



 ACTIVE
CHROMEWELL
EXHAUST

2024-25

ANNUAL SUSTAINABILITY REPORT

September 2025

GAT No-1224/2, Sanaswadi Taluka Shirur, Pune, Maharashtra 412208,
India

TABLE OF CONTENTS

About Active Chromewell	4
Sustainability Vision and ESG Strategy	6
Sustainability Governance Framework	8
Sustainability Targets, Commitments & Measurable Objectives	10
UN Sustainable Development Goals Alignment	14
ESG Focus Areas Overview	16

ENVIRONMENTAL STEWARDSHIP

Environmental Stewardship and Performance	26
Energy Consumption and Management Efficiency	26
GHG Emissions (Scope 1, Scope 2 & Scope 3)	27
Water Management and Conservation	31
Water Consumption Efficiency and Process-Level Assessment	32
Air Emissions Monitoring	35
Noise Monitoring and Preventive Maintenance	36
Waste Management and Material Resource Efficiency	39
Waste Stream Mapping and Inventory	40

SOCIAL RESPONSIBILITY

Labor and Human Rights	43
Living Wages and Fair Compensation	44
Prevention of Child Labour, Forced Labour and Human Trafficking	45
Employee Health, Safety and Well-Being	47
Social Dialogue and Worker Engagement	49
Training, Awareness and Employee Development	23

GOVERNANCE & ETHICS

Ethics and Integrity	53
Data Confidentiality and Information Security	53
Whistleblower Mechanism and Ethical Reporting	54
Approval Process for Sensitive Transactions	55
Records Retention and Information Management	55
Sustainable Procurement	56
Supplier Code of Conduct	56

REPORTING FRAMEWORKS & DISCLOSURES

UN Global Compact Alignment	58
GRI Content Index	60
Independent Assurance Statement	62

OVERVIEW

Active Chromewell Exhaust Pvt. Ltd. is a global provider of exhaust and emissions solutions, including advanced thermal management technologies, serving a diverse range of applications across off-highway vehicles, industrial equipment, and gasoline, diesel, and stationary engines. The company supports global OEM customers by delivering solutions that are aligned with regulatory requirements, operational efficiency, and environmental performance.

Established in 2013 as a joint venture, Active Chromewell brings together the complementary strengths of its parent organizations:

Active Dynamics Group, which contributes deep expertise in the design, testing, validation, and manufacturing of exhaust and thermal management systems, enabling innovation-driven and application-specific solutions.

With a combined industrial experience of over 50 years, the parent entities provide a strong foundation for Active Chromewell's engineering capability, quality assurance, and customer-centric approach. This depth of experience enables the company to consistently deliver high-quality, reliable, and compliant products to global OEM customers across multiple sectors.

Active Chromewell is certified under ISO 9001, reflecting its commitment to quality management systems, process consistency, and continuous improvement across its operations.

The company operates from its registered and manufacturing facility in Sanaswadi, Pune, Maharashtra, India, which serves as a hub for both domestic and international markets. The facility supports integrated manufacturing operations while adhering to applicable quality, safety, and environmental standards, reinforcing Active Chromewell's focus on responsible and sustainable operations.

CORE BUSINESS & PRODUCT OFFERING

Active Chromewell Exhaust Pvt. Ltd. operates a manufacturing-driven business model, focused on the production of exhaust and emission systems, tubular products, and fabricated metal components for OEMs and aftermarket customers across the automotive, off-highway, and industrial sectors.

The company's product portfolio includes, but is not limited to:

- Mufflers
- Complete exhaust systems and assemblies
- Tubes and tubular components
- Heat shields and protective covers
- Other fabricated metal components designed for automotive, off-highway, and industrial applications
- Design and engineering, supported by application-specific requirements
- Tooling development and manufacturing, ensuring precision and scalability
- In-house and partner-led testing and validation, aligned with regulatory & customer standards

These products are engineered to meet performance, durability, and regulatory requirements, supporting customers in addressing emissions control, thermal efficiency, and operational reliability.

A key differentiator of Active Chromewell's business model is its emphasis on end-to-end solutioning. The company provides integrated capabilities across the full product lifecycle, including:



This integrated approach leverages decades of combined R&D and manufacturing experience from its parent organizations, enabling efficient development cycles, consistent quality, and compliance with stringent regulatory and quality standards. Through this model, Active Chromewell supports its customers in delivering reliable, compliant, and performance-driven solutions, while continuously improving manufacturing efficiency and process robustness.

