camps
- Alerts through SMS or in-person field visits
- Impact Assessments

Engagement Outcomes

- Strengthened raw material security through improved farmer engagement and productivity
- Strengthened farmer engagement across the value chain through continuous advisory and outreach
- Improved agricultural productivity through adoption of sustainable farming practices
- Enhanced farmer livelihoods through access to quality inputs and technical support

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Medium	High	High	Tier 1	Weekly / Monthly



Strengthening farmer livelihood through Jeetega Kisan improving practices, incomes, and engagement across the value chain

INDUSTRY ASSOCIATIONS

Industry associations support policy advocacy and sector alignment.

Their Needs and Key Expectations

- Industry best practices
- Policy inputs

How we Create or Preserve Value

- Senior Leaders part of the Close Working Groups for Policy Inputs
- Regular participation in Awards, Seminars and Conferences

Related Material Themes

- Sustainable Supply Chain
- Climate Change Strategy
- Ethics and Governance

Capitals Impacted

- Social & Relationship Capital
- Intellectual Capital

How we engage

- Seminars and Conferences
- Close Working Groups

Engagement Outcomes

- Active participation in industry forums contributing to policy advocacy and sector development
- Adoption of industry best practices through continuous knowledge sharing and collaboration
- Strengthened alignment with sectoral priorities through engagement with industry bodies

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Medium	Low	Medium	Tier 2	Quarterly / Monthly

EMPLOYEES

Employees drive operational excellence and innovation across DCM's diversified businesses.

Their Needs and Key Expectations

- Digitization
- Non discrimination
- Safe work environment
- Skill upgradation
- Work life balance

How we Create or Preserve Value

- Continuous upgradation of digital tools
- Code of Conduct for all employees
- ISO 45001 certification and Safety Committee at all site
- Competency mapping and annual training calendar
- Regular health talks
- Flexible work hours (including work-from-home arrangements, where applicable)

Related Material Themes

- Health & Safety
- Employee Engagement Inclusion (including recruitment and development)
- Human Rights and Labour Practices
- Ethics and Governance

Capitals Impacted

- Human Capital
- Intellectual Capital
- Social & Relationship Capital

How we engage

- Employee engagement survey
- Performance reviews
- Cultural events
- Intranet
- Committees & forums on specific topics
- Newsletters

Engagement Outcomes

- High employee engagement levels supporting productivity and retention
- Continuous skill development through structured training and capability building initiatives
- Strengthened workplace safety performance through implementation of robust safety systems

Saliency	Vulnerability	Strategic Impact	Priority Tier	Frequency
Very high	Moderate	High	Tier 1	Weekly Monthly/Quarterly



Employee Leadership Development Program (LDP) at DCM Shriram Ltd.

Materiality Assessment

Strategic prioritisation for long-term value creation

Materiality at the Company is not viewed as a periodic compliance exercise, but as a strategic lens to identify, evaluate and prioritise the environmental, social and governance factors that shape long-term value creation. It reflects the Company's commitment to responsible growth, risk-informed decision-making and sustained stakeholder trust.

As the business continues to evolve within a dynamic regulatory and operating environment the Company remains focused on aligning its strategic priorities with the issues that matter most to its stakeholders and to the resilience of its operations. Our approach integrates both the potential impacts of our activities on the economy, environment and society, as well as the financial implications of ESG factors on business performance.

This integrated perspective enables the Company to strengthen its ability to anticipate risks, capture emerging opportunities and embed sustainability considerations into core business decisions. It also ensures that our disclosures remain aligned with global best practices and regulatory expectations, while continuing to support transparent and accountable reporting.

Approach to Materiality

The Company's approach to materiality is designed to identify and prioritise the environmental, social and governance issues that are most critical to its long-term value creation, operational resilience and stakeholder relationships. It reflects a structured and integrated evaluation of both the Company's impacts on the economy, environment, and society and the financial implications of ESG factors on business performance.

This approach is anchored in a dual perspective, incorporating:

Impact considerations, assessing the scale, scope and significance of the Company's activities on external stakeholders and natural systems; and

Financial considerations, evaluating the potential influence of ESG risks and opportunities on revenue, costs, asset values and long-term business viability across defined time horizons.

The materiality framework is aligned with leading global standards and regulatory expectations, including GRI 3: Material Topics, SEBI BRSR requirements and the principles of integrated reporting. It is further strengthened through its linkage with the Company's enterprise risk management processes, enabling a consistent identification and evaluation of ESG-related risks and opportunities.

Executive compensation is linked to the Company's broader sustainability framework through governance, strategic oversight and performance management processes. Sustainability priorities identified through the materiality assessment inform business objectives and management focus areas, which are considered as part of leadership evaluation and decision-making. While the Company's sustainability framework currently remains focused on a limited set of priority areas, it supports executive accountability for advancing long-term ESG integration, risk management and value creation.

Periodic Review

A comprehensive reassessment is undertaken at defined intervals (once in three years), supported by interim reviews to evaluate any significant changes in the operating environment, risk landscape, or stakeholder priorities. Any material updates are incorporated into disclosures, ensuring continued alignment with best practices and transparency in reporting. The materiality assessment is signed off by the Board member and Whole Time Director – EHS.

Our Materiality Assessment follows the Principles of Double Materiality, Comprising:



02



Materiality Assessment Process

Establishing the Scope and Identifying Relevant Stakeholders

The process commenced with a comprehensive mapping of the Company's value chain to understand its business model, products, services, geographic footprint and key resource dependencies. This enabled the identification of relevant stakeholder groups and informed a structured engagement approach to capture diverse perspectives across internal and external stakeholders.

Identification of Relevant Material Topics

A long list of potential material topics was developed based on sector-specific ESG requirements, BRSR disclosures, global reporting frameworks and industry best practices. These topics were benchmarked against leading national and international peers to ensure alignment with evolving sustainability priorities and regulatory expectations.

Identification and Assessment of Impacts, Risks and Opportunities (IROs)

Each topic was further analysed to identify associated impacts, risks and opportunities across the value chain. This included evaluating environmental and social impacts, as well as potential financial implications, enabling a comprehensive understanding of how each issue influences business performance and stakeholder outcomes.

Evaluation of Material Issues and Associated IROs

The identified topics and corresponding IROs were evaluated using defined criteria and thresholds, incorporating inputs from internal stakeholders. The assessment focused on determining the significance of each issue from both an impact and financial perspective, ensuring a balanced and risk-informed evaluation.

Prioritisation and Validation of Material Topics

Based on the evaluation, material topics were prioritised and mapped to reflect their relative significance. For FY26, the Company undertook a structured review and validation of the previously identified material topics through the ESG Core Team and cross-functional inputs. This process reaffirmed the continued relevance of all material topics and strengthened their alignment with business strategy, risk management processes, and stakeholder expectations.

This structured and periodically validated process ensures that the Company's materiality framework remains robust, responsive and aligned with its long-term value creation objectives.

The methodology for scoring and prioritisation of material topics, including defined criteria, weightages and threshold levels, has been retained from the previous assessment cycle to ensure consistency and comparability.

Integration with Enterprise Risk Management (ERM)

To enhance the robustness of the materiality assessment, the Company has integrated its Enterprise Risk Management (ERM) framework into the evaluation process. This integration enables a structured identification and assessment of ESG-related risks and opportunities, including emerging trends, potential impact severity and likelihood of occurrence. It further supports the alignment of material topics with enterprise risk registers and facilitates the development of targeted ESG strategies informed by a risk-based perspective.



Each material topic was also evaluated for its positive and negative impacts across the value chain, with specific consideration of implications on human rights. In line with GRI 3 guidance, negative impacts were systematically categorised based on the Company's level of involvement as:

- **Caused by the Company**
- **Contributed to by the Company**
- **Directly linked through business relationships.**

This structured approach strengthens the Company's ability to assess, prioritise and manage sustainability-related impacts, risks and opportunities in a consistent and comprehensive manner.



Outcome of Materiality Assessment

Building on the integrated ERM-led materiality assessment approach, the Company has mapped identified material topics based on their relative significance across two dimensions: impact on stakeholders and impact on enterprise value.

The materiality map presented below reflects a consolidated view of stakeholder expectations, risk and opportunity assessment and strategic business relevance. Topics positioned in the upper-right quadrant represent areas of highest priority, requiring focused management attention, resource allocation and governance oversight.

This prioritization enables the Company to align its sustainability strategy with enterprise risk considerations, ensuring that key ESG issues are systematically embedded into decision-making, performance monitoring and long-term value creation.

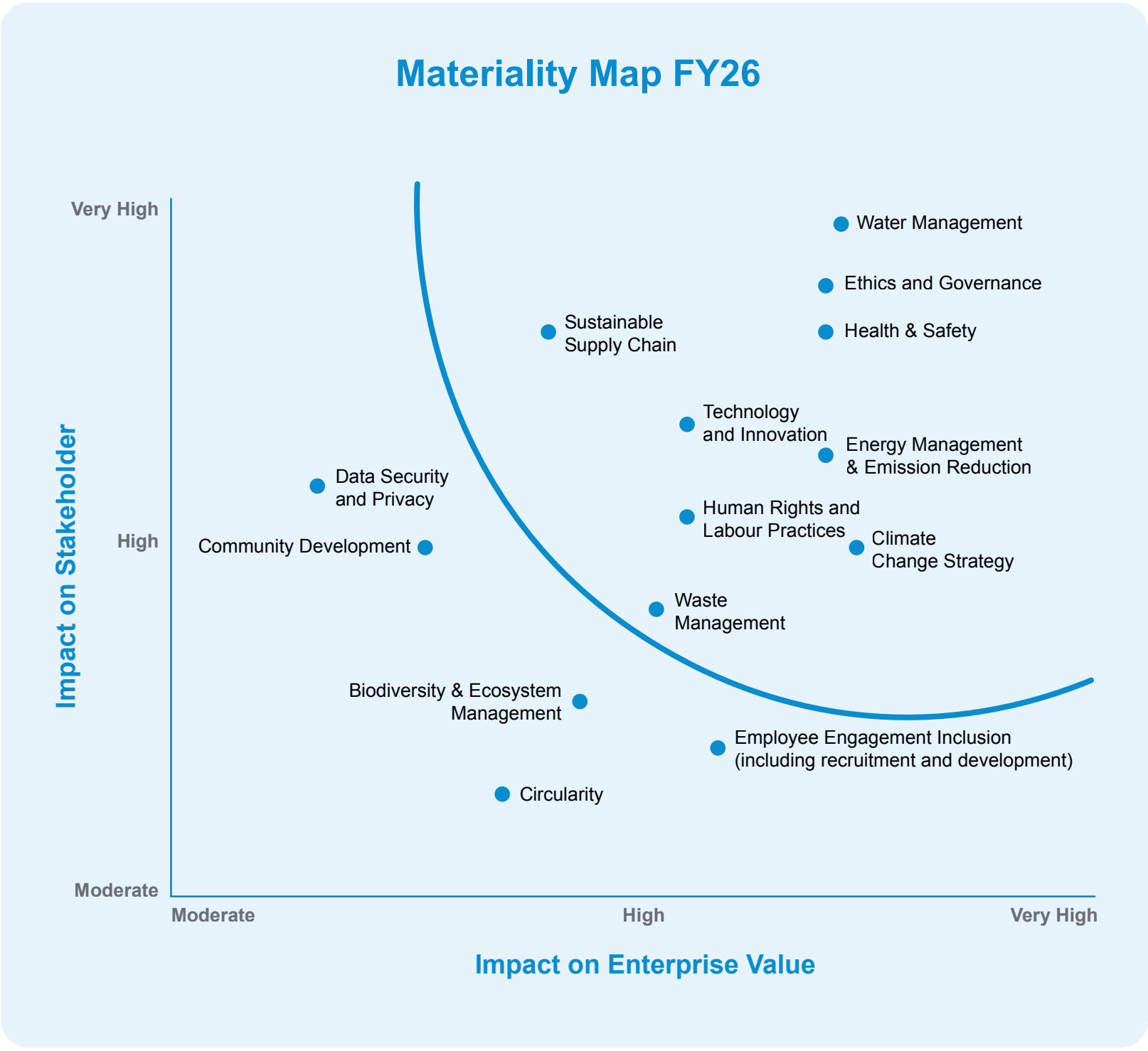
The materiality map highlights critical areas such as Water Management, Ethics and Governance, Health and Safety and Energy Management and Emission Reduction as priority focus areas, reflecting their significant impact on both stakeholders and enterprise value.

Detailed Impact, Risk and Opportunity Assessment

To further strengthen the materiality assessment, each identified material topic has been evaluated through a structured impact lens, capturing both positive and negative dimensions across the value chain.

The analysis provides a comprehensive view of:

- Associated risks and opportunities linked to each material topic,
- Nature and extent of impacts on stakeholders and business operations,
- Time horizon of potential and actual impacts,
- The Company's role in negative impacts, in line with GRI 3 classification,
- Specific implications on human rights.



This detailed evaluation supports informed prioritization and enables integration of material ESG topics into enterprise risk management, strategy formulation and performance tracking mechanisms.



ESG	Material Topics	Stakeholders (Business Relationships)	Type of impacts (Negative/Positive)	Type of Impacts (Risk/Opportunity)	Associated Impacts	Duration (Time Horizon*)	Potential/Actual	Organisation Role in the Negative Impact	Impact on Human Rights
Environment	Climate Change Strategy	Local Communities, Investors, Employees Customer, Regulatory Agency	Negative	Risk	Increased regulatory scrutiny, potential operational costs increase potential penalties, adverse global warming impact	1, 2 & 3	Potential Likely	Caused	Low
			Positive	Opportunity	Reduced greenhouse gas amissions, improved public health, enhanced corporate reputation & investors confidence, green product innovations	1, 2 & 3	Potential Less Likely	-	
	Energy Management & Emission Reduction	Employees, Suppliers, Investors, Customers, Regulatory Agency	Negative	Risk	Increased GHG emissions from proposed expansions without RE, High investment cost for renewable energy projects, reliance on unstable energy market, non accessibility of energy efficient technologies, regulatory compliance for energy intensive sectors	1, 2 & 3	Potential Highly Likely	Caused	Low
			Positive	Opportunity	Increased energy efficiency and reduced GHG emissions, cost savings, compliance	1, 2 & 3	Potential Highly Likely	-	
	Water Management	Local Communities Regulatory Agency, Employees, Investors	Negative	Risk	Risk of water availability, increased costs for water treatment	1, 2 & 3	Potential Extremely Likely	Caused	Low
			Positive	Opportunity	Sustainable water management practices, positive community relations, Water conservation and harvesting	1, 2 & 3	Potential Extremely Likely	-	
	Waste Management	Employees, Local Communities, Regulatory Agency, External Consultants	Negative	Risk	Disposal costs for hazardous waste, potential penalties, Land and water pollution	2 & 3	Potential Likely	Caused	Low
			Positive	Opportunity	Reduced landfill waste, enhanced recycling compliance with regulations	2 & 3	Potential Likely	-	
	Circularity	Suppliers, Customers, Employees	Negative	Risk	Higher costs for sustainable materials and limited availability	2 & 3	Potential Likely	Contributed	Low
			Positive	Opportunity	Sustainable sourcing practices, improved product lifecycle management, less waste generation	2 & 3	Potential Likely	-	
	Technology and innovation	Customers, Employees, Investors, Technology partners (Consultants)	Negative	Risk	High R&D costs, potential project failures	1, 2 & 3	Potential Likely	Caused	Low
			Positive	Opportunity	Development of new innovative products, patented products, competitive advantage	1, 2 & 3	Potential Likely	-	
	Biodiversity & Ecosystem Management	Local Communities, Regulatory Agency, Employees	Negative	Risk	Increased costs for emissions control, potential penalties, potential loss of biodiversity and damage to ecosystem	1, 2 & 3	Potential Likely	Caused	Low
			Positive	Opportunity	Improved air quality, enhanced community health	1, 2 & 3	Potential Likely	-	

* 1 - Short Term: 0-3 Years | 2- Medium Term: 3-10 Years | 3 - Long Term: Beyond 10 Years

ESG	Material Topics	Stakeholders (Business Relationships)	Type of impacts (Negative/Positive)	Type of Impacts (Risk/Opportunity)	Associated Impacts	Duration (Time Horizon*)	Potential/Actual	Organisation Role in the Negative Impact	Impact on Human Rights
Social	Health & Safety	Employees, Contractors, Local Community	Negative	Risk	Potential legal liabilities arising out of accidents, increased risk of accidents and related cost	1,2 &3	Potential Likely	Caused	Medium
			Positive	Opportunity	Improved employee well-being, reduced absenteeism, high employees morale	1,2 &3	Potential Likely	-	
	Community Development	Local Community, NGO's	Negative	Risk	Potential community unrest and social license to operate	1 & 2	Potential Likely	Directly Linked	Low
			Positive	Opportunity	Strengthened community ties, enhanced social responsibility	1 & 2	Potential Likely	-	
	Human Rights and Labour Practices	Employees, NGOs, Local Communities, Value chain partners, Regulators	Negative	Risk	Risk of negative publicity, legal risks and potential penalties	1, 2 & 3	Potential Likely	Caused	Medium
			Positive	Opportunity	Enhanced employee morale, improved workplace culture	1, 2 & 3	Potential Likely	-	
	Employee engagement, diversity and inclusion (including recruitment, retention and development)	Employees	Negative	Risk	Potential for incidents of discrimination, potential internal conflict	1 & 2	Potential Likely	Caused	Low
			Positive	Opportunity	Increased innovation, broader talent pool, Improved corporate image	1 & 2	Potential Likely	-	
	Product Stewardship	Customers, Suppliers, Employees, Investors	Negative	Risk	Costs of maintaining quality, Risk of product recalls, brand image	1 & 2	Potential Likely	Caused	Low
			Positive	Opportunity	Increased customer satisfaction, reduced returns	1 & 2	Potential Likely	-	
Governance	Data Security and Privacy	Customers, Employees, Regulatory Agency	Negative	Risk	Costs of data protection measures, legal liabilities	1 & 2	Potential Likely	Caused	Low
			Positive	Opportunity	Enhanced consumer trust, competitive advantage	1 & 2	Potential Likely	-	
	Ethics and Governance	Employees, Customers, Value chain partners, Investors, Regulatory Agency	Negative	Risk	Legal penalties for unethical behavior, costs of compliance programs	1 & 2	Potential Likely	Caused	Low
			Positive	Opportunity	Enhanced corporate reputation, improved stakeholder trust	1 & 2	Potential Likely	-	
	Sustainable Supply Chain	Suppliers Customers, Investors, Employees	Negative	Risk	Increased complexity in supply chain management, potential disruptions	1 & 2	Potential Likely	Directly Linked	Low
			Positive	Opportunity	Strengthened supplier relationships, enhanced brand loyalty	1 & 2	Potential Likely	-	

* 1 - Short Term: 0-3 Years | 2- Medium Term: 3-10 Years | 3 - Long Term: Beyond 10 Years



Corporate Governance

A Foundation for Responsible and Sustainable Growth

Governance Philosophy

DCM Shriram Ltd. believes that strong corporate governance is fundamental to building long-term stakeholder trust, sustaining responsible growth and creating enduring value. The Company’s governance framework is built on the principles of integrity, accountability, transparency and ethical leadership, ensuring that business decisions are aligned with the interests of shareholders, employees, customers, communities and other stakeholders.

The Board of Directors provides strategic direction and oversight to the Company while upholding the highest standards of corporate governance. Under the leadership of the Chairman and Senior Managing Director and the Vice Chairman and Managing Director, the Board guides the organization in pursuing sustainable growth while maintaining financial discipline, regulatory compliance and responsible business conduct.

Governance Architecture

The Company has established a comprehensive governance architecture that integrates Board oversight, specialized committees, enterprise risk management systems and structured compliance mechanisms. This framework ensures disciplined decision-making and accountability across the organization.

The Board provides strategic oversight while the management team executes business strategies within a structured governance environment supported by policies, internal controls and compliance systems.

The Board serves as the company’s principal decision-making body, with all members holding equal authority and sharing collective responsibility for strategic and operational decisions. The CEO (Chairman & Senior Managing Director) of the Company has executive authority on day-to-day management of the Company. We believe that a competitive pay structure is essential to driving organisational success and therefore follow a Performance Pay Scheme that rewards contributions toward our annual financial, strategic and operational goals. This approach aligns individual and business performance with broader organisational objectives and fosters a high-performance culture through differentiated rewards for differentiated performance.

The compensation for the Board is determined using a combination of financial returns, volume growth in various Businesses, and non-financial indicators such as leadership, progress on strategic goals and contributions to EHS and sustainability. This balanced evaluation framework ensures that both measurable outcomes and qualitative contributions are recognised in the overall performance assessment.

Board Composition

DCM Shriram’s Board is structured (Tier1) to provide balanced leadership, independent judgement, and diverse expertise across the Company’s businesses and governance priorities. The Board combines executive leadership with non-executive and independent oversight, enabling robust deliberation on strategy, performance, risk management and sustainability related matters.

As of March 31, 2026, the Board comprises a balanced mix of Executive Directors, Independent Directors and Non-Executive Directors. The executive leadership of the Board includes the Chairman and Senior Managing Director, the Vice Chairman and Managing Director, the Joint Managing Director and other executive leadership responsible for driving the Company’s strategic priorities.

Independent Directors bring objectivity, professional expertise and diverse industry experience to Board deliberations. Their presence strengthens governance oversight and ensures that decisions are evaluated from multiple perspectives. The Board also includes a Woman Independent Director, reflecting the Company’s commitment to diversity and inclusive leadership. The Board collectively brings expertise across multiple domains including industry, finance, law, sustainability, corporate governance and business strategy. This diversity enables the Board to evaluate complex business matters, guide long-term strategy and oversee emerging risks with balanced judgement.

The composition of the Board is aligned with applicable regulatory requirements and supports a governance framework that promotes transparency, accountability and responsible decision making. The Company’s Board comprises 57% Independent Directors, significantly exceeding the SEBI requirement of a minimum of one-third (33%) independent representation.



Mr. Ajay S. Shriram
Chairman & Sr M.D.
Skills: C, E, F, G, I, M, R, S, T
Committee: SRC, NRC, CSR-Ch, BFC-Ch



Mr. Vikram S. Shriram
Vice Chairman & M.D.
Skills: C, E, F, G, I, M, S, R, T
Committee: SRC, CSR, BFC



Mr. Ajit S. Shriram
Joint Managing Director
Skills: C, E, G, I, M, S, R, T
Committee: SRC, CSR, BFC



Mr. Aditya A. Shriram
Deputy Managing Director
Skills: C, E, G, I, M, S, T, R
Committee: CSR



Mr. Pradeep Dinodia
Non-Executive Director
Skills: C, F, G, I, M, S
Committee: SRC



Mr. Pravesh Sharma
Independent Director
Skills: F, G, H, M, R, S
Committee: AC, SRC, NRC-Ch, CSR



Justice(Retd.) Vikramajit Sen
Independent Director
Skills: F, G, H, M, R, S
Committee: CSR



Mr. Pranam Wahi
Independent Director
Skills: C, F, G, I, M, R, S
Committee: AC, RMC, NRC



Ms. Seema Bahuguna
Independent Director
Skills: F, G, I, M, R, S
Committee: CSR



Dr. Simrit Kaur
Independent Director
Skills: C, E, F, G, I, M, S
Committee: CSR



Mr. Vipin Sondhi
Independent Director
Skills: C, E, G, I, M, R, T, S
Committee: AC-Ch, NRC



Mr. Tejpreet Singh Chopra
Independent Director
Skills: C, E, G, I, M, R, T, S



Mr. Rabinarayan Mishra
Nominee of LIC of India
Skills: E, F, I, M, R, S
Committee: CSR



Mr. K.K. Sharma
Whole Time Director - EHS
Skills: E, G, I, M, R, S, T
Committee: RMC-Ch

Skills Codes Used:

C = Corporate Strategy & leadership
E = Business Operations & Industry Expertise
F = Financial Accounting & Audit
G = Governance & Legal/ Regulatory
H = Human Resource Development
I = Industry Knowledge (Agri/Chemicals/ Manufacturing) and International Business & Trade
M = Marketing & Stakeholder Relations
R = Risk Management
S = Sustainability / EHS / Environment/ Social Impact
T = Technology, Digitisation & Innovation

Committee Codes:

AC = Board Audit Committee
CSR = CSR Committee
NRC = Nomination, Remuneration & Compensation Committee
RMC = Risk Management Committee
SRC = Stakeholders Relationship Committee
BFC = Board Finance Committee
Ch = Chairman

14 Total Directors on Board

57% Board Independence

2 Women Directors

Board Responsibilities

The Board of Directors plays a central role in providing leadership and strategic oversight to the Company. Its primary responsibilities include setting the strategic direction of the Company, monitoring business performance, ensuring compliance with applicable laws and regulations and safeguarding the interests of stakeholders.

The Board oversees key matters such as approval of strategic initiatives, capital investments, financial performance, risk management and dividend declarations. Through periodic reviews and structured engagement with the management team, the Board evaluates business performance, monitors emerging risks and ensures that operational decisions align with the Company’s long-term objectives.

Management regularly presents updates to the Board on operational performance, strategic initiatives and sustainability priorities. These discussions enable informed decision making and ensure that governance oversight remains aligned with evolving business conditions and stakeholder expectations.

The Board also periodically reviews the implementation of strategic plans and provides guidance on course corrections where required. Through this collaborative engagement between the Board and management, DCM Shriram maintains a governance culture that supports accountability, operational excellence and sustainable growth.

The Board combines deep institutional knowledge with independent oversight. The average tenure of Executive Directors is approximately 21.44 years, while Non-Executive Directors have an average tenure of 12.26 years. Overall, the average tenure of Board members is approximately 12.04 years, ensuring continuity in governance while benefiting from independent perspectives.

The Company maintains a clear separation between the roles of the Chairperson and executive management, strengthening checks and balances within the governance structure. Independent Directors play a critical role in ensuring unbiased oversight of management decisions and safeguarding stakeholder interests.



Board Committees

To strengthen governance effectiveness and ensure focused oversight across critical areas, the Board has constituted several specialized committees. Each committee operates under clearly defined terms of reference and reports its recommendations and deliberations to the Board.

These committees support the Board's responsibilities across areas such as financial oversight, risk management, remuneration policies, stakeholder engagement and corporate social responsibility.

Audit Committee

The Audit Committee provides oversight on financial reporting, internal control systems, and risk management processes. The Committee reviews financial statements, internal audit findings, statutory audit reports and compliance with regulatory requirements to ensure transparency and accountability in financial reporting.

Composition as on March 31, 2026

- Mr. Vipin Sondhi – Chairperson
- Mr. Pravesh Sharma – Member
- Mr. Pranam Wahi – Member

Nomination, Remuneration and Compensation Committee (NRC)

The Nomination, Remuneration and Compensation Committee oversees the appointment, evaluation and remuneration of Directors and senior management. The Committee ensures that leadership appointments are based on merit, experience and alignment with the Company’s governance philosophy.

Composition

- Mr. Pravesh Sharma – Chairman
- Mr. Ajay S. Shriram – Member
- Mr. Pranam Wahi - Member
- Mr. Vipin Sondhi - Member

The Committee also oversees succession planning and ensures that remuneration policies promote long-term value creation and alignment with shareholder interests.

Corporate Social Responsibility (CSR) Committee

The CSR Committee provides strategic direction to the Company’s social responsibility initiatives and monitors the implementation of CSR programs in accordance with statutory requirements.

Composition

- Mr. Ajay S. Shriram - Chairman
- Mr. Vikram S. Shriram - Member
- Mr. Ajit S. Shriram - Member
- Mr. Aditya A. Shriram – Member
- Justice (Retd.) Vikramajit Sen – Member
- Mr. Pravesh Sharma – Member
- Mr. Rabinarayan Mishra – Member
- Ms. Seema Bahuguna – Member
- Dr. Simrit Kaur - Member

The Committee reviews the impact of CSR initiatives and ensures alignment with the Company’s commitment to inclusive and sustainable development.



Stakeholders
Relationship Committee

The Stakeholders Relationship Committee oversees investor relations and addresses shareholder grievances. The Committee ensures effective communication with investors and strengthens transparency in stakeholder engagement.

Composition

- Mr. Pradeep Dinodia – Chairman
- Mr. Pravesh Sharma - Member
- Mr. Ajay S. Shriram – Member
- Mr. Vikram S. Shriram – Member
- Mr. Ajit S. Shriram - Member

Board Risk
Management Committee

The Board Risk Management Committee oversees enterprise risk management practices across the Company. The Committee reviews risk assessment frameworks, mitigation strategies, and emerging risks that could affect the Company’s operations and strategic objectives.

Composition

- Mr. K.K. Sharma – Chairman
- Mr. Pranam Wahi – Member
- Mr. Roshan Lal Tamak - Member

The Committee works closely with management to ensure that risk management processes remain robust and responsive to changing business conditions.

Board Finance Committee

The Board Finance Committee supports the Board of Directors in overseeing key financial matters related to capital allocation, funding strategies and financial risk management. The Committee reviews significant financial proposals including capital expenditure approvals, borrowing arrangements, treasury management and major investment decisions to ensure that they are aligned with the Company’s long-term financial strategy and risk management framework.

The Committee also evaluates funding requirements for business expansion, monitors financial performance against approved budgets and reviews proposals related to debt restructuring, banking facilities and financial commitments. Through these reviews, the Committee ensures prudent financial planning and strengthens oversight on capital efficiency and financial discipline across the organization. The Board Finance Committee works closely with senior management and the finance function to ensure that financial decisions support sustainable growth, maintain strong liquidity and uphold sound corporate governance practices.

Composition

- Mr. Ajay S. Shriram – Chairman
- Mr. Vikram S. Shriram - Member
- Mr. Ajit S. Shriram – Member

These committees operate under clearly defined charters, ensuring effective governance. For details on the proceedings of the Board Level Committees please refer to the link: <https://www.dcmshriram.com/our-leadership/>

Management Oversight
Through GMB and CMB

In addition to Board oversight, DCM Shriram has established structured management governance mechanisms through the **Group Management Board (GMB)** and the **Corporate Management Board (CMB)**.

These governance bodies enable effective implementation of Board approved strategies while strengthening operational coordination across the Company’s diverse business verticals.

Group Management Board

The Group Management Board focuses on strategic decision making, sustainability priorities and enterprise risk oversight. The GMB reviews business strategies, monitors key performance indicators and evaluates emerging risks affecting the Company’s long-term growth.

Corporate Management Board

The Corporate Management Board comprises senior leadership responsible for operational execution across business segments. The CMB plays a key role in driving operational excellence, innovation and business performance.

These governance bodies meet regularly and operate under defined charters that outline their roles and responsibilities. Together they ensure alignment between strategic direction set by the Board and operational execution across the organization.

Corporate Management Board (CMB)

 Mr. Ajay S. Shriram Chairman & Senior Managing Director	 Mr. Vikram S. Shriram Vice Chairman & Managing Director	 Mr. Ajit S. Shriram Joint Managing Director	 Mr. Aditya A. Shriram Deputy Managing Director
 Mr. K.K. Kaul Advisor	 Mr. Amit Agarwal Group Chief Financial Officer & Strategy Head	 Mr. Ankuash Kaura Executive Director & Group Chief Information Officer	 Mr. K.K. Sharma Whole Time Director - EHS
 Mr. Roshan Lal Tamak Executive Director & CEO - Sugar Business	 Mr. Subash Nandiy Executive Director & CEO - Chemicals Business	 Mr. Sahar Jain Executive Director & Business Head-Fenesta Building Systems	 Mr. Sanjay Chhabra Executive Director & Business Head - Shriram Farm Solutions
 Mr. Sreekanth Chundi Executive Director & Business Head - Shriram Bioseed Genetics	 Mr. Vinoo Mehta Executive Director & Resident Head- Koda	 Mr. Anoop Singh President - Special Project, Corporate	 Mr. B.M. Patel Sr. President & Chief Operating Officer - Chemicals Business
 Mr. Satish Natar President & CEO - Advanced Materials, Chemicals	 Mr. Sudhar Namburi President & Head - Internal Audit	 Mr. Varun A. Shriram Lead - Group Strategy Office	 Ms. Aman Paroo Sr. Vice President - Corporate Communications & CSR President - DCM Shriram Foundation
 Mr. Anand A. Shriram CEO & President - Shriram Agmart	 Mr. Binod Khurana Sr. Vice President & Head - Legal	 Mr. Pranav V. Shriram Joint Vice President & Business Head Key Corporate Business, Fenesta Building Systems	 Mr. Devdatta Sindeshpande Country Head - Bioseed Philippines

Group Management Board (GMB)



Mr. Ajay S. Shriram
Chairman & Senior Managing Director



Mr. Vikram S. Shriram
Vice Chairman & Managing Director



Mr. Ajit S. Shriram
Joint Managing Director



Mr. Aditya A. Shriram
Deputy Managing Director



Mr. K.K. Kaul
Advisor



Mr. Roshan Lal Tamak
Executive Director &
CEO – Sugar Business



Mr. Sabaleel Nandy
Executive Director &
CEO - Chemicals Business



Mr. Vinoo Mehta
Executive Director &
Resident Head - Kota



Mr. Sanjay Chhabra
Executive Director &
Business Head - Shriram Farm Solutions



Mr. Saket Jain
Executive Director &
Business Head - Fenesta Building Systems



Mr. Sreekanth Chundi
Executive Director &
Business Head - Shriram Bioseed Genetics



Mr. Amit Agarwal
Group Chief Financial Officer &
Strategy Head

Board Diversity And Independence

DCM Shriram believes that a diverse Board enhances decision-making by bringing varied perspectives and professional expertise. The Board collectively possesses strong competencies across several areas including corporate strategy, financial management, governance and regulatory oversight, industry knowledge, sustainability, risk management, human resource development, and technology.

This balanced combination of expertise enables the Board to provide informed strategic guidance and effectively oversee the Company’s complex business operations.

The Board also benefits from a mix of experienced industry leaders, governance professionals, and domain experts who contribute valuable insights to strategic discussions.

Board Effectiveness

The Company places strong emphasis on the effectiveness and accountability of its Board and Board Committees. Directors are expected to actively participate in Board deliberations and contribute to strategic decision making.

During FY26, the average attendance rate at Board meetings was 96.43%, while the attendance rate at Board Committee meetings was 95.42 %.

The Company conducts periodic familiarization programs and leadership development initiatives to keep Directors informed about regulatory developments, industry trends, emerging risks and sustainability priorities.

Board Evaluation

The Company conducts periodic evaluations of the performance and effectiveness of the Board, its Committees, and individual Directors. The evaluation framework assesses various aspects including Board composition, governance processes, strategic oversight, and committee functioning.

These assessments help identify opportunities for continuous improvement and ensure that the Board remains effective in fulfilling its governance responsibilities.

Independent Directors also provide objective perspectives on governance practices, contributing to the strengthening of Board processes and accountability.

Policies And Ethical Standards

The company's policies are made accessible to the public via our website, while internal policies are specifically communicated to employees. At DCM Shriram Ltd., the Board of Directors and all stakeholders share the responsibility for upholding ethical business practices. We take immense pride in our work- force, which consistently delivers high-performance results while adhering to ethical standards. Our commitment to fostering trust, integrity, transparency and strong governance has been steadfast. We have implemented numerous policies and mechanisms to ensure that both our employees and partners throughout the supply chain conduct business ethically.



DCM Shriram Ltd. adheres to a robust **Code of Conduct (CoC)** for its Board Members and Senior Management, emphasizing ethical business practices and conflict of interest management. Code of Conduct is our guide of doing things with utmost care following ethical and equitable principles. Professionalism at the workplace means building an environment that promotes fairness and equality among colleagues, regardless of differences.

Regular training programs are conducted to raise awareness on various aspects such as equal opportunity, Human Rights, Anti-Bribery, Anti-corruption, no child labour and ESG related aspects etc. The CoC also includes structured grievance mechanism with defined responsibilities for taking up any grievance related to any aspect of CoC.

The CoC, available on our website, covers critical aspects such as:

- Integrity in operations
- Anti-bribery and anti-corruption measures (ABAC)
- Equal opportunity and inclusion
- Structured grievance mechanism

Additionally, the company has developed policies that reflect its commitment to responsible governance:

- Human Rights Policy: Ensuring dignity, safety, and equal opportunity for all employees.
- Responsible Procurement Policy: Promoting sustainability and ethical practices across the supply chain.
- Biodiversity Policy: Preserving ecosystems and promoting sustainable development.

Policy	Description
Code of Conduct (CoC)	DCM Shriram's code of conduct enables the organisation to be transparent and accountable by clarifying the rules and regulations of interactions with our stakeholders, along with methods to ensure honesty and feedback. These values form the core of CoC and further elaborate upon the concept of zero-tolerance towards issues like bribery, corruption, and dishonesty. The Company ensures equal opportunity to all without any discrimination. All our full-time employees, contractual employees, third-party workers, and other employees are covered under CoC.
Human Rights Policy	DCM Shriram respects diversity and upholds a long-standing commitment to promoting equality of opportunity. The Company is committed to upholding a work environment that is free from harassment and discrimination based on race, religion, sex including pregnancy, child birth, and conditions related to those events, color, age, nation of origin, sexual orientation, medical condition, disability, etc. The following human rights are granted to each employee, to ensure a safe and secure work environment: The right to safety; the right to be heard; the right to be informed; and the right to be redressed. We further ensure that we are not using any child labor in our supply chain, and our employees and contractors have the freedom of association and the right to organize and collective bargaining.
Responsible Procurement	The Company is conscious on environment and believe in the ethical and fair business practices and the philosophy of 'Sustainable Development'. ESG is an Integral part of our decision-making and we are committed to work with our value chain partners to adopt the same practices and in making informed decisions for responsible procurement culture across the supply chain. The Responsible Procurement Policy is implemented and adhered to by all end users and departments responsible for purchasing of materials and services.
Biodiversity Policy	The Company adopted the Biodiversity Policy, pursuant to the Core values and Beliefs of the Company and being aware of our commitment to the preservation of environment, in general and the biodiversity of the ecosystems around specific sites of the Company. The Company therefore commits to promoting the biodiversity of the ecosystems, establishing projects sustainably and conserving, protecting and promoting the development of the natural capital.

Performance Evaluation and Remuneration

The NRC oversees the appointment and performance evaluation of Board members, ensuring adherence to the Board Diversity Policy. Directors are appointed for a term of five years, subject to shareholder approval and their remuneration is reviewed annually based on individual and business performance.

Sustainability and Industry Leadership

Sustainability is at the core of DCM Shriram's governance framework. The Board, supported by the GMB and CMB, actively integrates sustainability into decision-making processes. The company is also a member of several industry associations, contributing to policies and practices that promote ESG principles at the national and regional levels.

Commitment to Compliance

DCM Shriram ensures adherence to all statutory and regulatory requirements through a vigorous compliance management process supported by an enterprise-wide online tool. This system enables continuous monitoring and conformance, fostering a culture of accountability and transparency.

For more details on our governance framework, policies, and committees, please visit: <https://www.dcmshriram.com/investors/corporate-governance-and-policies>

Fostering Responsible And Ethical Business Practices

At DCM Shriram Ltd., we uphold a strict mandate requiring our employees, partners, vendors, and other stakeholders to conduct all transactions with the highest standards of ethical integrity. We implement comprehensive anti-bribery and anti-corruption policies and regularly conduct risk assessments to identify and mitigate potential threats. Our robust internal monitoring mechanisms are designed to promptly detect and address instances of corruption. Clear guidelines govern record-keeping, approval processes, and business conduct, ensuring transparency and accountability across all operations. Employees undergo mandatory training on Anti-Bribery and Anti-Corruption (ABAC) policies to ensure awareness and compliance, with a formal annual renewal of their commitment to adhering to the policy.



DCM Shriram Ltd. is equally committed to managing risks associated with conflicts of interest and business ethics. Clear roles and responsibilities are defined for the Board and management to oversee ethical governance. Regular ethical risk assessments are conducted, and operating guidelines are continuously reviewed and updated. Employees receive annual training on the Company's Code of Conduct, which serves as a comprehensive guide for ethical behaviour. Furthermore, all charitable contributions align strictly with its anti-bribery and anti-corruption policies.

DCM Shriram's governance framework seamlessly integrates the Code of Conduct, Vigil Mechanism/Whistle Blower Policy, and Fair Disclosure Policy. Together, they address key areas such as anti-bribery practices, grievance mechanisms, and ethical reporting, ensuring a holistic approach to business integrity. The company publicly discloses its governance frameworks, including the Code of Conduct and the Vigil Mechanism, through its corporate website and sustainability disclosures. Our ABAC framework is embedded in the Code of Conduct, which mandates ethical behaviour, prohibits conflicts of interest, and restricts the acceptance of gifts or benefits beyond customary levels. All Board members, senior management, and employees are required to uphold these principles in their professional conduct. To ensure compliance, all employees undergo mandatory annual training and provide formal reaffirmation of their adherence to these ethical standards. Key features of our ABAC framework:

- Annual training for employees, senior management, and the Board to enhance awareness of anti-corruption practices.
- Mandatory annual affirmation of compliance with ethical policies.
- Comprehensive guidelines for record-keeping, approval processes, and risk assessments to mitigate potential threats.
- The Vigil Mechanism/Whistle Blower Policy provides a secure and confidential avenue for reporting unethical behaviour, suspected fraud, or violations of policies, including bribery or corruption.
- Reports are handled with strict confidentiality, with oversight by the Audit Committee to ensure fair and impartial investigations. This policy safeguards whistleblowers from retaliation, reinforcing our commitment to transparency and accountability.

Fair Disclosure and Ethical Governance.

Aligned with SEBI regulations and global best practices, we maintain clear guidelines for record-keeping, approval processes, and business conduct to ensure that all transactions are transparent and free from corruption. Our procedures for managing Unpublished Price Sensitive Information (UPSI) also align with anti-bribery principles, as they prevent misuse of privileged information for personal or third-party gain.

Commitment to Business Integrity

To address risks associated with conflicts of interest and lapses in business ethics, we conduct regular risk assessments and continuously update our policies and guidelines. Our commitment to ethical governance is further reinforced by a strict non-involvement policy in political and lobbying activities.

Continuous Improvement and Compliance

The company ensures that its ABAC framework remains effective through periodic updates to policies, training programs for employees on ethical practices, and transparent disclosures. By integrating ABAC principles across its existing governance policies, the Company demonstrates its unwavering commitment to ethical business conduct, meeting the highest standards of integrity, transparency, and accountability.

Ethical Reporting Initiative

DCM Shriram recognizes that environmental, social, and governance considerations are essential to responsible business conduct. To strengthen sustainability oversight, the Company has established internal governance mechanisms that integrate ESG considerations into strategic decision-making. The ESG Core Team plays an important role in coordinating sustainability initiatives, monitoring ESG performance indicators, and supporting management in implementing responsible business practices. ESG priorities are periodically reviewed and reported to the Board and relevant committees to ensure alignment with the Company's sustainability commitments.

To promote ethical conduct across the organization, DCM Shriram conducts regular training programs covering ethics, compliance, fair trade practices, and responsible business conduct. The Company also operates a structured compliance program that monitors adherence to regulatory and ethical standards. Periodic compliance reviews and internal assessments are reported to the Board, reinforcing the Company's commitment to transparency, accountability, and ethical leadership.