MESSAGE FROM CHAIRPERSON

At Active Chromewell Exhaust Pvt. Ltd., we believe that responsible growth is the foundation of long-term success. As we continue to innovate and deliver high-quality exhaust and automotive components, we recognize that our responsibility extends far beyond manufacturing. It includes the well-being of our employees, the safety of our communities, the strength of our partnerships, and the protection of our environment.

Sustainability is no longer an option—it is a strategic priority embedded into how we operate, make decisions, and define future growth. Over the past year, we have strengthened our focus on energy efficiency, employee skill development, waste management, and operational excellence. We have also taken significant steps to improve transparency, build the skills of our workforce, reduce emissions, and adopt greener technologies across our manufacturing processes.

Our Sustainability Roadmap outlines clear goals and timelines covering Environment, Social, and Governance (ESG) priorities. These include reducing our carbon footprint, improving workplace safety, enhancing diversity and inclusion, investing in renewable energy, and engaging proactively with our suppliers and community. These commitments reflect our belief that every improvement—big or small—brings us closer to a cleaner, safer, and more resilient future. None of this would be possible without the dedication of our employees, the trust of our customers, and the support of our partners. Together, we are building a culture of continuous improvement and shared responsibility.

As we move forward, Active Chromewell Exhaust Pvt. Ltd. remains fully committed to delivering value responsibly and sustainably. We look ahead with a strong vision—to grow as an environmentally responsible, technologically advanced, and people-focused organization.



Sustainability is our promise, and progress is our path.

— Suresh Shinde
VP Operations
Active Chromewell Exhaust Pvt. Ltd.



BUSINESS MODEL & VALUE CHAIN

Active Chromewell Exhaust Pvt. Ltd. operates a manufacturing-led business model centered on engineering excellence, efficient production processes, and strong partnerships with customers and suppliers. The company's operations focus on the production of exhaust and emission-related components for both domestic and international markets, serving OEM and aftermarket customers across automotive, off-highway, and industrial applications.

The company's value chain integrates design, manufacturing, quality assurance, and regulatory compliance, enabling the consistent delivery of high-quality and reliable products aligned with customer specifications and applicable standards.

RESOURCES & ENABLERS



Material Resources

Active Chromewell utilizes key raw materials such as mild steel, stainless steel tubes, catalytic components, mufflers, clamps, and exhaust assemblies, which are sourced through approved suppliers. Supplier selection and material procurement processes emphasize quality assurance, traceability, and compliance with applicable standards.



Technical Resources

The company's manufacturing operations are supported by advanced infrastructure, including CNC pipe-bending machines, robotic welding systems, tube forming and cutting equipment, an in-house tool room, and end-of-line testing facilities. These capabilities enable precision manufacturing, process efficiency, and consistent product quality.



Human Capital

Active Chromewell's workforce comprises skilled technicians, engineers, tool-room operators, quality controllers, and production supervisors. Human capital development is supported through regular training and competency enhancement programmes, ensuring adherence to quality, safety, and operational requirements.



Compliance & Regulatory Adherence

The company maintains compliance with automotive quality standards, applicable emission regulations, environmental norms, and occupational health and safety requirements. These compliance frameworks support Active Chromewell's commitment to responsible operations, risk management, and continuous improvement.

WORKFORCE SNAPSHOT



Total Workforce

373

Total Workforce



Staff

73

Staff



Workers

55

Workers



Contract Workmen

245

COMMITMENT TO QUALITY & SUSTAINABILITY

At Active Chromewell, we are committed to maintaining the highest standards in quality, sustainability, and responsible business practices. Our certifications and ratings reflect our dedication to continuous improvement, operational excellence, and ethical conduct across all areas of our operations.

Through internationally recognized standards and sustainability assessments, we ensure that our processes, products, and partnerships align with global expectations for quality management, environmental responsibility, and corporate integrity.

EcoVadis Sustainability Rating

Active Chromewell has been evaluated by EcoVadis, one of the world's most trusted providers of business sustainability ratings. This recognition highlights our performance in key areas including environmental impact, ethical business conduct, labor and human rights, and sustainable procurement.



ISO 9001 Certified Company

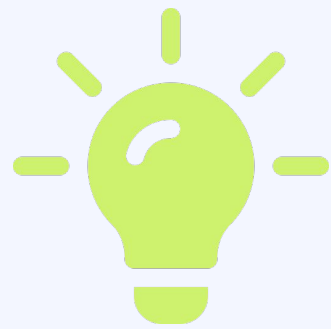
Our ISO 9001 certification demonstrates that our quality management system meets internationally recognized standards. It ensures consistent product quality, efficient processes, and a strong focus on customer satisfaction and continuous improvement.





MISSION

Provide innovative solutions in the manufacture of best-in-class exhaust systems, tubular products, and fabricated metal products for OEMs.



VISION

Growth through industry-leading innovations, quality, and dedication to customer service.



SUSTAINABLE VALUE

Long-term value creation through responsible operations and governance.

Through its integrated value chain and robust resource base, Active Chromewell delivers high-quality, regulatory-compliant exhaust and emission solutions designed to perform effectively across diverse global markets, operating conditions, and climatic environments.

GOVERNANCE AND RISK MANAGEMENT

Active Chromewell Exhaust Pvt. Ltd. has established a robust governance and risk management framework designed to promote ethical conduct, regulatory compliance, data integrity, and the integration of ESG principles across all operations. The governance architecture supports transparent decision-making, effective risk mitigation, and long-term value creation, and is guided strictly by the company's approved policies and governance documentation.

ESG OVERSIGHT RESPONSIBILITIES

Board of Directors

The Board of Directors provides the highest level of oversight for environmental, social, and governance (ESG) matters. It ensures that sustainability considerations are embedded within long-term strategic planning, capital allocation, and enterprise-wide decision-making. The Board regularly reviews climate-related risks, social considerations, regulatory compliance obligations, and governance performance, thereby strengthening organizational resilience, accountability, and transparency.

ESG & Sustainability Committee

The ESG & Sustainability Committee translates the Board's strategic direction into actionable sustainability frameworks and policies. The Committee oversees the development and implementation of ESG initiatives, reviews performance across functional departments, and monitors compliance with applicable regulatory requirements, including BRSR guidelines, environmental laws, and customer ESG expectations. It ensures that sustainability objectives are measurable, strategically aligned, and responsive to stakeholder needs.

ESG Core Team / Sustainability Department

The ESG Core Team functions as the operational backbone of the company's sustainability program. The team is responsible for ESG data collection, verification, and reporting, and oversees environmental, health, and safety initiatives such as waste management, energy efficiency, and

regulatory compliance. The team also coordinates employee training programmes and engages with external auditors, customers, and ESG rating agencies to ensure accuracy, credibility, and consistency in ESG disclosures.

Functional Heads

Functional Heads integrate ESG priorities into their respective operational responsibilities. They ensure adherence to environmental, safety, quality, and social standards, maintain accurate documentation, implement corrective and preventive actions, and drive continuous improvement initiatives that reduce operational risks and enhance sustainability performance.

Employees

Employees support the company's ESG commitments by complying with ethical standards, safety protocols, and environmental policies. Participation in training programmes enhances employee awareness of ESG principles and enables effective contribution to compliance, risk management, and continuous improvement initiatives across the organization.

External Stakeholders

Suppliers, contractors, and business partners are required to comply with the company's Supplier Code of Conduct. They participate in audits, adhere to applicable regulations, and adopt responsible sourcing and ethical business practices, supporting a transparent and sustainable supply chain.

SUSTAINABILITY GOVERNANCE COMMITTEE (SGC)



Purpose

The Sustainability Governance Committee (SGC) ensures a coordinated and unified approach to sustainability across the organization. It integrates ESG principles into business strategy, risk management, and operational planning, and provides oversight of sustainability performance and stakeholder engagement.



Composition

The SGC is chaired by the Plant Head and comprises senior functional leaders, including:

Head – HR & Administration
 Head – Production
 Head – Quality
 Head – Supply Chain & Procurement
 Head – Finance
 Head – Stores



Strategic and Policy Responsibilities

The Committee formulates sustainability frameworks, defines ESG goals, and ensures compliance with regulatory, customer, and internal policy requirements. It monitors emerging industry trends and evolving ESG expectations to align corporate strategies with best practices.



ESG Risk and Opportunity Management

The SGC identifies, assesses, and monitors ESG-related risks across environmental, social, ethical, and compliance domains. It also evaluates opportunities to improve environmental performance, enhance resource efficiency, promote circularity, reduce waste, and explore the adoption of environmentally responsible technologies.



Performance Monitoring and Reporting

The Committee reviews sustainability KPIs, dashboards, internal audit findings, and corrective action reports to ensure accountability and data accuracy. ESG performance updates are reviewed periodically and presented to the Board of Directors on a quarterly basis.



Implementation Oversight

The SGC oversees the implementation of sustainability action plans across departments. It strengthens cross-functional coordination, clarifies roles and responsibilities, and tracks the progress of initiatives related to energy conservation, workplace safety, environmental compliance, and waste management.