To strengthen its commitment to ethical governance and transparency, DCM Shriram Ltd. has implemented a robust mechanism for reporting ethical concerns and violations, managed by an Ombudsperson. This initiative, part of the Company's Vigil Mechanism/Whistle Blower Policy, provides an independent and secure platform for employees, directors, and stakeholders to report unethical behaviour, suspected fraud, or violations of the Company's Code of Conduct.

Governance Area	Policy/Mechanism	Key Features	Responsible Authority
Anti-Bribery & Corruption	Code of Conduct	- Prohibition of conflicts of interest and unethical behavior - Restrictions on accepting gifts beyond customary levels - Annual affirmation of compliance	Board, Senior Management
Ethical Reporting	Vigil Mechanism / Whistle Blower Policy	- Secure and confidential reporting of unethical behavior - Protection against retaliation - Oversight by Audit Committee	Ombudsperson, Audit Committee
Fair Disclosure	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	- Timely and accurate dissemination of UPSI - Uniform disclosure to prevent selective communication - Designated Investor Relations Officer	Compliance Officer, Investor Relations Team
Training and Awareness	Embedded within Code of Conduct and Vigil Mechanism	- Mandatory annual training on ethical standards - Awareness of whistleblower and grievance mechanisms	HR Department
Grievance Redressal	Vigil Mechanism / Whistle Blower Policy	- Defined process for reporting and addressing grievances - Regular monitoring and documentation.	Ombudsperson
Conflict of Interest	Code of Conduct	- Disclosure of any personal interest impacting business decisions - Provisions to avoid insider trading	Board, Senior Management
Transparency and Integrity	Integrated across policies	- Guidelines for record-keeping and approval processes - Ethical risk assessments conducted periodically	Board, Senior Management

Key features of this initiative include:

- **Confidential Reporting Channels:** Concerns can be reported through confidential email, phone lines, or written correspondence directly to the Ombudsperson.
- **Impartial Investigations:** The Ombudsperson ensures unbiased handling of reports, maintaining the integrity of investigations.
- **Whistleblower Protection:** The system safeguards whistleblowers against retaliation, fostering a culture of openness and trust.
- **Audit Committee Oversight:** Periodic reporting to the Audit Committee ensures that concerns are addressed systematically and transparently.



Strengthening Organizational Resilience through Disciplined Risk Management



Highlights for FY26

- Reviewed and updated the Risk Management Policy and risk appetite to enhance alignment with strategy and external risk dynamics including regulatory expectations.
- Strengthened the quality and forward-looking nature of risk self-assessments, with greater focus on emerging and transition risks.
- Conducted focused awareness sessions for Risk Champions to reinforce consistent interpretation and application of the risk framework.
- Introduced structured review of emerging risks based on their newness, uncertainty, and potential to escalate.
- Obtained independent third-party assurance on the effectiveness of the Risk Management Process.

Short/medium-term priorities

- Improve monitoring of external risk drivers, including regulatory changes, energy transition dynamics, and global trade and supply chain developments.
- Further strengthen internal control effectiveness through technology-enabled monitoring, periodic independent assessments, and timely closure of identified gaps.
- Improve early warning mechanisms for operational, regulatory, and supply chain risks through structured tracking of leading risk indicators.

Long-term priorities

- Strengthen organisational resilience to climate variability and transition risks through sustained investments, adaptation planning, and energy transition initiatives.
- Leverage digital tools and analytics to enhance risk monitoring, trend analysis, and decision support over time.
- Strengthen the ability to anticipate structural shifts in markets, technology, and regulation by enhancing horizon scanning and strategic risk foresight capabilities.

DCM Shriram Limited recognises that the current phase of global change is characterised by increasing uncertainty and interconnected risks, creating both challenges and opportunities for businesses. Rapid technological advancements influencing human behaviour and business models, climate change impacts, evolving regulatory and policy environments, and the potential for large scale systemic disruptions such as public health events and supply chain shocks are reshaping the operating landscape.

In this context, the Company places strong emphasis on a systematic and forward-looking approach to risk and crisis management, which continuously considers both internal and external factors that may affect business operations and long-term performance. Risk management is embedded across the organisation to enable early identification of potential risks and emerging issues, supported by structured assessment, monitoring, and governance mechanisms.

This disciplined approach allows DCM Shriram to respond to challenges in a timely and effective manner, strengthen organisational resilience, and pursue its strategic objectives with operational efficiency and confidence. By proactively managing uncertainty, the Company reinforces stakeholder trust and supports sustainable long-term value creation.

The management approach is designed in accordance with applicable laws and regulatory requirements and is aligned with recognised global risk management principles. It is periodically reviewed to remain responsive to the evolving internal and external risk landscape.

Risk Management Framework

DCM Shriram employs a structured risk management process encompassing risk identification, assessment, mitigation, monitoring, and reporting. Risks are identified across both internal and external dimensions and span strategic, operational, financial, regulatory, sectoral, environmental and sustainability related, information and cybersecurity, social, technological, and reputational domains. Risk considerations are also incorporated into the development and evaluation of products and services, ensuring that relevant safety, regulatory, environmental, quality, and market-related criteria are assessed as part of business decision-making. Each identified risk is assessed based on its likelihood and potential impact on safety, operations, financial performance, compliance, environment, and reputation, and is prioritised accordingly.

Comprehensive mitigation strategies are developed for material risks, leveraging policies, standard operating procedures, internal controls, technology enabled systems, and contingency planning. A robust monitoring mechanism tracks the effectiveness of mitigation measures and supports timely escalation and corrective action. Material risks and emerging risks are considered during strategy formulation and annual business planning.

The Company has established an Enterprise Risk Management framework benchmarked against globally recognised standards including ISO 31000, ISO 31050, and COSO, ensuring uniform application of risk management principles across businesses and geographies. This framework supports informed, risk-based decision making aligned with the Company’s sustainability vision, mission, and long-term objectives.



			HEAT MAP		
Likely to occur in the next 6 months	High	Probability	Tier 2	Tier 1	Tier 1
Likely to occur in the next 6 months to 1 year	Medium		Tier 3	Tier 2	Tier 1
Likely to occur in the next 3 years or thereafter	Low		Tier 3	Tier 3	Tier 2
			Impact		
			Low	Medium	High
INR			<10 Crores	10 Crores - 25 Crores	>25 Crores

Risk Category	Risk Description	Mitigation Measures
Cyber Security Technology / Information Security	Risk of data loss, information security, and privacy breach can lead to accidental exposure of confidential information, resulting in regulatory non-compliance and attracting legal liabilities.	- Robust information security controls and processes - A firewall with anti-virus and intrusion prevention system - Third-party assessments of IT infra - Vulnerability assessment and penetration testing (VAPT) - Monitoring OEM support to the system - Developed Information Security Management System - Remote access to applications through encrypted VPN - Employee training and awareness on cyber security - Automated warnings for potential phishing attacks - Two-way authentication access to email system.
External Environment - Implications of Govt. Policies change in the Agriculture sector	Risk of potential non-compliance which can result in fines, penalties, and adverse impact on our brand reputation	- Periodic changes in regulatory frameworks to ensure compliance - Working with government to ensure sustainable policies
Compliance Risks	Constant amendments to Corporate regulatory and legal landscape - Compliances becoming more onerous, stringent and complex due to frequent amendments to regulations.	- Monitoring the amendments to framework - Providing adequate training for upskilling - Engagement with external experts - Monitoring on Insider Trading of shares - Imparting regulations and amendments on Insider trading - Online compliance tool implemented to strengthen the process.
Natural calamities due to climate change	Increased frequency and severity of extreme weather events due to climate change can adversely impact our business continuity impacting parent seed production, hybrid seed production, and seed inventory for sales.	Parent Seeds - Two-year rolling plan for parent seed production. Buffer stock of parent seeds maintained for monsoon uncertainties for the coming season. - Parent seed production is carried out in different locations. - Carrying out R&D for developing seed varieties that sustain stressed weather conditions Hybrid Seeds - Seeds production is spread over different climatic zones, viz. Andhra, Telangana, Karnataka and Gujarat. - Adequate cold storage facilities tied up to store the surplus stock of seeds in a way that prolongs their life. - Insurance coverage has been obtained for any climate-related calamities
Health & Safety	Handling and transportation of some of the products may pose a Health & Safety risk to employees and other stakeholders. In Transit leakages of Chlorine and other chemicals like Stable Bleaching Powder (SBP) might cause fire etc. and may create a hazardous situation. Process control failures leading to chlorine leakage may create a hazardous situation at the plant.	- Periodic equipment health checks and monitoring of bulk storage tanks. - Regular safety audits by the British Safety Council on Five Star Safety System. - Regular safety training sessions conducted for employees and contract workers; - Health and safety risk assessments are conducted regularly at both plants and when in transit. - Chlorine storage and filling facility inspection and certification undertaken by CCE-approved agencies along with regular process safety audits. - Physical verification is conducted for each incoming and outgoing vehicle for raw materials and finished goods based on a comprehensive checklist.
Rising “Sustainability Risks”	As sustainability becomes a core focus for businesses globally, DCM Shriram Ltd. faces rising risks associated with climate change, regulatory pressures, and evolving stakeholder expectations. Key challenges include transitioning to low-carbon operations, managing water scarcity in agriculture and manufacturing, and ensuring compliance with stringent environmental regulations. Additionally, supply chain vulnerabilities related to sustainable raw material sourcing and the increasing demand for ESG disclosures require proactive strategies. Addressing these risks through robust sustainability initiatives, renewable energy adoption, and enhanced risk governance frameworks will be critical for the company's long-term resilience and value creation.	- Sustainability is embedded in the EHS policy by striving towards conserving natural resources and energy. - The leadership team has set a clear direction and encourages every business to strive for and adhere to these goals. - These are being incorporated in annual business plans. - An MIS is in place for each site to monitor a few critical metrics that includes water consumed and effluent treated, energy consumed, wastes generated and disposed off, which are periodically reviewed by Corporate EHS.

Governance, Risk Management Structure and Accountability

Risk governance at DCM Shriram Limited is anchored at the **Board level** and supported by a structured, multi-tier risk management architecture that ensures clear accountability, effective execution, and consistent oversight across the organisation. The governance framework is designed to embed risk considerations into strategic planning, operational decision making, and sustainability priorities, while maintaining alignment with the approved Risk Management Policy and risk appetite.

Oversight of enterprise-wide risks is exercised through a Board level governance mechanism, which periodically reviews key risks, emerging risk trends, residual risk exposure, and the effectiveness of mitigation measures. This enables informed oversight of the Company’s risk profile and supports timely strategic direction where required.

Operational ownership of risks rests with business vertical heads and functional leaders, supported by designated Risk Champions within each business. These leaders are responsible for identifying and managing risks within their respective areas, maintaining risk registers, conducting periodic assessments of current and emerging risks, and implementing appropriate mitigation actions. Risk assessments and mitigation effectiveness are validated by senior management to ensure consistency, robustness, and alignment with enterprise risk thresholds and the approved risk appetite.

Company employs a multi-tiered structure that extends to the Risk Management Executive Council (Spearheaded by Business Vertical Heads), Risk Champions, and the Risk Management Department (CRO), which provide continuous oversight and ensure effective risk mitigation. Regular reporting to the RMC and the Board of Directors facilitates periodic review and alignment of risk management strategies with evolving business and regulatory requirements.

The risk management structure is reinforced through a Three Lines of Defence framework, which provides clarity on roles and strengthens accountability across the organisation.

- The **first line of defence** comprises business and functional teams that own and manage risks as part of day-to-day operations and decision making.
- The **second line of defence** includes the central risk management function and other oversight functions, which provide methodological guidance, monitor adherence to policy and risk appetite, review risk assessments, and identify emerging risks requiring management attention.
- The **third line of defence** is provided through independent assurance mechanisms, and external assessments, which evaluate the design and operating effectiveness of the risk management framework and internal controls.

This integrated governance and structural approach ensures that risk management at DCM Shriram is not treated as a standalone or compliance driven activity, but as a core element of governance, strategy, and performance management. By clearly defining roles, responsibilities, and escalation mechanisms, the Company strengthens organisational resilience, enhances preparedness for uncertainty, and reinforces trust among stakeholders.

Governing Body	Roles and Responsibilities	Meeting Cadence	Objective
Board of Directors	• Board level oversight	Half Yearly review or as and when required	• Board evaluation system of Risk Management Process
Risk Management Committee	• Monitoring and review • Recommend modifications to the Risk Management policy • Provide overall guidance to risk management	Half Yearly review	• All Business Verticals • Review of Residual Risks exceeding Board Approved Risk Appetite • Ensuring resources for effective risk mitigation.
Chief Risk Officer	• Conduct Enterprise Risk Management on a periodic basis to identify potential and emerging risks • Implement internal control processes • Periodic stress testing to identify uncommon, residual risk • Conduct risk management education for all non-executive directors and management	Quarterly review with the CRO	• Validation of Risk Evaluation and self-assessments • Monitoring progress of risk mitigation plans
Business Vertical Heads & Risk Champions	• Maintain risk registers	Quarterly review with the Chief Risk Officer	• Self-Assessment of Current and emerging risks • Implementing Risk mitigation strategies

Strengthening Risk Awareness and Capability

Building on the risk awareness initiatives and self-assessment mechanisms introduced in the previous year, the focus during the reporting period shifted towards deepening capability and strengthening consistency in application across the organisation. Emphasis was placed on improving understanding and interpretation of the risk management framework in line with the revised Risk Management Policy and updated risk appetite.

Targeted awareness sessions were conducted for Risk Champions and business representatives which was further apprised to Board of Directors, including Non-executive Directors, with specific focus on the revised policy, risk appetite, expectations around residual risk evaluation, and escalation protocols.While the self-assessment process continued as a core mechanism for identifying current and emerging risks, greater emphasis was placed on quality of risk articulation, forward looking assessment, and linkage between identified risks and mitigation.

Identification and Review of Emerging Risks

Emerging risks identified through the self-assessment process were subjected to critical review during the reporting period. The central risk management function conducted structured analysis to assess the newness, uncertainty, and potential evolution of such risks, including their likelihood of escalating into material risks or opportunities.

This analysis considered the availability and reliability of information, early warning indicators, velocity of development, and the continued effectiveness of existing controls, applying criteria aligned with recognised principles for managing emerging risks. Insights from this process were used to refine risk prioritisation, strengthen monitoring mechanisms, and inform management deliberations on preparedness and response strategies.

Identified Emerging Risk:

Emerging Risk 1:

Risk Name: Policy-Level Changes in Strategic Energy Sources

Category: Regulatory and Environmental Transition

Description: The increasing regulatory emphasis on low-carbon energy sources, combined with India’s commitment to achieving net-zero emissions, has accelerated the transition toward renewable energy. This has created a challenge for businesses reliant on conventional energy sources, including coal, for manufacturing and production processes. Additionally, rising costs of renewable energy infrastructure and potential disruptions in power supply during the transition phase pose risks to operational stability.

Impact:

- Higher energy costs, affecting profit margins.
- Supply chain disruptions, leading to operational inefficiencies.
- Reputational risks from stakeholder scrutiny regarding carbon emissions.

Mitigating Actions:

1. Strategic Energy Transition Planning:
Develop a roadmap for transitioning to renewable energy sources, aligning with regulatory timelines and market availability.
2. Collaborations with Renewable Energy Providers:
Partner with renewable energy developers to secure reliable power supply agreements, reducing dependency on conventional sources.
3. On-Site Renewable Energy Projects:
Invest in on-site renewable energy installations, such as solar panels, to reduce grid dependency and manage energy costs.
4. Energy Efficiency Measures:
Implement energy-efficient technologies across operations to optimize resource consumption and reduce overall energy demand.
5. Stakeholder Engagement:
Engage with regulatory bodies and industry peers to advocate for a phased approach to energy transition, ensuring minimal disruption to operations.

Emerging Risk 2:

Risk Name: Indirect Impact of US Tariff Measures on Global Pricing and Supply Chain Dynamics

Category: Regulatory and Market Transition

Description: Tariff measures imposed by the United States on selected goods and industrial inputs have the potential to influence global trade flows, pricing benchmarks and supply chain dynamics beyond direct export markets. While DCM Shriram Limited’s businesses are largely India focused, such tariff actions can indirectly affect the Company through changes in global commodity prices, diversion of trade flows to alternative markets, increased competition from imported products and volatility in input costs. These second order effects may introduce uncertainty in procurement planning, pricing decisions, and market competitiveness.

Impact:

- Volatility in raw material and intermediate input prices driven by global price distortions.
- Increased competitive pressure in domestic markets due to trade diversion effects.
- Potential margin impact arising from cost transmission and pricing adjustments.
- Higher working capital requirements due to inventory optimization and sourcing adjustments.

Mitigating Actions:

1. Monitoring of Global Trade Developments:
Continuously track US trade and tariff announcements and assess potential transmission impacts on global pricing and supply chains relevant to key inputs and markets.
2. Cost and Margin Management:
Implement operational efficiency and cost optimization initiatives to partially offset input price fluctuations.
3. Market and Competitive Analysis:
Monitor changes in domestic market dynamics resulting from trade diversion and adjust pricing or product strategies where required.
4. Scenario Based Assessment:
Undertake scenario analysis to evaluate potential escalation or persistence of tariff measures and their indirect implications for business planning.

Internal Control System and Its Adequacy

DCM Shriram's risk management approach is supported by a robust internal control environment. An integrated ERP platform enables enterprise-wide visibility of transactions and supports integrated risk assessments. Key business processes are documented, and Risk Control Matrices have been established for critical processes.

Control effectiveness is assessed through multiple layers including business level reviews, management oversight, internal audits, and statutory audits. Governance, Risk, and Compliance tools have been deployed to strengthen access controls and enable continuous monitoring of process controls.

During the reporting period, the Company subjected its Risk Management Process to an independent third-party assessment to evaluate the design and operating effectiveness of the framework. The assessment reviewed governance structures, risk identification and assessment processes, mitigation mechanisms, monitoring practices, and escalation protocols. Outcomes of the assessment were reviewed by management and used to identify opportunities for further strengthening the framework.

Integration of Sustainability and Climate Related Risks

Risk management at DCM Shriram is closely integrated with its sustainability and ESG priorities. Sustainability related risks, including climate variability, water availability, energy transition, regulatory pressures, supply chain resilience, and evolving stakeholder expectations, are explicitly assessed within the enterprise risk framework.

Climate related risks are evaluated alongside other strategic and operational risks and include both physical risks such as extreme weather events, heat stress, and water scarcity, and transition risks arising from policy developments, technology shifts, energy transition, and changing market expectations. Identified climate related risks are incorporated into risk prioritisation, mitigation planning, and monitoring processes, supporting informed decision making and long-term resilience.

Crisis Management and Business Continuity

In addition to routine risk management, DCM Shriram maintains structured crisis management and business continuity arrangements to address low probability, high impact events. Business Continuity Plans are designed to mitigate disruptions arising from natural disasters, cybersecurity incidents, supply chain interruptions, and other external shocks.

Crisis response protocols define escalation mechanisms, roles, and communication procedures at corporate and site levels. These arrangements are periodically reviewed and updated to ensure preparedness and alignment with operational realities.

Policy Review and Continuous Improvement

During the reporting period, DCM Shriram reviewed and revised its Risk Management Policy, processes, and risk appetite to enhance preparedness for future uncertainties. The review considered changes in the external operating environment, emerging risks, sustainability considerations, and the evolving scale and complexity of the Company's operations.

Risk management at DCM Shriram remains a dynamic and evolving process. Continuous monitoring, periodic reviews, internal and external assessments, and incorporation of learnings from incidents and external developments support ongoing improvement in risk governance and organisational resilience.

Through this comprehensive management approach, DCM Shriram seeks to proactively manage uncertainty, protect stakeholder interests, and support sustainable long-term value creation.



Information Security And Cyber Resilience



Highlights for FY26

- Zero reported data breach incidents, reflecting the effectiveness of preventive and detective controls.
- Strengthened SOC capabilities with continuous monitoring and enhanced incident response readiness.
- Continued alignment of Information Security Management Framework with industry best practices.
- Cyber risks formally assessed and monitored as part of ERM and sustainability governance.

Strategic Priorities

DCM Shriram will continue to strengthen its cyber resilience by:

- Enhancing AI-driven threat detection and automated response capabilities.
- Strengthening OT cybersecurity across manufacturing locations.
- Deepening supplier and third-party cybersecurity assurance.
- Expanding cyber literacy as a core element of organizational culture.

Enabling Trust, Governance and Sustainable Digital Growth

In an increasingly digitized operating environment, DCM Shriram Limited recognizes Information Security as a foundational element of sustainable business, strong governance and stakeholder trust. As part of our **ASCRIBE ESG framework**, Reliable Data Systems for Data Privacy and Security is identified as a **material ESG priority**, reinforcing our commitment to protecting information assets, ensuring business continuity and enabling responsible digital transformation.

Given the nature of DCM Shriram’s diversified operations, the Company manages a wide range of sensitive information, including process technologies, operational systems, customer data, employee data, and digital assets. Information protection is therefore treated as a critical enabler of business continuity, regulatory compliance, and stakeholder confidence, and as a key support for the integrity of our financial and sustainability disclosures.

Governance and Oversight

DCM Shriram’s information security framework operates under defined governance mechanisms embedded within its risk management structure. Cybersecurity risks are overseen through senior management and Risk Management Committee oversight, ensuring alignment with enterprise priorities. A centralised IT and digital function drives implementation of information security practices across business units and locations. Defined roles, policies, and procedures support consistent application of security protocols, incident response readiness, and continuous monitoring.

The Group Chief Information Security Officer (CISO) oversees enterprise-wide information security practices and reports to the Group Chief Information Officer (CIO). Cybersecurity governance, policies

and controls are periodically reviewed to ensure alignment with evolving regulatory requirements, emerging threat landscapes, and business priorities. The Company also undertakes regular internal and external audits to assess the robustness and effectiveness of its information security and cybersecurity controls.

This structure is complemented by a clear lines of defence approach, under which business and IT functions own day to day risk, the information security team provides specialist oversight and standards, and internal audit provides independent assurance on the effectiveness of controls.

Security measures are continuously strengthened to address evolving risks across digital infrastructure, including cloud environments, enterprise applications, and operational systems.



Security Framework and Controls

DCM Shriram’s **Information Security Management Framework** and its architecture is built on a layered approach and aligned with industry best practices, integrating:

- Network and perimeter security controls
- Endpoint protection and system hardening
- Identity and access management
- Application and cloud security controls
- Continuous monitoring and threat intelligence

These controls collectively enhance resilience against cyber threats and support secure digital operations across the organisation. A centralized **next-generation Security Operations Center (SOC)** provides 24x7 monitoring, threat intelligence, and incident response capabilities. Security controls span IT and OT environments, covering network security, endpoint protection, application security, cloud security, and access management.

Data Privacy And Protection

Internal Information Protection And Data Control

The Company has established structured controls to safeguard internal information assets and prevent data leakage. Role-based access controls, secure data handling protocols and monitoring mechanisms ensure that information is accessed strictly on a need-to-know basis.

System-level controls and periodic reviews enable monitoring of user activity and detection of unauthorised access or data movement, supporting protection of critical operational and business information.

- Robust data protection and information classification practices are implemented across the organization.
- Privacy and security controls are aligned with applicable legal and regulatory requirements, including India's evolving data protection framework.
- Strong governance mechanisms ensure secure handling of employee, customer, vendor and business-critical information across its lifecycle.

Cyber Risk Management

Cybersecurity is actively managed through a combination of preventive, detective and responsive controls. The Company leverages its SOC capabilities, vulnerability assessments, and continuous monitoring systems to identify and respond to potential threats across enterprise systems.

Security measures are continuously strengthened to address evolving risks across digital infrastructure, including cloud environments, enterprise applications, and operational systems.

Cyber Awareness And Human Firewall

Recognising that employees are a critical line of defence, DCM Shriram continues to strengthen its “human firewall” through structured awareness initiatives.

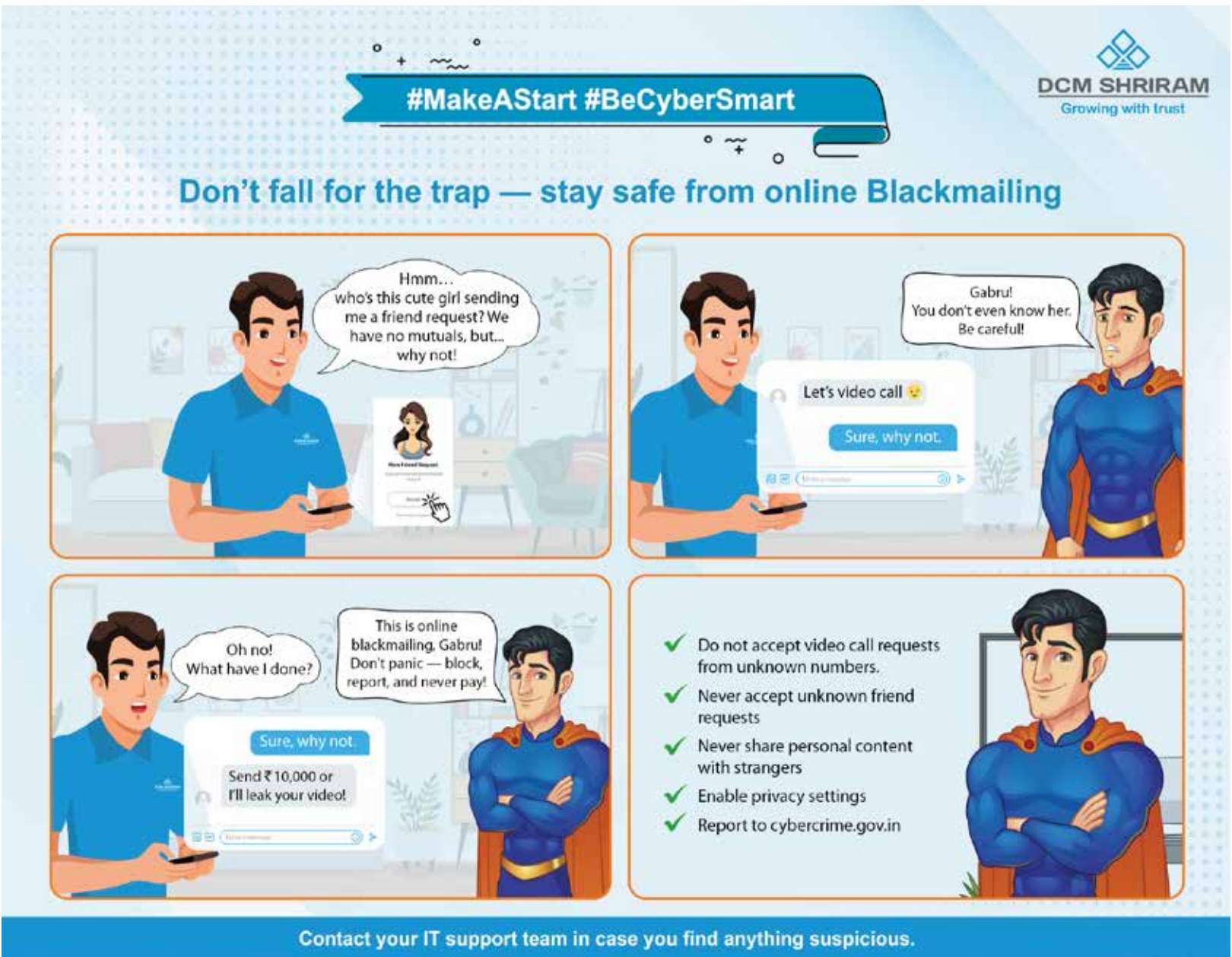
Regular cybersecurity awareness programmes and policy communications are conducted for employees and relevant third parties. Mandatory training programmes help embed secure behaviours, reinforce cyber hygiene and reduce human-related security risks.

Employees are encouraged to immediately report cybersecurity incidents, vulnerabilities or suspicious activities to the Cyber Security team or IT helpdesk through email teamit@dcmshriram.com, enabling timely investigation and response.

Campaigns such as “**#MakeaStart #BeCyberSmart**” awareness initiatives are used to sensitise employees on emerging threats, including digital frauds, phishing attempts, and data privacy risks, promoting responsible digital behaviour across the organisation.

Cyber Incident Management

DCM Shriram has established a structured incident management framework to manage cybersecurity events effectively. The framework defines protocols for incident identification, classification, escalation and response. The Company follows a systematic lifecycle approach encompassing preparedness, detection, response, investigation, reporting and recovery.



Business Continuity and Cyber Resilience

To ensure continuity of operations in the event of cyber incidents or disruptions, DCM Shriram maintains business continuity and recovery mechanisms across its operations. These include data backup protocols, system recovery procedures, and defined response strategies to minimise operational disruption.

Business Continuity Planning (BCP) and Disaster Recovery (DR) mechanisms are periodically tested to ensure resilience against cyber disruptions

Information Protection Campaigns and Inspections

The Company conducts periodic awareness campaigns, inspections, and internal reviews to reinforce information security practices across the organisation. These include system audits, access control reviews, and compliance assessments to ensure adherence to established policies.

Insights from these activities are used to strengthen controls, address vulnerabilities and continuously improve the information security framework.

Information Security Audit and Assurance

External Assessments

DCM Shriram undertakes periodic external assessments and audits to evaluate the effectiveness of its information security framework. These reviews cover governance, system security, access controls, data protection practices and overall cyber security preparedness, aligned with recognised standards and industry best practices.

Internal Reviews

Internal audits and control reviews are conducted periodically to assess compliance with information security policies, procedures and control requirements. These reviews help identify vulnerabilities, strengthen controls, and support continuous improvement of the Company's information protection systems and cyber security systems.

Information Security at DCM Shriram is integral to sustainable growth-protecting trust, enabling resilience and reinforcing strong governance in a digital-first future.

Artificial Intelligence Governance and Risk Management

As part of its evolving digital and cybersecurity landscape, DCM Shriram recognises the growing role of Artificial Intelligence (AI) in both enabling operational efficiencies and introducing new risk dimensions. The Company is progressively strengthening its approach to responsible AI adoption through defined governance, risk management and control mechanisms.

Oversight of AI-related risks is integrated within the Company's information security and enterprise risk management framework, with senior management and the Risk Management Committee monitoring emerging risks associated with AI deployment and usage.

AI Risk Coverage

Key risk areas identified include data privacy risks, model integrity and bias, unauthorised data exposure through generative AI tools, and evolving cyber threats leveraging AI techniques such as automated phishing and deepfake-based frauds.

The Company is also leveraging AI-enabled tools within its Security Operations Center (SOC) to enhance threat detection, anomaly identification, and response efficiency, enabling faster identification of emerging cyber risks.

Responsible Use of AI

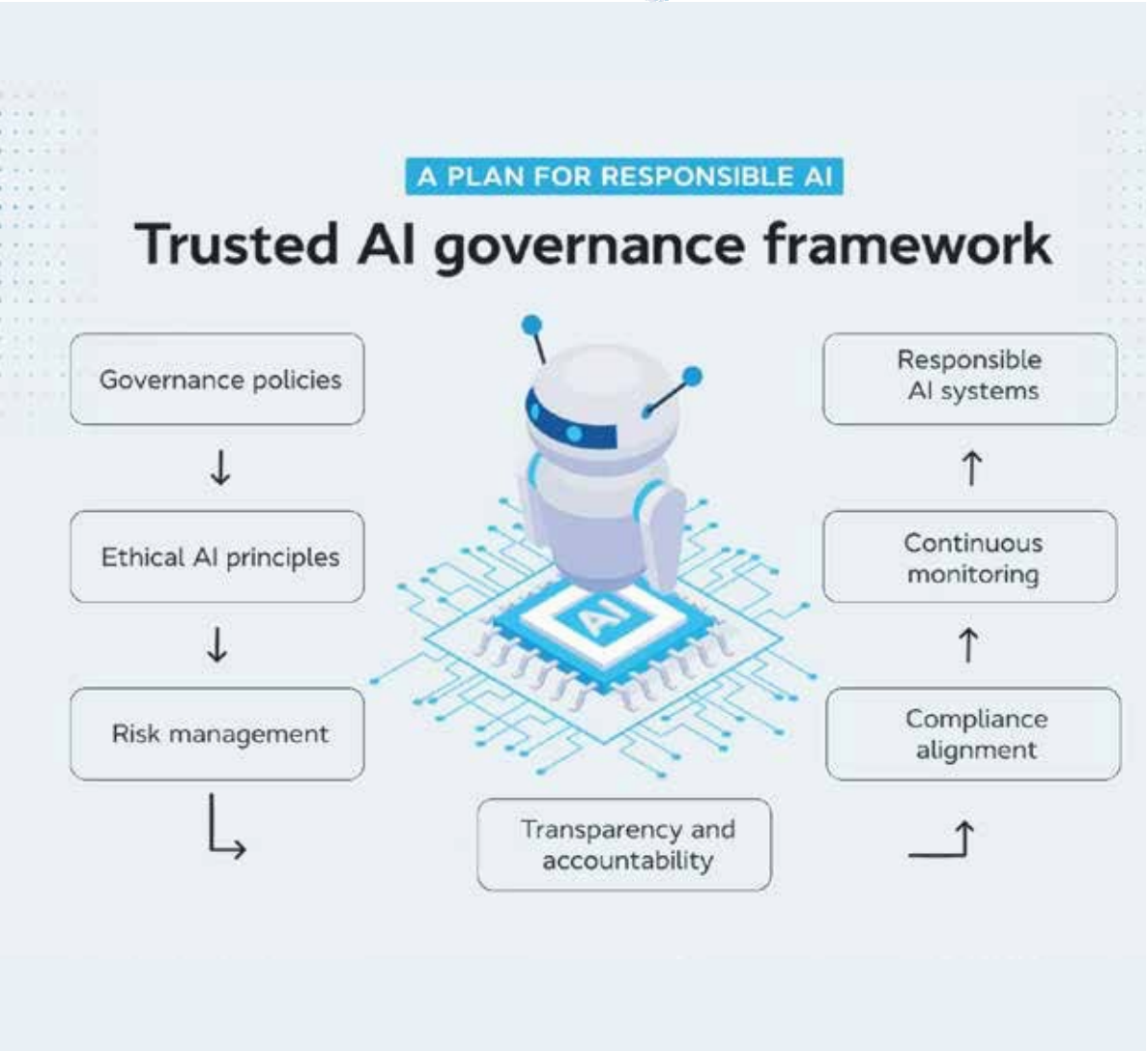
To ensure responsible usage, the Company is developing guidelines for the use of AI tools by employees, including restrictions on sharing sensitive or confidential information through external generative AI platforms and promoting secure and ethical use practices.

Awareness & Training

AI-related risks, including misuse of generative AI and AI-enabled frauds, are incorporated into cybersecurity awareness programmes to strengthen employee preparedness and reinforce responsible digital behaviour.

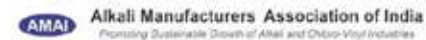
Third-party AI Risk

The Company also considers AI-related risks within its third-party risk management processes, particularly where vendors or partners utilise AI systems that may impact data security or operational integrity.



Industry Associations

As a market leader, DCM Shriram Ltd. participates in multiple industry associations, including agriculture and chemicals-focused groups. These memberships allow us to shape policies and identify risks and opportunities within the sector, promoting shared ESG goals.



AWARDS AND ACCOLADES



Green Manufacturing Gold Award 2025: Bharuch Unit



Agriculture Leadership Conclave 2025: Bioseed Business



CII-ITC Sustainability Award 2025: Excellence in Corporate Social Responsibility



India's Most Sustainable Companies Awards 2025 by Business World - 4th among Chemical Sector



FICCI Water Award 2025: Ajbapur Sugar Unit



State Safety Award 2025: Shriram Polytech and Fenesta uPVC

Strengthening Resilience Through Sustainable and Strategic Growth



Highlights for FY26

- ₹14,264 crore Revenue from Operations
- ₹1,694 crore PBDIT before exceptional item
- ₹856 crore PAT
- ₹7,660 crore Net Worth
- 12.5% EBITDA Margin
- 12.7% ROCE
- AA+ Credit Rating by ICRA
- 42% growth in PAT over FY25
- 560% total dividend declared for FY26

Short/medium-term priorities

- Strengthen working capital discipline and cash flow management
- Improve operational efficiency and optimize cost structures
- Continue digitization and financial process automation initiatives
- Optimize utilization of recently commissioned capacities
- Maintain prudent leverage and financial flexibility
- Sustain balanced shareholder returns while preserving growth capital

Long-term priorities

- Invest in high-return growth platforms and value-added businesses
- Deepen value-chain integration across Chemicals and Advanced Materials
- Expand renewable energy and sustainability-linked investments
- Improve capital productivity and long-term return ratios
- Strengthen resilience through diversified revenue streams and integrated operations
- Embed ESG-linked considerations into capital allocation decisions



05

Building Financial Resilience in a Dynamic Global Environment

We place strong emphasis on prudent capital allocation, disciplined financial management and sustainable value creation to strengthen long-term business resilience. Our diversified business portfolio, integrated operations and consistent focus on operational efficiency continue to support stable cash generation across business cycles while enabling strategic investments in future growth platforms. This approach allows us to remain agile in a dynamic operating environment, strengthen competitiveness and create sustained value for a broad spectrum of stakeholders.

Financial Year 2025-26 was characterized by tentative global stabilisation amid persistent uncertainties. Easing inflation in several advanced economies supported the beginning of a more accommodative monetary stance, though growth remained uneven across regions. Geopolitical friction, supply chain realignments and rising trade protectionism continued to influence commodity markets, logistics corridors and capital flows. The escalation of conflict in West Asia emerged as a material external risk impacting energy markets, fertilizer supply chains and shipping routes, reinforcing the importance of supply chain agility, diversified sourcing and operational resilience for energy-intensive operations such as ours.

Despite these headwinds, the Indian economy demonstrated strong resilience supported by healthy macroeconomic fundamentals, sustained domestic consumption, continued public infrastructure spending and gradual recovery in private sector investments. Against this backdrop, DCM Shriram delivered a resilient financial performance driven by broad-based volume growth, optimized capacity utilization, operational efficiency improvements and disciplined cost management.

Economic Value Added

The improvement across key financial indicators, including revenue growth, profitability, earnings per share and retained economic value, reflects the strengthening contribution of

diversified businesses and the operational leverage from recently commissioned capacities.

In FY26, DCM Shriram continued to demonstrate its commitment towards creating sustained economic value for stakeholders through resilient operations, disciplined financial management and strategic investments across growth businesses. The Company generated strong revenue growth supported by broad-based performance across Chemicals, Agri Inputs and Fenesta Building Systems businesses despite persistent macroeconomic and geopolitical uncertainties.

The Group's **direct economic value generated** increased from ₹11,529.83 crores in FY 24 to ₹14,460.24 crores in FY 26, primarily driven by growth in revenue from operations with a stable contribution from income generated through financial investments and other sources. Over the same period, direct economic value distributed to stakeholders rose from ₹11,147.34 crores to ₹13,803.41 crores, mainly on account of higher operating costs, employee benefits and other expenses. Economic value retained improved from ₹382.49 crores in FY 24 to ₹656.83 crores in FY 26, indicating the organization's continued ability to create and reinvest value after meeting its obligations to key stakeholder groups

Particulars (₹ in Crores)	FY 24	FY 25	FY 26
a. Revenue from operations	11431.29	12,741.32	14,263.91
b. Income from financial investments and other sources	98.54	142.14	196.33
Direct Economic Value Generated (A = a + b)	11529.83	12,883.46	14460.24
1. Operating costs	8330.26	9071.52	10095.11
2. Employee benefit and expenses	984.3	1070.02	1260.17
3. Dividends paid	118.52	127.87	165.30
4. Other expenses	1490.68	1,808.02	2069.27
5. Payment to government (current tax expenses)	205.51	162.07	193.52
6. CSR spend	25.85	24.49	20.04
Direct Economic Value Distributed (B = 1+2+3+4+5+6)	11155.12	12263.99	13,803.41
Economic Value Retained (A – B)	374.71	619.47	656.83

Revenue from operations increased to ₹14,264 crore compared to ₹12,741 crore in FY25, reflecting growth across key business segments. Profit Before Depreciation, Interest, Tax and Exceptional Items (PBDIT) increased by 15% to ₹1,694 crore from ₹1,472 crore in FY25, while Profit After Tax stood at ₹856 crore, registering a robust growth of 42% over the previous year. Earnings Per Share (before exceptional items) improved to ₹55.7 compared to ₹38.7 in FY25.

Particulars	FY24	FY25	FY26
Spent on Trade Associations in ₹	56,671,309	54,042,906	60,303,916

The Chemicals and Vinyl business emerged as a major growth driver during FY26. Overall segment revenue increased by 31% to ₹4,651 crore. Chemicals business revenue increased by 38% to ₹3,832 crore driven by volume-led growth following capacity expansion, improved realizations and contribution from new product introductions and advanced material businesses. Vinyl revenue increased by 4% to ₹819 crore supported by higher volumes, partially offset by lower realizations due to global oversupply conditions and dumping pressures from China.

Sugar and Ethanol business revenue remained largely stable at ₹3,770 crore despite lower sugar and ethanol volumes, supported by improved sugar realizations. The business demonstrated resilience amidst higher cane costs and changing ethanol feedstock dynamics.

Fenesta Building Systems, one of the Company's key consumer-facing businesses, recorded a 28% increase in revenues to ₹1,112 crore driven by higher volumes and expansion of new product platforms.

Shriram Farm Solutions also delivered volume-led growth across key product verticals, particularly research wheat, contributing to an 18% increase in revenue.

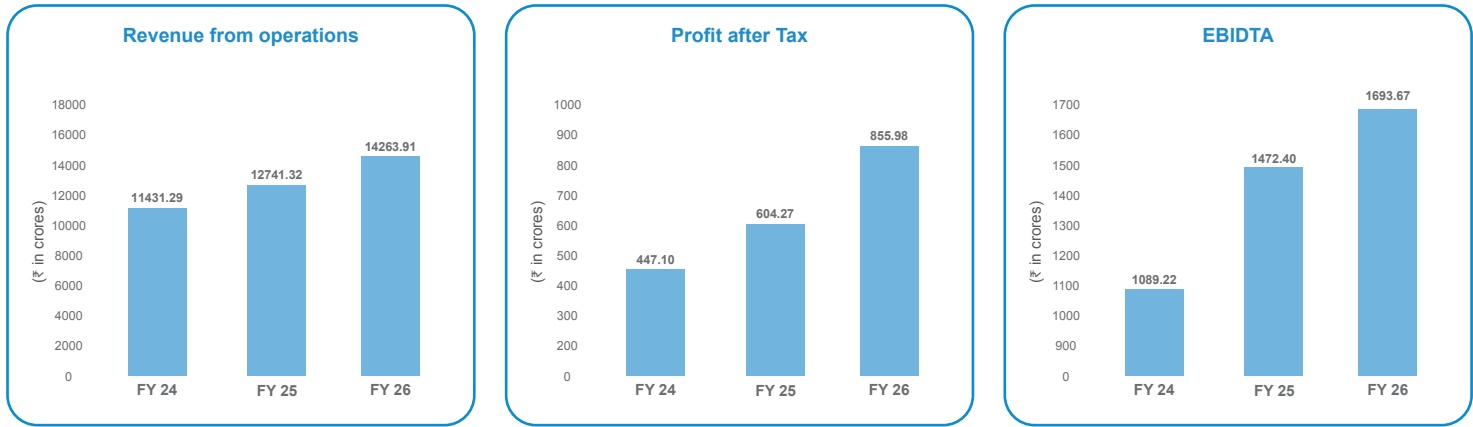
Bioseed revenues improved due to higher realizations and sale of vegetable germplasm and technology, while Fertilizer business revenues remained stable despite lower gas prices. Overall Agri Inputs business revenues increased by 7% during the year.

The retained economic value continues to strengthen the Company's financial foundation and supports reinvestment into growth, sustainability and innovation initiatives aimed at delivering long-term stakeholder value.



Performance Review

FY26 financial performance reflects DCM Shriram's continued focus on operational resilience, value-chain integration, disciplined cost management and strategic capital deployment. Investments commissioned over recent years, particularly across Chemicals and Advanced Materials, have started contributing meaningfully to revenue growth, profitability and operating efficiencies.



The Company delivered a robust financial performance over the last three years, reflecting improving profitability and strong cash generation. EBITDA margins expanded from 10% in FY24 to 12.5% in FY26, demonstrating better operating efficiency and disciplined cost management even as the scale of operations increased. Profit after tax rose from ₹447.10 crores in FY24 to ₹855.98 crores in FY26, highlighting healthy bottom line growth and the resilience of the underlying business model. Cashflow from operations also strengthened significantly, increasing from ₹793.81 crores in FY24 to ₹1,233.80 crores in FY26, underscoring the Company's ability to convert earnings into cash and to support future growth, investments and shareholder returns through internally generated funds.

Overall PBDIT increased by 15% to ₹1,694 crore from ₹1,472 crore in FY25. EBITDA margins improved to 12.5% from 12.2% in FY25 supported by operational efficiencies, lower variable costs in Chemicals and improved utilization levels. PAT increased by 42% to ₹856 crore.

Chemicals business PBDIT increased significantly by 50% to ₹750 crore driven by higher volumes, improved realizations and lower variable costs supported by reduced power rates and better operating efficiencies. Newly commissioned projects including Hydrogen Peroxide, Epichlorohydrin and advanced materials integration initiatives also contributed to segment performance. During the year, the Company completed acquisition of Hindusthan Specialty Chemicals Limited (HSCL), strengthening forward integration into Epoxy and formulated resins businesses and supporting the Company's strategic entry into advanced materials. The Epichlorohydrin facility at Bharuch also achieved full commissioning partially in Oct'25 and remaining in Apr'26.

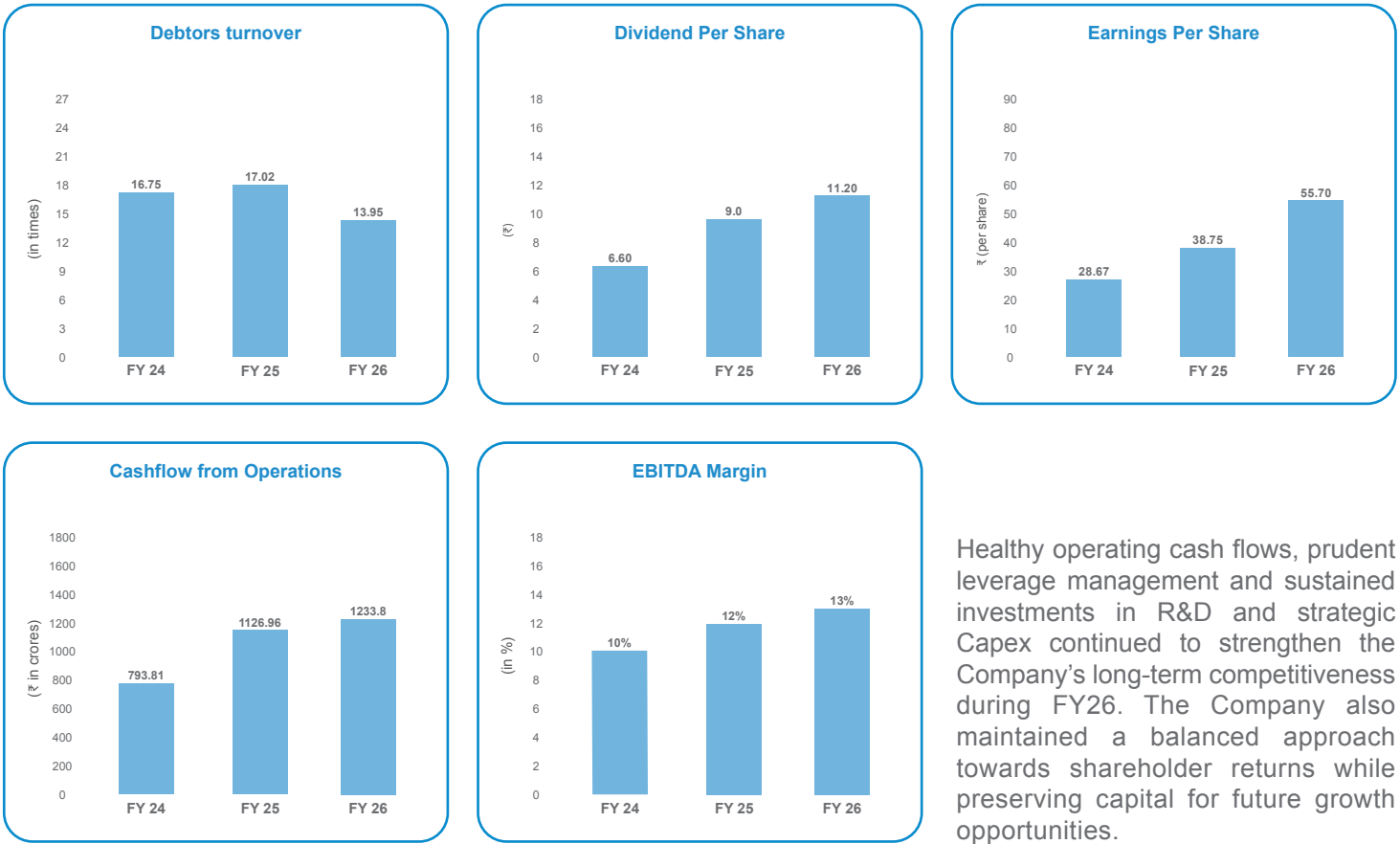
Sugar and Ethanol business PBDIT improved by 6% to ₹438 crore supported by better sugar and ethanol margins despite industry-wide pressure arising from elevated cane prices and surplus sugar conditions. Fenesta Building Systems continued to strengthen its market presence through higher volumes and expansion into new product platforms including facade and hardware businesses. The business also acquired 53% stake in DNV Global Private Limited to facilitate backward integration into hardware business. While margins witnessed temporary moderation due to capability

enhancement costs, higher sales promotion spends and investments into new platforms, the business maintained strong growth momentum and order book expansion. Shriram Farm Solutions delivered improved earnings driven by higher volumes across all major verticals, particularly research wheat. Bioseed performance was impacted by lower cotton and corn volumes, while Fertilizer business profitability improved due to higher arrears received during the year.

Our strong balance sheet, disciplined working capital management and healthy operating cash flows enabled continued investments in strategic projects while maintaining financial resilience amidst commodity volatility and evolving global uncertainties.

Value-Creation

Our approach to value creation is anchored in profitable growth, disciplined capital allocation and prudent financial management. By maintaining a balanced approach between operational performance, strategic investments and shareholder returns, we continue to strengthen long-term business resilience while creating sustainable value for stakeholders.

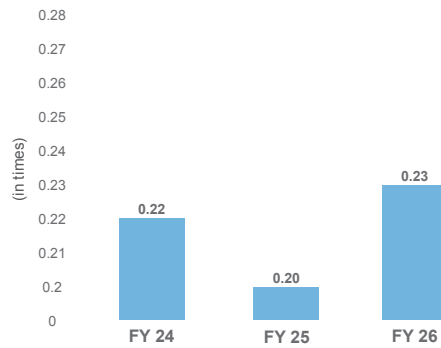


Healthy operating cash flows, prudent leverage management and sustained investments in R&D and strategic Capex continued to strengthen the Company's long-term competitiveness during FY26. The Company also maintained a balanced approach towards shareholder returns while preserving capital for future growth opportunities.

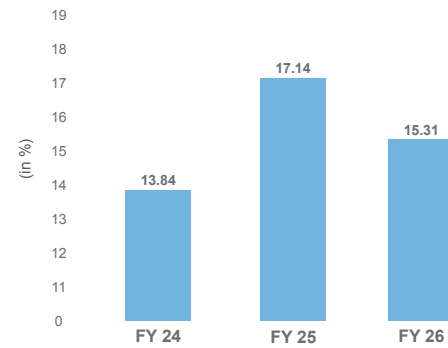
The Company remains focused on optimizing returns on capital employed through efficient utilization of resources, value-chain integration and investments in high-growth and value-added businesses. Strong emphasis on cash flow discipline and working capital optimization continues to support prudent leverage management and financial flexibility.



Net Debt to Equity



Interest Coverage Ratio



Net Debt stood at ₹1,767 crore as on March 31, 2026 compared to ₹1,395 crore as on March 31, 2025, primarily reflecting ongoing growth-oriented capital expenditure and strategic investments across businesses.

During FY26, the Company continued investments across strategic growth projects including:

- Epichlorohydrin Plant at Bharuch
- Renewable energy projects
- Fenesta aluminium extrusion facilities
- Advanced materials and formulated resins expansion
- Aluminium Chloride and Calcium Chloride projects
- Acquisition of HSCL and DNV Global Private Limited

These investments are expected to strengthen downstream integration, operational resilience, energy efficiency and long-term competitiveness while expanding the Company's presence in value-added and sustainability-linked businesses.

The Company also continued to integrate ESG considerations into future capital deployment decisions through renewable energy investments, advanced materials integration, compressed biogas projects and resource efficiency initiatives. By embedding sustainability-linked considerations and carbon-conscious planning into capital allocation frameworks, DCM Shriram continues to strengthen future readiness while delivering enduring value to stakeholders.

Sustainable Finance and Financial Resilience

DCM Shriram continues to integrate sustainability considerations into its financing strategy and long-term capital allocation framework. The Company believes that sustainable finance is an important enabler for strengthening operational resilience, improving resource efficiency and supporting long-term stakeholder value creation.

During FY26, the Company achieved a significant milestone through an investment commitment of USD 90 million from the International Finance Corporation (IFC), the private sector arm of the World Bank Group, through subscription to Sustainability-Linked Non-Convertible Debentures (NCDs). The transaction has been structured in alignment with globally accepted Sustainability-Linked Bond (SLB) and Sustainability-Linked Loan (SLL) Principles and is anchored in the Company's Sustainability-Linked Loan Framework, which has been independently reviewed and received a Second Party Opinion from an external assurance provider, reinforcing the credibility of its sustainability commitments. The IFC investment is expected to support strategic growth initiatives across downstream chemicals and agri businesses, strengthen manufacturing capabilities and enhance farmer-linked rural ecosystems.



Formal exchange marking DCM Shriram's USD 90 million Sustainability-Linked Non-Convertible Debentures with IFC support.



Mr. Amit Agarwal
Group Chief Financial Officer &
Strategy Head

"This transaction represents a significant milestone in our journey towards delivering responsible growth and sustainable value creation. IFC has been our strategic partner for over two decades and this transaction marks a defining moment which will help in accelerating our growth, strengthening operational efficiency, improving environmental footprint and driving long-term resilience across our businesses."

During the year, the Company also continued investments across renewable energy, advanced materials, compressed biogas and downstream integration projects aimed at strengthening long-term competitiveness, improving operational resilience and reducing environmental footprint. Earlier sustainability-linked and transition finance facilities from institutions such as HSBC India and Standard Chartered Bank further supported sustainability-oriented growth initiatives.

Supported by prudent leverage management, disciplined capital allocation and healthy operating cash flows, DCM Shriram remains well-positioned to fund future growth while maintaining financial resilience amidst evolving macroeconomic and geopolitical uncertainties. The Company's strong credit profile, reflected in its AA+ rating by ICRA, continues to support access to diversified and sustainability-linked financing avenues.

Tax Strategy and Reporting

DCM Shriram is committed to upholding the highest standards of tax governance, transparency, and regulatory compliance across all jurisdictions. The Company's tax function operates under the guidance of the Group CFO and is managed by a Team of dedicated tax professionals who continuously monitor its tax governance framework and strengthen compliance processes in line with evolving regulatory requirements.

The Company's tax philosophy is rooted in integrity, transparency, and 100% compliance with applicable laws and regulations. Responsible tax conduct is embedded across its operational and governance process supported by a zero-tolerance stance towards any tax evasion, delays in statutory obligations, and/or adopting non-compliant tax structures.

DCM Shriram fosters a constructive and transparent relationship with tax authorities, engaging proactively through appropriate forums and regulatory channels such as Confederation of Indian Industry (CII), wherever required. Its tax governance processes are focused on ensuring accurate reporting, timely compliance, and the effective management of all tax-related matters.

The Company has effectively managed the transition to the new Income Tax Act, 2025 and has elected to exercise the option permitted under section 200(5) read with section 206(3) of the Income Tax Act, 2025 (corresponding to section 115BAA of the Income Tax Act, 1961) w.e.f. financial year (Tax year) 2026-27. Accordingly, the company has remeasured its Deferred Tax Liabilities and Deferred Tax Assets basis the rate prescribed in the said section (25.168% viz earlier rate of 34.944%).



Tax Reporting

Countries	Names of all the resident entities	Reporting Year	Number of employees	Revenue (INR Crores)	Profit (Loss) before tax (INR Crores)	Income tax paid (INR Crores)
India	DCM Shriram Limited & it's Indian Subsidiaries	FY2025-26*	6276	12780.93	882.79	88.86
		FY2024-25#	6159	11499.03	685.22	192.64
Philippines	Bioseed Research Philippines Inc	FY2025-26*	121	152.1	27.09	4.51
		FY2024-25#	118	46.82	14.62	1.92
USA	Bioseed Research USA Inc	FY2025-26*	0	0	(0.07)	0
		FY2024-25#	0	0	(0.06)	0
Singapore	Bioseeds Holdings Pte. Ltd	FY2025-26*	0	2.9	1.37	0.11
		FY2024-25#	0	1.86	0.23	0.04

*Information is for FY 2024-25

#Information is for FY 2023-24

Effective Tax Rate

A comparative analysis of effective tax rate in current year vis-a-vis in last year is tabulated as

Particulars	FY 2025-26 (Rs. in Crores)	FY 2024-25 (Rs. in Crores)
Earnings before Tax	992.26	909.41
Reported Taxes	136.28	305.14
Effective Tax Rate	13.73%	33.55%
Cash Taxes paid (Net of Refunds)	88.24	97.2
Cash Tax Rate	8.89%	10.69%

Manufactured Capital

We are investing in our infrastructure to enhance our manufacturing capabilities. The growing interest from our esteemed customers, coupled with an exciting product pipeline, has reinforced DCM Shriram's reputation as a multiple sector global conglomerate.

We have steadily established multiple production facilities, broadened our capabilities and built a reliable track record of global regulatory excellence. Our investments in infrastructure address evolving customer requirements and drive long-term competitiveness. As the quality and size of our business grows, we are gaining a better visibility of our future and crafting an appropriate roadmap for growth.



Capacity highlights (in units)

Chemicals & Vinyl	Agri-Rural	Value Added
Caustic Soda (2,749 TPD)	Sugar 43,100 (TCD)	Fenesta Building Systems uPVC and Aluminium Windows & Doors (12,284 TPA)
Hydrogen Peroxide (56,100 TPA)	Co-Gen (166 MW)	
PVC Resins (220 TPD)	CBG (12 TPD)	
Calcium Carbide (112,000 TPA)	Distillery (560 KLD)	
Stable Bleaching Powder (120 TPD)	Sulphate of Potash (4,600 TPA)	Others
Aluminium Chloride (150 TPD)	Shriram Farm Solutions	Cement (400,000 TPA)
	Fertilizer (579,500 TPA)	Polymer Compounds (32,564 TPA)
	Bioseed	

Key priorities

- Robust Manufacturing Facilities
- Expanding Capacities
- Digitalizing Operations
- Sustainable Manufacturing
- Enhancing our Quality processes
- Building a reliable and sustainable Supply Chain



06

Agri-Rural Business

Sugar

Setting Benchmarks, Catalysing Change

As one of India's leading sugar producers, we are committed to delivering top-quality products. Our operations span across four state-of-the-art, fully integrated sugar manufacturing units located in the Hardoi and Lakhimpur Kheri districts of Uttar Pradesh, where we partner with over 2,50,000 growers to produce approximately 0.65 million tones of Sugar annually. With some of the highest manufacturing efficiencies, safety, quality, and environmental certifications in the industry, we believe that our commitment to excellence is unmatched. Our customer-centric approach and continuous research and development have made us the preferred partner for renowned FMCG brands such as Coca Cola, Pepsi, HUL, and Britannia. Our high level of engagement with growers has been a key factor in our success. From sowing to harvesting, we work tirelessly with them to improve yields, maintain soil integrity, and ensure the highest quality of our products. In addition to our commitment to quality, we are also leading the way in sustainable and circular sugar manufacturing. Our zero-waste policy and 100% by-product utilization allow us to create new products that have a lower environmental impact.

DCM Shriram's Sugar Business is strategically positioned in the heart of India's sugarcane belt, with integrated manufacturing units in Uttar Pradesh. These units leverage the region's rich agricultural landscape, abundant water resources, and favorable climatic conditions to ensure high-yield sugarcane cultivation. This locational advantage not only supports consistent raw material availability but also enhances operational efficiency and cost optimization. Beyond geographical benefits, the business thrives in a well-established ecosystem that includes proximity to major sugar markets, a skilled workforce, and strong logistical networks, ensuring seamless supply chain management. With state-of-the-art facilities for sugar production, cogeneration, and ethanol manufacturing, DCM Shriram is driving innovation and sustainability in the sugar industry.

1997-98

Year of establishment

180 ML

Annual Ethanol Production

43k TCD

Cane Crushing Capacity

10.9%

Sugar Recovery Rate

560 KLD

Distillery capacity

166 MW

Co-Gen Capacity



The company's commitment to a circular economy is reflected in its focus on bioenergy production, leveraging by-products like bagasse for green power generation and molasses for ethanol production, contributing to India's biofuel goals. Investments in advanced agricultural practices, farmer engagement programs, and digital monitoring systems further strengthen the business's resilience and long-term sustainability.

With a focus on efficiency, sustainability, and value addition, DCM Shriram's Sugar Business continues to grow as a key player in India's sugar sector, ensuring value creation for farmers, customers, and stakeholders alike. By integrating innovation, sustainability, and stakeholder value creation, DCM Shriram's Sugar Business continues to be a leader in India's sugar industry, fostering long-term growth while contributing to national renewable energy goals.



Strengthening Our Growth Foundations

DCM Shriram Limited continues to expand and optimize its manufacturing footprint through strategic investments in capacity augmentation, energy efficiency, sustainability and advanced technologies. Our focus is on enhancing productivity, reducing environmental impact and driving long-term value for stakeholders.

Enhancing Sugarcane Processing Efficiency at Loni

To support our growing ethanol production and optimize sugar processing, we expanded the crushing capacity at our Loni sugar unit by 2,100 TCD, bringing the total to 9,400 TCD. Commissioned on November 19, 2024, this expansion enables us to process a larger volume of sugarcane during peak seasons, improving overall production efficiency. It also strengthens our ethanol output potential, contributing to India's E20 ethanol blending targets. The expansion is poised to enhance operational efficiency and meet the rising sugarcane availability in the region. With the upgraded capacity, the Loni Unit stands out as a significant contributor to DCM Shriram's sugar segment, which has already demonstrated stable performance despite industry challenges. The company's proactive approach to capacity expansion positions it to capitalize on upcoming opportunities in the sugar and ethanol space.



Farmer Engagement & Digital Transformation

DCM Shriram directly engages with over **2,50,000 farmers** across Uttar Pradesh, offering **tech-enabled farm advisory services** to enhance productivity and income. Key initiatives include:

Meetha Sona Program

A sustainable farming initiative providing soil health testing, improved cane varieties, and eco-friendly pesticides, resulting in higher farm yields and lower environmental impact.

AI-driven Farm Advisory System

The company has rolled out an AI-based predictive model, offering farmers real-time data on weather patterns, irrigation schedules, and pest control.

Farmer Training & Financial Inclusion

Regular field visits, training camps, and SMS alerts keep farmers updated on best practices, while partnerships with banks facilitate low-interest loans for farm equipment.



Agri-Rural Business Shriram Farm Solutions (SFS)

With a vast network of 3,000+ trusted dealers spread across the country, we ensure that our new-gen agri-input products are easily made available to the Indian farmers.

DCM Shriram's Shriram Farm Solutions (SFS) plays a critical role in modernizing Indian agriculture by providing advanced plant nutrition, crop protection, and precision farming solutions. Operating with a farmer-first approach, SFS empowers farmers with high-yielding inputs and advisory services, helping them optimize output while ensuring sustainability and soil health.

Asset Overview – Shriram Farm Solutions

Manufacturing & Warehousing Facilities: Dedicated production units and distribution hubs across Kota, Bharuch, and multiple regional centers.

Agri-Advisory Centers: Network of digital kiosks and agronomist-led field offices offering real-time farmer support.

R&D & Testing Labs: Specialized soil and plant testing facilities ensuring the highest-quality farm inputs.

Key Offerings & Strategic Advantages

Specialty Plant Nutrition & Crop Care: A diverse portfolio of micronutrients, biostimulants, and crop protection products that enhance soil health and improve yields.

Tech-Enabled Farmer Advisory Services: Digital platforms provide real-time guidance on weather, soil conditions, and disease management.

Mechanization Support & Precision Agriculture: Promoting drip irrigation, smart seeding, and advanced farm mechanization to reduce input costs

Through partnerships with over **1 million farmers**, SFS helps enhance productivity while reducing environmental impact.

Agri-Rural Business

Bioseed

Transforming Indian Agriculture with High-Yield Hybrid Seeds

DCM Shriram's Bioseed business is a leader in research-driven seed innovation, offering climate-resilient and high-yield hybrid seeds across multiple crops, including corn, paddy, cotton, and vegetables. With R&D facilities in India and the Philippines, Bioseed ensures superior genetic traits for better resistance to pests, diseases, and climatic variability.



BIOSEED

Genetics for Improved Agriculture

Asset Overview – Bioseed

State-of-the-Art R&D Facilities: Bioseed operates advanced biotechnology labs in Hyderabad and the Philippines, dedicated to genetic enhancement and seed innovation.

Production and Processing Units: Seed multiplication farms and conditioning plants located in key agricultural belts, ensuring high-quality seed output.

Storage and Distribution Infrastructure: Cold storage facilities and automated packaging centers to maintain seed viability and quality.

Key Innovations and Sustainability Focus

Drought and Pest-Resistant Hybrids: Research-based seed solutions that offer better resistance to climate stress and pests, reducing dependency on pesticides.

Precision Breeding and Biotechnology: Leveraging advanced genomics, AI-driven phenotyping, and gene-editing tools to improve seed varieties.

Sustainable Farming Practices: Promoting biofortification, organic seed treatment, and low-input farming techniques for environmentally friendly agriculture.

Bioseed's footprint extends beyond India, with a strong market presence in Southeast Asia, enabling knowledge exchange and technology transfer for sustainable farming.



Agri-Rural Business

Fertilizers

Ensuring Soil Health and Nutrient Efficiency

Since we started Urea business, our endeavour has been to help the farmers reap bumper harvests year after year.

Urea brand, 'SHRIRAM' has developed a strong presence in the rural market over the last 4 decades of operations, and today it symbolises premium quality, reliability and trust.



Better Science.
Better Harvest.

Asset Overview – Fertilizer Business

Large-Scale Manufacturing Facility: Located in Kota, Rajasthan, producing 379,500 TPA of urea, a key contributor to India's self-sufficiency in fertilizers.

Efficient Supply Chain Infrastructure: Bulk storage silos and rail-road logistics hubs, ensuring seamless distribution across the country.

Sustainability-Focused Operations: Investments in waste heat recovery, and process efficiency enhancements to reduce greenhouse gas emissions.

The Ammonia Urea complex comprises of a Urea plant based on Stamicarbon technology and an equivalent Ammonia plant based on Haldor Topsoe's technology.

Strategic Strengths and Sustainability Initiatives:

Customized Fertilizer Blends: Tailored nutrient formulations based on soil testing to optimize crop yield and reduce wastage.

Green Manufacturing Practices: Adoption of low-carbon ammonia production, water recycling, and process automation to lower emissions.

Support for India's Soil Health Mission: Partnerships with government programs to educate farmers on balanced fertilization and organic inputs.

DCM Shriram is investing in nano-fertilizers, bio-fertilizers, and carbon-neutral production technologies to align with India's net-zero ambitions.

Chemicals & Vinyl Business

Leading Chlor-Alkali Player With Integrated Value Chain

At DCM Shriram, we provide a lifeline for the country's industrial economy with a wide portfolio of basic chemicals and raw materials, such as Caustic Soda, Chlorine, PVC Compounds, PVC Resin, Cement, Calcium Carbide, among others.

Powering industries through state-of-the-art facilities

DCM Shriram Chemicals operates world-class manufacturing facilities at two strategic locations in India. Our plants are equipped with cutting-edge technology and adhere to stringent quality and safety standards.

Bharuch

Established in 1996, our Bharuch plant is India's largest single-location Chlor-Alkali facility. Boasting a production capacity of 2225 TPD across 25 electrolyzers distributed across four production lines, the plant has been a cornerstone of our growth and success.

Our integrated facilities boast a combined Chlor-Alkali production capacity of ~1 Million TPA. Among our key products is Caustic Soda (Sodium Hydroxide) —an essential raw material widely used across diverse industries. Whether in the production of pulp and paper, viscose yarn, textiles, or even in petroleum refining and pharmaceuticals, caustic soda plays a vital role. We offer it in two forms: lye and solids, with solids available as flakes for versatile application.

...our products are not just materials; they are integral to the processes that drive the industry forward

Kota

Operational since 1963, the Kota plant, stands as a testament to our commitment to manufacturing excellence. Initially producing 30 TPD of caustic soda, the plant has undergone several expansions, reaching a current capacity of 550 TPD. This growth trajectory is a result of our dedication to technological advancements and operational efficiency.



Expanding Caustic Soda Production for Market Leadership

As part of our commitment to enhancing production efficiency and meeting growing industrial demand, we successfully commissioned an 850 TPD caustic soda plant at our Bharuch facility on May 3, 2024. With this expansion, our total installed capacity has risen to 2,749 TPD, solidifying our position as **India's second-largest caustic soda producer**. The newly integrated membrane cell technology ensures higher energy efficiency and cost optimization, providing a strategic advantage in serving domestic and international markets. The expansion also strengthens our backward integration strategy, enabling us to optimize chlorine consumption and support downstream chemical production.

Caustic Soda Plant Expansion at Bharuch

- Commissioning Date: May 3, 2024
- Capacity Increase: +850 Tons Per Day (TPD), taking total to 2,225 TPD
- Technology: Membrane Cell Technology for improved energy efficiency
- Expected Impact: Establishes DCM Shriram as India's second-largest caustic soda producer, reducing energy consumption and improving cost competitiveness.

Hydrogen Peroxide: Enhancing Chemical Applications

In line with our vision to expand product offerings and cater to high-growth industries, we commissioned a 56,100 TPA Hydrogen Peroxide facility at Bharuch on August 19, 2024. Utilizing the anthraquinone auto-oxidation process, this plant ensures high-purity production, catering to key applications in textiles, pulp & paper, and water treatment. By reducing dependency on hazardous alternatives, this facility supports the growing demand for sustainable chemical solutions, further strengthening our market presence.

Hydrogen Peroxide Facility

- Commissioning Date: August 19, 2024
- Capacity: 56,100 Tons Per Annum (TPA)
- Process: Anthraquinone Auto-Oxidation for high-purity production
- Applications: Textiles, Paper & Pulp, Water Treatment, Electronics
- Sustainability Contribution: Reduces dependency on hazardous chemical substitutes and supports eco-friendly bleaching processes.

Enhancing Hybrid Renewable Energy Capacity by 68 MW

To meet our commitment towards decarbonization, we have group captive power purchase agreement of 68 MW at our Kota complex. This facility is additional to existing 50 MW Hybrid RE power at Bharuch which will further increase by 48 MW by 2027.

Circular Economy in Chemicals: Anhydrous Sodium Sulphate Recovery

With a strong focus on sustainability and waste recovery, we commissioned the Anhydrous Sodium Sulphate (AnSS) System during FY 2025–26, strengthening resource recovery and promoting circularity within our operations. This system allows the recovery and purification of sodium sulfate, a valuable byproduct of caustic soda and chlorine production. With applications in detergents, glass manufacturing, and paper processing, this initiative enhances our commitment to resource optimization and environmental responsibility.

Anhydrous Sodium Sulphate System (AnSS)

- **Function:** Recovery of sodium sulfate from caustic soda production waste streams.
- **Applications:** Detergents, Glass Manufacturing, Paper Processing
- **Sustainability Impact:** Minimizes waste discharge and enables circular economy practices.

Green Epichlorohydrin: Advancing Sustainable Manufacturing

As part of our strategic focus on high-value chemicals, we commissioned a 52,000 TPA Epichlorohydrin (ECH) facility during FY 2025–26, strengthening our portfolio of value-added chemical products. This plant integrates a glycerin-based production process, a sustainable alternative to conventional fossil-fuel-based methods. The initiative aligns with the increasing demand for ECH in epoxy resin manufacturing, catering to industries such as adhesives, coatings, and composites. By leveraging environmentally responsible processes, we aim to create a future-ready supply chain for high-performance materials.

Epichlorohydrin (ECH) Facility

- **Technology:** Glycerin-based process – a sustainable alternative to fossil-fuel-based production.
- **Market Expansion:** Strengthens epoxy resin supply chains for automotive, adhesives, and composites.

Vinyl Business: India's Only Calcium Carbide-Based PVC Producer

DCM Shriram is India's only carbide-based PVC resin manufacturer, with a 220 TPD production capacity. The company's vinyl operations cater to critical sectors like automotive, construction, piping, and infrastructure, ensuring high-quality and sustainable polymer solutions.

Asset Overview – Vinyl Business

- **Major Plant:** Kota, Rajasthan – Integrated with power generation and raw material processing.
- **Production Capacity:** 220 TPD of PVC Resins, catering to domestic and export markets.
- **R&D Focus:** Development of sustainable PVC formulations with bio-based additives to reduce environmental impact.

Our wide portfolio of PVC products play an important role in improving the performance of a broad range of industries. We manufacture 1,12,000 TPA Calcium Carbide that is of captive use for the production of PVC Resins, and it is also sold in the market to industrial users.

Our product portfolio includes multiple grades of PVC Resins to the tune of 77,000 TPA produced at the integrated manufacturing complex in Kota. It caters to a wide array of end-use markets. The PVC Resins are manufactured through the Calcium Carbide route that insulates us from the cost-cycles routinely associated with the petrochemicals based production of other manufacturers.

The Product portfolio offered by Shriram PolyTech Ltd matches with performance requirements of diversified range of industries like Pantone Shade Color Masterbatch, Medical PVC Compound.

The thrust at PolyTech is to devise customized solutions for specific segments of industrial requirements. Our facility is furnished with the ultra-present day courtesies, our modernized facility is kept an eye on by our group of persistent experts, who do each business movement in a productive way to achieve the most extreme fulfillment of our customers.



Value-Added Business

Fenesta
Better by Design

Fenesta: Strengthening India's Building Solutions

With rising demand for high-quality building solutions, Fenesta continues to expand its footprint across India. In FY-25, we launched new showrooms in Kozhikode and Noida, strengthening our direct-to-customer engagement. Additionally, we have invested ₹ 47 crores in expanding our uPVC extrusion facility in Kota, increasing capacity from 8,600 metric tons to 12,284 metric tons annually. To meet the growing demand for high-performance architectural solutions, we have also established a new façade fabrication unit in Hyderabad, further diversifying our product offerings.

Retail and Infrastructure Expansion

- New Showrooms Opened:
- Kozhikode: May 23, 2024
- Noida: April 15, 2024

Extrusion Capacity Augmentation

- Investment: ₹ 47 crores
- Capacity Increase: +40%, from 8,600 metric tons → 12,284 metric tons annually.
- Upgraded Kota uPVC Extrusion Facility for higher precision & lower defects.

Behind every world-class window lies a seamless blend of precision, expertise, and cutting-edge infrastructure-qualities that define Fenesta. As the only company in India with complete control over the entire supply chain of window and door manufacturing, Fenesta sets the industry benchmark with its state-of-the-art extrusion plant in Kota and seven fabrication units across Bhiwadi, Chennai, Bhubaneswar, and Hyderabad.

Crafting the perfect window demands a fusion of specialized skills—extrusion, design, planning, fabrication, logistics, and installation. At Fenesta, this expertise is deeply embedded, ensuring a seamless journey from design selection to final installation. More than just a manufacturer, Fenesta provides an end-to-end service, guiding customers through every stage—site survey, customized fabrication, timely delivery, and flawless installation.

With a robust nationwide service network, Fenesta is equipped to execute projects of any scale, anywhere in India. Whether for an urban high-rise or a countryside retreat, Fenesta ensures every window meets the highest standards of performance, aesthetics, and durability—redefining excellence in architectural solutions.



Earn LEED Credits

Fenesta windows are made of recyclable material using very little energy in production. They also offer superior energy saving insulation and reduce the carbon footprint. Thus, Fenesta windows and doors can help builders and developers attain valuable LEED (Leadership in Energy and Environmental Design) rating points for their projects demonstrating their dedication to environmentally-conscious practices.



2000+ Direct Sales Representatives



9 Signature Studios



298 Channel Partner Showrooms



20 Sales Offices & 8 Factories



Serving in 900 Cities



Part of 1889 Est. DCM Shriram group



India's Largest Windows & Doors brand



Certifications & Recognitions

The Company assesses risk levels to ensure all operations and activities comply with the most relevant national and international certifications. This commitment upholds product quality, fosters a safe environment for all, and minimizes environmental impact.

THE KEY CERTIFICATIONS OF THE COMPANY ARE LISTED BELOW

MANUFACTURING SITES/BUSINESS	ISO 9001	ISO 14001	ISO 45001
KOTA	✓	✓	✓
BHARUCH	✓	✓	✓
AJBAPUR	✓	✓	✓
HARIAWAN	✓	✓	✓
LONI	✓	✓	✓
RUPAPUR	✓	✓	✓
FENESTA BUSINESS	✓	✓	✓
BIOSEED BUSINESS	✓	✓	✓
SFS BUSINESS	✓	✓	✓

OTHER SECTOR SPECIFIC CERTIFICATIONS	
Chemicals Site at Bharuch	Responsible Care and ISCC (International Sustainability & Carbon Certification)
Sugar Sites at Hariawan, Ajbapur and Loni	Bonsucro
Sugar Sites at Ajbapur, Hariawan, Loni and Rupapur	Food Safety System Certification 22000 (FSSC)
UN Global Compact (UNGC) Signatory	





©S&P Global 2026 .

DCM Shriram Limited

Chemicals

Sustainability

Yearbook Member

Corporate Sustainability

Assessment (CSA) 2025

62/100

Score date

February 11, 2026

For terms of use, visit www.spglobal.com/yearbook

Intellectual Capital



Highlights for FY25

- ₹ 32.4 Crores invested in advanced R&D programs in FY 2025-26.
- 86 members dedicated scientific and engineering team.
- 131 Plant Variety Protection (PVP) registrations filed till date and 120 have been Granted
- 5 patents for Inventions granted in up to 52 jurisdictions each filed till date
- Life Cycle Assessment (LCA) for key products at Bharuch, Kota and Fenesta Business.



Driving
Innovation
for a
Low-Carbon
Future

07

World-Class R&D Infrastructure: Driving Sustainable Innovation

Our R&D capabilities are housed in a network of advanced research laboratories, pilot-scale facilities, and process innovation centers, ensuring that ideas move swiftly from concept to commercialization. The DCM Shriram Chemicals Innovation Centre is a pivotal part of this ecosystem, equipped with high-tech analytical instruments, process scale-up units, and digital simulation tools that enable rapid testing, validation, and industrial application of breakthrough innovations.

Key Features of Our R&D Infrastructure:

- **Advanced Analytical Laboratories:** Equipped with high-resolution spectrometry, chromatography, and material characterization tools, enabling real-time chemical analysis, quality control, and formulation development.
- **Process Simulation & Scale-Up Units:** Supporting seamless translation of lab-scale research into pilot and full-scale production, reducing time-to-market for low-carbon products.
- **Digital Twin Technology & AI-Driven Optimization:** Enhancing real-time monitoring, predictive maintenance, and energy efficiency, ensuring sustainable manufacturing practices.
- **Dedicated Carbon Capture & Circular Economy Research Facilities:** Focused on industrial emissions repurposing, waste valorization, and closed-loop manufacturing solutions.
- **Collaboration Hub for Industry-Academia Partnerships:** Strengthening joint research initiatives with leading universities, including the Institute of Chemical Technology (ICT), Mumbai, to develop green solvents and carbon-negative materials.

Transformative Low-Carbon Product Innovation

Our low-carbon product portfolio is built on bio-based feedstocks, energy-efficient processes, and circular economy principles, all developed through our advanced R&D infrastructure.

- **Hydrogen Peroxide (H₂O₂):** A sustainable alternative to chlorine-based bleaching, produced using an optimized, low-energy process that significantly reduces toxic effluent discharge.
- **Bio-Based Epichlorohydrin (ECH):** Derived from glycerin, replacing petroleum-based ECH with a low-carbon, high-performance alternative for wind energy, automotive, and electronics sectors.
- **Anhydrous Sodium Sulphate Recovery:** Utilizing waste-to-value processing in our chemical plants, preventing virgin mineral extraction and reducing carbon emissions in detergents, textiles, and glass manufacturing.
- **Multi-Feedstock Ethanol:** A clean energy solution that replaces fossil fuel-based gasoline, supporting India's ethanol blending program and national biofuel mandates.
- **Compressed Biogas (CBG):** Converting sugar industry waste into a renewable fuel, reducing methane emissions and providing a sustainable alternative to diesel and CNG.
- **Cement from Lime Sludge:** Repurposing hydrated lime sludge from Calcium Carbide plant to manufacture low-carbon cement, reducing dependency on limestone and reducing emissions.



Breakthrough R&D in hybrid seeds

R&D of hybrid seeds that are resistant to adverse weather conditions, Salinity, drought, water logging, insect pests and diseases etc. This results in increased sustainability through significant reduced water use in irrigation and reduced use of chemicals to protect the crop from diseases and insect pests.

Breakthrough R&D in Fertilizers: Green Carbon & Bio-Based Nutrients

Our fertilizer division is leading the shift towards low-carbon, high-efficiency agri-inputs, with research initiatives focused on decarbonization and precision agriculture.

- **Green Carbon Fertilizers:** Integrating biogenic CO₂ from sugarcane waste into urea production, reducing Scope 1 and 2 emissions in nitrogen-based fertilizers.
- **Bio-Stimulants & Microbial Fertilizers:** Researching natural, soil-enhancing alternatives that improve plant growth while minimizing environmental impact.
- **Smart Nutrient Formulations:** Developing controlled-release and nano-fertilizers that increase nutrient uptake efficiency and reduce chemical runoff.

Digital Transformation in R&D and Manufacturing

To scale sustainable innovations, we are integrating AI-driven process optimization and real-time analytics into our research and production operations.

- **AI-Powered Predictive Analytics:** Enhancing energy efficiency, waste reduction, and process automation.
- **Digital Twin Technology:** Simulating chemical reactions and production processes to optimize efficiency and reduce emissions.
- **Advanced Process Control Systems:** Enabling real-time adjustments to manufacturing variables, reducing resource consumption and operational costs.

Scaling Innovation Through Patents & Research Investments

Our R&D-driven approach is backed by significant investments in intellectual property, cutting-edge technology, and patent-protected solutions.

- ₹32.4 Crores invested in advanced R&D programs in FY 2025-26.
- 131 members dedicated scientific and engineering team.
- 154 Plant Variety Protection (PVP) registrations filed till date and 120 have been Granted
- 5 patents for Inventions granted in up to 52 jurisdictions each filed till date
- Life Cycle Assessment (LCA) for key products at Bharuch, Kota sites and Fenesta Business.

Research & Innovation for sustainable Agriculture

Shriram Farm Solutions (SFS) is constantly striving to bring innovative farm inputs to improve quality and quantity of farm output to enhance the wealth of the Indian farmers. The key focus of each innovation is on increasing ROI of farming community. Keeping these targets at the core of the new product innovations, SFS is investing on future ready farm inputs such as seeds of major cereal, oilseed, legumes crops, and Specialty Plant Nutrition products to mitigate the risk of climate change and to address the farmer’s challenges towards Nutrition Use Efficiency & water use efficiency.

Understanding the importance of tools and techniques that will equip the researchers to innovate differentiated products to address the needs and issues of Indian agriculture, and fast track the new product development, Shriram Farms Solutions has invested to establish the state of art ‘Centre for Advanced Plant Nutrition (CAPN)’. The facilities such as ‘Speed Breeding Unit’ and ‘Dihaploid Lab’ and mechanization at the research farms are created to reduce the new product development cycle of focused crops with great accuracy.

The training & orientation, and participation in the National and International conferences and Institutions keeping our scientist in sync with innovations and changing trends at global level.

Case Study 1



Shriram Farm Solutions Climate resilient high yielding proprietary wheat research program

With reducing sizes of land holdings, increasing population pressure, changing climatic & soil conditions, the need for stress resilient, high yielding, fortified food crops is the need of the hour. Shriram Farm solutions has been on the path of developing such futuristic crop varieties that suit the current challenges to agriculture & food security.

1.2 Million Farmers 225 Million USD Additional Farmer Income

Our Wheat R&D Program Focusses on



Climate smart high yielding varieties



Tolerance to salinity



Disease resistance



Fortified varieties –Zn, Fe and Protein

Case Study 2



Shriram Farm Solutions Biologicals & Plant Nutrition solutions addresses twin challenges

Excessive use of chemical fertilizers pollutes ground water & environment. With the moto of enhancing the soil health, SFS developed a differentiated holistic nutrition solution for fertigation segment called Driplt. It provides right amount of nutrition to the plant enhancing the yield & quality of the produce. These products are truly environment friendly. Erratic environmental changes creating the need to come out with solutions which addresses abiotic & biotic stresses along with soil health improvement. Our biological solutions enhances the soil health in terms of increasing the soil organic carbon content & soil porosity. These products makes fixed soil nutrients available to the plants.

Areas of research



Soil health improvement



Nutrition Use Water Use Efficiency



Abiotic & Biotic Stress management

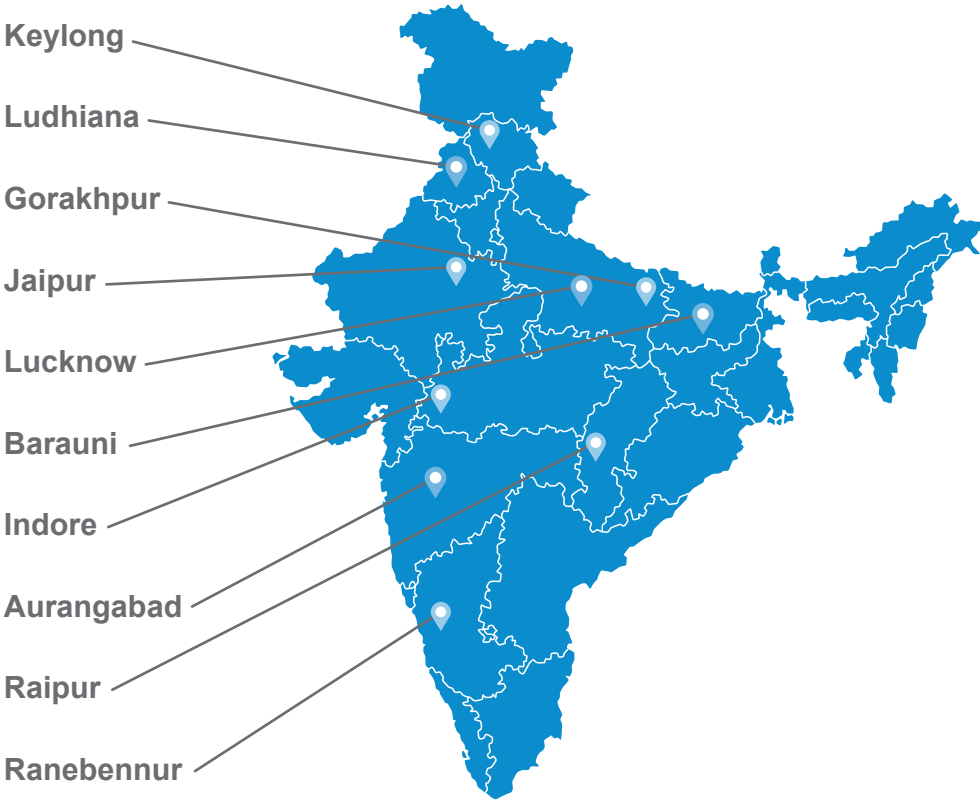


Climate resilience



Biofortification

Extensive Network of R&D Centers



Future Roadmap: Expanding Low-Carbon Innovation Across Sectors

- As we continue to drive low-carbon industrial transformation, our roadmap includes:
- Scaling bio-based chemical production to replace fossil-derived materials.
 - Advancing next-generation carbon capture and utilization (CCU) technologies.
 - Enhancing AI-driven digital research platforms for faster innovation cycles.
 - Strengthening partnerships with global research institutions to co-develop breakthrough sustainability solutions.

Through our world-class R&D infrastructure, extensive patent portfolio, and commitment to process innovation, DCM Shriram Ltd. is shaping the future of low-carbon manufacturing, sustainable chemistry, and industrial decarbonization. Our relentless pursuit of science-led, technology-driven sustainability is ensuring that we not only meet today’s environmental challenges but also create a cleaner, greener industrial landscape for generations to come.



Microbial Technology for Waste-to-Energy Conversion

DCM Shriram continues to strengthen its innovation capabilities through the development of advanced process technologies aimed at improving resource efficiency and sustainability outcomes. A key advancement during the year is the development of a proprietary microbial pre-treatment technology designed to enable the conversion of glycerine pitch, a complex industrial residue, into biogas. Developed at the Company's Innovation Centre in Vadodara, the process integrates enzymatic pre-treatment with a specially designed microbial consortium to enhance the biodegradability of the residue, followed by anaerobic digestion and gas purification. This represents a differentiated technological approach to addressing high-organic industrial waste streams. Pilot trials have demonstrated progressive improvement in process stability and microbial adaptation, with the system achieving over 94% reduction in organic load under optimized conditions. This initiative reflects DCM Shriram's focus on leveraging in-house research and process innovation to develop scalable, technology-led solutions that enhance operational efficiency while supporting long-term sustainability objectives.

Digitizing operational efficiency in HR Function

As part of its digital transformation agenda, DCM Shriram has implemented the Crown Document Management System (DMS) to enhance efficiency, data governance, and process standardisation within HR operations. Since its launch, the platform has enabled the digitisation of nearly 9,500 HR files and over 1.23 lakh documents across businesses, creating a structured and accessible repository of employee records. This transition from physical to digital workflows has streamlined document lifecycle management, improved retrieval efficiency, and strengthened data traceability and control. The initiative has resulted in an estimated annual saving of ~ 674 work-hours, allowing HR teams to focus on higher-value, strategic activities. Beyond operational efficiency, the initiative contributes to the Company's broader objectives of building a digitally enabled, agile, and resilient organisation.

Digitalization in Procurement

As part of our ongoing digitalization journey, we have implemented SAP Ariba to enhance transparency, efficiency, and accountability in our procurement processes. The platform enables standardized, traceable, and auditable interactions with suppliers, thereby strengthening oversight and promoting ethical business practices throughout the supply chain. The solution incorporates advanced functionalities such as e-auctions, facilitating competitive pricing and ensuring fair and transparent participation for all stakeholders. Looking ahead, the platform is being further evolved into a fully integrated vendor portal to enable seamless collaboration, improved communication, and enhanced visibility for supplier partners. This initiative reinforces the Company's commitment to responsible sourcing, digital enablement, and the development of a transparent and sustainable procurement ecosystem.



Natural Capital



Highlights for FY26

- Reduction in Specific Energy intensity by 7 % (TJ/ Lakh INR) compared to FY24-25.
- Reduction in Specific Energy intensity by 6 % (GJ/ t Production) compared to FY24-25.
- Reduction in Specific Water Withdrawal intensity by 7% (t/t Production) compared to FY24-25.
- More than 10 times Water conserved and harvested than consumed during the year
- Reduction in Specific Total Waste intensity by 12% (t/t Production) compared to FY24-25.
- Reduction in treated water discharged by 22% compared to FY24-25.

Short/medium-term priorities

- Non-fossil fuel sources of energy in the Energy mix
- Water conservation and groundwater recharging
- Waste minimization and zero waste to landfill
- Awareness on climate change and mitigation measures among stakeholders

Long-term priorities

- Nature based solutions for sequestration of CO2
- Adaptation and resilience through climate smart agriculture

08

Effective environmental stewardship is fundamental to safeguarding natural resources and ensuring long-term ecological and societal well-being. It provides a structured approach to minimizing environmental degradation, controlling pollution, and protecting ecosystems. By maintaining high standards of environmental management, organizations can reduce adverse impacts on air, water, and soil, thereby supporting public health and ecological balance. Such practices also enhance resilience against climate-related risks and contribute to sustainable development, enabling harmony between industrial activities and natural ecosystems.

At DCM Shriram, environmental sustainability is embedded within a structured framework aimed at systematically reducing the Company's environmental footprint. This approach is driven by robust management systems, clearly defined internal targets, and continuous stakeholder engagement, supported by strong governance mechanisms, including periodic reviews and audits. Accountability for environmental performance rests with individual Business Heads, who are responsible for responsibly mitigating impacts arising from their respective operations. Environmental performance is regularly reviewed by the top management as part of business performance evaluations, ensuring alignment with strategic priorities.

The Company has established a dedicated Business Responsibility and Sustainability Reporting (BRSR) core team, comprising the Whole-Time Director and senior leadership. This team oversees sustainability-related initiatives, evaluates environmental performance, and periodically updates the Board on key developments and progress.

Climate-related priorities, including decarbonization, energy efficiency, water conservation, and performance monitoring, are overseen by the BRSR core team and are integrated into business-level Key Result Areas (KRAs). These metrics are embedded across organizational levels, including business and functional leadership, ensuring accountability and alignment with sustainability goals.

DCM Shriram continuously monitors emissions across its operations and adopts best available technologies to minimize environmental impacts. The Company's strategy focuses on deploying advanced pollution control systems, improving energy efficiency, and enhancing resource recovery and reuse within operations. Investments in state-of-the-art equipment for reducing air pollution and process optimization enable reduction in emissions and support compliance with applicable environmental regulations across all operating locations. There were no instances of environmental non-compliance resulting in penalties reported during FY 26.

Management Systems

EHS Policy covering all sites and Businesses

ISO 14001 (Environment Management System) implemented at all sites.

Responsible Care implemented at Bharuch

Life Cycle Assessment as per ISO 14040/44 for products manufactured

Environmental Goals and Targets

During the year, we reaffirmed our commitment to sustainability by undertaking a pledge to achieve carbon neutrality by 2050.

In line with the Government of India's recently approved Nationally Determined Contribution (NDC) for 2031–2035, the Company is committed to aligning its sustainability pledge and strategic actions with national climate objectives.

Environmental Goals part of KRAs of Unit Head, Business Head and Whole Time Director

Environmental Performance review at site level, Business level and Board level on regular basis

Environmental Reporting

Monthly MIS shared with Corporate for public reporting

Internal / External audit of environmental Performance

Environmental performance disclosed in Sustainability Report and BRSR

Our Sustainability Pledge

DCM Shriram pledges to achieve a 40% reduction in Scope 1 & Scope 2 emissions by 2040 through improvement of energy efficiency measures and increased adoption of renewable power/agri-fuel based fuel sources.

In parallel, DCM Shriram shall continue to actively pursue practically feasible and economically viable technologies to decarbonize the broader value chain with the ambition of achieving carbon neutrality by 2050.



Embedding Life Cycle Thinking

Life Cycle Assessment (LCA) is a structured methodology used to evaluate the environmental impacts of a product across its entire life cycle. It systematically examines environmental aspects and potential impacts at each stage, from raw material extraction and production to usage and final disposal. The Company has previously undertaken LCA studies for key products manufactured at the Bharuch & Kota site, and during the current year, expanded this assessment to include products from Fenesta Business vertical. Going forward, the Company intends to extend LCA coverage to products from other manufacturing locations as well.

The Company adopts a **cradle-to-gate approach** as part of its Life Cycle Assessment (LCA) framework for products manufactured at Bharuch and Kota, while **cradle-to-grave approach** was adopted for products from Fenesta Business vertical, focusing on evaluating environmental impacts from raw material extraction through to the manufacturing stage and till end use. This approach enables a comprehensive understanding of process-level impacts and supports stakeholder alignment with the Company’s sustainability objectives across the value chain.

Environmental Performance

During the reporting year, the Company invested approximately **₹121 crore in ESG-related capital expenditure**, representing about **13% of total CAPEX**, reflecting its continued commitment to sustainable growth. In parallel, the Company is actively pursuing the registration of decarbonisation initiatives across multiple carbon registries. To date, approximately **0.323 million Carbon Offset Units (CoUs)** have been issued, with an additional **0.06 million CoUs** expected from projects currently under registration and verification.

Materials Circularity

DCM Shriram’s cement operations exemplify circular economy principles through effective waste utilization and resource efficiency. The cement unit, established using advanced technology from Lafarge Coppee Lavalin (France), was developed to address the challenge of managing hydrated lime sludge (calcium hydroxide), a by-product of acetylene production at the chemical plant.

Building on this, the Company has developed in-house capabilities to incorporate multiple industrial by-products, such as water treatment sludge, fly ash, and other process residues into cement and concrete manufacturing. At the Kota facility, cement formulations substitute conventional materials with **30-40% fly ash and 8-10% sludge**, enabling the production of lightweight concrete.

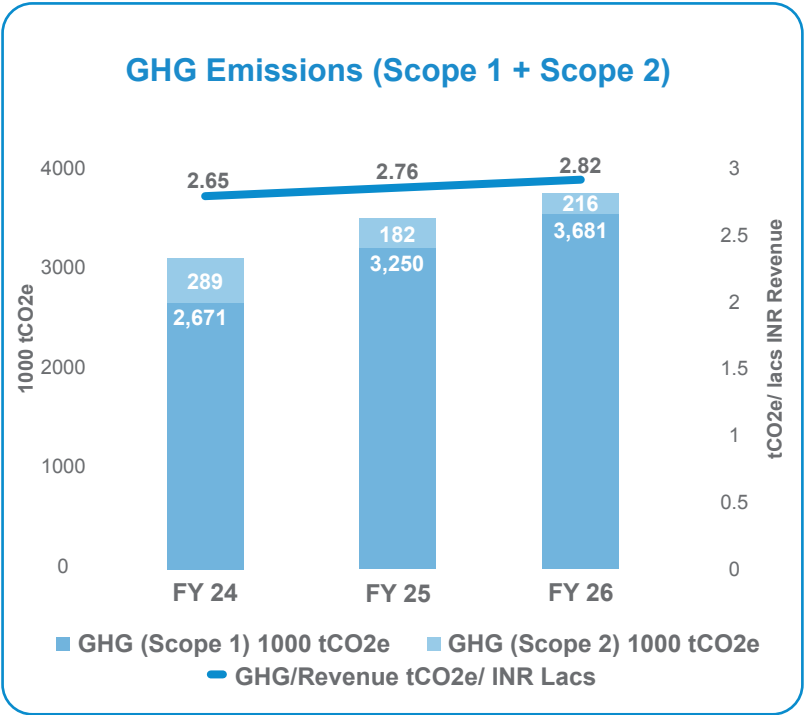
The use of fly ash not only promotes waste reutilization but also enhances product performance by improving strength, sulfate resistance, and workability, while reducing permeability and water consumption. Through these initiatives, the Company integrates environmental stewardship with the production of sustainable, lightweight construction materials suitable for applications such as road base layers and filling materials.

Actions Towards Circularity

- Investing in strengthening plastics recycling infrastructure
- Collaborating across the value chain to integrate hard-to-recycle plastics into circular systems
- Supporting communities in addressing waste management challenges while generating livelihood opportunities
- Enabling customers to design products with improved recyclability
- Expanding circular and renewable product portfolios
- Scaling up advanced recycling technologies

Below are the list of key raw materials

Item	Unit	2024-25	2025-26
Liquefied Natural Gas	MT	1,60,288	165,752
Lime	MT	1,21,305	1,26,139
Carbon Materials (Hard Coke/Pet Coke etc)	MT	77,680	78,238
Salt	MT	11,35,535	12,58,007
Gypsum	MT	34,499	33,021
Lime Stone (as CaO)	MT	2,45,622	2,48,350
Sugarcane	MT	53,47,719	47,28,336
TOTAL	MT	7,122,648	6,637,843



Note: Nos. updated after realignment of electricity purchased for FY24 and FY25.

Climate & GHG Emissions Management

During the reporting year, biogenic emissions amounted to 1,429,015 million tCO₂e, while the recharge of ozone-depleting substances (ODS), expressed as CFC-11 equivalent, stood at 383 MT. ODS emissions primarily arise from refrigerants used in air-conditioning and chiller systems.



GRI Standards	Particulars	UoM	FY24	FY25	FY26
GRI 302-1	Total Energy	TJ	46,546	50,675	51,957
GRI 302-3	Energy Intensity	TJ/ INR Lacs	0.042	0.041	0.038
		GJ/ MT	14.20*	14.73*	13.81
GRI 305-1	GHG (Scope 1)	tCO2e	2,671,015	3,250,234	3,681,249
GRI 305-2	GHG (Scope 2)	tCO2e	289,336**	182,301**	216,179
	Total GHG (Scope 1 + 2)	tCO2e	2,960,350	3,432,535	3,897,428
	GHG Intensity	tCO2e/ INR Lacs	2.65	2.76	2.82
		TCO2e/ MT	0.90*	1.00*	1.04
GRI 305-2	GHG (Scope 2) (Location Based)#	tCO2e	3,81,630	3,22,245	354,159

* Revised nos. based on inclusion of value-added products in Production quantity.

** Reclassification of scope-2 emission for electricity purchased at sugar units.

Location-based means average grid emission factors (national, regional, or subnational) for emissions from all sources in the grid mix (conventional and renewables, etc.)

Various energy efficiency initiatives resulted in decline of approx. 6% in the Energy Intensity (per ton physical output) as compared to previous reporting year. The Company uses the activity-based data from internal ERP systems and internal analysis reports or other standard analysis reports for calculation of energy consumption.

Building on this progress, DCM Shriram continued to advance its energy efficiency and low carbon transition agenda through a combination of renewable energy procurement, process optimisation, equipment modernisation, and operational efficiency initiatives across its manufacturing facilities. Multiple energy efficiency interventions were implemented across the Caustic Soda, Fertilizer, PVC, Power, Cement, and Sugar businesses, including re-coating and re-membraning of electrolyzers, replacement of inefficient motors with energy efficient alternatives, installation of Variable Frequency Drives (VFDs), optimisation of cooling water systems, enhancement of boiler combustion efficiency, and improvements in electrostatic precipitator operations. The Company also operationalised a 12 TPD Compressed Biogas (CBG) plant at Ajbapur using pressmud generated from sugar operations, supporting circular resource utilisation and reduction in fossil fuel dependency. In addition, recycling of uPVC fabrication waste enabled conservation of virgin raw materials, further strengthening resource efficiency across manufacturing operations. The Company also started the process to estimate the Internal Carbon Price (ICP) which will be used in assessing the financial impact of the carbon in the new capex. These initiatives demonstrate DCM Shriram's continued alignment with the principles of energy conservation, operational optimisation, and climate action in accordance with its broader sustainability strategy.

The Company continues to strengthen its decarbonisation pathway through renewable energy adoption. It currently sources up to 50.4 MW of wind-solar hybrid power through a special purpose vehicle (SPV) with ReNew Power, mitigating approximately 127,360 tCO₂e annually. Also, 68 MW wind-solar hybrid power through a special purpose vehicle (SPV) with JSW Energy also

commenced from May 2026.

Further, in March 2026, DCM board has approved a strategic investment of ₹217 crore to significantly expand renewable energy capacity at the Bharuch manufacturing facility of DCM Shriram Chemicals. This project will add approximately 48 MW of clean, reliable power to the site, enabling a structural shift in how the facility meets its long-term energy needs. By prioritizing renewables in its energy mix, the company is embedding resilience into operations, reducing exposure to conventional power volatility, and aligning with its broader climate and sustainability commitments. The expansion is targeted for completion by June 2027 and underscores the belief that operational excellence is defined not only by what is produced, but by how consistently and responsibly it is powered. This initiative, framed under the company's "Equations of Excellence" ethos, reflects a conscious enterprise approach that links sustainable growth with delivering solutions that are better for customers, communities, and the environment.

Collectively, these initiatives contributed to significant energy savings and greenhouse gas emission reductions of 2.41 million tCO₂e across operations while improving process efficiency, energy intensity, and operational reliability.

Ongoing afforestation efforts included plantation of 73,000 trees and 0.75 million mangrove during the year. Cumulatively, 0.7 million trees and 1 million mangrove plantations in Gujarat over the past three years.

Scope 3 Applicable Categories#		FY24-25 (tCO2e)	FY25-26 (tCO2e)
Cat - 1	Purchased Goods & Services	1,255,565*	1,243,486
Cat - 2	Capital Goods	57,875	25,439
Cat - 3	Fuel & Energy	639,342*	734,130
Cat - 4	Upstream T&D	30,399	28,023
Cat - 5	Waste	22,686*	21,829
Cat - 6	Business Travel	2,354	2,580
Cat - 7	Employee commute	6,316	6,703
Cat - 8	Upstream Leased Assets	Included in Cat-1	Included in Cat-1
Cat - 9	Downstream T&D	22,569	21,065
Cat - 11	Use of Sold Products	13,66,291	13,61,106
Total		34,03,398*	34,44,362

*Restated based on reclassification of categories.

#SCOPE-3: Emissions considered for estimation: (Category 1 to 9 and Category 11)

Emission Factor reference: LCA database of products using SimaPro & Gabi Software

Intergovernmental Panel on Climate Change (IPCC) Department for Environment, Food and Rural Affairs (DEFRA) Central Electricity Authority (CEA)

US Environmentally-Extended Input-Output (EEIO)

Scope 3 emissions for the reporting year were 3,444,362 million tCO₂e, with Scope 1, 2 and 3 emissions independently assured using globally accepted methodologies, including IPCC, CEA, DEFRA and EEIO frameworks.

Air Quality Management

The Company has implemented a comprehensive air quality management framework focused on monitoring, control, and continuous improvement. Regular ambient and stack emissions monitoring ensures compliance with standards prescribed by the Central Pollution Control Board (CPCB). Advanced and environmentally efficient technologies (like Bag Filters, Electrostatic Precipitators (ESPs) etc.) are deployed across operations to minimize emissions and maintain air quality.

GRI Standards Reference	Air Emissions Intensity KPI	UoM	FY24*	FY25*	FY26
GRI 305-7	PM/ Production	Kg/ MT	0.51	0.55	0.46
	Sox/ Production	Kg/ MT	0.56	0.63	0.54
	Nox/ Production	Kg/ MT	0.74	0.79	0.72

* Revised nos. based on inclusion of value-added products in Production quantity.

Low-Carbon Energy Transition

The Company continues to support India’s clean energy transition through its **Ethanol Blending Program**, with an installed production capacity of 180 million litres per annum. Ethanol supplied for fuel blending contributes to reduced fossil fuel dependency and lower carbon emissions. In parallel, circular energy solutions are being followed through the **CBG project at Ajbapur (12 TPD capacity)**, which utilizes press-mud, a waste from sugar industry to generate renewable energy, reinforcing circular economy principles.

Water Stewardship & Efficiency

Water resource management is integral to the Company’s sustainability strategy, with targets embedded in business plans and regularly reviewed by senior leadership as part of climate action initiatives.

GRI Standards Reference	Water Withdrawal by Source	UoM	FY24	FY25	FY26
GRI 303-2, GRI 303-4, GRI 303-5	Third Party Water (Municipal Water)	Million m3	11.29	12.72	12.90
	Ground Water	Million m3	2.00	1.99	1.78
	Surface Water (Rainwater)	Million m3	0	0	0.15
	Water Withdrawal	Million m3	13.29	14.71	14.83
	Water Discharged	Million m3	2.41	2.29	1.79
	Water Consumption	Million m3	10.88	12.42	13.04
Management KPI	Freshwater Withdrawal Intensity**	KL/ INR Lacs	11.90	11.83	10.64
		KL/ MT	4.05*	4.28*	3.90

* Revised numbers based on inclusion of value-added products in Production quantity.
**Excluding Surface Water



Collaborative programs with institutions such as **ICAR–Indian Institute of Sugarcane Research and IFC** have enabled the adoption of efficient irrigation practices. These initiatives contributed to a **8% reduction in water withdrawal intensity** during the year. The water withdrawal for sites using ground water is calculated through the actual data from the water meters installed at each borewells and for other sites through the water bill provided by the related agencies.While overall water intensity increased due to construction and expansion activities, significant improvements were achieved through recycling and reuse, resulting in a **22% reduction in water discharge**. The Company complies with quality parameters as prescribed by the regulatory agencies. Various digital systems are installed to monitor the quality of the effluent discharges. As per GRI Standards, the total water discharge falls under the Freshwater category.

- Key practices include:
- Reuse of excess process water from sugar operations for irrigation and plant use
 - Treatment and reuse of sewage and effluent for greenbelt and agricultural applications
 - Achieving **Zero Liquid Discharge (ZLD)** at distillery units (Ajbapur, Hariawan)
 - Commissioning of RO systems and advanced effluent treatment plants, including a facility at Bharuch capable of recycling **80% of treated water**

The Company achieved a water-positive status, conserving **10 times more water than consumed**, validated through independent assurance aligned with ISO 14046 standards.

Responsible Waste Management

The Company ensures safe handling, storage, and disposal of hazardous waste in compliance with all applicable regulatory standards. Dedicated infrastructure is in place across manufacturing units to minimize environmental and occupational risks. Hazardous waste is disposed of through authorized recyclers and processors approved by CPCB and SPCB, with only a fraction (~4% of total waste) directed to landfills. Established procedures ensure responsible waste management across operations.

GRI Standards 306-2		FY23-24	FY24-25	FY25-26
Hazardous Waste				
Waste diverted from disposal	(MT)	482*	1,137**	690
Waste directed to disposal	(MT)	35*	447	948
Non-Hazardous Waste				
Waste diverted from disposal	(MT)	6,59,664*	7,33,168	695,892
Waste directed To disposal	(MT)	32,197	31,831	33,134

*Reclassification of the waste category based on disposal
**Restated no. due to typographical error

Biodiversity Conservation and Ecosystem Protection

DCM Shriram has institutionalized biodiversity conservation through a dedicated policy focused on preserving ecosystems and minimizing ecological impacts. The policy guides the identification of nature-related risks and opportunities, development of site-specific management plans, and promotion of nature-positive practices across operations and supply chains.

The Company has been a signatory to the India Business & Biodiversity Initiative (IBBI) since 2014 and reaffirmed its commitment in 2024 by aligning with the Global Biodiversity Framework (GBF).

- Regular biodiversity assessments indicate:
- No operations located in ecologically sensitive or protected areas
 - No reported impact on endangered or protected species
 - Presence of diverse migratory and resident bird species in greenbelt and water conservation areas

Over the past seven years, the Company has undertaken plantation of approximately 73000 native trees, strengthening local ecosystems and enhancing biodiversity.

Managing Nature Related and Biodiversity Risks: Towards TNFD Alignment

Nature and biodiversity are increasingly recognised as critical enablers of long-term business resilience. For a diversified manufacturing group such as DCM Shriram, whose operations are closely linked with land, water, energy and raw material systems, understanding and managing nature related dependencies, impacts, risks and opportunities is an important part of strengthening enterprise sustainability.

In this context, DCM Shriram acknowledges the importance of the Taskforce on Nature related Financial Disclosures (TNFD) framework. TNFD provides a structured, science based approach to help organisations identify, assess and disclose nature related issues in a manner that supports informed decision making by investors, lenders and other stakeholders. The framework is designed to complement existing climate related disclosures, particularly those aligned with the Task Force on Climate related Financial Disclosures (TCFD) and extends the risk lens to cover broader nature related considerations.

During the current reporting period, DCM Shriram has initiated preparatory steps to align with the TNFD framework. This includes building internal awareness on nature related risks and opportunities across key business segments and undertaking a preliminary assessment of how the company’s operations interact with natural capital such as water, land, soil health and biodiversity. These early efforts are intended to establish a baseline understanding of the company’s most material nature related interfaces across its most critical operational sites.

As part of its TNFD preparation, the Company is evaluating the applicability of the TNFD’s LEAP approach-Locate, Evaluate, Assess and Prepare-across its selected high risk operational locations. This ongoing work is expected to support the identification of priority geographies and ecosystems where dependencies and impacts on nature may be most significant. The outcomes of these assessments will help inform future risk management practices, operational planning and sustainability initiatives. Governance and internal processes for nature related matters are also reviewed and in alignment with the broader ESG framework of the Company. DCM Shriram aims to integrate nature related considerations into existing risk management and decision making processes over time, ensuring consistency with its overall sustainability strategy and regulatory obligations.

DCM Shriram intends to develop and publish a dedicated TNFD aligned disclosure in its next reporting cycle. The forthcoming TNFD report is expected to outline the Company’s governance structures, strategy, risk management processes, and metrics and targets related to nature related risks and opportunities, in line with the TNFD recommendations. Drawing on insights from the current assessment, the Company plans to progressively extend the scope of evaluation to other material operational and value chain sites in subsequent reporting cycles. This phased approach reflects the Company’s commitment to responsible and credible reporting, supported by robust data and internal capabilities.

Through this journey, DCM Shriram seeks to enhance transparency, strengthen resilience to emerging nature related risks, and contribute positively to the conservation and sustainable use of natural resources while creating longterm value for stakeholders.



Task Force on Climate-related Financial Disclosure (TCFD)

Climate change presents a complex and evolving landscape of risks and opportunities for DCM Shriram, given the scale and diversity of its operations across Chloro-Vinyl, Agri-rural (Sugar, Fertilizers, and Bioseed), and Fenesta (Building Systems) businesses. These risks manifest through a range of physical disruptions such as extreme heat, water stress, cyclonic activity, and unpredictable rainfall patterns-as well as transition challenges linked to policy shifts, changing energy costs, and evolving customer and investor expectations. At the same time, the Company is strategically positioned to benefit from emerging opportunities in biofuel production, low-carbon building materials, and sustainable agriculture.

Operating across geographies that are increasingly vulnerable to climate hazards-including Rajasthan, Gujarat, Uttar Pradesh, and coastal Tamil Nadu. DCM Shriram recognizes the critical need to build resilience at both corporate and site levels. Climate risks are no longer hypothetical; they are already influencing input availability, operational efficiency, and supply chain stability. To navigate this shift, the Company has committed to embedding climate considerations into enterprise strategy, capital planning, and operational management.

Recognizing the strategic importance of climate resilience, DCM Shriram has adopted a structured five-step approach to evaluate climate-related risks and opportunities across three-time horizons. This analysis is grounded in globally recognized methodologies-leveraging IPCC Representative Concentration Pathways (RCPs) to assess physical risks and NGFS (Network for Greening the Financial System) scenarios to evaluate transition pathways-and enables forward-looking planning across all major manufacturing and agri-operational sites.

In FY 25, DCM Shriram formally adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) now consolidated under the IFRS S2 Climate-related Disclosures Standard issued by the International Sustainability Standards Board (ISSB). This move marks a significant step in enhancing transparency, comparability, and accountability in how the Company identifies, manages, and responds to climate-related financial risks and opportunities.

To operationalize this commitment, DCM Shriram has structured its climate disclosures around the four core pillars of the TCFD framework.

DCM Shriram has established a comprehensive governance framework to oversee climate-related risks and opportunities. Climate governance is embedded at the highest levels, with the Board Risk Management Committee (RMC) providing strategic oversight of environmental and climate-related issues. The Committee regularly reviews key climate risks, emerging regulatory expectations, and the Company's progress on sustainability goals.

This multi-tiered governance ensures DCM Shriram is well-positioned to navigate climate challenges and lead in the transition to a low-carbon economy through resilient operations and climate-smart investments.

To ensure the Company stays ahead of evolving climate expectations:

- Climate considerations are integrated into annual risk reviews and business continuity planning.
- ESG performance is linked to key managerial incentives.
- The Company conducts regular scenario analysis to evaluate long-term climate exposure and resilience.

Management's Role in Assessing and Managing Climate-Related Risks and Opportunities

The management of climate-related risks and opportunities at DCM Shriram is led by the Group Management Board (GMB), which ensures strategic alignment across business units. The Corporate Sustainability Team, under the Whole Time Director - EHS and supported by business/ functional heads, are responsible for integrating climate considerations into operational and investment decisions. This includes overseeing climate scenario analysis, emissions accounting, target-setting, and ESG data disclosures. Business unit heads are accountable for the identification and execution of mitigation and adaptation strategies relevant to their operations, such as energy efficiency projects, water stewardship, waste management and low-carbon product innovation. Progress on these actions is tracked through quarterly management reviews and reported to the Risk Management Committee and Board.

Climate-related responsibilities are further reinforced through a mix of monetary and non monetary incentives across different levels of the organisation. At the senior management level, including the Whole Time Director, Business Heads and other key managerial personnel, climate-related and broader ESG priorities are embedded within Key Result Areas (KRAs) and linked to the variable component of performance-linked compensation. At the business unit and site management level, Unit Heads and relevant operational managers are responsible for the regular supervision and execution of site-specific climate initiatives, including energy efficiency, water stewardship, waste management, renewable energy adoption and emissions reduction actions, with performance against these responsibilities considered as part of annual performance evaluation and related incentives. At the employee level, junior employees and shop-floor teams support the day-to-day implementation of climate-related initiatives through adherence to operating procedures, resource-efficiency practices, waste minimisation and environmental compliance measures. Their contributions are encouraged through non-monetary recognition mechanisms such as internal awards, appreciation certificates, recognition in team forums and other engagement-based incentives.

A comprehensive climate risk assessment was undertaken in FY 25, encompassing both physical and transition risks across all key manufacturing sites. Aligned with IPCC climate projections and NGFS transition pathways, the assessment has informed enterprise-wide strategic planning, strengthened our business continuity protocols, and guided mitigation measures at both the site and corporate levels.

DCM Shriram Ltd. has embedded climate considerations into its core business strategy, aligning with IPCC and NGFS scenario pathways to evaluate risks and opportunities across short, medium, and long-term horizons. Climate-related risks-such as heat stress, water scarcity, regulatory transitions, and stakeholder expectations are integrated into decision-making at the segment level. Strategic assessments have revealed both physical vulnerabilities across major operational locations, including sites exposed to water scarcity, heat stress, and precipitation variability, and transition opportunities across sectors such as green ethanol, bio-based agri-inputs, and sustainable building materials.



Process for identifying and assessing climate-related risks

DCM Shriram follows a structured five step approach to identify and assess climate related risks, supporting long term strategic planning and resilience. The process begins by defining the boundaries of assessment and identifying key physical risk areas such as extreme temperatures and precipitation. Indicators relevant to each risk area are selected based on industry research, peer benchmarks, and secondary sources. These indicators are then projected under multiple climate scenarios using models like RCP (Representative Concentration Pathway) and SSP (Shared Socioeconomic Pathway) to understand potential future impacts. Risk is evaluated for its severity and expected timeframe, helping prioritize response actions. Finally, mitigation strategies are developed in collaboration with management and integrated into the company's broader business continuity planning. To support implementation of its climate adaptation and resilience measures, DCM Shriram applies a time horizon based approach for prioritising response actions across short, medium and long term periods. In the short term, i.e., less than 3 years, the focus is on immediate risk areas, including acute physical risks such as floods, heatwaves, cyclonic activity and unpredictable rainfall patterns, as well as urgent transition risks linked to policy shifts, changing energy costs and evolving customer and investor expectations, including potential carbon pricing mechanisms and current regulatory compliance requirements. In the medium term, i.e., 3 to 10 years, the Company focuses on chronic physical risks such as rising mean temperatures, shifts in precipitation patterns, increased variability in weather conditions and increasing water stress, along with evolving transition risks including enhanced emission reporting obligations, stricter emission limits and efficiency targets, emerging regulations, technology shifts and market changes. In the long term, i.e., more than 10 years, the Company considers sustained climate impacts and broader structural transition risks, including long term climate related disruptions, resource availability constraints, stranded asset risks, compliance costs, reputational concerns and comprehensive regulatory transformations. This approach ensures that climate risks are systematically captured, analyzed, and addressed across the organization.

Approach to Risk Matrix

DCM Shriram uses a structured risk quantification methodology to assess climate-related risks at both the business unit level and the overall organizational level. This approach helps prioritize mitigation efforts and supports strategic planning.

Risk Quantification Scale

Description	Implication
Low	Minimal or no adverse physical risk
Medium	Significant impact on the business operations
High	Severe impact on the business operations

Risk Quantification at the Business Level

Each business unit evaluates its climate-related risks using the following formula:

Risk Score (Business Level) = Possibility of Occurrence × Potential Impact Level

- **Possibility of Occurrence:** Likelihood of the risk event occurring, based on scenario analysis.
- **Potential Impact Level:** Severity of the impact under modeled scenarios.

Overall Risk Quantification

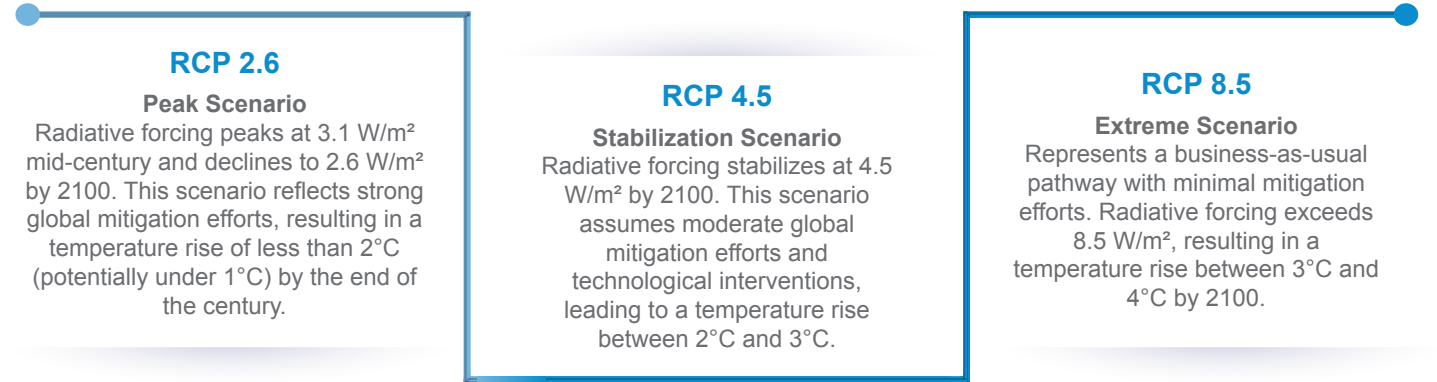
At the group level, risks are aggregated using the following formula:

Risk Score (Overall) = Weightage × Risk Impact

- **Weightage:** Proportional to each business unit's revenue contribution.
- **Risk Impact:** Estimated severity of the impact.

Physical Risk

DCM Shriram uses the IPCC's Representative Concentration Pathways (RCPs) to assess physical climate risks. The selected physical risk scenarios are widely recognized and adopted by the IPCC, providing a robust framework for assessing climate impacts.

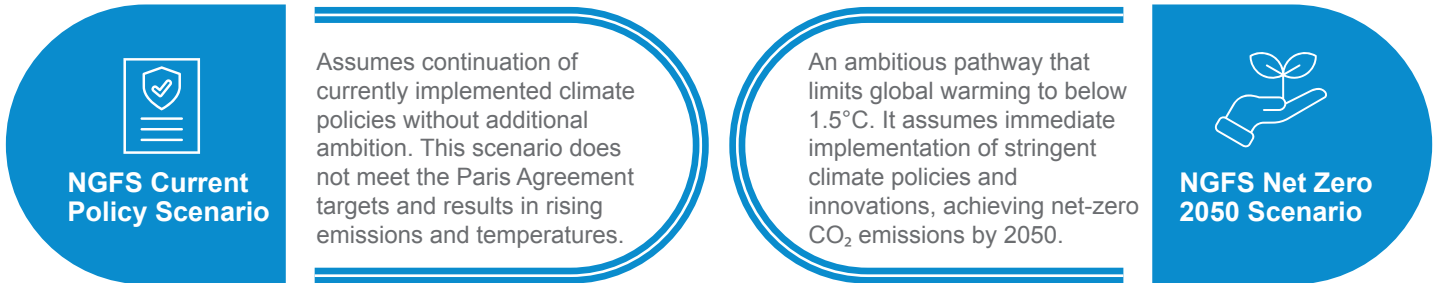


Time Horizons for Physical Risk

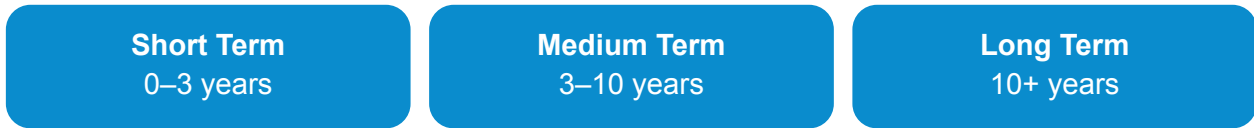


Transition Risk

Transition risks are assessed using scenarios developed by the Network for Greening the Financial System (NGFS). The transition risk scenarios reflect varying degrees of policy ambition and technological advancement, helping DCM Shriram evaluate strategic responses under different regulatory and market conditions.



Time Horizons for Transition Risk.



Climate-Related Physical risks

DCM Shriram has undertaken a comprehensive assessment of physical climate risks across its operational locations. This includes evaluating both acute and chronic risks under multiple climate scenarios, including RCP 2.6, RCP 4.5, and RCP 8.5. Acute risks refer to the increased severity and frequency of extreme weather events such as floods and heatwaves, which can cause immediate disruptions to operations and infrastructure. Chronic risks, on the other hand, involve long-term changes such as shifts in precipitation patterns, increased variability in weather conditions, rising mean temperatures, and sea level rise. These risks were analyzed using historical climate data and future projections to understand their potential impact on business continuity, asset resilience, and supply chain stability. This assessment forms a critical part of DCM Shriram’s climate strategy and informs its adaptation and mitigation planning.

Physical Risks under RCP 2.6, RCP 4.5 and RCP 8.5

Low Medium High

CHEMICAL AND VINYL BUSINESS						
Time Horizon	RCP 2.6	Risk Description	RCP 4.5	Risk Description	RCP 8.5	Risk Description
Short		Heat Waves		Heat Waves		Heat Waves
Medium		Water Stress		Water Stress		Water Stress
Long		Change In Temperature		Change In Temperature		Change In Temperature

Operations

- Due to the nature of the chemical industry, water stress can disrupt operations and result in higher costs for third-party water, thereby increasing overall operational expenses.
- Extreme heat stress can reduce labor productivity and drive up the demand for air conditioning, resulting in increased energy consumption in factories and office level.

Health and Safety

- Staff may find it challenging to work in open spaces due to heat, as heatwaves are leading causes of weather-related illness and death. These conditions will directly affect the health of both staff and the surrounding community.

Boundary: The scope of the assessment includes the Chemicals & Vinyl, ALCAL Plant, Cement, and Fertilizers business and manufacturing operations located in Kota and Bhiwadi in Rajasthan, and Bharuch, Gujarat



AGRI RURAL BUSINESS						
Time Horizon	RCP 2.6	Risk Description	RCP 4.5	Risk Description	RCP 8.5	Risk Description
Short		Change in Temperature		Change in Precipitation		Change in Temperature
Medium		Change in Temperature		Change in Temperature		Change in Temperature
Long		Change in Precipitation		Change in Precipitation		Change in Precipitation

Operations

- Extended exposure to heat from rising temperatures and an increased number of hot days is likely to affect crop yields.
- Intense rainfall can affect sugarcane yield and production capacity, leading to temporary supply chain disruptions.

Boundary: The scope of the assessment includes the agriculture and bioseed business and manufacturing operations located in Ajbapur, Rupapur, Hariawan & Loni

Health & Safety

- A decline in yield and the risk of crop damage can adversely affect the farming community.
- Prolonged temperature increases may harm farmers' health due to extended exposure in the fields.

FENESTA AND OTHER BUSINESSES						
Time Horizon	RCP 2.6	Risk Description	RCP 4.5	Risk Description	RCP 8.5	Risk Description
Short		Heatwaves		Heatwaves		Heatwaves
Medium		Heatwaves		Cyclone		Heatwaves
Long		Heatwaves		Cyclone		Cyclone

Operations

- In long term, There is a significant risk of cyclone-related damage, which can halt on-site work for unpredictable durations. This disruption can cause operational delays and ultimately result in revenue loss.

Boundary: The scope of the assessment includes Fenesta, with manufacturing operations located in Kota, Bhiwadi, Hyderabad, Chennai, and Bhubaneswar, as well as other businesses (Cement) located in Kota.

Health & Safety

- Staff may find it challenging to work in open spaces due to heat, as heat waves are leading causes of weather-related illness and death. These conditions will directly affect the health of both staff and the surrounding community.

Results of Physical Risk Assessment

Chemical and Vinyl Business	Short Term	Medium Term	Long Term
	High probability of heatwaves across all scenarios.	Increasing water stress, particularly under RCP 4.5 and RCP 8.5.	Significant rise in average temperatures, impacting operational efficiency and labor productivity.

Agri-Rural Business	Short Term	Medium Term	Long Term
	Rising temperatures and precipitation variability under RCP 4.5 and RCP 8.5 may affect crop yields and farmer health.	Continued temperature rise and increased rainfall intensity pose moderate risks to production.	High-intensity rainfall events and prolonged heat exposure could lead to supply chain disruptions and reduced agricultural output.

Fenesta and Other Businesses	Short Term	Medium Term	Long Term
	Heatwaves are projected to intensify, especially in Hyderabad and Chennai.	Cyclone risks increase under RCP 4.5 and RCP 8.5, threatening infrastructure and operations.	Cyclone-related damage could result in significant operational delays and financial losses.

This assessment underscores the need for targeted mitigation strategies, including infrastructure upgrades, water management systems, and workforce safety measures, to enhance resilience across DCM Shriram’s operations.



Climate-Related Transition Risks

DCM Shriram’s transition risk assessment under the NGFS Current Policies and Net Zero 2050 scenarios highlights significant exposure to Policy & Legal and Market Risks across its core business units.

As global climate dynamics evolve, DCM Shriram must prepare for transition risks that arise from policy, market, and technological shifts toward a low-carbon economy. Two key scenarios help frame these risks:

- Current Policies Scenario (CPS): This pathway assumes that existing climate policies remain unchanged, with no increase in ambition. Under CPS, emissions continue to rise, leading to a breach of the 1.5°C global temperature threshold. For DCM Shriram, this scenario implies limited regulatory pressure in the short term but heightened long-term risks from climate-related disruptions and reputational concerns.
- Net Zero 2050 Scenario: This scenario envisions global CO₂ emissions reaching net-zero by 2050, with some regions achieving net-negative emissions to offset others. It reflects a future of aggressive decarbonization, requiring rapid adaptation in energy sourcing, production processes, and supply chains. For DCM Shriram, this scenario presents both risks such as stranded assets and compliance costs and opportunities in green innovation and sustainable growth.

Assessing Transition Risks

CHEMICALS AND VINYL BUSINESS				
Time Horizon	NGFS Current Policies	Risk Description	NGFS Net Zero 2050	Risk Description
Short		Policy and Legal		Policy and Legal
Medium		Policy and Legal		Policy and Legal and Market
Long		Market		Policy and Legal and Market

Policy and legal

- Increased operational costs due to carbon pricing, potential need for process and system changes.
- Increase in capital investment for installing energy efficient equipment’s and setting up of energy efficient operational methodologies.

Market

- The change in prices of raw materials such as coal, biomass, and electricity is expected as stricter rules for coal will be implemented, resulting in increased costs of raw material. During heavy monsoon, coal shortage has also been observed in India.
- Oil prices are expected to increase in all scenarios by 2050.
- In India, coal consumption is expected to increase from 22.38 EJ/Yr in 2025 to 34.13 EJ/Yr by 2030, resulting in a 50% rise.
- By 2050, biomass prices will increase significantly and exceed oil prices.
- By 2050, renewable and biomass are expected to deliver above 80% of global primary energy, leading to a high focus on the transition to renewable from coal.

Boundary: The scope of the assessment includes the Chemicals & Vinyl, ALCAL Plant, Cement, and Fertilizers business and manufacturing operations located in Kota and Bhiwadi in Rajasthan, and Bharuch, Gujarat

AGRI RURAL BUSINESS				
Time Horizon	NGFS Current Policies	Risk Description	NGFS Net Zero 2050	Risk Description
Short		Policy and Legal		Policy and Legal
Medium		Policy and Legal		Policy and Legal and Market
Long		Market		Policy and Legal and Market

Policy and legal

- Increased operational costs due to carbon pricing, potential need for process and system changes.
- Increase in capital investment for installing energy efficient equipment’s and setting up of energy efficient operational methodologies.

Market

- Consumers prefer products with reduced sugar, opting for artificial and natural sweeteners.
- The sugar-free market is projected to reach \$65.31 billion by 2029, growing at a CAGR of 6.2%.
- Traditional sugar replacement will be significant due to shifting consumer preferences and market demand.
- Growing climate change awareness is driving demand for low-emission cement and influencing market trends.
- Declining demand for current products and rising raw material costs highlight the need for portfolio diversification into the low-carbon cement sector.

Boundary: The scope of the assessment includes the Sugar & Distillery and Bioseed business and manufacturing operations located in Hyderabad, Ajbapur, Rupapur, Hariawan & Loni, respectively.

FENESTA AND OTHER BUSINESSES				
Time Horizon	NGFS Current Policies	Risk Description	NGFS Net Zero 2050	Risk Description
Short		Policy and Legal		Policy and Legal
Medium		Policy and Legal		Policy and Legal and Market
Long		Market		Policy and Legal and Market

Policy and legal

- Increase in capital investment for installing energy-efficient equipment’s to decrease the thermal energy intensity of clinker.
- Increased operational costs due to carbon pricing, potential need for process and system changes.

Market

- Increasing awareness about climate change impact is expected to influence the market leading to low impact.
- The global demand for recycled aluminum is on the rise. In the NGFS Net Zero 2050 scenario, there is a potential risk of coal prices increasing due to various taxes and penalties imposed on fossil fuels. Additionally, there is a threat of losing market share to competitors who utilize greener products for raw materials.

Boundary: The scope of the assessment includes Fenesta, with manufacturing operations located in Kota, Bhiwadi, Hyderabad, Chennai, and Bhubaneswar, as well as other businesses (Cement)



Results of Transition Risk Assessment

DCM Shriram's transition risk assessment under the NGFS Current Policies and Net Zero 2050 scenarios highlights significant exposure to Policy & Legal and Market Risks across its core business units.

Policy & Legal Risks

Under both scenarios, regulatory developments pose substantial risks, particularly in the Chloro-Vinyl, Cement, Fertilizer, and Agri-business segments:

Carbon Pricing Impact: By 2030, the estimated financial impact of carbon pricing mechanisms is projected to be substantial. Regulatory Compliance: Businesses will need to adapt to enhanced emission reporting obligations and mandatory carbon offsetting programs. These changes will require significant capital investment in energy-efficient technologies and operational restructuring.

Sector-Specific Mandates: The fertilizer and cement sectors are expected to face stricter emission limits and efficiency targets, with implications for production processes and cost structures.

Market Risks

Market dynamics are shifting rapidly in response to climate goals and consumer preferences:

Raw Material Cost Volatility: Under the Current Policies scenario, rising costs of coal, biomass, and electricity are expected due to supply constraints and regulatory pressures. By 2050, biomass prices may surpass oil, emphasizing the need for energy diversification.

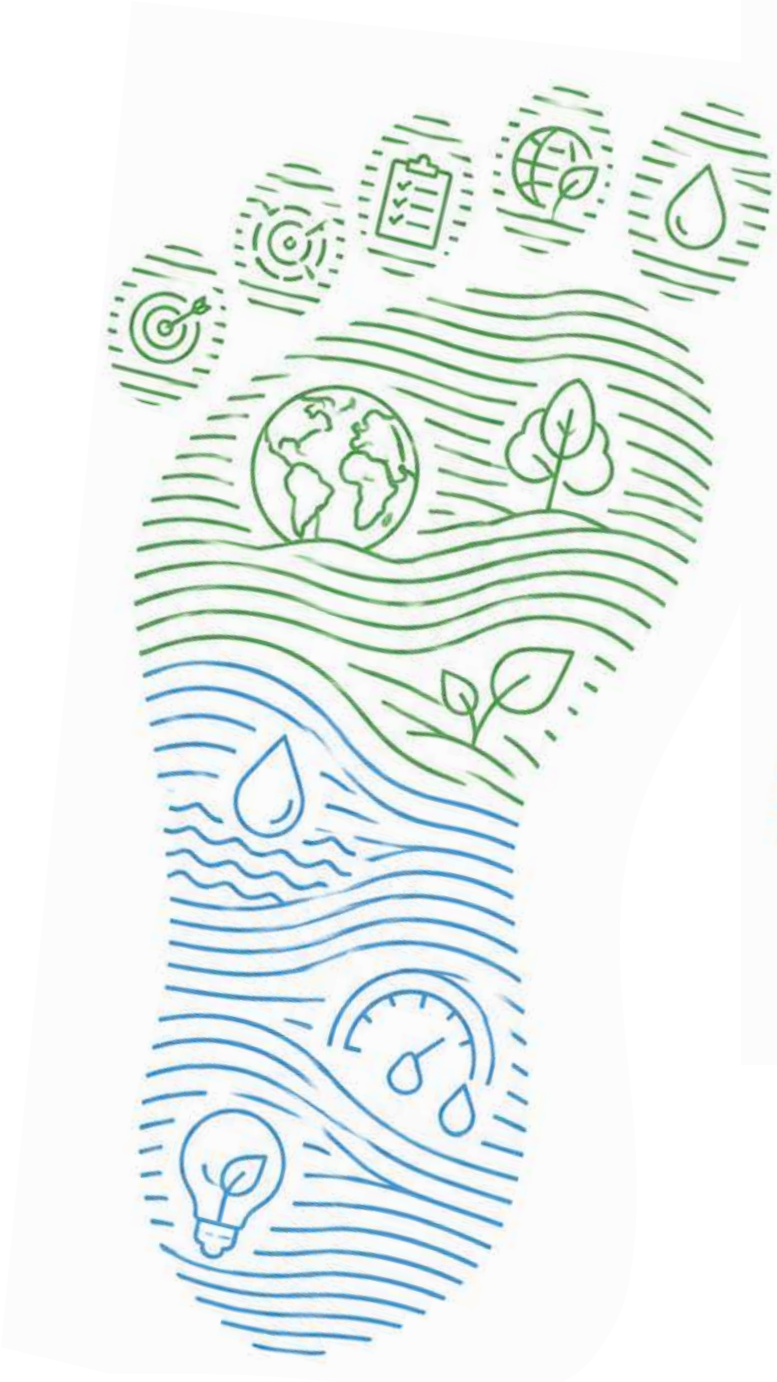
Consumer Preference Shifts: In the Agri-business, demand for sugar-free and low-emission products is accelerating. The sugar-free market is projected to reach \$65.31 billion by 2029, potentially impacting traditional product lines.

Competitive Pressure: In the Fenesta and Cement businesses, market share risks emerge from competitors adopting greener technologies and materials, such as recycled aluminum and low-carbon cement blends.

Metrics and Targets

DCM Shriram has embedded climate-related risks and opportunities across its financial, operational, technological, and ESG frameworks. To monitor and manage these impacts effectively, we utilise a broad set of metrics that reflect both current performance and future projections. In support of our net-zero ambition, we have defined clear emission reduction targets that guide our sustainability efforts. These targets are central to our climate risk management strategy, helping us mitigate environmental impact while enhancing resilience against climate-related challenges.

We track key climate metrics, including GHG emissions, water stress levels, and energy consumption. Targets are aligned with national climate goals and reviewed periodically. These metrics guide operational decisions and long-term sustainability planning.



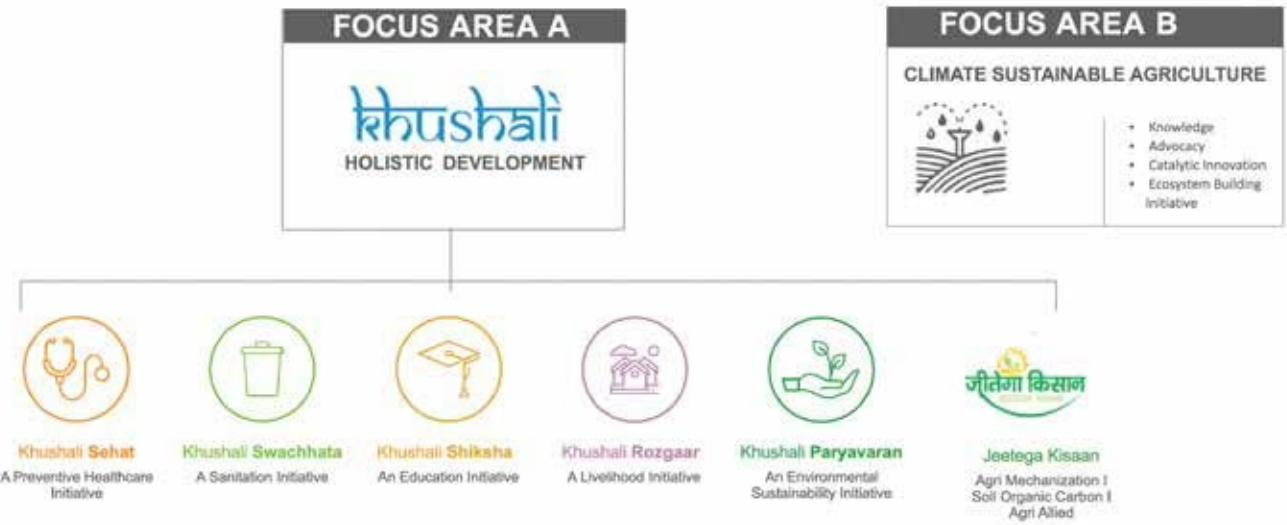
Social & Relationship Capital

Corporate Social Responsibility (CSR) at DCM Shriram Ltd



Strategic Priorities:

DCM Shriram Ltd. undertakes its CSR activities through its Philanthropic arm DCM Shriram Foundation with key focus areas of:



The strategic approach adopted is as follows:

Systems Thinking Approach: Programmes address root causes by considering the wider ecosystem in which community challenges exist. The approach strengthens frontline service delivery, community participation, institutional capacity, and local ownership to create resilient and sustainable impact.

Lifecycle Development: Programmes are guided by a Logical Framework Approach, linking inputs, activities, outputs, outcomes, and long-term impact. Data-driven planning, monitoring, and review processes ensure interventions remain impact-oriented, responsive to community needs, and provide continuity of support across life stages.

Government Convergence: CSR programmes are implemented in collaboration with government systems and local administration to strengthen existing service delivery structures, expand reach, improve sustainability, and enable impact at scale.

Highlights for FY 25 – 26

Khushali – Integrated Rural Development

- 14,000+ pregnant women and lactating mothers accessed maternal and child healthcare services through Mobile Health Units, with 320+ frontline workers strengthened
- ~85% placement rate achieved in skilling programs
- 1,26,751 cubic metres water storage capacity created
- 1026 MT waste processed through decentralised systems
- 7,700+ children supported through strengthened Anganwadi-based early learning systems

Jeetega Kisaan

- 250+ Agri-Entrepreneurs enabled across UP
- ₹45.13 Cr financial benefit generated through agri-entrepreneurship
- ₹5.39 Cr total govt. subsidy unlocked on Agri equipment and solar pumps
- ~18,000+ farmers accessing mechanisation services
- ~3,700 farmers newly adopting improved soil health practices

Key metrics

CSR Spend
₹ 20.04 Crores

Impact:
~99,000+ Beneficiaries

Driving Inclusive and Sustainable Development

DCM Shriram Ltd. views Corporate Social Responsibility as a core enabler of inclusive growth, community resilience, and long-term sustainability. The Company’s CSR approach is structured around two key platforms: Khushali, focused on holistic community development across health, education, sanitation, livelihoods, and environment; and Climate Sustainable Agriculture, focused on strengthening farmer resilience, with Jeetega Kisaan serving as its implementing arm.

DCM Shriram Foundation serves as the philanthropic arm for the Company’s CSR initiatives, working with NGOs and public institutions under the strategic oversight of the CSR Committee of the Board. Through this partnership-led approach, the Company addresses key development needs across its operating regions while supporting sustainable and locally rooted outcomes.

CSR Vision and Strategic Approach

Holistic Development Framework

DCM Shriram’s CSR approach is anchored in two programme platforms: Khushali and Jeetega Kisaan, reflecting the Company’s commitment to community wellbeing, local capacity building, and sustainable development across its operating regions.

Khushali is DCM Shriram’s integrated holistic development programme, bringing together five thematic areas to address interconnected community needs:

- Khushali Sehat – A Healthcare Initiative
- Khushali Shiksha – An Education Initiative
- Khushali Rozgaar – A Skilling & Livelihood Initiative
- Khushali Swachhata – A Sanitation Initiative
- Khushali Paryavaran – An Environmental Sustainability Initiative

Alongside Khushali, Jeetega Kisaan is DCM Shriram’s farmer-facing programme and the implementing arm for its Climate Sustainable Agriculture focus area. It supports farming communities through agricultural productivity, resource-efficient practices, allied livelihood opportunities, and long-term farmer resilience.

Core initiatives under Jeetega Kisaan include:

- Krishi Udyam Pariyojana – Agri-Entrepreneur Program
- Upjau Maati Pariyojana – Soil Health Program
- Livestock Development Program – Supporting livestock-based livelihoods

Together, Khushali and Jeetega Kisaan provide a structured CSR framework for holistic community development and climate sustainable agriculture, contributing to sustained, locally rooted, and outcome-oriented development.

Anchoring CSR Around Manufacturing Locations

DCM Shriram’s CSR initiatives are anchored around communities near its manufacturing locations and operational sites. This proximity-led approach enables the Company to respond to local priorities, align interventions with site-level contexts, strengthen trust with neighbouring communities, and contribute to long-term relationship building in areas where it has a direct presence.



Operational Scale and Delivery Discipline

CSR programmes are implemented across multiple locations through Foundation-led oversight and partner execution. Defined implementation cycles, monitoring mechanisms, and outcome indicators support consistent delivery, accountability, and sustained impact.

CSR Program Highlights – FY 2025–26

CSR initiatives are designed to deliver sustained outcomes beyond a single reporting period. Key indicators are tracked quarterly and annually through programme-level LFAs to monitor progress, support learning, and inform programme refinement.



Khushali Sehat – Preventive Healthcare Initiative

Khushali Sehat focuses on improving maternal and child health outcomes in underserved communities by strengthening access, service quality, and continuity of care across the healthcare delivery ecosystem. The programme aims to achieve near-zero maternal and infant mortality in intervention areas through quality maternal and child healthcare, with emphasis on timely identification, tracking, and management of High-Risk Pregnancies.

Key Interventions:

- **Mobile Health Units (MHUs):** Six MHUs operate across blocks in Uttar Pradesh, Gujarat, and Rajasthan, providing antenatal and postnatal care, diagnostics, counselling, and referral support, with a special focus on identifying and managing high-risk pregnancies (HRPs)
- **Frontline Worker Strengthening:** Structured mentoring and capacity-building initiatives support ASHAs in Hardoi and Lakhimpur Kheri, UP, and ASHA and Anganwadi workers in Jhagadia, Gujarat, where the First 1000 Days approach is used to improve maternal nutrition, infant care, service quality, follow-up, community trust, and early childhood outcomes

FY 2025–26 Key Outcomes:

- Over 14,000 beneficiaries reached
- 26,600+ antenatal and 21,600+ postnatal check-ups conducted
- 7,700 high-risk pregnancies identified and monitored, constituting 53.69% of all pregnant women served
- 3,900+ institutional deliveries among identified HRP women supported, with 93.89% of HRP deliveries being institutional
- Community Health Worker Mentoring: 251 ASHAs, 95 Anganwadi Workers, 22 Staff Nurses, and 17 Supervisors trained



Khushali Sehat – Story of Change Poonam’s Story: Choosing Safe Institutional Care Through MHU Support

- Shifted from repeated home deliveries to institutional care for her fifth pregnancy
- Received antenatal counselling, Td vaccination, IFA tablets, and calcium supplements
- Accessed teleconsultation under the Pradhan Mantri Surakshit Matritva Abhiyan
- Delivered safely at the nearest Community Health Centre, with services provided free of cost

Poonam, a mother of four from Bharkhani block in Hardoi district, belongs to a marginalised community facing significant financial constraints. All her previous children had been delivered at home, and she had received no prenatal care, including IFA tablets, calcium supplements, or Td vaccination. Her family believed institutional care was expensive and planned another home delivery.

After Poonam did not attend a Mobile Health Unit camp despite repeated follow-up by the ASHA, the MHU team visited her home and counselled the family on pregnancy care, birth preparedness, and free services available at government health facilities. Poonam subsequently received vaccination and supplements from the ANM and returned for an MHU follow-up in her ninth month of pregnancy. Following further counselling and a teleconsultation under the Pradhan Mantri Surakshit Matritva Abhiyan, she chose institutional care for the first time and delivered safely at the nearest Community Health Centre. Her experience helped the family recognise the value and accessibility of professional maternal healthcare.



Khushali Swachhata – Sanitation Initiative

Khushali Swachhata focuses on improving sanitation outcomes by strengthening sustainable and community-driven waste management practices. The programme aims to establish decentralised, locally owned waste management models that promote source segregation, recycling, responsible processing, and long-term behaviour change, while contributing to cleaner, healthier, and more resilient communities.

Key Interventions:

- **Flagship Model: Zero Waste, Zero Cost:** The Solid Waste Management initiative in Jhagadia, Gujarat, demonstrates a decentralised rural sanitation model designed to ensure 100% diversion of waste from landfills and financial sustainability through user fees, recycling, and compost sales.
- **Nagar Palika Model (SWM):** Implemented in Hardoi City, the Solid Waste Management programme focuses on awareness around source segregation, decentralised waste management, and capacity building of waste handlers, particularly Nagar Palika Parishad sanitation workers, through structured training and operational support.

FY 2025–26 Key Outcomes:

- Operating across 6 wards in Hardoi and 2 Gram Panchayats in Bharuch, the programme
- ensures **95%–100% door-to-door waste collection** across **8,550 households**, with **source segregation ranging from 86% to 100%**.
- **1026 MT wet waste collected, 1026 MT processed**
- **93 MT compost** produced



Khushali Swachhata – Story of Change

Sumitraben's Story: Building Cleaner Villages Through Community-Led Waste Management

- Shifted from open dumping to regular door-to-door waste collection
- Adopted household-level segregation of wet and dry waste
- Nearly 95% households now practice source waste segregation
- Strengthened community acceptance of user charges sustainable operations

Vasava Sumitraben, a resident of Sultanpura village, had earlier witnessed the challenges caused by the absence of regular waste collection. Waste was often dumped in open spaces, leading to unhygienic surroundings, insects, and concerns around disease and public health.

Through the Khushali Swachhata Program, regular door-to-door waste collection was introduced, along with awareness on household-level segregation of wet and dry waste. While households were initially hesitant to adopt practices such as using two dustbins, reducing plastic use, and avoiding waste disposal in plastic bags, continuous counselling and community meetings helped build acceptance.

Over time, nearly 95% of households in Sultanpura began segregating waste at source, contributing to a cleaner and healthier village environment. Community acceptance of user charges also helped strengthen the self-sustaining operations of the sanitation park.



Khushali Shiksha – Education Initiative

Khushali Shiksha focuses on strengthening Early Childhood Care and Education (ECCE) to improve foundational learning and school readiness among young children. The programme aims to enhance early learning outcomes by improving Anganwadi-based learning environments, building frontline capacities, and promoting play-based, age-appropriate learning practices.

Key Interventions:

- **Anganwadi System Strengthening:** The initiative works through a Hub and Spoke model across 156 Anganwadi centres in Hardoi and Lakhimpur Kheri, strengthening infrastructure, classroom processes, and centre-level participation.
- **Capacity Building of Anganwadi Workers:** Anganwadi Workers are supported to improve pedagogy, hygiene practices, documentation, and delivery of early learning activities.
- **Aadharshila Curriculum and Teaching Learning Materials:** The programme promotes the use of the Aadharshila curriculum and age-appropriate Teaching Learning Materials to support children's cognitive, language, socio-emotional, creative, and physical development.
- **Community and Caregiver Engagement:** Community volunteers, mothers, and caregivers are engaged to support classroom activities, mothers' groups, events, and home-based reinforcement of early learning.

FY 2025–26 Key Outcomes:

- Early childhood learning and caregiver engagement strengthened through mothers' group activities with 4,200+ mothers and play-based instructional activities involving 4,300+ children, supported by 600+ volunteers
- ~2,000 children transitioned from Anganwadis to primary schools through the School Chalo Abhiyan, with School Readiness Melas covering 350+ Anganwadi Centres, 3,200+ children, 2,700+ mothers, and 990 volunteers
- Community and caregiver engagement strengthened through the Welcome to Anganwadi event reaching 2,100+ children, and Khel Melas engaging 190+ children and 150+ caregivers
- Capacity of 190+ Anganwadi Workers enhanced in pedagogy, hygiene, and documentation; 60+ newly appointed Anganwadi Supervisors oriented on ECCE and play-based pedagogy



Khushali Shiksha – Story of Change Sarika's Story: Creating Joyful Learning Through Play

- Introduced play-based learning and Aadharshila videos to make early education more engaging
- Helped children become more confident, curious, and enthusiastic about attending the Anganwadi centre
- Used simple games to strengthen observation, memory, sequencing, and problem-solving skills
- Strengthened parental involvement by encouraging play-based learning activities at home

Sarika Mishra, an Anganwadi Worker under the Khushali Shiksha Program, wanted children entering her centre to feel safe, happy, and eager to learn. However, several children initially struggled to engage in the classroom environment, including one child who arrived crying and unwilling to participate. To make learning more engaging, Sarika introduced Aadharshila videos and simple play-based activities focused on colours, sequencing, observation, and identifying everyday objects. Over time, children became more comfortable, curious, and participative, transforming the Anganwadi into a joyful learning space. Sarika also conducted workshops with mothers to demonstrate how simple play activities at home could support early childhood development. As mothers began using similar activities in daily routines, parental involvement increased and joyful learning practices were reinforced beyond the classroom.



Khushali Rozgaar – A Skilling & Livelihood Initiative

Khushali Rozgaar focuses on strengthening job readiness and livelihood opportunities by improving access to skills, employment, entrepreneurship, and income pathways. The programme aims to align local capabilities with market demand, enabling youth, women, and rural households to improve employability, income security, and long-term economic resilience.

Key Interventions:

- **DCM Shriram Skill Academy:** Under Khushali Rozgaar, the Academy builds employable skills among rural youth in high-demand trades such as electrical, solar, and healthcare. Operating in Uttar Pradesh and Gujarat, it provides end-to-end training with emphasis on workplace readiness and placement-linked outcomes.
- **Key Program Streams and Outcomes (FY 2025–26)**
 - **General Duty Assistant (GDA – Healthcare):**
 - The programme trains youth for healthcare sector roles, with **121 youth trained** in FY 2025–26, achieving a **95.8% placement rate and average monthly income of ₹16,640**.
- The training enabled an estimated annual income generation potential of **₹2.42 crore**, based on an average monthly income of ₹16,640 across 121 trained youth.
- **Electrical and Solar Technician:**
 - The programme trains youth in electrical and solar trades, with **234 youth trained** in FY 2025–26, achieving an **88% placement rate and average monthly income of ₹15,453**.
 - The training enabled an estimated annual income generation potential of **₹4.34 crore**, based on an average monthly income of ₹15,453 across 234 trained youth.
- **Additional Skill Development Initiatives:** Project Zardozi trained 50 women artisans in zardozi to enable skill-based livelihood opportunities, while the DCS Operator Course trained 15 students in industry-relevant technical skills to support job readiness and employment-linked opportunities.

Program Highlights:

- **Nearly 400+ youth mobilised** across intervention geographies, reflecting strong community outreach and demand for skill-based livelihoods
- **Focused inclusion of rural youth**, particularly from economically weaker households, with deliberate efforts to encourage women's participation and persons with disabilities (PwDs)
- **Strong institutional partnerships** to ensure high-quality curriculum design, training delivery, and placement support
- **Industry-aligned infrastructure**, including **Electrical and Solar training labs established in collaboration with the Schneider Foundation**, enabling hands-on, practical learning in simulated work environments
- **Placement-oriented approach**, combining classroom training, on-the-job exposure, and employer linkages to improve transition into formal employment



Khushali Rozgaar – Story of Change

Nisha's Story: Building Financial Independence Through Skilling

- Developed healthcare skills, workplace readiness, and communication capabilities
- Secured employment with Careoxy Healthcare Services at Home in Delhi NCR
- Earning ₹20,000 per month, along with accommodation and food facilities
- Supporting her family and building financial independence through sustainable livelihood opportunities

Nisha Devi, from Udarnapur village in Shahabad, Hardoi, comes from a modest family where financial constraints limited opportunities for higher education and career growth. Despite completing her intermediate education, economic challenges and family responsibilities made it difficult for her to pursue further aspirations.

Through the DCM Shriram Skill Academy, Nisha enrolled in the Healthcare Training Programme under Khushali Rozgaar. The programme helped her build technical healthcare skills, communication abilities, workplace readiness, and confidence.

After completing the training, Nisha secured employment with Careoxy Healthcare Services at Home in Delhi NCR, earning ₹20,000 per month along with accommodation and food facilities. Her journey reflects how skill development can enable rural youth, especially young women, to access dignified livelihood opportunities, support their families, and move towards long-term economic mobility.



Khushali Paryavaran – Environmental Sustainability Initiative

Khushali Paryavaran focuses on strengthening environmental sustainability and resource security in vulnerable regions. The programme aims to conserve natural resources, enhance ecological balance, and build climate resilience through water conservation, afforestation, and community-led, nature-based solutions.

Key Interventions:

- **Water Conservation Program:** Guided by the principle that “Every Drop Counts,” the programme addresses water scarcity through construction and rejuvenation of water harvesting and groundwater recharge structures, formation and strengthening of Jal Samitis, and convergence with government schemes and technical partners.
- **Tree Plantation:** The programme promotes afforestation and green cover enhancement through dense plantation in village commons and watershed areas, mangrove plantation in coastal belts, community participation in plantation and maintenance, and integration with soil and water conservation measures to improve survival rates.
- **Geographic Coverage:** The programme is implemented across Hardoi and Lakhimpur Kheri districts in Uttar Pradesh, Kota district in Rajasthan, and Bharuch district in Gujarat, including coastal and GIDC areas for mangrove plantation.

FY 2025–26 Key Outcomes:

- Surface water storage capacity of **3,90,400+ cubic metres** created
- **50 Jal Samitis** formed to strengthen community ownership over water resources
- Water conservation efforts contributed to improved cropping intensity, reduced water stress during lean months, and strengthened community ownership
- **24,700 saplings planted** under dense plantation
- **7,56,000 saplings planted** under mangrove plantation. Mangrove plantations contributed to coastal resilience, carbon sequestration, and protection against soil erosion, while dense plantations supported biodiversity and community green spaces



Khushali Paryavaran – Story of Change Deep's Story: Strengthening Water Security for Year-Round Farming

- Improved groundwater recharge through village pond desilting
- Increased water availability in nearby open wells and borewells
- Enabled summer cultivation for the first time beyond monsoon-dependent farming
- Supported crop diversification through mung and sesame cultivation

Deep Patel, a resident of Talodara village in Jhagadia block, Bharuch district, is pursuing his M.Sc. while supporting his father in farming. His family depends primarily on agriculture and owns around 2 bigha of land. For years, limited water availability restricted cultivation mainly to cotton during the monsoon.

Under its water conservation initiative, DCM Shriram Foundation undertook desilting of a village pond close to Deep's farm. Following the intervention, the family observed improved groundwater recharge, with increased water levels in nearby borewells and open wells. Water availability also continued into summer, enabling better use of agricultural land.

As a result, Deep's family cultivated mung and sesame for the first time, in addition to their regular monsoon crop. His story reflects how local water conservation can improve water security, enable crop diversification, and strengthen farming resilience.



Jeetega Kisaan

Jeetega Kisaan focuses on building economic resilience among farmers through direct and indirect interventions across agriculture and allied livelihoods, strengthening productivity, resource efficiency, and income opportunities. The program is implemented in close collaboration with the government, partner NGOs and farming communities to strengthen farmer incomes and promote sustainable agricultural practices.

Krishi Udyam Pariyojana – Promoting Agri-Entrepreneurship and Rural Livelihoods

Krishi Udyam Pariyojana focuses on strengthening rural livelihoods by promoting agri-entrepreneurship and improving access to mechanised agricultural services. The programme aims to develop local Agri-Entrepreneurs who operate Custom Hiring Centres, support productivity and income generation among small and marginal farmers, and enable income diversification through agri-allied services.

Key Interventions:

- **Agri-Entrepreneurship and Custom Hiring Centres:** The programme develops rural youth as Agri-Entrepreneurs who provide mechanised agricultural services to farmers in their local geographies through Custom Hiring Centres.
- **Decentralised Mechanisation Services:** By linking mechanisation with entrepreneurship, the initiative improves access to farm machinery, supports productivity, and creates locally rooted livelihood opportunities.
- **Agri-Allied Income Opportunities:** The programme supports income diversification through allied services such as dairy, poultry, mushroom cultivation, and other agri-allied activities, reducing dependence on seasonal farm mechanisation income.
- **Geographic Coverage:** The programme works across Hardoi and Lakhimpur Kheri districts in Uttar Pradesh.

FY 2025–26 Key Outcomes:

- **250+ Agri-Entrepreneurs** supported across Hardoi and Lakhimpur Kheri districts, Uttar Pradesh
- Total financial benefit generated from the program, **Rs. 45.13 Cr.**
- **Rs 24.29 Cr** revenue generated through equipment hiring and **Rs 7.01 Cr.** from haulage.
- Revenue generated through ancillary business **Rs 8.44 Cr**
- **Approximately 18,000+ farmers** accessing decentralised mechanisation services
- Mechanisation services validated as a reliable seasonal income source, with strong demand during peak agricultural cycles
- **Allied services adoption initiated**, indicating early progress towards income diversification
- **Rs 1.9 Cr.** govt subsidy unlocked on Agri equipment
- **Rs 3.49 Cr.** govt subsidy unlocked on solar pumps
- Agri-Entrepreneurs increasingly emerging as **local service facilitators**, strengthening last-mile access to farm services



Krishi Udyam Pariyojana – Story of Change

Dhirendra's Story: Advancing Rural Entrepreneurship Through Krishi Udyam Pariyojana

- Transitioned from small-scale farming to a village-level agri-entrepreneur
- Strengthened technical and entrepreneurial capabilities through training and exposure visits
- Leveraged government schemes, institutional finance, and subsidy support for enterprise growth
- Diversified into mechanisation services, dairy, mushroom cultivation, and solar-powered milling
- Built a rural enterprise with an annual turnover of approximately ₹24.72 lakh

Dhirendra Kumar Yadav, a farmer from Sardar Nagar village in Hardoi district, was engaged in small-scale farming and basic machinery services to support his family. While he was keen to explore new livelihood opportunities, limited financial resources and technical exposure restricted his ability to expand.

Through the Krishi Udyam Pariyojana, Dhirendra received structured entrepreneurship and mechanisation training, exposure visits, and guidance on accessing government schemes, institutional finance, and subsidy support. This strengthened his technical knowledge, entrepreneurial capabilities, and confidence to scale his activities.

Over time, Dhirendra expanded into mechanisation services, dairy, mushroom cultivation, and solar-powered flour and oil milling. Today, his diversified rural enterprise generates an annual turnover of approximately ₹24.72 lakh while improving access to farm services and livelihood opportunities in nearby communities.

Upjau Maati Pariyojana (Soil Health Program)

Upjau Maati Pariyojana focuses on improving soil health and promoting sustainable agricultural practices. The programme aims to strengthen long-term farm productivity and resilience by promoting in-situ composting, scientific soil testing, farmer-led demonstrations, and wider adoption of sustainable soil management practices.

Key Interventions:

- **In-Situ Composting:** The programme promotes biomass-based composting practices that enable farmers to generate organic inputs locally and reduce dependence on chemical fertilisers.
- **Scientific Soil Testing:** Soil testing is used to support informed decision-making and promote improved soil health management among farmers.
- **Farmer-Led Demonstrations:** Lead farmers demonstrate and disseminate sustainable soil management practices within their communities, enabling peer learning and wider adoption.
- **Community Outreach:** The programme engages farmers through awareness, demonstrations, and continued follow-up to strengthen adoption of sustainable soil health.

FY 2025–26 Key Outcomes:

- Implemented across **120 intervention villages**, promoting sustainable soil management practices at scale
- **584 lead farmers** trained to demonstrate and disseminate best practices within their communities
- **3,129 active farmers** adopted improved soil health practices during the year
- Continued engagement with farmers from past financial years, reaching a **total of 8,040 farmers**
- **53,200+ MT of compost** produced through in-situ composting and gaushala-based systems, reducing dependence on chemical fertilisers
- Compost applied across **3,000+ hectares of land**



Upjau Maati Pariyojana – Story of Change Sukhpal's Story: Reviving Soil Health Through Sustainable Farming Practices

- Transitioned from chemical-intensive farming towards sustainable soil management practices
- Adopted windrow composting using crop residues and local biomass
- Improved soil organic carbon and restored soil fertility over time
- Reduced dependence on chemical fertilisers and lowered cultivation costs
- Inspired neighbouring farmers to adopt organic composting and sustainable farming practices

Sukhpal, a farmer from Hardoi district, had witnessed declining soil productivity due to years of chemical-intensive farming. Rising input costs, declining yields, and deteriorating soil quality made farming increasingly difficult. Through the Upjau Maati Project, supported by DCM Shriram Foundation and implemented by FINISH Society, Sukhpal was introduced to sustainable soil management practices, including windrow composting using crop residues and biomass. Despite initial hesitation, he adopted composting with continuous technical guidance and field-level support.

Over time, regular compost application, mulching, and reduced dependence on chemical fertilisers helped improve soil organic carbon, crop productivity, and cultivation costs. Encouraged by these results, neighbouring farmers also began adopting similar practices, demonstrating how low-cost regenerative farming can strengthen soil health, farm resilience, and long-term agricultural sustainability.

Climate Sustainable Agriculture

Promoting sustainable farming practices, efficient resource use, and the long-term resilience of farming systems by advancing knowledge and advocacy in climate-resilient agriculture. The initiative focuses on generating evidence-based insights, facilitating dialogue among key stakeholders, and supporting policy and ecosystem-level shifts to enable wider adoption of climate-smart practices. Through research, partnerships, and knowledge dissemination, it aims to strengthen the broader agriculture ecosystem and drive scalable, long-term impact without direct on-ground implementation.

Collaboration on Dialogues on CSA

During the year, DCM Shriram partnered with the Council on Energy, Environment and Water (CEEW) to support knowledge-led engagement on climate-smart agriculture, water security, and climate resilience. As part of this collaboration, a series of roundtables were co-organised on climate-smart agriculture, water security, and climate resilience.

These roundtables were designed as knowledge and policy dialogues, bringing together representatives from government, industry, research institutions, development organisations, and subject matter experts. The discussions focused on sharing best practices, emerging innovations, policy and financing considerations, and public-private partnership approaches, with the intent of informing future action and contributing to broader sectoral learning beyond direct project implementation geographies.

Study on Scaling Climate-smart Micro-irrigation in Gujarat

During the year, DCM Shriram Foundation collaborated with the Council on Energy, Environment and Water (CEEW), in partnership with Gujarat Green Revolution Company (GGRC), on a research study on scaling climate-smart micro-irrigation in Gujarat. The study examines the barriers and enablers influencing farmers' adoption of micro-irrigation systems, with a focus on water-use efficiency, farmer livelihoods, and long-term agricultural sustainability. Covering diverse agro-climatic contexts across Banaskantha, Rajkot, and Kachchh, the study provides actionable recommendations on policy design, institutional support, technical capacity building, and equitable access for small and marginal farmers, with the intent of informing scalable climate-smart agriculture solutions beyond direct implementation geographies.



Governance, Stewardship, and CSR Compliance

The CSR Committee and the Board provides stewardship for a long-term social capital platform. Oversight extends beyond statutory compliance to include programme effectiveness, social risk considerations, and alignment with the Company’s values and material social priorities.

CSR activities are undertaken in accordance with the Companies Act, 2013 and related rules. Statutory CSR expenditure obligations are met through approved Schedule VII activities. Details on prescribed CSR obligations, actual expenditure, ongoing projects, and treatment of any unspent amounts are disclosed in the statutory CSR section of our Annual Report FY 26.

Impact Measurement and Maturity Progression

DCM Shriram recognises impact maturity as a progressive journey from tracking activities to understanding sustained community-level change. Over time, Khushali initiatives have evolved from activity-led interventions to outcome- and impact-oriented programmes, with greater focus on delivery quality, durability of outcomes, and community ownership.

This approach is supported by a structured monitoring framework across three dimensions: outputs, outcomes, and implementation quality. Outputs provide visibility on scale and reach, while outcome indicators assess behavioural shifts, service uptake, and livelihood improvements. Implementation fidelity is also prioritised to ensure programme design translates effectively on the ground through trained frontline workers, consistent processes, and community engagement.

To strengthen evidence-based decision-making, DCM Shriram undertakes baseline, midline, and endline assessments across key interventions. Baselines establish the starting context and inform programme design, midline assessments support course correction, and endline evaluations assess outcomes against initial benchmarks. Select thematic and longitudinal studies further examine behavioural change and sustainability of outcomes.

Periodic independent evaluations complement internal monitoring by assessing programme relevance, efficiency, effectiveness, and sustainability. These evaluations help identify what works, under what conditions, and for whom, enabling replication and refinement.

Impact measurement is viewed not as a compliance exercise, but as a strategic enabler for continuous improvement and scale. As programmes mature, the focus is shifting towards:

- Outcome standardisation and benchmarking across geographies
- Longitudinal tracking to assess sustainability of impact
- Digital tools for real-time data capture and validation
- Stronger community feedback mechanisms to incorporate beneficiary perspectives

This progression reflects a transition from measuring what is delivered to understanding what has changed, and ensuring these changes are sustained, scalable, and community-owned.

Awards and Recognition

DCM Shriram Ltd.’s CSR initiatives were recognised during FY 2025–26 for their impact, quality of implementation, and contribution to national development priorities. These recognitions reaffirm the Company’s commitment to delivering scalable, community-centric, and sustainable development programs.

Key Awards and Accolades received during the year include:

CII–ITC Sustainability Award 2025: Excellence in Corporate Social Responsibility

Rotary India National CSR Award 2025: Best Project in Healthcare – Northern Region

Doing Good for Bharat Award 2025: 1st Runner-Up – Healthcare Category

Rotary India National CSR Award 2025: Best Project in Healthcare

The CSR Universe ‘Samman’: Excellence in Foundational Literacy and Numeracy

These recognitions reflect external validation of programme design, impact quality, and governance robustness.

Looking Ahead

As DCM Shriram advances its growth and transformation agenda, Khushali will continue to guide its approach to social and relationship capital. By deepening community- led development models, strengthening partnerships, expanding outcome-based measurement, and reinforcing Board stewardship, the Company aims to build enduring social capital that supports resilience, trust, and sustainable value creation for society and the business.



CSR Team receiving CII ITC Sustainability Awards 2025: Excellence in Corporate Social Responsibility



Customer Governance, Product Stewardship and Responsible Marketing



Key Strategic Priorities

- **Strengthen Product Stewardship & Lifecycle Integration**
Embed robust health, safety, and environmental assessments across the full product lifecycle, integrating lifecycle thinking into product design, development, and portfolio decisions.
- **Enhance Customer Insight, Responsiveness & Governance**
Leverage advanced CRM analytics, expand customer feedback mechanisms, and align customer-related KPIs (satisfaction, grievances, compliance) with enterprise risk management and governance frameworks.
- **Advance Responsible Marketing & Communication Practices**
Build organisational capability on regulatory compliance, sustainability claims, and ethical communication to minimise greenwashing risks and ensure consistent, compliant messaging across businesses.
- **Scale Customer Engagement & Safe-Use Awareness Platforms**
Expand structured engagement channels (customer meets, farmer demos, technical seminars) to strengthen safe product usage, capture insights, and respond to evolving stakeholder expectations.
- **Accelerate Sustainable & Low-Carbon Product Portfolio Growth**
Expand sustainability-enabling offerings (e.g., ethanol, climate-resilient agri inputs, energy-efficient systems) aligned with customer transition needs and national climate priorities.

10



Management Approach

Overview and Strategic Integration

DCM Shriram's customer governance framework integrates product stewardship, customer relationship management and responsible marketing to ensure that customer interests, safety and satisfaction are systematically addressed through defined roles, processes and accountability mechanisms (GRI 2-25, 416, 417). This integrated approach supports consistent customer engagement, effective risk management and transparent market conduct across all business segments aligned with S&P Global CSA expectations on Customer Relations, Product Stewardship and Market Conduct. DCM Shriram incorporates risk criteria into the development of its products and services through a comprehensive product stewardship framework. Risk assessments are conducted across the product lifecycle, covering product design, raw material selection, manufacturing, storage, distribution, customer use, and end-of-life management. The assessment criteria include hazard classification, exposure scenarios, applicable regulatory requirements, historical incidents, and customer feedback. Customer health, safety, environmental, and compliance considerations are integrated into product development and service delivery processes. The Company further supports this through documented controls, product safety reviews, marketing and labelling verification, customer grievance mechanisms, and periodic audits, ensuring that risks are proactively identified, mitigated, monitored, and continuously improved.

The Company recognises that customer-related topics, including product health and safety, customer satisfaction, grievance redressal and responsible marketing, are material to business performance, stakeholder trust and long-term value creation. The management approach is designed to:

- Identify and systematically assess risks and opportunities related to product stewardship and customer impacts across the value chain.
- Embed customer health and safety considerations into product design, manufacturing and use phases.
- Maintain transparent, compliant and evidence-based communication on product attributes and sustainability claims.
- Resolve customer concerns through structured, timely and fair mechanisms.
- Support continuous improvement in product stewardship, service quality and customer experience.

Processes and Systems

DCM Shriram employs structured processes and technology-enabled systems to manage product stewardship and customer engagements across the value chain.

Product Lifecycle Management:

- Coverage spans product design and raw material qualification through manufacturing, storage, distribution, customer use and end-of-life disposal.
- Health and safety assessments are conducted for 100% of significant product categories using criteria including hazard classification, exposure scenarios, regulatory requirements, historical incidents and customer feedback.
- Controls include raw material qualification, process safety reviews, product testing, compliance with statutory standards and regular training for employees and partners.

Customer Satisfaction and Feedback Management:

Customer complaints, product-related grievances, and feedback trends are analysed to identify systemic issues, strengthen product stewardship practices, and improve product and service performance. Issues involving product safety, regulatory compliance, or misleading communication are escalated to senior management for corrective and preventive actions.

- Structured satisfaction surveys (at least annual for key accounts, seasonal where business cycles require) measure performance against a Customer Satisfaction Index (0–100).
- Survey parameters include product quality, service responsiveness, delivery performance and communication clarity.
- Results are reviewed at business and functional forums to guide corrective and preventive actions.



Customer Grievance Escalation and Remediation

- A six-step process ensures systematic handling: receipt, logging and acknowledgement, assessment and resolution, escalation of unresolved or high-risk issues, closure and customer communication, and periodic review.
- Product safety, regulatory compliance and misleading communication related grievances are prioritised.
- CRM analytics support trend identification and systemic improvement.



Responsible Marketing and Product Information

- Internal review and approval workflows ensure factual accuracy, regulatory compliance and alignment with company policies.
- Enhanced review is applied to sustainability-related and low-carbon claims to verify evidence-based content.
- Training is periodically conducted for customer-facing teams to reinforce responsible communication practices.

Integration with Enterprise Risk Management

Customer-related risks and opportunities are integrated into the Company's enterprise risk management framework. Key customer governance topics, including product safety incidents, customer satisfaction trends, grievance volumes, marketing compliance and low-carbon product performance, are monitored as part of quarterly and annual risk reviews, supporting alignment of customer governance with business strategy and sustainability objectives.

Product Health and Safety and Lifecycle Stewardship (GRI 416-1, 416-2)

DCM Shriram assesses the health and safety impacts of its products across key stages of the product lifecycle, including product design and raw material qualification, manufacturing, storage, distribution and customer use. DCM Shriram is committed to comply with the EU REACH regulation, under which products such as Caustic Soda, Caustic Lye, and Aluminium Chloride are registered. Safety Data Sheets are publicly available to customers, outlining exposure scenarios and safe use practices. Compliance with REACH demonstrates a time-bound commitment to substituting hazardous substances, transparent reporting, collaboration with industry associations, and allocation of R&D resources to ensure safer alternatives. This information is available on the Company's corporate website under the Sustainability. During the reporting period, health and safety impacts were assessed for 100% of significant product categories under Chemicals Vertical, based on REACH criteria (including hazard classification, exposure scenarios, applicable regulatory requirements, historical incidents and relevant customer feedback).

Product health and safety considerations are integrated into operational controls such as raw material qualification, process safety reviews, product testing and compliance with applicable statutory and industry standards across the Chemicals, Ethanol, Agri Rural, and Fenesta businesses. Assessments cover the lifecycle from product design and raw material qualification through manufacturing, storage, distribution and customer use and, where applicable, end-of-life disposal, in line with sectoral and regulatory expectations for chemical, agricultural input and building material products.

For customer-facing stages, information related to safe handling, storage, usage conditions and disposal is communicated through safety data sheets, product labels, technical literature and digital platforms, in line with regulatory requirements and customer needs. Customer feedback and complaints related to product quality and safety are systematically captured, reviewed and addressed through defined escalation mechanisms, and product-safety-related grievances are prioritised to ensure timely remediation and prevention of recurrence.

In accordance with GRI 416-2, the Company monitors incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products supplied to customers. During the reporting period, there were no incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products supplied to customers.

Customer Satisfaction Measurement, Engagement and Dialogue (GRI 2-25 – Remediation of impacts)

Customer satisfaction is measured through a structured and repeatable framework combining formal customer satisfaction surveys and continuous feedback mechanisms. Customer feedback, complaints and service requests are managed through a CRM application and case management workflow, enabling logging, acknowledgement, tracking, escalation and closure confirmation within defined timelines.

Survey responses are consolidated into an internally developed Customer Satisfaction Index, tracked on a scale of 0 to 100. Customer satisfaction surveys are conducted at least annually for key account segments and seasonally where business cycles require it, and survey coverage is reviewed periodically to ensure representation of priority customer groups. Group Customer Satisfaction (CSAT) remains very strong, with a revenue-weighted CSAT of 95%.

In addition to surveys, DCM Shriram conducts periodic customer meets, technical seminars and engagement forums across businesses. These platforms enable direct dialogue with customers, facilitate sharing of product updates and safe-use practices and provide structured opportunities to understand evolving customer expectations, with insights used to strengthen product offerings, technical support, delivery practices and customer communication.



Participation in Global Forums, Exhibitions and Industry Platforms

DCM Shriram strengthens customer relationships and market presence through participation in national and international forums, exhibitions, trade fairs and industry platforms relevant to its business segments. Products, solutions and innovations are showcased through structured product displays and demonstrations, enabling direct interaction with customers, industry stakeholders and value-chain partners.

These platforms support customer dialogue, dissemination of product and safety information, understanding of emerging market and regulatory expectations and transparent communication of sustainability attributes. Insights gathered through exhibitions and global forums complement customer surveys, customer meets and grievance data and are shared internally to refine products, improve communication and strengthen customer experience.



Responsible Marketing and Product Information (GRI 417-1, 417-2, 417-3)

DCM Shriram follows responsible marketing and communication practices to ensure that information provided to customers is accurate, transparent and not misleading, in accordance with GRI 417 on marketing and labelling.

Product and Service Information and Labelling Requirements (417-1)

The Company's procedures for product and service information and labelling require, as applicable to each business segment, disclosure of:

- Sourcing of components or raw materials, where relevant to customer understanding, regulatory requirements or potential environmental or social impacts.
- Product content, particularly substances with potential environmental or social impacts.
- Safe use of the product, including health and safety precautions, storage requirements and personal protective equipment guidance.
- Disposal methods and related environmental or social impacts, aligned with regulatory and best-practice guidance.
- Sustainability and environmental attributes, where applicable, communicated through verifiable technical documentation and performance data.

Information is communicated through product labels, safety data sheets, technical brochures, contractual documentation and digital platforms. During the reporting period, 100% of significant product categories were covered by, and assessed for compliance with, these product information and labelling procedures, and marketing materials and customer communications are subject to internal review to ensure factual accuracy, verifiability and alignment with applicable regulatory and internal requirements.

Communications that include sustainability-related attributes, environmental performance references or low-carbon positioning undergo enhanced review to ensure claims are specific, evidence-based and consistent with supporting technical documentation, test results, certifications or lifecycle assessments. These controls are embedded within the Company's Code of Conduct and compliance framework and are reinforced through periodic training of customer-facing teams, reducing greenwashing risk and ensuring alignment with evolving regulatory expectations on environmental and sustainability claims.

Incidents of Non-compliance (417-2 and 417-3)

In accordance with GRI 417-2 and 417-3, the Company tracks incidents of non-compliance with regulations or voluntary codes concerning product and service information, labelling and marketing communications, including those resulting in fines, penalties, warnings or mandated corrective communications.

During the reporting period, there were no incidents of non-compliance with regulations or voluntary codes concerning product and service information and labelling (GRI 417-2) or marketing communications (GRI 417-3), including incidents involving misleading or deceptive marketing, inaccurate product information, non-compliance with environmental or sustainability-related claims requirements or labelling violations.

Low-Carbon Products and Transition-Aligned Value Creation

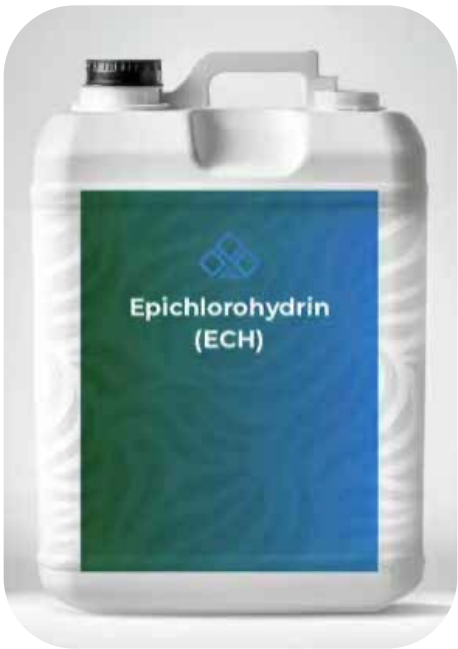
DCM Shriram continues to strengthen its portfolio of low-carbon and sustainability-enabling products and solutions, supporting customers in improving resource efficiency, reducing environmental impacts and aligning with national and global transition priorities. These offerings are communicated through responsible marketing controls and integrated with product stewardship, quality and customer governance frameworks to ensure that sustainability attributes are supported by verifiable information.



Agri Rural: Sustainability value creation is driven by hybrid seeds and agricultural solutions that support productivity enhancement, input efficiency and climate resilience, with customer engagement focused on responsible product use, integrated crop management and long-term farm productivity.



Ethanol: Ethanol operations support India's energy transition through contribution to the national ethanol blending programme, with ethanol supplied by the Company supporting lower lifecycle emissions in the transport fuel mix and enhancing energy security.



Chemicals: Compliance with global regulatory frameworks, including REACH requirements where applicable, reinforces responsible chemical management, environmental protection and international market access, and low-carbon and resource-efficient product initiatives are positioned through validated technical documentation and controlled marketing communication.

Fenesta Building Systems: Low-carbon value propositions relate to durability, energy efficiency and lifecycle performance in the built environment, with environmental attributes communicated accurately and supported by product specifications, performance data and independent certifications.

Customer Grievance Escalation and Remediation (GRI 2-25, 416, 417)

DCM Shriram operates a structured customer grievance escalation mechanism applicable across business segments, consistent with GRI 2-25 on remediation of impacts and with GRI 416 and 417 for product and marketing-related complaints. The mechanism is supported by CRM systems and, where appropriate, linked to the Vigil Mechanism / Whistle Blower Policy for serious concerns.

The grievance process follows six steps:

Grievance receipt	Logging and acknowledgement	Initial assessment and resolution	Escalation of unresolved or high-risk issues	Closure and customer communication	Review and continuous improvement
Grievances can be raised through multiple channels, including sales teams, customer service desks, technical service teams, digital platforms, customer meets and exhibitions.	All grievances are logged in the CRM or complaint tracking system and acknowledged within defined timelines, with unique reference numbers. Company achieved Complaint Closure Rate of 96% during the reporting period.	Relevant functional teams assess severity, root causes and resolution requirements; corrective actions are initiated and tracked until closure.	Grievances that remain unresolved beyond defined periods, or those involving product safety, alleged non-compliance, misleading communication or significant commercial impact, are escalated to senior business leadership and relevant governance forums.	Resolution outcomes and corrective or preventive measures are communicated to the customer; closure is recorded only after confirming satisfactory resolution and customer acceptance.	Periodic analysis of grievance trends and root cause patterns is conducted to identify systemic issues and strengthen product stewardship, service quality and customer communication.

This mechanism supports the Company's commitment to GRI 2-25 on remediation of customer impacts and ensures that product-safety-related, regulatory-compliance-related and misleading-communication-related concerns receive prioritised treatment and timely escalation.

Internal Control System and Its Adequacy

DCM Shriram's customer governance and product stewardship framework is supported by a robust internal control environment. Key business processes related to product safety, customer satisfaction and responsible marketing are documented, and controls have been established for critical process areas including product health and safety assessments, customer satisfaction surveys and feedback management, grievance protocols, marketing and labelling review workflows and training documentation for customer-facing teams.

Control effectiveness is assessed through multiple layers, including business-level reviews, management oversight, internal audits and statutory audits. Governance, Risk and Compliance tools support monitoring and reporting, and management periodically reviews the adequacy of controls related to customer governance and product stewardship to identify opportunities for further strengthening and alignment with risk management and sustainability strategies. Through this comprehensive customer governance, product stewardship and responsible marketing framework, DCM Shriram seeks to protect customer health and safety, enhance customer satisfaction and loyalty, communicate responsibly on sustainability attributes and continuously improve products and services in response to evolving expectations and feedback. By combining structured processes, transparent communication, rigorous risk assessment and stakeholder engagement, the Company reinforces trust, manages product-related risks and supports the transition to more sustainable and resilient value chains across its Chemicals and Vinyl Business, Agri-Rural Business, and Fenesta businesses.

The Company remains committed to embedding customer governance and product stewardship into all strategic and operational decisions, thereby supporting long-term business resilience, stakeholder value creation and contribution to sustainable development goals.

Sustainable Supply Chain and Responsible Procurement

DCM Shriram is advancing a more resilient, responsible and future-ready supply chain through the integration of ESG considerations, risk-based due diligence and inclusive sourcing into procurement decisions.



Key Strategic Priorities

- Strengthening responsible sourcing and supplier governance framework
- Advancing risk-based supplier segmentation and due diligence
- Integrating ESG criteria into procurement and supplier evaluation
- Driving supply chain decarbonisation and Scope 3 visibility
- Enhancing supplier monitoring, audits and corrective action mechanisms

DCM Shriram's supply chain strategy is anchored in building a **resilient, responsible and future-ready value chain**, recognising suppliers as critical partners in delivering operational excellence, innovation and sustainable growth. As a diversified manufacturing organisation with extensive upstream and downstream linkages, the Company continues to strengthen its approach towards **responsible sourcing, supplier governance and ESG integration across procurement practices**.

Governance and Responsible Sourcing Framework

Sustainable supply chain management forms an integral part of DCM Shriram’s broader sustainability and ESG strategy. Oversight of responsible sourcing, supply chain resilience and ESG integration in procurement is exercised through the Company’s established governance mechanisms at Board and senior management level, ensuring alignment with long-term business resilience, risk management and sustainability objectives.

DCM Shriram has instituted a structured procurement governance framework anchored in ethical conduct, transparency and regulatory compliance. Oversight of supply chain practices is embedded within the Company’s procurement and risk management frameworks. Supplier relationships are governed by defined policies, contractual clauses and internal controls that embed requirements on environmental management, occupational health and safety, labour practices, human rights and business ethics.

All suppliers and contractors are required to comply with the Company’s Supplier Code of Conduct, which is aligned with applicable laws and recognised international principles. These expectations are built into tender documents and contracts and are reinforced during onboarding and regular engagement with suppliers. As part of DCM Shriram’s Code of Conduct, we have established anti-corruption and anti-bribery guidelines. All employees, the Board of Directors, and senior management are considered under the policy. According to the policy, employees are prohibited from offering or receiving bribes in the form of gifts, donations, hospitality, or entertainment from the Company’s current or potential suppliers, customers, or third parties with business.

The Company also reviews its purchasing practices and procurement processes to ensure alignment with its Supplier Code of Conduct and responsible sourcing expectations. This helps minimise potential conflicts between commercial practices and ESG requirements, while promoting fair, transparent and responsible supplier relationships.

Aspect	Current practice	Planned enhancement
Supplier Code of Conduct	Embedded in contracts and onboarding for key suppliers.	Extend coverage to all highrisk categories and MSMEs.
ESG screening	Qualitative screening during evaluation.	Standardised ESG checklist and scoring in RFQ/RFP.
Supplier audits	Periodic compliance checks and operational reviews.	Riskbased ESG audits for critical suppliers.
Grievance / noncompliance actions	Corrective actions through engagement.	Timebound CAPA, escalation thresholds and tracking.

Supplier Segmentation and Risk-based Approach

Recognising the diversity and scale of its operations, DCM Shriram is progressively adopting a risk-based approach to supply chain management, focusing on:

- Critical and high-value suppliers
- Suppliers linked to key raw materials and operational continuity
- Suppliers operating in environmentally or socially sensitive categories

Segment type	Typical suppliers included	Key focus areas
Critical / high risk	Key raw material, logistics, contract manufacturing.	Continuity, EHS, labour, human rights.
Medium risk	Indirect materials and services.	Compliance with standards, safety practices.
Low risk	Low value, low impact categories.	Basic compliance, onboarding due diligence.

During FY26, the Company expanded ESG-linked supplier coverage and strengthened risk-based oversight across critical supplier categories, with increasing alignment to BRSR Core requirements for future assessment of value chain.

This approach enables prioritisation of due diligence efforts and targeted engagement with suppliers that have a higher potential impact on business continuity, sustainability outcomes and stakeholder expectations.

Supplier Screening, Evaluation and Monitoring

The Company undertakes structured supplier evaluation processes covering quality, delivery performance, cost competitiveness and compliance with applicable standards. In alignment with its sustainability objectives, DCM Shriram is strengthening its processes to incorporate **environmental and social screening criteria** for suppliers, in line with global best practices.

As part of this evolving framework, ESG-related considerations are progressively being integrated into supplier selection and contract award decisions. Alongside quality, cost, delivery performance and business continuity, preference is increasingly accorded to suppliers demonstrating stronger alignment with the Company’s environmental, social and governance expectations.

Supplier performance is periodically monitored through compliance checks, operational reviews and interactions, ensuring adherence to regulatory requirements and Company expectations. Instances of non-compliance are addressed through corrective actions and continuous engagement.

Our systematic approach to suppliers assessment begins with screening our 45 tier-1 suppliers to determine their criticality based on Environmental, Social and Governance (ESG) criteria, along with business relevance, country-specific risk, sector-specific risk and commodityspecific risk factors. Assessments are undertaken through a combination of desk-based reviews, supplier documentation and compliance checks, operational reviews and, where relevant, on-site assessments for critical suppliers. The assessment approach is guided by the Company’s Supplier Code of Conduct, applicable legal and regulatory requirements, and relevant responsible business frameworks and principles, including the National Guidelines on Responsible Business Conduct (NGRBC), the UN Guiding Principles on Business and Human Rights (UNGPs).

Local Sourcing and Inclusive Supply Chain

DCM Shriram continues to prioritise **local sourcing and engagement with Micro, Small and Medium Enterprises (MSMEs)** to support regional economic development, reduce supply chain emissions and enhance operational responsiveness. Several business units, including Fenesta, maintain a strong local supplier base, contributing to both cost efficiency and community development.

This approach strengthens supply chain resilience while promoting indigenous entrepreneurship and employment generation across operating geographies.

Refer BRSR 25-25, pg 58 <https://www.dcmshriram.com/docs/files/Annual-Report-FY-2025-26.pdf>

Supplier Engagement and Capacity Building

The Company adopts a collaborative approach to supplier management, focusing on long-term partnerships and capability enhancement. Suppliers are sensitised to the Company’s expectations on sustainability, safety and ethical practices during onboarding and through ongoing engagement. The Company is also strengthening internal capacity for sustainable procurement through sensitisation and training of procurement teams and relevant internal stakeholders. These efforts cover responsible sourcing principles, supplier ESG expectations, compliance requirements and evolving disclosure frameworks such as BRSR/BRSR Core, enabling more effective implementation of supplier ESG programmes.

Efforts are being made to progressively build supplier awareness and capabilities in areas such as:

- Environmental management and compliance
- Occupational health and safety
- Responsible labour practices
- Ethical business conduct

This enables the development of a shared value chain aligned with DCM Shriram’s sustainability objectives.

Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced / Involuntary Labour	100%
Wages	100%
Others - please specify	-

*For Tier 1 value chain partners

Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100% (For Tier 1 Suppliers)

DCM Shriram maintains a structured and continuous engagement framework with its suppliers, dealers and distributors, anchored in regular interactions and relationship management practices. While formal stakeholder engagement forums are not institutionalised as standalone mechanisms, the Company conducts annual meetings, plant visits and periodic interactions to strengthen alignment on operational, safety and sustainability expectations. These engagements are complemented by monthly touchpoints that enable performance reviews, issue resolution and collaborative planning. In addition, the Company promotes knowledge sharing and capability enhancement across its partner ecosystem through dissemination of best practices, vendor development initiatives and recognition programmes, fostering long-term partnerships and continuous improvement across the value chain.

Supply Chain Resilience and Risk Integration

Supply chain considerations are integrated into the Company’s broader risk management framework, enabling identification and mitigation of risks arising from:

- Supply disruptions
- Regulatory changes
- Climate-related physical and transition risks
- Supplier dependency and concentration

This integration supports business continuity and enhances preparedness against evolving global and regional uncertainties.

Segment type	Typical suppliers included	Key focus areas
Supply disruption	Key raw material dependency	Multisourcing, buffer inventory, local alternatives.
Regulatory / compliance	EHS, labour and product regulations.	Supplier CoC, audits, monitoring, contract clauses.
Climate related (physical)	Weatherrelated impact on logistics and suppliers.	Supplier location mapping, contingency plans.
Climate related (transition)	Decarbonisation requirements and customer expectations.	Scope 3 visibility initiatives, cleaner inputs.

The Company is progressing towards digital integration of supplier ESG data within procurement systems, enabling real-time tracking, performance dashboards and risk flagging.

Towards Data-driven and ESG-integrated Procurement

As part of its continuous improvement journey, DCM Shriram is strengthening its supply chain systems to enable:

- Enhanced visibility into supplier ESG performance
- Integration of sustainability parameters into procurement decisions
- Improved tracking of supplier compliance and performance metrics

Strengthening Supply Chain Transparency and Accountability

Building on its established governance framework, DCM Shriram has implemented a Supplier Code of Conduct, which defines clear expectations across environmental management, occupational health and safety, labour practices, human rights and ethical business conduct. Adherence to these principles is embedded within supplier onboarding and contractual arrangements, reinforcing accountability and alignment with the Company's standards.

The increase in local sourcing reflects a strategic shift towards regional supplier networks, supporting supply chain resilience and reducing logistics-related emissions.

To further enhance oversight, the Company is strengthening its supplier assessment and audit framework, with increasing integration of ESG parameters into supplier evaluation and monitoring processes. This includes structured screening mechanisms, periodic performance reviews and risk-based assessments for identified critical suppliers, supported by defined corrective action protocols.

Recognising the importance of data-driven decision-making, DCM Shriram is advancing efforts to establish quantitative tracking and reporting mechanisms for supply chain performance. This includes improved visibility on supplier ESG compliance, assessment coverage and procurement from local and MSME vendors, enabling more robust monitoring and disclosure.

Through these initiatives, DCM Shriram continues to enhance transparency, measurability and accountability across its supply chain, supporting long-term resilience, regulatory alignment and sustainable value creation. Driving Responsible Practices Across the Value Chain, DCM Shriram is committed to building a resilient, responsible and future-ready supply chain, where suppliers are recognised as strategic partners in delivering operational excellence and sustainable growth. By embedding ESG considerations into procurement processes, strengthening governance and enhancing supplier engagement, the Company is positioning its supply chain as a transparent, risk-informed and ESG-integrated value chain aligned with long-term business resilience and stakeholder expectations.

DCM Shriram conducts periodic due diligence to guarantee that partners in the value chain deduct and deposit required statutory fees. Additionally, this is examined as part of DCM's internal and statutory audits. In addition, we regularly interact with partners in the value chain to educate them about responsible business practices and guarantee their compliance with statutory requirements like these.



Inclusive Procurement and Local Farmer Engagement

DCM Shriram is integrating circularity principles into its supply chain by optimising resource use, reusing by-products and recycling packaging materials, in collaboration with suppliers,



Sustainable Logistics and Green Mobility

As part of our commitment to sustainable operations, we have taken a significant step towards green mobility by entering into a long-term contract for the deployment of electric buses for employee transportation. This initiative is among the first of its kind within an industrial estate in the state of Gujarat.

The transition to electric mobility is expected to substantially reduce carbon emissions associated with daily employee commuting, contributing to our broader climate action goals.

Building on this initiative, we aim to progressively expand the use of electric vehicles across our logistics network, including the transportation of input materials and finished goods. This phased approach reflects our commitment to reducing the environmental footprint of our supply chain while embracing cleaner and more sustainable transportation solutions.

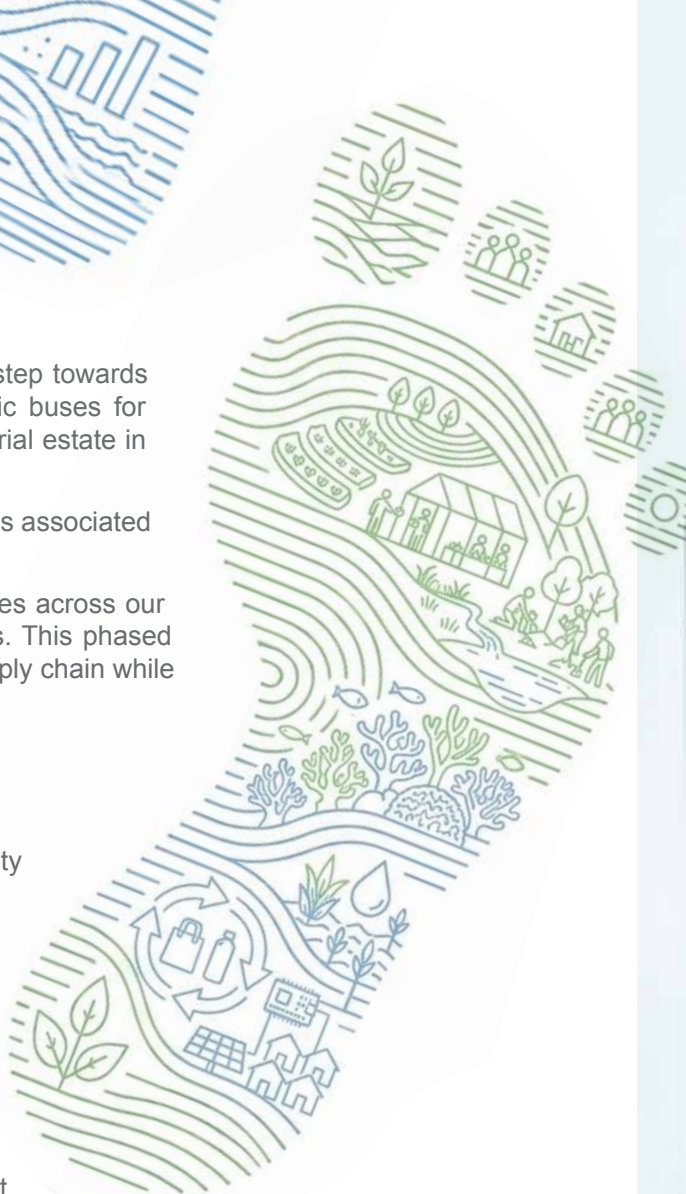
Driving Safety and Responsibility Across Logistics Operations

Ensuring safe, responsible, and efficient logistics operations remains a core priority across our supply chain. We regularly organize Transport Safety Meets with transporter partners involved in both inbound and outbound logistics, creating a structured platform for engagement and collaboration.

These sessions focus on reinforcing the importance of road safety, driver well-being, and strict adherence to vehicle safety standards. We actively share best practices, communicate our safety protocols, and promote awareness around responsible driving behaviour and preventive maintenance.

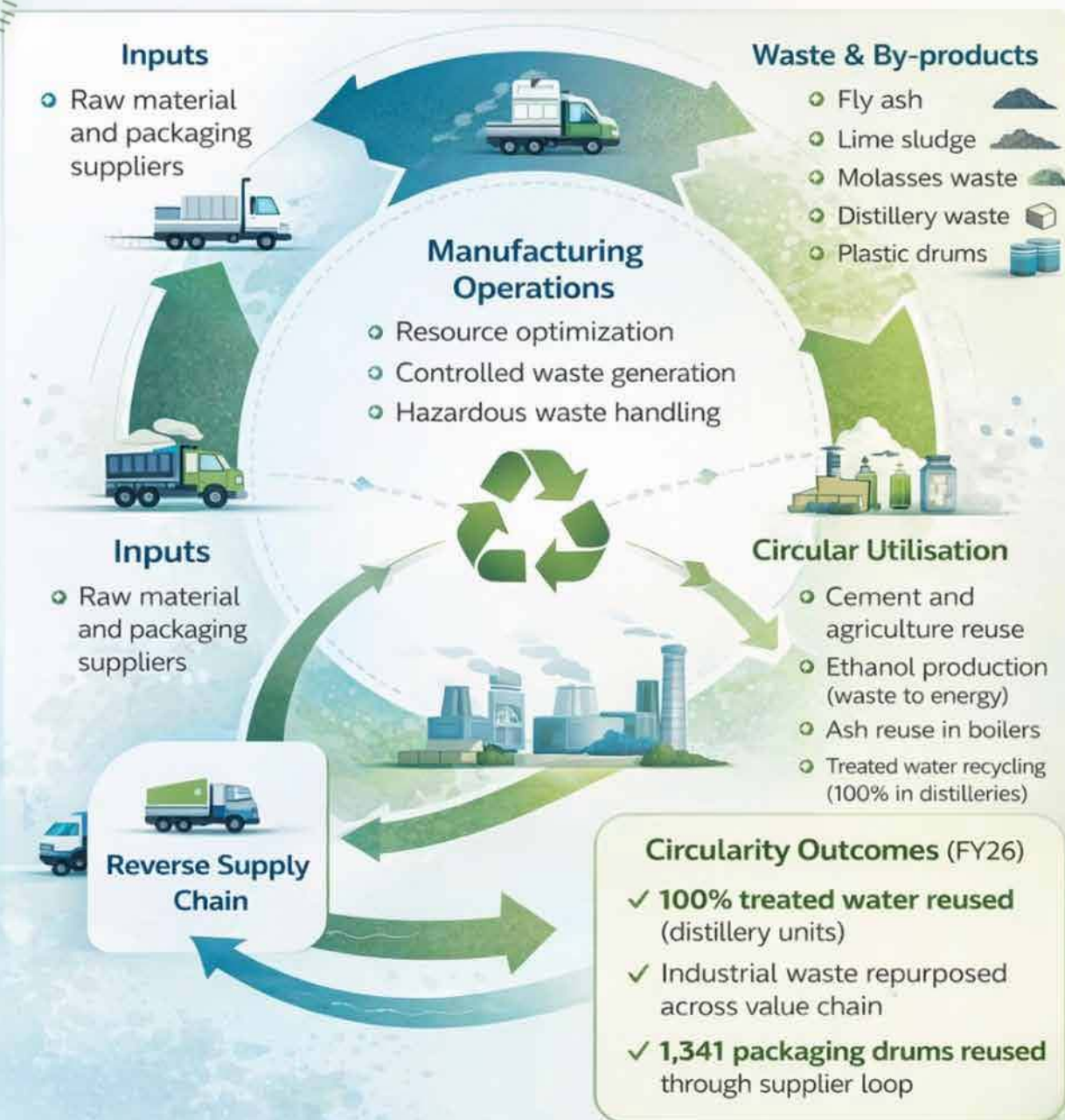
Designed to be interactive, these engagements encourage open dialogue and knowledge exchange with transport partners, enabling continuous improvement across logistics operations. This approach aligns with our broader stakeholder engagement framework, which emphasizes transparency, accountability, and partnership-driven value creation.

To further strengthen a culture of safety and performance excellence, we recognize and reward transporters demonstrating exemplary safety practices. Through these initiatives, we aim to build a resilient, accountable, and sustainability-driven logistics ecosystem.



Embedding Circularity Across the Supply Chain

DCM Shriram is integrating circularity principles into its supply chain by optimising resource use, reusing by-products and recycling packaging materials, in collaboration with suppliers.



Human Capital



Short/medium-term priorities

- Strengthen DEI and Talent Development
- Foster Employee Well-Being and Safety
- Leadership Pipeline Development
- Develop and execute customized career growth plans
- Broaden access to AI-driven learning platforms
- Strengthen Recognition and Rewards Framework

Long-term priorities

- Establish a workforce adept in future-ready skills
- Establish DCM Shriram as a zero-reportable accident organization



12

Empowering Future-Ready Talent

At DCM Shriram, our culture is anchored in a strong framework of ethical values known as The DCM Shriram Way. This framework reflects integrity, accountability and motivation, and continues to shape a culture of performance and ownership across the organisation. We remain committed to empowering our people through meaningful opportunities for personal and professional development, enabling them to contribute positively to the business and society.

Our success depends on our ability to attract, nurture and retain diverse talent that understands and reflects the perspectives of our stakeholders. We continue to foster an inclusive environment that encourages belonging, curiosity and long-term performance.

Starting with our WHY in Action

At the core of our human capital philosophy lies a clear purpose: to attract, develop and retain the right talent to meet the evolving needs of our businesses. We believe in building people who will, in turn, build the organisation and take it to new heights. This belief continues to drive our aspiration to be an employer of choice.

Advancing Inclusion through WIDE 2.0

Guided by globally recognised standards, we are committed to creating a fair, equitable and inclusive workplace where employees feel valued, respected and supported. Our focus remains on enabling individuals to realise their full potential while fostering mutual care, well-being and shared responsibility across the workforce.

Employment data (GRI 401-1) (Permanent Employees and Workers)

Headcount (Band and Gender Wise)	Female	Male	Grand Total	Headcount (Age and Gender Wise)	Grand Total
FTE	6	54	60	Less than 30 (<30)	1,657
Junior Management	238	2,673	2,911	30 to 50	3,771
Middle Management	72	1,133	1,205	More than 50 (>50)	1,181
Senior Management	6	100	106		
Permanent worker	10	2,317	2327	Grand Total	6,609
Grand Total	332	6,277	6,609		

Attrition data (GRI 401-1) (Permanent Employees and Workers)

Attrition (Band and Gender Wise)	FY2024-25			FY2025-26			Attrition (Age Group Wise)	FY 2024-25	FY 2025-26
	Female	Male	Grand Total	Female	Male	Grand Total			
Fixed Term Employee (FTE)	1	62	63	1	18	19	Less than 30 (<30)	330	338
Junior Management	50	404	454	48	467	515	30 to 50	428	503
Middle Management	4	143	147	13	125	138	More than 50 (>50)	136	140
Senior Management	1	16	17	1	5	6	Grand Total	894	981
Permanent worker	1	212	213	1	302	303			
Grand Total	57	837	894	64	917	981			
Attrition Rate*	24.8%	14%	14.4%	21.9%	14.9%	15.3%			
Involuntary Attrition	0	0	0	0	0	0			

*Average Headcount of starting of the financial year and end of the financial year considered for calculating the Attrition Rate

New Joinee data (GRI 401-1) (Permanent Employees and Workers)

New Joinee (Band and Gender Wise)	FY2024-25			FY2025-26			Attrition (Age Group Wise)	FY 2024-25	FY 2025-26
	Female	Male	Grand Total	Female	Male	Grand Total			
Fixed Term Employee (FTE)	1	22	23	4	25	29	Less than 30 (<30)	645	762
Junior Management	87	606	693	112	698	810	30 to 50	456	552
Middle Management	12	102	114	17	115	132	More than 50 (>50)	21	24
Senior Management	1	8	9	2	5	7	Grand Total	1122	1338
Permanent worker	6	277	283	6	354	360			
Grand Total	107	1,015	1,122	141	1197	1338			
New Joinee Rate*	46.5%	17.0%	18.1%	48.2%	19.5%	20.8%			

*Average Headcount of starting of the financial year and end of the financial year considered for calculating the Attrition Rate

Fostering Diversity, Equity and Inclusion (DEI)

Diversity, Equity and Inclusion are central to DCM Shriram’s people agenda. We believe that inclusive workplaces enhance innovation, deepen stakeholder understanding and strengthen organisational performance. DEI principles are embedded within managerial objectives, including those of the Group Executive Committee, and are reinforced through internal policies and the Code of Ethics.

Our DEI vision is articulated through the We are Inclusive, Diverse and Equitable (WIDE) initiative, which seeks to create a workplace where every individual feels respected, valued and empowered. Each business has established a Business DEI Council, supported by a Group DEI Council that provides oversight and undertakes quarterly reviews of progress.

To achieve long-term organizational success, DCM Shriram’s WIDE initiative focuses on creating an inclusive and equitable workplace. By welcoming diverse perspectives and experiences, we aim to foster innovation, drive business growth, and promote a culture where everyone feels valued and empowered. This initiative is a cornerstone of our vision for a sustainable, forward-thinking organization.

Four Pillars of DEI Strategy

Recruitment	We are committed to attracting and retaining diverse talent through inclusive hiring practices. Hiring managers undergo extensive workshops to identify and address biases, and specific roles are allocated for diverse candidates. Collaboration with DEI hiring experts, along with campus programs, widens our talent pool. Key metrics such as hiring costs and internal job postings are closely monitored to ensure transparency and efficiency.
Retention	Creating an environment where every individual thrives is essential. We conduct gender sensitization sessions for leaders and their teams, enforce safety guidelines, and provide after-hours travel support to enhance employee well-being. Current policies are continuously reviewed and updated to foster a respectful and supportive workplace.
Rising	Our commitment to talent development includes initiatives like the Women Development Forum and She-Leads, launched on International Women’s Day. These programs actively support the growth and advancement of our team members, ensuring their professional development remains a top priority
Reinforcing	Communication is key to sustaining DEI initiatives. Regular check-ins with women employees ensure their voices are heard, while transparent updates on DEI progress foster a sense of accountability and ownership across the organization.



GET Batch 2025 at Incubation Center

As of 31.03.2026, women represented 7.6% of the total officer workforce. The Group has set an aspiration to reach 10% overall gender diversity by FY28. Representation across management levels is monitored closely to guide targeted interventions. During FY26, there were 27.8% females in the Revenue Generating functions and 37.7% females in the STEM related functions.

We are not only focusing on increasing the numbers but also on creating an ecosystem for them to stay with us. This ecosystem-led approach is reflected across operations, capability development, policies and engagement platforms.

At the operational level, DCM Shriram has demonstrated inclusion through women-led facilities, including the flaker plant at Bharuch and a women-operated packing unit in the Country Liquor business. Inclusion efforts extend beyond gender, with differently abled employees engaged across businesses, including 17 employees at Bharuch.

Capability development for women is being strengthened through the Women Development Program under the Rising pillar of the WIDE framework. The program caters to women across levels and is designed to strengthen leadership competencies, enhance career readiness and build confidence through structured, reflective learning experiences. The intended impact is to build a stronger pipeline of women leaders across management levels, enhance retention and engagement of women talent, and empower women professionals to contribute meaningfully to organisational performance and innovation. The journey has commenced with middle management cohorts, focusing on both personal and professional dimensions of career progression.

- A range of enabling policies support women employees, including:
- Nanny allowance and childcare support to balance professional and personal commitments
 - Work-from-home provisions during the menstrual cycle for women in field roles
 - Fair performance evaluation post maternity leave
 - Maternity leave of 26 weeks for all businesses and Paternity leave of 15 days in the key businesses.
 - Availability of car and driver support for women employees in field roles within the SFS business

Beyond policies, Employee Resource Groups (ERGs) for women have been established across all businesses, meeting quarterly or half-yearly based on business context.

Why ERGs matter

- Amplify employee voices and create platforms for authentic dialogue
- Strengthen engagement and belonging across diverse employee groups
- Provide leadership visibility and development opportunities for emerging talent
- Partner with HR and business leaders to influence policies and workplace practices

Impact of ERGs

Organisations with strong ERG networks report higher levels of employee satisfaction, innovation and retention. Within DCM Shriram, ERGs have already contributed to increased awareness, allyship and community engagement at the business level. The next phase will focus on building shared goals and coordinated initiatives under the Group DEI framework to further strengthen impact. We have well defined talent and learning strategy based on 3 pillars of Organization, Culture and People.

Talent Attraction

Our talent attraction approach focuses on building a future-ready organisation by recruiting individuals whose capabilities and values align with the DCM Shriram culture. A transparent recruitment process, supported by clearly defined policies and wage structures, ensures fairness, consistency and effective communication.

Our recruitment process is transparent, focusing on evaluating candidates' skills and experience against the role's requirements. A clearly defined recruitment policy and wage structure ensure effective communication and collaboration.

New- Age Technology for Attracting Young Talent

To attract the brightest minds from top colleges, we leverage advanced technologies like Artificial Intelligence and gamified assessments. These innovative tools make our hiring experience effective, engaging and enable us to identify candidates who align with companies' values. We target our campuses with domain excellence such as Operations from IIM Mumbai, Agri business management from IIM- Ahmedabad & IIM- Lucknow, HR from TISS & XLRI.

We have various trainee programs under the Early in Career Gamot:

- Summer Internship Program
- Field Internship
- Management Trainee Program
- Technical Management Trainee Program
- Graduate Engineer Trainees
- Global Leaders in Development & Execution
- Other Business Trainees

Early in Career (EIC)

The Early in Career (EIC) program underscores our commitment to nurturing fresh talent while creating a strong pipeline for future business and leadership needs. The program recruits top graduates and offers structured learning, role rotations, and hands-on training to provide a holistic understanding of the business. The EIC program includes Management Trainees (MTs), Graduate Engineer Trainees (GETs), Technical Management Trainees (TMTs), internships, and other business trainee roles, forming a critical pipeline for future leadership. In FY26, the program onboarded 100 early-career professionals across 25 campuses/institutions, supporting 8% of entry-level hiring requirements across businesses and functions. This has helped strengthen succession readiness, reduce dependence on external hiring for key junior roles, and enable faster deployment of talent to operational and strategic priorities. This pool provides the talent pipeline for our future leaders. Through a strengthened campus recruitment strategy, we engage talent from premier institutions and place them across businesses and functions. The Early in Career program reflects our commitment to nurturing the workforce of tomorrow through structured learning, role rotations and hands-on exposure. The program includes Management Trainees, Graduate Engineer Trainees, Technical Management Trainees, internships and other business trainee roles, forming a critical pipeline for future leadership.

To attract high-quality talent, we leverage new-age technologies such as artificial intelligence-based assessments and gamified tools, enabling an engaging and effective hiring experience. Structured onboarding combines business immersion, cultural orientation and soft skills development, followed by community engagement through CSR initiatives that connect early-career employees with the organisation's values.

After the initial learning phase, participants undertake purpose-driven rotational stints across businesses and cross-functional domains, gaining holistic exposure. During these stints, trainees also engage with environmental, social and governance aspects of the business and present improvement ideas to senior leadership.

Programs for Nurturing Talent

Acclimatizing in DCM Shriram Culture Nurturing the New Gen becomes a key aspect of their engagement once they join the organization. DCM Shriram provides dual focus of not only driving business excellence but also making a meaningful impact on the society. We provide them with a comprehensive two-month learning experience. The first month offers an in depth exposure to our diverse business operations, including visits to key locations such as the Chemical Plant in Bharuch, the Bioseed Plant in Hyderabad, the Fenesta Showroom in Delhi NCR. These immersive sessions provide valuable insights into our business ecosystem. They also undergo few soft skills interactions like Campus to Corporate, Business Etiquette etc.

Developing sense of social responsibility

The second month focuses on Corporate Social Responsibility (CSR), fostering a connection between the next generation and the organization's core values. Through the Khushali programs, participants engage directly with community initiatives in villages near our sugar plants. These activities include health camps, educational support for children, and sanitation drives, nurturing a sense of responsibility and accountability towards society while reinforcing the ethos of DCM Shriram.

Post the two-month learning experience we provide them with purpose-driven structured stints in different business. In these stints we provide at least exposure to two businesses and one cross functional domain to provide a holistic and well- rounded approach to professional growth. While in these stints the Management Trainee also study the Environment, Social and Governance of the business and suggest innovative ideas to maintain and improve them in the presence of Top Management.



Summer Internship Program: DCM Shriram's Internship Programs provide students with a rich learning experience through meaningful exposure to real-world business challenges and industry practices. The Summer Internship Program combines hands-on project work with a leadership-led Summer Bootcamp, enabling interns to interact with senior leaders, build professional networks, and enhance problem-solving skills. High-performing interns may receive Pre-Placement Offers (PPOs) to join as Management Trainees. The Field Internship Program, offered in collaboration with the Tata Institute of Social Sciences (TISS), immerses students in corporate and field environments, helping them develop domain expertise, critical thinking, adaptability, and practical leadership capabilities for future careers.

Talent Development

Our Talent Development Framework outlined here is designed to identify, nurture, and retain individuals with the potential to drive systemic change within the organization. It incorporates a comprehensive approach consisting of several developmental programs catering to all levels of employees across business and functions.

Learning and Development

At DCM Shriram, we have cultivated a culture of learning, innovation, and collaboration by offering exceptional training and development support to our employees. These initiatives not only enhance capabilities but also help employees realize their full potential. Through on-the-job assignments and a supportive environment, we emphasize experiential learning. Our well-structured annual training plan aligns with our organizational values. We have a plethora of structured programs catering to all levels of employee development (including contractual and part-time employees) and across the group both for business and function.

ELDP: Emerging leader's development program: First time managers

LDP: Leadership development programs for seasoned leaders

ALDP: Advanced leaders development programs for top leaders

OYD: Own your development series for Early in career employees

ACT: Accelerating change together for senior new hires

PMF: People manager forums for discussing key topics of importance

HRDF: Human resources development forum

In addition, we have a host of technical and functional programs. The Company had spent around ₹16,500 per FTE during FY25-26. The Company regularly monitors key KPIs related to the hiring including the average hiring cost which was ₹38,447 per employee and positions filled with internal job posting which was around 12% during the FY25-26

Building Future Leaders through OLP

Succession planning is essential for ensuring sustained growth and resilience at DCM Shriram. We employ a thorough talent mapping and succession process to identify key roles requiring immediate attention, building a strong pipeline of future leaders. This approach enables us to proactively address critical positions through potential external hires while cultivating a culture of continuous growth and development.

OLP is the process to build a healthy talent pipeline to mitigate business risks and ensure a long-term business robustness through constant talent supply.

Advanced Leadership Development Program (ALDP)

The Advanced Leadership Development Program (ALDP) is a flagship initiative designed to enhance the leadership capabilities of senior executives. ALDP involves immersive learning experiences aimed at fostering innovation, strategic thinking, and addressing industry challenges. In FY 26, the program expanded to include a partnership with ISB Executive Education in Hyderabad. This collaboration provides senior leaders with cutting-edge skills and perspectives necessary for driving organizational growth and transformation. The ISB campus immersion sessions incorporate interactions with esteemed faculty, focusing on economics, leadership, and operations management, further solidifying participants' ability to navigate complex business environments. The ALDP program has been rechristened to RISE in FY25-26.

Own Your Development – Management Trainee Track

To support continuous learning and career progression, we have created the A.C.E.R.S platform for Management Trainee and Technical Management Trainee cohorts. Under this umbrella, the Own Your Development series offers skill and mindset development through a combination of internal and external experts. Learning journeys are supported by the Cornerstone learning management system, interactive webinars and participation in external forums. With diverse business exposure, these cohorts form a critical talent pool, with several senior leaders having progressed from early-career roles.

Catalyst: Kota Incubation Centre

The CATALYST program reflects our commitment to accelerating learning and contribution from day one for young engineers. Designed to embed Graduate Engineer Trainees into the organisation's culture, values and leadership expectations, the program focuses on building foundational and future-ready capabilities through real-time exposure, design thinking and innovation-led problem solving. Over time, CATALYST is expected to strengthen the next generation of technical leaders and reinforce DCM Shriram's positioning as an employer of choice for high-potential engineering talent. In the long term, CATALYST will not only nurture our next generation of technical leaders but also reinforce DCM Shriram's positioning as a destination for high-potential engineering talent.



Leadership Development

Our human resource strategies are crafted to attract top talent and deliver focused training aimed at bridging skill gaps while preparing individuals for future leadership responsibilities. A structured leadership and technical framework is enabling us to enhance leadership capabilities and foster a culture of continuous **growth and development**.

Upskilling and Reskilling

Our Supervisory Skill Development Program equips frontline supervisors with the management skills needed to ensure operational excellence. Tailored programs for first-time managers help them unlock their leadership potential early in their careers.

We also offer role-specific training to enhance employees' functional expertise, complemented by behavioural training to build adaptability in a dynamic work environment. For positions like Product Leaders and Project Managers, we have established a dedicated assessment center. This centre leverages group exercises, presentations, exams, and psychometric tests for a comprehensive evaluation of candidates' competencies.

Digital Learning Platforms: Cornerstone On Demand (CSOD)

We leverage innovative digital platforms to streamline skill development and integration. By incorporating gamification into our learning modules, we ensure active engagement and healthy competition among employees. Leaderboards are used to track progress and motivate continuous improvement. These digital tools foster a strong culture of learning and provide robust support within the organization.

Building on this foundation, the Company has launched eVOLVE (Empowered Virtual Opportunities for Learning, Value, Vision, and Excellence) as an integrated digital learning ecosystem designed to align workforce capabilities with evolving business needs. eVOLVE combines structured external partnerships with AI-enabled learning infrastructure to enable continuous, self-directed reskilling and upskilling across the organisation.

As part of this ecosystem, FutureSkills Prime, a national initiative by NASSCOM and MeitY, provides Officer-grade employees with industry-recognised digital learning in emerging technologies, strengthening digital fluency across functions. Complementing this, Tata Steel Industrial Consulting (TSIC) delivered role-specific technical training in core manufacturing domains, facilitated by experienced subject matter experts and closely aligned with our operational requirements.

In parallel, focused efforts have been undertaken to integrate emerging technologies, particularly artificial intelligence, into capability-building initiatives. Programmes such as AI masterclasses, including sessions led by industry practitioners, provide employees with practical exposure to AI tools and applications, enhancing their ability to leverage technology in decision-making and productivity enhancement.

Together, these initiatives reflect a structured approach to digital and technical capability development, combining platform-led learning, expert partnerships, and emerging technology integration to build a future-ready workforce. Early adoption trends and learner feedback indicate strong engagement, supporting the Company’s efforts to institutionalise continuous, outcome-oriented learning across all levels.

Training Hours* (Band and Gender Wise) (FY2025-26)	Female	Male	Grand Total	Average Training hours per Employee per year (Employee Band Wise)
Junior Management	4,986	47,301	52,287	18
Middle Management	1,324	25,670	26,994	22
Senior Management	7	2,751	2,758	26
Permanent worker	935	33,917	34,852	15
Grand Total	7,252	109,639	116,890	18

*Permanent Employees and Workers excluding Fixed Term Employees (FTE)

Average Training hours per Employee per year (Gender Wise)*	Female	Male	Average Training hours per Employee per year
FY2025-26	22	18	18
FY2024-25	19	16	16

*Permanent Employees and Workers excluding Fixed Term Employees (FTE)

Employee Wellness and Engagement

Employee well-being remains a key priority at both Group and business levels. DCM Shriram follows a holistic approach addressing physical, mental and emotional well-being, recognising its direct linkage with engagement, productivity and retention.

At the Group level, the Employee Wellbeing Assistance Program, delivered in partnership with Silver Oak, provides confidential support for mental health, stress management, nutrition and work-life balance for employees and their families. Mental health awareness initiatives, including campaigns aligned with World Mental Health Day, further strengthen organisational sensitivity to psychological well-being.

Within the Sugar business, wellness initiatives have been structured under the CARE framework (Communicate, Acknowledge, Respond and Engage) reflecting a unified approach to employee connection and productivity. Fifteen high-impact projects were implemented across sugar plants, focusing on emotional connection, health, leadership effectiveness and infrastructure enhancement.

Key interventions included parenting sessions covering employees and spouses, counselling support, health check-ups across levels, yoga and spiritual wellness sessions, tie-ups with local hospitals for emergency care, leadership effectiveness workshops for unit heads and line managers, upgraded sports and gym facilities, and expansion of hostel infrastructure including facilities for women employees.

These initiatives have strengthened emotional connect, improved access to health support and reinforced a culture of care and belonging across the Sugar business. The key themes that we majorly focused on are. Most of the interventions that took place below were in Sugar Plants:

1. Strengthening the emotional connect: Fostering a sense of belongingness & pride for the organization. The session conducted under this as follows:

- Session on parenting which covered 300+ employees and spouses
- Revamped Ladies Club & Sports Club
- Revamped Celebration moments & employee milestones
- Tie-ups with schools to ensure the right education to employees children.

2. Focus on Health: Promoting physical & mental wellness is provided ensuring a productive workforce. We conducted the following sessions :

- 1-on-1 counselling on health whoever opted for the same.
- Tie-ups for nearby emergency health support
- Sessions on Yoga & Spiritual wellness.
- Health check-ups for everyone across levels

3. Strengthening the existing infrastructure by focusing on wellness. The things we focused on are setup of outdoor facilities and gym facilities. We have also expanded girls hostel in our sugar plants.

102

Engagement and Dialogue

Employee engagement and dialogue at DCM Shriram are anchored in structured, multi-level communication mechanisms that promote transparency, trust, and alignment with organisational priorities. Engagement is viewed not only as a communication outcome but as an ongoing process that enables employees to participate meaningfully in the organisation’s growth journey.

Town hall meetings and other employee engagement initiatives play a crucial role in building a connected and motivated workforce. These programs reflect our dedication to open communication, collaboration, and inclusivity, strengthening our overall people strategy. Town halls enable leaders to engage directly with employees, reinforcing their role in guiding teams, eliminating obstacles, and driving impactful outcomes. Leadership forums and Q&A sessions during these meetings foster transparency, build trust, and create opportunities to address employee concerns, enhance well-being, and nurture a sense of community.

Cultural events, team-building activities, and feedback sessions further contribute to a supportive and inclusive workplace. They serve as essential moments to reinforce organizational values, cultivate a sense of belonging, and ensure every employee feels heard, valued, and aligned with the company’s vision. Through these initiatives, we encourage employees to share their ideas, provide feedback, and stay connected to the company’s strategic goals. This fosters collaboration, agility, and a culture of accountability and innovation. Additionally, these platforms help communicate organizational objectives, celebrate milestones, and recognize outstanding contributions, aligning closely with our performance management approach to ensure employees feel appreciated and understand how their efforts drive the company’s success.

Regular Group and business-level town halls, leadership interactions, plant-level forums, and functional meetings provide platforms for two-way communication on strategy, performance, safety, people priorities, and change initiatives. These interactions are complemented by digital communication channels that enable timely dissemination of information and feedback across locations.

Employee feedback is captured through periodic engagement and satisfaction surveys, leadership connects, and focused group discussions. These mechanisms are used to assess key dimensions of employee experience, including job satisfaction, sense of purpose, workplace happiness, and stress levels, alongside broader themes such as leadership effectiveness, work environment, career development, and well-being. Insights from these mechanisms are reviewed by management and used to identify improvement actions related to leadership effectiveness, work environment, career development, and well-being. The most recent employee satisfaction survey recorded a score of 97 percent, reflecting high levels of engagement and alignment.

In addition to structured mechanisms, businesses also foster engagement through team-based and experiential initiatives that strengthen collaboration, trust, and a sense of belonging. Programs such as cross-functional offsites, plant-level interactions, and team-building engagements encourage employees to bond, build shared understanding, and reinforce organisational values, complementing formal engagement processes. At DCM Shriram Chemicals, as we accelerate our journey of growth and move towards advanced, sustainable and future-ready solutions, one thing is clear: our people will define how far we go. Building a strong, skilled, and resilient talent pipeline isn’t just an HR priority it’s a business imperative. A philosophy rooted in how we invest in people; giving them the tools, trust, and environment to shape long-term careers while contributing to a growing, evolving organization.



It begins with Bonding - with colleagues, mentors, and teams who challenge, support, and grow together.

Company's Grievance redressal mechanisms are accessible across the organisation, providing employees with safe and confidential channels to raise concerns without fear of retaliation. Matters raised through these mechanisms are reviewed and addressed in a time-bound manner, reinforcing trust and accountability.

Human Capital Return on Investment

The Company applies Human Capital Return on Investment principles to assess the effectiveness of its people-related initiatives and to inform workforce planning and capability decisions. Human capital performance is reviewed through a combination of quantitative and qualitative indicators, including training investment per full-time employee, participation and coverage of development programs, employee engagement and satisfaction scores, retention trends, internal mobility and promotion rates, safety performance, and productivity indicators. These insights are used by management to refine learning priorities, strengthen retention actions for critical roles, and align people investments with long-term business objectives

External Leadership Engagement and Knowledge Exchange

DCM Shriram's leadership actively participates in national and international industry forums, professional networks, and knowledge platforms to remain engaged with evolving business, sustainability, and governance practices. Senior leaders regularly contribute to discussions on leadership, strategy, finance, sustainability, and people management, enabling cross-learning and external benchmarking. Insights gained through these engagements are systematically brought back into the organisation and inform leadership development programs, strategic decision-making, and capability-building initiatives, reinforcing a culture of continuous learning and outward-looking leadership.

Professional Growth and Employee Empowerment

We promote employee growth through mentorship and strategic projects, fostering learning alongside senior leadership. Our remuneration strategy aligns with performance, market trends, and long-term goals, recognizing contributions and promoting loyalty. We also support role transitions aligned with aspirations and organizational priorities. Regular structural audits help us adapt to evolving business dynamics and integrate global best practices, fostering an inclusive and high-performance workplace. 360-degree feedback is conducted on a case-by-case basis for employees at specific levels and with demonstrated performance potential

Performance Management and Development

Performance management at DCM Shriram is designed to align individual performance with business objectives, values, and long-term strategy. The framework emphasises clarity of role expectations, continuous feedback, and capability development rather than one-time evaluation. Annual performance appraisals are conducted through a structured process that integrates goal setting, mid-year reviews, and year-end evaluations. Performance goals are cascaded from business and functional objectives and incorporate aspects related to safety, people leadership, and responsible conduct, in addition to operational and financial outcomes.

The performance management system is closely linked with the Organisation and Leadership Process (OLP), enabling assessment of both performance and potential. Outcomes from performance reviews inform Individual Development Plans, learning interventions, internal mobility, and succession planning for critical roles. Differentiated performance outcomes are also linked to rewards, recognition, and long-term incentive structures, reinforcing a pay-for-performance culture aligned with market practices and internal equity.

This integrated approach ensures that performance management supports employee development, leadership readiness, and sustained organisational performance.

Human Rights

DCM Shriram remains committed to the principles of the United Nations Global Compact and upholds globally recognised human rights standards. Policies covering child labour prohibition, non-discrimination, grievance redressal, equal opportunity and workplace conduct are in place and accessible to all employees. Regular awareness sessions address POSH, safety, environmental responsibility and ethical conduct.

In line with SA8000 principles, the Company follows internal assessments across its manufacturing and R&D facilities to identify improvement opportunities and strengthen compliance readiness. The Company is committed to safeguarding the rights of indigenous communities and fostering inclusive development through ongoing engagement and CSR programs. No complaints, grievances, or incidents concerning violations of indigenous rights were reported during FY25-26.

DCM Shriram engages security personnel primarily through specialized service providers. Compliance with applicable human rights requirements forms part of the contractual obligations of these service providers. In addition, the Company's Code of Conduct incorporates human rights principles, and contracted security personnel are invited to participate in periodic Code of Conduct refresher training conducted by DCM Shriram, reinforcing the Company's expectations regarding ethical conduct, respect for human rights, non-discrimination, and appropriate engagement with employees, contractors, communities and other stakeholders.

Labour Practices and Employee Support

DCM Shriram is committed to fair and responsible labour practices in line with applicable national labour laws and internationally recognised standards, including core International Labour Organization conventions. This commitment covers fair wages, reasonable working hours, safe and healthy working conditions, non-discrimination, prohibition of child and forced labour, respect for freedom of association, and responsible management of contract labour across operations. In this context, the Company seeks to ensure that wages remain fair and responsible, taking into account applicable statutory requirements, internal benchmarks, and broader cost of living considerations, while continuing to review its approach over time. The Company also monitors working hours, including overtime, and seeks to ensure that overtime work is compensated in accordance with applicable laws and internal policies. In addition, the Company regularly engages with workers' representatives on working conditions and related workforce matters, supporting constructive dialogue and responsible labour relations.

Labour practices commitments are operationalised through structured programs covering workforce planning, talent attraction and development, safety leadership, employee wellness, engagement, and grievance redressal. Key initiatives include the Organisation and Leadership Process (OLP), Early-in-Career and leadership development programs, CARE-based wellness interventions in the Sugar business, Group-level Employee Wellbeing Assistance Program, and formal grievance redressal mechanisms accessible to all employees. The Company also routinely reviews workforce-related indicators as part of its commitment to fairness and inclusion, including efforts to support equal remuneration for men and women across comparable roles and levels. It further seeks to strengthen employee support provisions beyond statutory requirements wherever feasible, in line with workforce needs and business context.

Employee support programs are designed to address diverse life stages and work contexts. These include mental health and counselling support, medical tie-ups and health check-ups, wellness and stress management initiatives, women-specific support policies, and infrastructure and facilities that promote safety, dignity, and work-life balance. The Company also encourages employees to avail their paid annual leave entitlements as part of its broader focus on well-being and work-life balance. In addition, learning and capability-building initiatives help employees adapt to changing business, industrial, technological, and sustainability-related requirements, including through training and reskilling support where relevant. Together, these programs strengthen employee well-being, engagement, and retention.

Workforce Composition and Fair Employment

Workforce diversity and composition are monitored through indicators such as gender representation, employment type, location, and inclusion of differently abled employees, in line with applicable legal and ethical norms. Given the Indian regulatory and socio-cultural context, workforce data is not tracked by race or ethnicity. Compensation structures are role-based and benchmarked to market practices, with periodic internal reviews undertaken to support fairness and consistency in remuneration across comparable roles and levels.

Employee turnover trends are monitored at business and functional levels, with targeted retention actions implemented for critical roles and high-potential talent. These actions focus on career progression, leadership quality, learning opportunities, and employee well-being, supporting long-term workforce stability and capability.



Building a Safe and Responsible Workplace



EHS Strategic Priorities

- **Zero Harm Culture**
 - Strengthen safety management practices beyond statutory compliance and maintain transparency in incident reporting and investigation.
- **Workforce Health and Wellbeing**
 - Promote employee health protection, safe work practices and improved working conditions across all operations.
- **Environmental Stewardship**
 - Minimise environmental impact through responsible resource use, waste reduction and adoption of safer and cleaner manufacturing processes.



13

Building a Safe and Responsible Workplace

Environment, Health, and Safety Leadership

Occupational health and safety in industrial operations is fundamental to protecting employee wellbeing and sustaining operational excellence. At DCM Shriram Limited, Environment Health and Safety (EHS) management forms an integral part of enterprise risk management and responsible business conduct.

Operating across various business verticals of Agri-rural, Chemicals and Vinyls and Value added businesses, the Company recognises that effective EHS governance requires strong leadership accountability, disciplined operational systems and active workforce participation. DCM Shriram therefore implements a comprehensive EHS management framework designed to safeguard employees, contractors and surrounding communities while ensuring safe and reliable operations.

The Company promotes a proactive safety culture through structured training programs, contractor safety governance, emergency preparedness systems and systematic incident learning. These initiatives support continuous improvement in safety performance and strengthen risk management across the Company’s operations and value chain.

Environment Health and Safety Principles and Framework

DCM Shriram recognises the health, safety and welfare of employees and people in general as a matter of paramount importance and considers a safe and healthy workplace to be a prerequisite for achieving operational excellence and sustainable growth.

To operationalise this commitment, the Company has established a comprehensive EHS management framework that integrates governance oversight, operational controls and continuous improvement mechanisms across all businesses.

The EHS Policy is approved and signed by the Whole Time Director responsible for Environment, Health and Safety, reinforcing executive accountability for EHS performance across the organisation. The policy establishes clear responsibilities across management levels, with all line managers carrying primary responsibility for implementing EHS practices within their respective operational areas. EHS considerations are integrated into operational decision making, including procurement of plant and equipment, materials handling practices and workforce deployment. Regular risk assessments, safety audits and performance reviews are conducted to identify potential hazards and strengthen preventive controls.

Through these mechanisms, the Company ensures that EHS management remains embedded within business planning, operational execution and long-term sustainability objectives.

DCM Shriram EHS Management System

DCM Shriram’s EHS management system is founded on a human centred management philosophy that prioritises the protection of employees, contractors and surrounding communities while ensuring safe and reliable operations. The framework integrates operational safety practices with organisational governance structures and enterprise risk management processes, enabling consistent implementation of EHS standards across manufacturing locations.

Management Systems

EHS Policy signed by Top Management covering all sites and Businesses
ISO 45001 (Occupational Health & Safety Management System) implemented at all sites

Responsible Care (RC) for major chemical products

5 Star Rating and Sword of Honour from British Safety Council for key manufacturing sites

Safety Goals & Targets

Safety Goals part of Unit Head, Business Head and Whole Time Director KRAs
Safety Performance review at site level, Business level and Board level on regular basis

Safety Reporting

Monthly MIS shared with Corporate for public reporting
Digital tools in place for Behaviour Bases Safety (BBS) management

Internal / External audit of Safety performance

Safety performance disclosure in Sustainability Report, BRSR, CDP, EcoVadis, CSA S&P Global etc



Through structured processes for hazard identification, risk assessment and operational control, the Company seeks to proactively manage workplace risks and strengthen preventive safety measures. Incident management processes require systematic reporting, investigation and review of all incidents, including near misses, to determine root causes and implement corrective and preventive actions. These mechanisms support continuous organisational learning and improvement in safety performance.

Contractor safety is an integral part of the Company's EHS governance framework. Responsibilities of contractors, subcontractors, transporters and other service providers operating within Company premises are defined through formal contractual agreements and operating procedures to ensure adherence to the Company's EHS standards and regulatory requirements.

DCM Shriram also operates integrated management systems aligned with internationally recognised standards such as ISO 14001 for Environmental Management and ISO 45001 for Occupational Health and safety. These systems support a structured approach to safety management through regular risk assessments, operational monitoring and periodic internal audits.

The implementation of the EHS management system is reinforced through ongoing safety training, operational reviews and leadership oversight across sites. These efforts strengthen a culture of safety awareness, accountability and operational discipline across the organisation.

EHS Mission and Vision

To recognise people and the environment as fundamental values and embed safety, health and environmental protection into all operational decisions, while safeguarding the wellbeing of employees, contractors and communities through the prevention of incidents, injuries and occupational ill health.

Vision: To achieve excellence in health and safety at work, home and beyond by empowering everyone to live by our values and create zero harm to people, assets and planet.

EHS Objectives

- **Ensure regulatory compliance** with all applicable health, safety and environmental laws, standards and internal policies while striving to go beyond compliance.
- **Prevent workplace injuries and occupational ill health** through proactive hazard identification, risk assessments, incident reporting and effective safety management systems.
- **Protect the environment and promote resource efficiency** by minimising emissions, conserving natural resources and supporting circular economy practices.
- **Integrate EHS considerations into operational and business decisions**, including procurement of plant, equipment, materials and workforce deployment.
- **Strengthen workforce participation and capability** through employee engagement, structured training, contractor accountability and collaborative safety culture.
- **Drive continuous improvement in EHS performance** through regular audits, monitoring, performance reviews and implementation of corrective and preventive actions.

With the objectives established, it is critical to have a system that can gather information from around the organisation, assist with knowledge management and guarantee that actions are delivered across units. An EHS MIS is in place to consolidate data monthly for all the manufacturing sites and share the learnings from various incidents reported to prevent the recurrence of such incidents by taking necessary corrective and preventive actions.

EHS Roadmap

To further strengthen safety governance and operational resilience, DCM Shriram continues to advance its EHS systems through a structured improvement roadmap.

2025	2026	2027
Strengthen safety governance across manufacturing sites and enhance operational risk monitoring systems.	Advance process safety management practices and expand digital monitoring systems for safety performance.	Achieve global benchmark safety performance through predictive risk analytics and continuous improvement in safety culture.

EHS Management Philosophy

Recognising people and the environment as core values and creating safe, healthy and environmentally responsible workplaces. DCM Shriram actively safeguards employee health, operational safety and environmental protection through structured EHS management systems and responsible operational practices.

Safety Culture Model

DCM Shriram's safety culture model is anchored in three pillars, Engage, Educate and Empower, which collectively drive employee participation, continuous capability building and accountable decision making across operations.

DCM Shriram's EHS management system is founded on a human centred management philosophy that prioritises the protection of employees, contractors and surrounding communities while ensuring safe and reliable operations. The framework integrates operational safety practices with organisational governance structures and enterprise risk management processes, enabling consistent implementation of EHS standards across manufacturing locations.

- **Engage Educate Empower**
DCM Shriram promotes a people centric safety culture built on active participation, continuous learning and empowered decision making.
- **Engage**
Encourage active participation of employees in hazard identification, safety committees and reporting of near misses.
- **Educate**
Promote continuous safety learning through induction programs, refresher training and job specific safety procedures.
- **Empower**
Provide employees with the authority and capability to stop unsafe work and take preventive actions.



DCM Shriram has strengthened its safety culture by transitioning from prescriptive safety rules to a values driven behavioural framework that guides decision making across all levels of the organisation. The framework defines how employees and leadership are expected to act in day to day operations, embedding safety into core values such as integrity, agility, teamwork and openness. This approach reinforces personal accountability, promotes proactive risk identification and ensures that safe behaviours are consistently demonstrated across operations. It also establishes clear expectations for leadership in driving safety outcomes and integrating health and safety into operational and organisational decision making.

Our safety values, safe behaviours for employees and leaderships

Our Values	Everyone	Leaders
Integrity Honesty at all times with ourselves and others about doing the right thing to ensure Health & Safety	I will always choose the safe way to work, whatever the circumstances.	I will enable my team to make the right choices on Health & Safety.
Agility Swift action for proactive and progressive redressal of potential Health & Safety hazards	I will act on all concerns about Health & Safety as soon as they arise.	I will act swiftly to all Health & Safety concerns and involve my team in finding the best solutions.
Customer-Centricity Recognizing how our actions can impact the Health & Safety of all others beyond our immediate team and beyond "compliance" needs	I will always consider how my work might affect the Health & Safety of others.	I will ensure an integrated approach to Health & Safety within my team and across the whole operations.
Teamwork Taking care of each other to ensure the Health & Safety of each & everyone	I will work with those around me to ensure the Health & Safety of everyone.	I will involve and empower my team to ensure the Health & Safety of everyone.
Openness Speaking up on all Health & Safety incidents and improvement opportunities	I will speak up about all aspects of Health & Safety and challenge the unsafe behaviour of others.	I will encourage, support and enable my team to speak up freely about all aspects of Health & Safety.
Newness Continuous questioning of existing norms in quest for Health & Safety improvements in the way we work	I will explore and embrace creative ideas to improve Health & Safety aspects.	I will inspire and implement innovative ideas to improve Health & Safety aspects.

EHS Governance Highlight

Board Level EHS Accountability

DCM Shriram’s EHS Policy is approved and signed by the Whole Time Director responsible for Environment, Health and Safety, demonstrating direct executive accountability for safety governance across the organisation.

To ensure effective implementation of systematic EHS management, DCM Shriram has established an integrated governance framework supported by dedicated EHS teams across its business operations. The corporate EHS function provides strategic oversight by developing companywide standards, policies and operational guidelines while supporting manufacturing sites in strengthening workplace safety, risk management and incident prevention.

At the operational level, EHS teams work closely with plant leadership and production units to reinforce safe operating practices and ensure effective implementation of safety management systems. This approach enables consistent monitoring of workplace risks, improved hazard identification and proactive mitigation of safety and environmental risks across all locations.

The Company also emphasises strengthening on site safety capability by integrating EHS professionals with operational teams, enhancing field level supervision and improving incident learning processes. Through structured monitoring mechanisms, internal audits and safety reviews, DCM Shriram continuously evaluates EHS performance and identifies opportunities for improvement.

Oversight of EHS performance is further reinforced through leadership accountability and governance mechanisms. Safety and health priorities are integrated into the Company’s operational planning processes and are periodically reviewed by senior management to ensure alignment with regulatory requirements and organisational safety objectives.

Going forward, DCM Shriram will continue to strengthen its EHS management systems by enhancing site level safety capabilities, improving risk identification mechanisms and promoting a proactive safety culture across the organisation. These efforts aim to further embed safety, health and environmental stewardship into day-to-day operations while supporting the Company’s commitment to responsible and sustainable growth.

EHS Committees

DCM Shriram has established EHS committees across all manufacturing locations in accordance with the requirements of the Factories Act and applicable safety regulations. These committees serve as an important platform for strengthening safety governance, encouraging workforce participation and identifying opportunities for continuous improvement in workplace safety practices.

Each location maintains a formal safety committee with representation from plant leadership and employees. Regular meetings of the safety committee are conducted to review safety performance, discuss operational risks and implement practical safety improvement measures. In addition, monthly departmental safety committee meetings are held at various sites to ensure active participation of the workforce in the Company's safety management practices.

The Corporate EHS team monitors safety performance across all locations using both leading and lagging indicators. Insights from these reviews are discussed at site and corporate levels to drive proactive risk management and strengthen preventive safety measures.

To further reinforce accountability, Business Heads are responsible for the occupational health and safety performance of their respective businesses, with site EHS Heads providing functional oversight and support for implementation of EHS practices. Safety performance and key risk indicators are periodically reviewed at business, corporate and Board levels to ensure effective governance and continuous improvement.

Through this structured committee framework, DCM Shriram promotes collaborative safety management, encourages employee engagement in safety initiatives and strengthens a culture of shared responsibility for workplace health and safety.

EHS Governance Structure

DCM Shriram has established a structured governance framework for Environment, Health and Safety (EHS). The framework integrates Board oversight, corporate EHS leadership, business level accountability and site level safety management systems to ensure effective implementation of the Company's EHS policy across operations.

Safety and Accident Prevention Activities

DCM Shriram adopts a proactive and structured approach to managing occupational safety and environmental risks across its manufacturing operations. The Company implements systematic hazard identification, safety risk assessments and operational monitoring processes to identify potential hazards and strengthen preventive controls.

Regular safety inspections, internal audits and compliance reviews are conducted across manufacturing locations to ensure adherence to applicable regulatory requirements and internal EHS standards. Incidents and near misses are systematically reported and investigated to identify root causes and implement corrective and preventive actions across sites.

Operational safety programmes are also supported through process safety management practices, contractor safety protocols and structured safety monitoring systems that strengthen operational risk management across manufacturing activities.



Safety Inspections and Environmental Risk Management

At our plants, we conduct safety assessments, evaluate plant conditions, and perform job safety analysis. We prioritise safety training in defensive driving, behaviour based safety, first aid, and safety inspection protocols. Mock drills are regularly conducted to enhance employee awareness and emergency preparedness. All necessary safety procedures, material safety data sheets, and local emergency plans are available in the local language at each operating site.

Safety and Environmental Risk Assessment	Conduct structured safety and environmental risk assessments across manufacturing locations to identify operational hazards and ensure compliance with regulatory requirements and internal EHS standards.
Safety Inspection	Perform routine inspections across plants and operational areas to monitor workplace safety conditions and ensure adherence to established safety procedures.
Internal Safety Audits	Conduct periodic internal audits to evaluate compliance with EHS policies, ISO 14001 and ISO 45001 management systems, and regulatory obligations.
Safety Performance Monitoring	Monitor leading and lagging safety indicators including LTIFR and incident trends to assess safety performance across business units.
Incident Investigation	Investigate all incidents and near misses to determine root causes and implement corrective and preventive actions across operations.
Safety Committee Governance	Safety committees constituted under the Factories Act facilitate worker participation in safety management and support continuous improvement in safety practices.

Emergency Preparedness and Response System

DCM Shriram maintains structured emergency preparedness systems across its manufacturing facilities to ensure effective response to potential incidents. Emergency response teams are established at plant locations and periodic mock drills are conducted every six months to test the readiness of personnel and response mechanisms.

Emergency preparedness procedures cover scenarios such as fire incidents, chemical leaks, process disruptions and other operational contingencies. Employees and contractors are trained in emergency response protocols including evacuation procedures, first aid and incident reporting.

These initiatives support timely response and help strengthen the Company’s capability to manage operational emergencies effectively.

Occupational Health Services

DCM Shriram maintains structured occupational health systems across its manufacturing operations to protect the health and wellbeing of employees and contractors. Preventive health management is implemented through periodic medical examinations and continuous health monitoring programmes.

Employees undergo medical examinations at defined intervals to detect occupational health risks at an early stage and enable timely intervention. Occupational health centres located at manufacturing facilities are equipped to provide essential medical care and emergency response support. Specific health monitoring programmes are conducted to identify potential symptoms of occupational illnesses and implement corrective and preventive actions where required.

Health surveillance and workplace monitoring systems are supported by trained medical personnel and dedicated health facilities to ensure that employees have access to appropriate healthcare support.

Employee Health and Wellbeing Promotion

DCM Shriram promotes employee wellbeing through structured health awareness and preventive healthcare programmes. Regular health talks, nutrition awareness sessions and wellbeing programmes are organised to promote healthy lifestyles among employees.

Awareness sessions on posture management, workplace ergonomics and preventive health practices are conducted across manufacturing locations and corporate offices. Wellness programmes are also organised in collaboration with external medical institutions, including non-invasive health testing and consultation programmes for employees and contractual staff.

The Company also conducts regular awareness campaigns on the prevention of workplace incidents and occupational hazards to strengthen safety awareness among employees.

Professional health and safety education is promoted across manufacturing units through awareness programmes and demonstration sessions on safe working practices. Safety communication materials including posters, safety guidelines and operational advisories are displayed across sites to reinforce safety awareness. Regular Health Talks on Dietetics and Nutrition are conducted for the employees, providing a comprehensive discussion on healthy living and dietary patterns in all the weathers. The talk also holds a session on Postural awareness at workplace, to educate the employees about preventative measures regarding the bodily impacts of wrong posture and continuous sitting. During the year, awareness sessions on CPR were organised at the Corporate office and also in Businesses Head Office at Gurgaon.

Regular wellness programs in partnership with external organisations are organized for the employees and contractual staff at various manufacturing sites. The program used cutting-edge non-invasive tech with testing that took 3-5 minutes requiring no blood/urine samples and the results/wellness index were immediately shared. The employees/workers were even provided with diagnostic and consultation sessions and the reports or the health updates were received regularly via mail or WhatsApp.

Safety Leadership and Workforce Engagement

Safety leadership is strengthened through the active involvement of line managers, operational leadership and cross functional safety committees. Employees receive safety training during induction and through periodic refresher programmes delivered through classroom and digital learning platforms.

Contractors working at Company locations also undergo safety training and orientation programmes to ensure alignment with the Company's safety requirements.

Cross functional safety teams and joint management committees operate at plant locations to support safety oversight and encourage participation of employees and management in safety decision making.

Key safety initiatives implemented across manufacturing locations include:

- Strengthening process safety management practices
- Improving contractor safety management systems
- Strengthening safety monitoring through digital tools
- Implementing systematic safety risk assessment programmes
- Improving safety training and competency development
- Expanding use of digital technologies in safety management

With a target of zero accidents, Companywide drive on awareness on prevention of incidents/ accidents is carried out regularly at all levels to engage employees through their active participation.

An EHS MIS is in place to consolidate data on a monthly basis for all the manufacturing sites and share the learnings from various incidents reported to prevent the recurrence of such incidents by taking necessary corrective and preventive actions.

Training on occupational health and safety

Employee health and safety are always top priorities for our organization. We encourage continuous learning and skill development among our employees, with training needs identified through collaboration between employees, line managers, and the HR function. Our permanent employees, including women and those with disabilities, undergo training during induction and periodically through classroom or web-based modules to upgrade their skills. We also organize special courses as needed. Contractors are required to provide skill and safety training to their employees before assigning them to company projects. We provide safety training to contract workers when necessary, in addition to their induction training on safety. We are delivering targeted interventions and training to employees in order to improve competency, behaviour, and safety. We have employed Cross-Functional Teams (CFTs) and joint management personnel committees with active participation from top management and employees for site-level Occupational Health and Safety (OHS) concerns. We have carried out a few remarkable initiatives to advance safety culture among employees and workers including:

- Process Safety and Risk Management (PSRM) at manufacturing sites, on-the-ground boots, a safety plan at all sites, and a safety hour at the R&D centre
- Contractor employee IDs
- Maintaining the ongoing safety improvement programs
- Putting PSRM into place at all locations-Using lead indicators via PSI to measure systematic improvements
- Strengthening training modules for key trades that are associated with high-risk activities
- Expanding the use of digitalisation, IoT and AI in safety management.

The importance of professional health and safety education is regularly emphasised. Throughout our company, various training and demonstration techniques are used to prevent any incidence of safety hazards. Boost preparedness is intended to provide knowledge on security and well-being to our employees. The fact that safety guidelines are displayed in our plants also raises staff awareness. Our lagging indicators are the Lost Day Rate (LDR) and the Lost Time Injury Frequency Rate (LTIFR).

Safety Initiatives Across the Supply Chain

DCM Shriram extends its safety management practices beyond its own operations to include contractors, suppliers and service providers operating across its value chain. The Company promotes a shared safety culture by clearly communicating EHS expectations to suppliers and ensuring that external partners operating at Company premises comply with established safety standards and operational procedures.

Safety requirements form an integral part of the Company's Supplier Code of Conduct, which outlines the expectations related to occupational health, workplace safety and environmental responsibility for all suppliers and contractors engaged with the Company. Suppliers are expected to comply with applicable safety regulations, follow safe working practices and ensure that their employees and subcontractors adhere to the Company's safety protocols while operating at Company facilities.

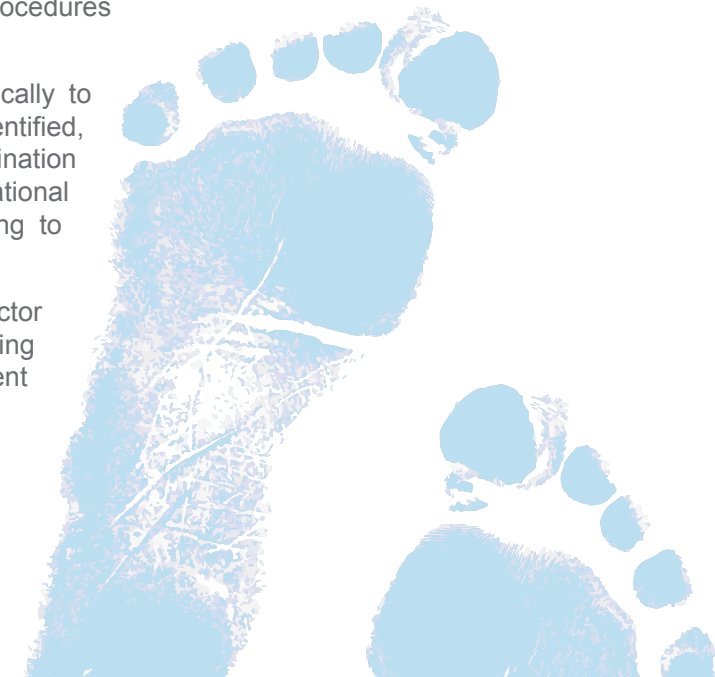
Contractors and suppliers working at manufacturing locations are required to follow site specific safety rules, operational guidelines and permit systems. Safety orientations, toolbox talks and site level safety briefings are conducted to familiarise contractor personnel with operational hazards and preventive safety practices. These initiatives help integrate suppliers and contractors into the Company's safety management framework and strengthen safety performance across operational activities.

Supplier Safety Qualification and Monitoring

DCM Shriram maintains structured processes for evaluating and monitoring the safety performance of contractors and service providers working at its facilities. Contractors are assessed based on defined safety criteria including compliance with safety regulations, adherence to operational safety procedures and implementation of adequate safety management systems.

Safety performance reviews and inspections are conducted periodically to verify compliance with safety requirements. Where gaps are identified, corrective measures and improvement actions are initiated in coordination with contractor organisations. Contractors engaged in high risk operational activities are subject to enhanced safety supervision and monitoring to ensure safe execution of work.

The Company also emphasises continuous improvement in contractor safety performance through regular engagement, guidance and training support on safety expectations and operational risk management practices.



Supplier Safety Monitoring and Inspections

DCM Shriram conducts regular safety inspections and site reviews to monitor the safety practices of contractors operating at its manufacturing facilities. These inspections focus on identifying potential workplace hazards, verifying compliance with safety procedures and ensuring the appropriate use of personal protective equipment.

Joint safety inspections involving operational teams and contractor representatives are conducted to strengthen communication and address safety concerns proactively. Observations from inspections are recorded and corrective actions are implemented to mitigate risks and improve workplace safety conditions.

Through these structured monitoring systems, the Company seeks to ensure that contractor activities are carried out in accordance with established safety standards.

Identification and Mitigation of Workplace Hazards

The Company follows systematic processes for identifying workplace hazards and implementing preventive safety measures across operational activities. Risk assessments and workplace inspections are conducted to identify potential hazards associated with manufacturing operations, maintenance activities and contractor work.

Observations and feedback from operational teams, safety committees and contractor representatives are reviewed to identify areas requiring improvement. Corrective and preventive actions are implemented to mitigate risks and strengthen operational safety controls.

These initiatives support continuous improvement in workplace safety practices and help reduce the likelihood of occupational incidents.

Safety Reporting and Feedback Mechanisms

DCM Shriram encourages employees and contractors to actively report safety concerns, near misses and potential hazards through established reporting mechanisms. These systems enable the timely identification of safety issues and facilitate corrective action before incidents occur.

Safety observations and feedback received from employees and contractors are reviewed by site safety teams and incorporated into ongoing safety improvement initiatives. The Company promotes an open safety culture where employees and contractors are encouraged to raise safety concerns and participate in strengthening workplace safety practices.

Safety Observations and Employee Engagement

The Company promotes employee participation in safety improvement initiatives through awareness programmes, safety meetings and operational engagement activities. Employees are encouraged to observe workplace practices, identify potential hazards and provide feedback on safety conditions.

Safety awareness campaigns, toolbox talks and departmental safety meetings provide platforms for employees to share observations and contribute to improving safety practices across operations. These initiatives support the development of a proactive safety culture where employees and contractors actively contribute to maintaining safe workplaces.



Transportation and Distribution Safety Meet organised by DCM Shriram Ltd.

Transportation and Distribution Safety

Ensuring safe transportation and distribution of products is an integral component of DCM Shriram's health and safety management framework. The Company regularly engages with logistics partners, transport contractors and distribution stakeholders to reinforce safety expectations and strengthen operational discipline across the value chain.

During the year, DCM Shriram organised a Transportation and Distribution Safety Meet, bringing together transport partners, operational teams and safety professionals to discuss safe driving practices, vehicle safety standards and risk mitigation measures associated with product transportation.

The session focused on strengthening awareness on:

- Safe driving behaviour and fatigue management
- Vehicle safety inspections and compliance requirements
- Incident prevention and emergency response preparedness
- Responsibilities of transport partners in maintaining safety standards

Such engagements help reinforce shared accountability for safety across the Company's logistics ecosystem and support DCM Shriram's broader commitment to ensuring safe operations beyond its manufacturing facilities.

Celebrating Safety Excellence

DCM Shriram continues to strengthen its safety culture through robust operational safety systems, Behaviour Based Safety programmes and continuous employee engagement across its manufacturing network. The Company actively participates in national safety platforms that promote knowledge sharing and best practices in workplace safety.

During the year, DCM Shriram units received recognition across national safety forums, reflecting the Company's commitment to embedding safety as a core operational value.

Teams from Hariawan, Ajbapur and Loni manufacturing units were honoured with the Behaviour Based Safety Award at the 10th National BBS Conference organised by the Besafe Forum in Pune, recognising their efforts in strengthening employee driven safety practices and behavioural safety initiatives.

The Kota unit also received its first BBS Award, marking a significant milestone in strengthening proactive safety practices across the Company's manufacturing operations.



Safety Awards - Loni and Ajbapur Sugar Sites

In addition, Fenesta UPVC received the National Safety Award, recognising their commitment to maintaining strong safety standards and fostering a culture of operational discipline and risk awareness within their respective operations.

Further reinforcing the Company's leadership in environmental and sustainability practices, The Green Maple Foundation, a non-profit organisation recognising excellence in Environment, Health and Safety (EHS) and social development, honoured Bharuch Site with three prestigious recognitions which includes:

GMF Green Crest
Water Conservation (Platinum)

GMF Green Crest
Fly Ash Utilisation (Platinum)

GMF Green Crest
Sustainability Leader of the Year, awarded to Arpit Nanavati

Our Bharuch manufacturing facility received the Gold Medal at the India Green Manufacturing Challenge (IGMC) 2025, organised by the International Research Institute for Manufacturing (IRIM). The award recognises excellence in sustainable manufacturing practices and reflects the site's efforts in enhancing resource efficiency, strengthening environmental performance and advancing responsible manufacturing processes.

These recognitions highlight the collective commitment of DCM Shriram's teams in building a culture of safety, environmental responsibility and operational excellence across its manufacturing operations.



Platinum Award for Water Conservation from Green Maple Foundation - Bharuch Unit



Process Safety and Chemical Risk Management

Given the nature of its chemical manufacturing operations, DCM Shriram places strong emphasis on process safety and the responsible management of hazardous substances. The Company implements structured safety procedures for the storage, handling and transportation of chemicals, supported by operational controls, safety training and emergency preparedness systems.

Employees working in chemical handling and process areas receive regular training on chemical safety, safe operating procedures and emergency response protocols. Safety awareness programmes reinforce the use of appropriate personal protective equipment and adherence to established safety procedures.

Operational facilities are equipped with engineering controls and monitoring systems designed to minimise risks associated with chemical exposure and process incidents. Preventive maintenance, safety inspections and operational reviews are regularly undertaken to identify potential risks and strengthen process safety systems.

Emergency preparedness measures are implemented across manufacturing locations to ensure readiness for potential incidents. These include emergency response procedures, mock drills and coordination mechanisms designed to support timely response and risk mitigation.

Through the integration of occupational health management and process safety practices, DCM Shriram continues to strengthen a comprehensive EHS framework that safeguards employees and workers while promoting responsible and sustainable industrial operations.

Strengthening Industry Collaboration on Process Safety

DCM Shriram actively participates in industry platforms and technical forums that promote knowledge sharing and continuous improvement in process safety management across the chemical and fertilizer sectors.

During the year, representatives from DCM Shriram participated in the Process Safety and Risk Management Workshop organised by the Fertilizer Association of India (FAI) at Visakhapatnam. The workshop brought together industry leaders, regulators and safety professionals to deliberate on emerging practices in process safety, risk mitigation and operational safety management within the fertilizer and chemical industries.

On behalf of the fertilizer industry, FAI invited senior representatives from DCM Shriram (Kota) to inaugurate the workshop, reflecting the Company's active role in promoting safety leadership within the sector. Through such engagements, DCM Shriram continues to contribute to industry dialogue on process safety, share operational insights and support the development of stronger safety practices across the fertilizer and chemical manufacturing ecosystem.



Recognition for Process Safety Excellence

DCM Shriram's continued focus on strengthening process safety and embedding intrinsically safer design principles across its operations has been recognised at the industry level. During the year, the Bharuch site was conferred the IChE–MRC Process Intensification for Sustainability Award 2025 under the category “Excellence in Intrinsically Safer Process Design & Practices.”



Process Intensification for Sustainability Award by Indian Institute of Chemicals Engineer - Bharuch Unit



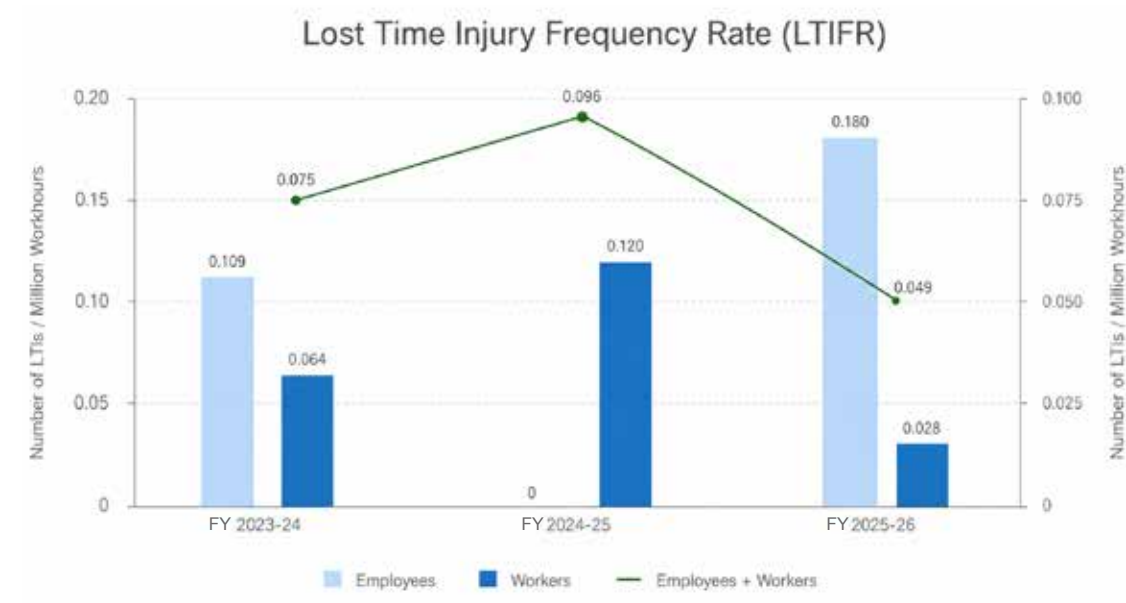
FY25-26 (GRI 403-9)	Unit	Employees	Workers (Permanent + Contractual)
Total Workforce	Number	4,282	10,840
Total Man Hours	Hours	5,541,380	35,426,672
Fatality	Number	0	0
Lost Time Incidents (Excluding Fatality)	Number	1	1
High Consequence Work-related Injuries (Excluding Fatality)	Number	0	0
High Consequence Work-related Injuries (Excluding Fatality) Frequency Rate	Number of high consequence work-related injuries per million person hours worked	0	0
Lost Day Rate*	Loss of Days per million person hours	9.93	2.48
Lost Time Injury Frequency Rate (LTIFR)**	Number of reportable incidents per million person hours worked	0.18	0.03
Process Safety Events***	Number	0	0

*Lost Day Rate (LDR) is the number of person days lost for every million person hours

** Lost Time Injury Frequency Rate (LTIFR) is the number of reportable accidents per million person hours. A reportable accident is defined as an accident due to which the injured does not return to work within 48 hours

*** Including Tier1 and Tier2 Process Safety Incidents which comprises of toxic chemicals release due to LOPC (Loss of Primary Containment)

During 2025–26, a safety incident involving hot water splash due to equipment failure resulted in burn injuries to two employees at the Kota site. The incident occurred during routine operations and was promptly reported in accordance with the established incident response and reporting protocols. A detailed investigation was conducted by a cross functional team, and corrective and preventive actions were implemented. The learnings from the incident were shared and applied across all sites to prevent recurrence of similar incidents.



Category	Indicator	Value
Permanent & contract workers	Safety observations	103,429
	EHS reviews and Committee meetings	129
	EHS training hours	70,941 hours
Lagging Indicators	Fatalities	0
	LTIFR (incidents per Mn work hours)	0.05
	Reportable incidents	2
	Process Safety Incidents (Tier 1 & Tier 2)	0

ESG KPIs	Unit	FY 23-24	FY 24-25	FY 25-26	Assurance (Yes/No)
GHG emissions: Scope 1, Scope 2 & Scope 3 (Upstream & Downstream) - GRI 305-1, GRI 305-2, GRI 305-3					
Scope 1	tCO2e	26,71,015	32,50,234	36,81,249	Yes
Scope 2 (Market based)	tCO2e	2,89,336	1,82,301	2,16,179	Yes
Scope 2 (Location based)	tCO2e	3,81,630	3,22,245	3,54,159	Yes
Scope 3	tCO2e	31,66,905	34,03,398	34,44,362	Yes
Cat - 1 Purchased Goods & Services	tCO2e	9,74,148	12,55,565	12,43,486	Yes
Cat - 2 Capital Goods	tCO2e	62,593	57,875	25,439	Yes
Cat - 3 Fuel & Energy	tCO2e	5,52,349	6,39,342	7,34,130	Yes
Cat - 4 Upstream T&D	tCO2e	22,858	30,399	28,023	Yes
Cat - 5 Waste	tCO2e	1,21,934	22,686	21,829	Yes
Cat - 6 Business Travel	tCO2e	1,561	2,354	2,580	Yes
Cat - 7 Employee commute	tCO2e	5,900	6,316	6,703	Yes
Cat - 8 Upstream Leased Asset	tCO2e	Included in Cat-1	Included in Cat-1	Included in Cat-1	Yes
Total Upstream	tCO2e	17,41,343	20,14,537	20,62,191	Yes
Cat - 9 Downstream T&D	tCO2e	38,863	22,569	21,065	Yes
Cat - 11 Use of Sold Products	tCO2e	13,86,699	13,66,291	13,61,106	Yes
Total Downstream	tCO2e	14,25,562	13,88,860	13,82,171	Yes
Total Gross Annual Revenue					
Total Gross Annual Revenue (Standalone Basis)	Rs. Crores	11120	12370	13731	Yes



ESG KPIs	Unit	FY 23-24	FY 24-25	FY 25-26	Assurance (Yes/No)
Energy Consumption - GRI 302-1					
Renewable Energy Consumption	TJ	19712	17659	14136	Yes
Non-Renewable Energy Consumption	TJ	26834	33,016	37,821	Yes
Total Energy Consumption	TJ	46546	50,675	51,957	Yes
Air Emissions - GRI 305-6, GRI 305-7					
SOx (sulphur oxides)	MT	1841	2169	2032	Yes
NOx (nitrogen oxides)	MT	2440	2716	2695	Yes
CO (carbon monoxide)	MT	NA	NA	NA	NA
PM (particulate matter)	MT	1683	1878	1736	Yes
Heavy metals	MT	NA	NA	NA	NA
POPs (persistent organic pollutants)	MT	NA	NA	NA	NA
VOCs (volatile organic compounds)	MT	NA	NA	NA	NA
ODS (ozone-depleting substances)	MT CFC-11 equivalent	617	154	383	Yes
NH3 (ammonia)	MT	NA	NA	NA	NA
other (hazardous) chemicals regulated by REACH and CLP including their compounds (such as SVHC, chlorine, fluorine, bromine, iodine, asbestos, cyanides, other CMRs, PBTs, EDCs)	MT	NA	NA	NA	NA
Total	MT	6581	6917	6846	Yes
Consumption of Raw Materials - GRI 301-1					
Liquefied Natural Gas	MT	1,58,890	1,60,288	1,65,752	No
Lime	MT	27,702	1,21,305	1,26,139	No
Carbon Materials (Hard Coke/Pet Coke etc)	MT	67,136	77,680	78,238	No
Salt	MT	9,30,909	11,35,535	12,58,007	No
Gypsum	MT	36,876	34,499	33,021	No
Lime Stone (as CaO)	MT	3,11,453	2,45,622	2,48,350	No
Sugarcane	MT	64,72,400	53,47,719	47,28,336	No
Total	MT	80,05,366	71,22,648	66,37,843	No

ESG KPIs	Unit	FY 23-24	FY 24-25	FY 25-26	Assurance (Yes/No)
Customer health and safety					
Number of product recalls	Numbers	0	0	0	No
Number of incidents related to products safety	Numbers	0	0	0	No
Number of customer feedback collection regarding product safety	Numbers	0	0	0	No
Waste generated - GRI 306-3					
Total weight of Hazardous waste	MT	517	1584	1,638	Yes
Total weight of Non-Hazardous waste	MT	691861	7,64,999	7,29,026	Yes
Waste recovered - GRI 306-4					
Hazardous	MT	482	1,137	690	Yes
Non-Hazardous	MT	6,59,664	7,33,168	6,95,892	Yes
Total	MT	6,60,146	7,34,305	6,96,582	Yes
Number of Hours worked, work-related accidents & Lost Days (Direct employees) - GRI 403-9					
Number of hours worked	Workhours	1,05,75,934	1,08,32,620	1,11,31,319	Yes
Fatality	Numbers	1	0	0	Yes
Lost Time Incidents (Excluding Fatality)	Numbers	0	0	2	Yes
High Consequence Work-related Injuries (Excluding Fatality)	Numbers	0	0	0	Yes
Total Number of work-related accidents	Numbers	1	0	2	Yes
Number of days lost to work-related injuries, fatalities, and ill health	Number of Days	6000	0	143	Yes
Ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees					
Ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees	Ratio	211:1	214:1	235:1	Yes
Average training hour per employee per year - GRI 404-1					
Average hours of training per employee	Avg hours/ Employee/ year	18	16	18	Yes

ESG KPIs	Unit	FY 23-24	FY 24-25	FY 25-26	Assurance (Yes/No)
Diversity - GRI 405-1					
Percentage of women employed in the whole organization	%	3%	4%	5%	Yes
Percentage of women at top management level	%	4%	4%	6%	Yes
Percentage of women within the organization's board	%	8%	14%	14%	Yes
Percentage of employees from a minority/ vulnerable group in the whole organization.	%	4%	4%	5%	Yes
Number of Complaints on the following made by employees and workers - GRI 406-1					
Sexual Harassment	Numbers	1	1	1	Yes
Discrimination at workplace	Numbers	0	0	0	Yes
Child Labor	Numbers	0	0	0	Yes
Forced Labor/Involuntary Labor	Numbers	0	0	0	Yes
Skill upgradation training, Employee health & safety training - GRI 403-5, GRI 404-2					
Skill Upgradation (Employees)	%	59%	95%	93%	No
Skill Upgradation (Workers)	%	59%	93%	94%	No
Health & Safety Measures (Employees)	%	56%	90%	92%	No
Health & Safety Measures (Employees)	%	100%	93%	95%	No
Working conditions					
Health Insurance (Permanent Employees)	%	75%	70%	81%	No
Health Insurance (Permanent Workers)	%	80%	84%	100%	No
Accidental Insurance (Permanent Employees)	%	100%	100%	100%	No
Accidental Insurance (Permanent Workers)	%	100%	100%	100%	No
Social dialogue - GRI 407-1					
Percentage of direct employees, who are part of association(s) or Union (B)	%	8%	7%	6%	No

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center,
Tower 3, 31st Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India
Tel: +91 22 6185 6000
Fax: +91 22 6185 4101

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN THE SUSTAINABILITY REPORT OF DCM SHRIRAM LIMITED

To the Board of Directors
of DCM SHRIRAM LIMITED

1. We have undertaken to perform limited assurance engagement, for **DCM SHRIRAM LIMITED** (the "Company") vide our engagement letter dated December 02, 2025, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") for the year ended March 31, 2026, in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Company's Sustainability Report (the "SR Report") for the year ended March 31, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. Identified Sustainability Information

Our scope of limited assurance consists of the Sustainability Information listed in the Appendix I to our report. The reporting boundary of the SR Report is disclosed in the "Scope and Boundary" section of the SR Report with exceptions disclosed by way of note under the respective disclosures of the SR Report, where applicable.

Our limited assurance engagement was with respect to the year ended March 31, 2026 information and information referred to in Note 3 to the Appendix I only. We have not performed any procedures with respect to any other elements included in the SR Report and, therefore, do not express any conclusion thereon.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is listed below:

- In accordance with GRI Sustainability Reporting Standards, issued by the Global Reporting Initiative (GRI) referred to as GRI Standards (the "GRI Standards"); and
- The criteria defined internally by the management of the Company (the "Management defined Criteria") to prepare the Identified Sustainability Information as set out point 14 under Appendix I.

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the SR Report, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes



Regd. Office: One International Center, Tower 3, 31st Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
Deloitte Haskins & Sells LLP is registered with Limited Liability having LLP Identification No: AAB-8737

Deloitte Haskins & Sells LLP

design, implementation and maintenance of internal controls relevant to the preparation of the SR Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

5. Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and have the required competencies and experience to conduct this assurance engagement.

We apply the Standard on Quality Control ("SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These standards require that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information listed in Appendix I and included in the SR Report is free from material misstatement.

As part of a limited assurance engagement, in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information as listed in Appendix I, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.



A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents and evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management at corporate Office and sites, including Environment Health and Safety team, finance team, human resources team amongst others and those with the responsibility for preparation of the Report;
- Obtained an understanding of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at sites on a sample basis. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Tested the key assumptions, emission factors and methodologies used for calculation of Greenhouse Gas (the "GHG") emissions;
- Reviewed the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- Reviewed the consolidation of sites on a sample basis and corporate office under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

8. Exclusions

Our assurance scope excludes the following and therefore we do not express a conclusion on:

- Operations of the Company other than within the Boundary mentioned in the Identified Sustainability Information listed in Appendix I;
- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;



- Data and information outside the defined reporting period i.e. the financial year ended March 31, 2026 and Note 3 to Appendix I; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

9. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Appendix I for the year ended March 31, 2026 and presented in the SR Report are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

10. Restriction on use

Our Limited Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Limited Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratik Shah
Partner
Membership No. 111850
UDIN: 26111850WALSX7950

Place: Mumbai
Date: June 12, 2026

APPENDIX I

Identified Sustainability Information subject to Limited Assurance in the SR Report

Sr. No	Sustainability Standard Reference	Description of Indicator	Boundary for assurance (Refer note)
1	GRI 302-1, GRI- 302-3	Energy consumption within the organization and intensity (Note 3)	Note 1
2	GRI 303-2, GRI 303-5	Water withdrawal and Consumption (Note 3)	Note 1
3	GRI 303-4	Water Discharge by destination and level of treatment (in kilo-litres)	Note 1
4	GRI 305-1, GRI 305-2	Direct (Scope 1) GHG emissions and Energy indirect (Scope 2) GHG emissions (Note 3)	Note 1
5	GRI 305-3	Other indirect (Scope 3) emissions (Category 1-9 and 11)	Note 1
6	GRI 305-7	Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant Air Emissions	Note 1
7	GRI 306-3, GRI 306-4, GRI 306-5	Waste Generated, Waste diverted from disposal and Waste directed to disposal (Note 3)	Note 1
8	GRI 401-1	New employee hires and employee turnover	Note 2
9	GRI 403-1	Occupational health and safety management system	Note 1
10	GRI 403-2	Hazard identification, risk assessment, and incident investigation	Note 1
11	GRI 403-5	Worker training on occupational health and safety	Note 1
12	GRI 403-9	Work related injuries	Note 1
13	GRI 404-1	Average hours of training per year per employee	Note 2
Sr. No	Item Description	Management defined Criteria	Boundary for assurance (Refer note)
14	Fresh water withdrawal Intensity	Fresh water withdrawal intensity per ton of production (Note 3)	Note 1

Note 1- Manufacturing and fabrication sites of the India operations of the Company.

Note 2- All the operations and businesses of the Company in India.

Note 3- Our engagement included performing procedures for the year ended March 31, 2025 with respect to intensity in terms of physical output (MT).





HLS SJM ADVISORS INDIA PVT. LTD.
Vegas Mall, Office Block-B, 8th Floor,
Unit No. 883, Sector-14, Dwarka,
New Delhi 110075 India
Tel.: +91-11-6134-0450
Email: Info@HLS-Global.in

INDEPENDENT ASSURANCE STATEMENT

To,

DCM Shriram Limited

14 May 2026

2nd Floor, West Wing, World Mark 1,

Aerocity,

New Delhi 110037.

SUBJECT: INTRODUCTION AND OBJECTIVE OF WORK

DCM Shriram Limited (DCM) is a listed conglomerate with business across several sectors some of which include Sugar, Cement, Fertilizers, Bio seeds, uPVC windows and doors. A significant endeavor in their sustainability journey is saving and conservation of Water, which they consume and re-charge as well, through established business practices.

The objective of this assurance statement is to independently verify and provide limited assurance on their water consumption and conservation measures covering the period 1 April 2025 to 31 March 2026 across their business operations.

INTENDED USER

The assurance statement is made solely for "DCM Shriram Limited (hereafter referred as DCM)" as per the governing contractual terms and conditions of the Assurance Engagement Contract between DCM and HLS SJM Advisors Pvt Ltd (hereafter referred to as HLS). We owe no responsibility and do not accept any liability to any other party other than "DCM" for the work we have performed for this assurance report, or our conclusions stated in the paragraphs below:

SCOPE OF WORK

The assurance process was conducted using internally defined protocols built on the requirements of the ISO 14046 -2014 Water Footprint with guidance for the verification and validation of water footprint assessment. The scope of work included:

- Data and information included in Excel workbook provided for the period 1 April 2025 to 31 March 2026 covering all their operational sites that consume and conserve water.
- Reviewing the Water inventory methodology and data collection processes employed by DCM.
- Assessing the reliability, accuracy and completeness of the methodologies used for calculations related to consumption and conservation measures.
- Reviewing supporting documentation, including overall water consumption and conservation records, relevant third-party certificates, submissions and approvals from legal authorities' where necessary.



HLS SJM ADVISORS INDIA PVT. LTD.
Vegas Mall, Office Block-B, 8th Floor,
Unit No. 883, Sector-14, Dwarka,
New Delhi 110075 India
Tel.: +91-11-6134-0450
Email: Info@HLS-Global.in

LEVEL OF ASSURANCE

The level of assurance has been applied as "Limited" covering the operational sites for the period 1 April 2025 to 31 March 2026.

METHODOLOGY USED TO CONDUCT THE ASSURANCE

As part of its independent assurance, DCM initially submitted the Excel file covering the details related to water consumption and water conservation measures across their operational sites.

Assessment Team

1. Nitin Kapoor – Team Leader
2. Varda Ganjoo – Team Member

HLS SJM Advisors Private Limited undertook the following activities

1. Review of documentary evidence produced by DCM for the reporting period 1 April 2025 to 31 March 2026.
2. Assessment of sample data to check the accuracy, appropriateness and use of conservative factors while carrying out the calculations.
3. Site Visit to sample locations to assess the conservation measures undertaken by DCM.

HLS has validated the quantification methodology used by DCM for the monitoring and calculating their water footprint consumption as well as conservation for the reporting period 1 April 2025 to 31 March 2026 and confirms the same to be in line with the accepted practice of standard water footprint assessment. The work was conducted against internally developed protocols build on the guidance provided by ISO 14046 -2014 water footprint assessment standard.

The conclusions of the assessment team were then reviewed by an Independent Technical Reviewer for the correctness of the reported values and usage of factors before the issuance of the Limited Assurance Statement.

OUR CONCLUSION

In accordance with our methodology and the actions outlined previously, we believe that there are no matters or findings that have come to our attention indicating any significant issues with DCM's Water footprint assessment provided in the form of an Excel workbook (pdf) for the reporting period 1 April 2025 to 31 March 2026. This assessment includes the reporting from various sources within the specified reporting boundary and period, as detailed earlier. However, it's important to note that there is some unverified information in the reports mentioned in the "Limitations and Exclusions" section, as explained below.





HLS SJM ADVISORS INDIA PVT. LTD.
Vegas Mall, Office Block-B, 8th Floor,
Unit No. 883, Sector-14, Dwarka,
New Delhi 110075 India
Tel.: +91-11-6134-0450
Email: Info@HLS-Global.in

Table 1

Sr. No	Description	Billions of Liters
1	Total Water Consumed	13.91
2	Total Water Saved through improved agricultural practices (As per undertaking submitted and signed by DCM Shriram)	165.2
3	*Total Water Conserved (adopting ponds, rainwater harvesting) across operational sites	2.25
4	Total Water (Saved+Conserved)	167.45

Table 2

Sr. No	Description	Ratios (calculated)
1	Ratio of (Total Water Saved+Conserved Less Water Consumed) /(Total Water Consumed)	11.03

*Assessed by HLS for the financial year 2026

Nothing has come to the attention of HLS that the water positive ratio as defined in above Table 2 is not 11.03

LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any assurance of information relating to:

- Data that has not been submitted and therefore not verified and assured by HLS.
- Our assurance does not extend to the activities and operations beyond the period and extends only for activities as defined in Table 1 and undertaken by HLS
- Declarations/ Assurance from DCM and other agencies has been considered to calculate the water positive ratio.



HLS SJM ADVISORS INDIA PVT. LTD.
Vegas Mall, Office Block-B, 8th Floor,
Unit No. 883, Sector-14, Dwarka,
New Delhi 110075 India
Tel.: +91-11-6134-0450
Email: Info@HLS-Global.in

- This independent statement should not be relied upon to detect errors, omissions, or misstatements that may exist within the supporting documentation.
- Our assurance engagement was performed within the scope and time constraints agreed upon with the DCM which limits all the potential issues related to Water Inventory (both consumption and conservation).

UNCERTAINTY

The reliability of assurance is subject to uncertainty(ies) that is inherent in the assurance process. Uncertainties stem from limitations in the accounting and quantification models used, assumptions made, emission factors used or may be present in the estimation of data used to arrive at results or values like surveys and where samples are verified. Our conclusions with respect to this assurance are naturally subject to any inherent uncertainty(ies) involved in the assurance process.

STATEMENT OF INDEPENDENCE, IMPARTIALITY AND COMPETENCE

HLS is a third-party and has performed this engagement considering the requirements of ISO 14046: 2014 (Including the requirements of ISO 17029:2019) and has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

In addition, no assurance team member has a business relationship with DCM, or officials beyond what is required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

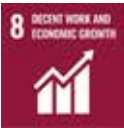
The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems, and processes and an excellent understanding of HLS standard methodology for the Assurance of any non-financial Reporting.

On behalf of HLS SJM Advisors Pvt Ltd

Nitin Kapoor

(Partner and Technical Team Leader)

SDG Mapping

Sustainable Development Goals	Initiatives/ Program Undertaken
	- Meetha Sona Program for improving farm productivity and enhancing income among small and marginal sugarcane farmers - Providing direct and indirect employment opportunities in rural and urban areas in plant operations and business activities improving the quality of life Khushali Shiksha initiative under CSR - Promoting early education as a long-term poverty-breaking strategy - Addressing root causes via livelihoods, education, and agriculture programs
	- Farm productivity improvement programs through farmer education - Use of fertilisers and nutrients in increasing farm productivity Climate Sustainable Agriculture initiative under CSR - Advancing resilient and productive agricultural systems to ensure food security
	Khushali Sehat initiative under CSR Preventive health program for women, adolescent girls and infants
	Khushali Shiksha initiative under CSR - Focus on foundational learning and school readiness Khushali Rozgaar initiative under CSR - Providing vocational and technical education to rural youth to support workforce integration
	Khushali Sehat initiative under CSR Empowerment of adolescent girls via leadership and health awareness
	- STP & ETP installation at all manufacturing sites for treating wastewater to ensure clean water Khushali Swachhata initiative under CSR - Promoting hygiene and sanitation infrastructure in rural villages and urban societies Khushali Paryavaran initiative under CSR - Enhancing groundwater recharge and water storage capacity in water-stressed regions
	Climate Sustainable Agriculture initiative under CSR Core focus on renewable energy access, particularly in rural/agricultural settings
	- Various initiatives at all our facilities and offices, maintaining best EHS standards which is key to the growth of our businesses. We value human assets and believe their contribution in economic growth is paramount. Khushali Rozgaar initiative under CSR - Enhancing employability and job readiness through skill training

Sustainable Development Goals	Initiatives/ Program Undertaken
	Climate Sustainable Agriculture initiative under CSR Encouraging adoption of AgTech, mechanisation, and scalable rural innovations.
	- Equal opportunity through job creation at various sites and offices Khushali Rozgaar initiative under CSR - Enabling access to livelihood opportunities for rural youth and women - Focus on underserved geographies and marginal groups through CSR programs
	Khushali Swachhata initiative under CSR - Building zero-waste local ecosystems Rural Infrastructure Development initiative under CSR - Strengthening rural infrastructure for holistic rural development and enhance access to essential public services
	- Information relating to safe handling and directions of use of products is provided to customers through product information on the product label - Initiatives to conserve natural resources such as water and energy across the value chain of product Focus on segregation, composting, and landfill reduction Khushali Swachhata initiative under CSR - Promoting sustainable waste practices through source segregation, composting, and minimising landfill dependency Climate Sustainable Agriculture initiative under CSR - Fostering sustainable agricultural practices and improved soil stewardship
	- Water conservation and rain water harvesting initiatives inside and outside the fence - Waste recycling/reduction initiatives - Use of biomass and Renewable energy as non-conventional energy sources - Setting up of Compressed Biogas Plant from Press mud - Tree plantation inside and outside plant premises Khushali Swachhata initiative under CSR - Contributing indirectly by reducing methane emissions through improved waste management practices. Khushali Paryavaran and Climate Sustainable Agriculture initiative under CSR - Advancing climate resilience through reforestation and sustainable watershed practices. - Supporting climate-smart agriculture through water-use efficiency and bio-based inputs
	Khushali Paryavaran initiative under CSR Supporting ecosystem restoration and promoting biodiversity conservation
	- Collaboration and participation as active members in various government and non-government organizations and associations Khushali Shiksha, Khushali Paryavaran and Climate Sustainable Agriculture initiative under CSR - Leveraging strategic collaborations with UNICEF, government departments, startups, researchers, and NGOs for various CSR programs.

UNGC TEN PRINCIPLES

UNGC Principles	Category	Descriptions	Page No
Principle 1	Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	104
Principle 2	Human Rights	Businesses should make sure that they are not complicit in human rights abuses	104
Principle 3	Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	29,104
Principle 4	Labor	Business should uphold the elimination of all forms of forced and compulsory labour	29,104
Principle 5	Labor	Business should uphold the effective abolition of child labour	29,104
Principle 6	Labor	Business should uphold the elimination of discrimination in respect of employment and occupation	29,104
Principle 7	Environment	Businesses should support a precautionary approach to environmental challenges	9-11, 34, 37, 63-74
Principle 8	Environment	Business should undertake initiatives to promote greater environmental responsibility	63-74, 106
Principle 9	Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies	49-58
Principle 10	Anti- Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	29-31

LIST OF ABBREVIATIONS

BRSR: Business Responsibility and Sustainability Reporting	MEE: Multi-Effect Evaporators
CHC: Community Health Centre	MSDS: Materials Safety Data Sheet
CII: Confederation of Indian Industry	MT: Metric Tonnes
CPU: Condensate Polishing Unit	PAT: Profit After Tax
CSR: Corporate Social Responsibility	PHC: Primary Health Centre
DCS: Distributed Control System	POSH: Prevention of Sexual Harassment
EHS: Environment, Health & Safety	PVC: Poly Vinyl Chloride
ERM: Enterprise Risk Management	REACH: Registration, Evaluation, Authorisation and Restriction of Chemicals
ESG: Environmental, Social and Governance	RO: Reverse Osmosis
GHG: Greenhouse Gas	SAP: Systems, Applications and Products in Data Processing
GRI: Global Reporting Initiative	SDGs: Sustainable Development Goals
GT: Giga Tonnes	SEBI: Securities and Exchange Board of India
IBBI: India Business Biodiversity Initiative	STP: Sewage Treatment Plant
IFA: International Fertilizer Association	TCD: Tonnes Crushed Per Day
ISO: International Organization for Standardization	tCO2e: Tons of Carbon Dioxide Equivalent
JV: Joint Venture	TJ: Terra Joules
KLD: Kilolitres Per Day	TPD: Tonnes Per Day
KW: Kilowatt	TPA: Tonnes Per Annum
LDR: Lost Day Rate	uPVC: Unplasticized Polyvinyl Chloride
LTIR: Lost Time Injury Rate	ZLD: Zero Liquid Discharge
LTIFR: Lost Time Injury Frequency Rate	
MCM: Million Cubic Metre	

Disclosure Mapping and GRI Index

Statement of use	DCM Shriram Ltd. has reported in accordance with the GRI Standards for the period April 1, 2024 to March 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	1-4, Annual Report FY26 (BRSR page28) https://www.dcmshriram.com/annual_reports
	2-2 Entities included in the organization's sustainability reporting	5
	2-3 Reporting period, frequency and contact point	5
	2-4 Restatements of information	65-68
	2-5 External assurance	5, 119-122
	2-6 Activities, value chain and other business relationships	4, 13-19
	2-7 Employees	98
	2-8 Workers who are not employees	Annual Report FY26 (BRSR page 29) https://www.dcmshriram.com/annual_reports
	2-9 Governance structure and composition	25-28
	2-10 Nomination and selection of the highest governance body	26
	2-11 Chair of the highest governance body	25
	2-12 Role of the highest governance body in overseeing the management of impacts	10
	2-13 Delegation of responsibility for managing impacts	10, 20, 27
	2-14 Role of the highest governance body in sustainability reporting	10
	2-15 Conflicts of interest	29-31
	2-16 Communication of critical concerns	31
	2-17 Collective knowledge of the highest governance body	25
	2-18 Evaluation of the performance of the highest governance body	28
	2-19 Remuneration policies	26, 29
	2-20 Process to determine remuneration	26
	2-21 Annual total compensation ratio	Annual Report FY26 (BRSR page 49) https://www.dcmshriram.com/annual_reports
	2-22 Statement on sustainable development strategy	6, 7
	2-23 Policy commitments	29
	2-24 Embedding policy commitments	29
	2-25 Processes to remediate negative impacts	20-22,33

	2-26 Mechanisms for seeking advice and raising concerns	13,30
	2-27 Compliance with laws and regulations	Annual Report FY26 (BRSR page 39-40) https://www.dcmshriram.com/annual_reports
	2-28 Membership associations	42
	2-29 Approach to stakeholder engagement	13-19
	2-30 Collective bargaining agreements	Annual Report FY26 (BRSR page 44) https://www.dcmshriram.com/annual_reports
GRI 3: Material Topics 2021	3-1 Process to determine material topics	20-22
	3-2 List of material topics	23-24
	3-3 Management of material topics	23-24
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	https://www.dcmshriram.com/docs/sustainability-report/policy-on-biodiversity.pdf
	101-2 Management of biodiversity impacts	68
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	45
	201-2 Financial implications and other risks and opportunities due to climate change	69-74
	201-4 Financial assistance received from government	Annual Report FY26 (Page146) https://www.dcmshriram.com/annual_reports
	203-1 Infrastructure investments and services supported	75-86
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	75-86
	204-1 Proportion of spending on local suppliers	Annual Report FY26 (BRSR page 58) https://www.dcmshriram.com/annual_reports
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Annual Report FY26 (BRSR page 39-40) https://www.dcmshriram.com/annual_reports
	205-2 Communication and training about anti-corruption policies and procedures	Annual Report FY26 (BRSR page 39-40) https://www.dcmshriram.com/annual_reports
	205-3 Confirmed incidents of corruption and actions taken	Annual Report FY26 (BRSR page 40) https://www.dcmshriram.com/annual_reports
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report FY26 (BRSR page 39-40) https://www.dcmshriram.com/annual_reports
GRI 206: Anti-competitive Behaviour 2016	207-1 Approach to tax	48
	207-2 Tax governance, control, and risk management	48
	207-4 Country-by-country reporting	48
GRI 207: Tax	301-1 Materials used by weight or volume	65
	301-2 Recycled input materials used	Annual Report FY26 (BRSR page 43) https://www.dcmshriram.com/annual_reports
	301-3 Reclaimed products and their packaging materials	Annual Report FY26 (BRSR page 43) https://www.dcmshriram.com/annual_reports
GRI 301: Materials 2016	302-1 Energy consumption within the organization	66
	302-2 Energy consumption outside of the organisation	66
	302-3 Energy intensity	66
	302-4 Reduction of energy consumption	66
	302-5 Reductions in energy requirements of products and services	66
	303-1 Interactions with water as a shared resource	Annual Report FY26 (BRSR page51-52) https://www.dcmshriram.com/annual_reports
GRI 302: Energy 2016		
GRI 303: Water and Effluents 2018		

	303-2 Management of water discharge-related impacts	67
	303-3 Water withdrawal	67
	303-5 Water consumption	67
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	65-66
	305-2 Energy indirect (Scope 2) GHG emissions	65-66
	305-3 Other indirect (Scope 3) GHG emissions	65-66
	305-4 GHG emissions intensity	65-66
	305-5 Reduction of GHG emissions	65-66
	305-6 Emissions of ozone-depleting substances (ODS)	65-66
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	67
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	68
	306-2 Management of significant waste-related impacts	68
	306-3 Waste generated	68
	306-4 Waste diverted from disposal	68
	306-5 Waste directed to disposal	68
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Annual Report FY26 (BRSR page 57) https://www.dcmshriram.com/annual_reports
	308-2 Negative environmental impacts in the supply chain and actions taken	Annual Report FY26 (BRSR page 56-57) https://www.dcmshriram.com/annual_reports
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	98
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Annual Report FY26 (Page150) https://www.dcmshriram.com/annual_reports
	401-3 Parental leave	Annual Report FY26 (BRSR page 44) https://www.dcmshriram.com/annual_reports
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	105-116
	403-2 Hazard identification, risk assessment, and incident investigation	109-110
	403-3 Occupational health services	110
	403-4 Worker participation, consultation, and communication on occupational health and safety	111
	403-5 Worker training on occupational health and safety	111-116
	403-6 Promotion of worker health	109
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	111-112
	403-9 Work-related injuries	116
	403-10 Work-related ill health	116
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	102
	404-2 Programs for upgrading employee skills and transition assistance programs	100-101
	404-3 Percentage of employees receiving regular performance and career development reviews	Annual Report FY26 (BRSR page 45) https://www.dcmshriram.com/annual_reports

GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Annual Report FY26 (BRSR page 29) https://www.dcmshriram.com/annual_reports
	405-2 Ratio of basic salary and remuneration of women to men	Annual Report FY26 (BRSR page 49) https://www.dcmshriram.com/annual_reports
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Annual Report FY26 (BRSR page 50) https://www.dcmshriram.com/annual_reports
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Annual Report FY26 (BRSR page 50-51) https://www.dcmshriram.com/annual_reports
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Annual Report FY26 (BRSR page 50-51) https://www.dcmshriram.com/annual_reports
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Annual Report FY26 (BRSR page 50-51) https://www.dcmshriram.com/annual_reports
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	104
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Annual Report FY26 (BRSR page 50) https://www.dcmshriram.com/annual_reports
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	75-86
	413-2 Operations with significant actual and potential negative impacts on local	75-86
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	92, Annual Report FY26 (BRSR page 50-51) https://www.dcmshriram.com/annual_reports
	414-2 Negative social impacts in the supply chain and actions taken	91-94, Annual Report FY26 (BRSR page 51) https://www.dcmshriram.com/annual_reports
GRI 415: Public Policy 2016	415-1 Political contributions	Annual Report FY26 (Page154) https://www.dcmshriram.com/annual_reports
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	87-91
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incident of non-compliance concerning the health & safety impact of product and services was reported during the reporting period
GRI 417: Customer Health and Safety 2016	417-1 Requirements for product and service information and labeling	87-91
	417-2 Incidents of non-compliance concerning product and service information and labeling	No incident of non-compliance concerning product and service information and labeling was reported during the reporting period
	417-3 Incidents of non-compliance concerning marketing communications	No incident of non-compliance concerning marketing communications was reported during the reporting period
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	38



DCM SHRIRAM

Growing with trust



DCM Shriram Ltd. 2nd Floor (West Wing),
Worldmark 1, Aerocity, New Delhi, India - 110037
www.dcmshriram.com