Stakeholder Engagement

The Committee guides engagement with regulators, customers, investors, suppliers, and local communities on ESG-related matters. It ensures transparency in sustainability communication and monitors supplier ESG performance to promote responsible sourcing practices.



Meeting Frequency

The SGC meets quarterly, or more frequently when required, to review progress, address emerging risks, and ensure timely implementation of sustainability initiatives.

ETHICS, INTEGRITY, AND RESPONSIBLE BUSINESS CONDUCT

Active Chromewell maintains a strong ethical framework to guide employee conduct and decision-making.

- **Integrity:** Employees are expected to act with honesty, fairness, and ethical judgment in all business interactions.
- **Accountability:** Individuals are responsible for their actions and outcomes, supported by transparent communication and responsible behavior.
- **Transparency:** Open and accurate communication with stakeholders is maintained, including disclosure of conflicts of interest.
- **Respect:** The company fosters an inclusive, harassment-free workplace that values dignity, diversity, and professionalism.
- **Compliance:** All applicable laws, regulations, and internal policies must be followed at all times.
- **Anti-Corruption and Bribery:** A zero-tolerance approach is enforced, with strict controls on gifts, hospitality, facilitation payments, and third-party engagements.
- **Conflict of Interest:** Potential conflicts must be disclosed promptly to ensure objectivity and fairness.
- **Fraud Prevention:** Strong internal controls, audits, and fraud awareness training are implemented to detect and prevent misconduct.
- **Financial Transparency:** Accurate financial reporting is ensured through compliance with accounting standards and regular audits.
- **Training and Awareness:** Ongoing ethics and compliance training reinforces employee understanding of responsible business conduct.

RISK MANAGEMENT

The Company has established a comprehensive and structured Risk Management Framework to identify, assess, monitor, and mitigate risks across its operations. A centralized Risk Register is maintained covering environmental, social, operational, safety, ethical, IT, and compliance-related risks.



Each identified risk is evaluated for its potential impact and is supported by clearly defined control measures, mitigation plans, responsible owners, and monitoring mechanisms to ensure proactive management and continual improvement.

KEY RISK AREAS AND MITIGATION MEASURES

In addition to the key risk areas presented here, the Company's structured risk register comprehensively captures detailed operational and functional risks across HR & Administration, Compliance, EHS, Health & Safety, and IT. All identified risks are classified as internal and are supported by clearly defined risk assessments outlining their potential impact on productivity, safety, regulatory compliance, environmental protection, and business continuity. Each risk is mapped to specific control measures and mitigation plans, with designated responsibility assigned to functional heads including the VP – Operations, HR & QMS Head, EHS Head/Team, and IT Manager. The framework also ensures formal documentation and traceability through maintained records such as Attendance Sheets, Legal Registers, Government SOPs, Audit Reports, Lux and DB Meter Records, Hazardous Waste Forms, Emergency Preparedness Procedures, Fire Equipment Check Sheets, Safety Meeting Minutes, EHS Policy documents, BCP plans, and server backup logs. The status of all risks remains ongoing, reflecting continuous oversight, periodic review, and proactive management to strengthen internal controls and ensure sustained operational resilience.

- HUMAN CAPITAL
- COMPLIANCE
- OPERATIONAL / IT
- SAFETY
- FIRE & EMERGENCY
- ENVIRONMENTAL

- RISK EXPOSURE
- CONTROL MEASURES
- MITIGATION ACTION
- MONITORING

RISK MANAGEMENT FRAMEWORK

The Company's risk management approach includes the following key elements:

1. Identification of internal and external risks across functional areas
2. Assessment of potential impact on operations, safety, compliance, and reputation
3. Implementation of preventive and corrective control measures
4. Assignment of responsible owners for each risk
5. Continuous monitoring, review, and improvement
6. Periodic reporting to senior management

<p>WORKFORCE AVAILABILITY</p> <ul style="list-style-type: none"> ● Manpower shortage & absenteeism impacting productivity 📌 Skill matrix, multiskilling, structured induction 🟢 Backup workforce planning & on-job training 🔗 Review by VP – Operations 	<p>EMPLOYEE ATTRITION</p> <ul style="list-style-type: none"> ● Loss of skilled personnel affecting continuity 📌 Exit interviews & salary benchmarking 🟢 Retention initiatives & timely recruitment 🔗 Attrition trend review by VP – Operations 	<p>WORKPLACE CONDUCT</p> <ul style="list-style-type: none"> ● Conflicts affecting morale & operational efficiency 📌 Code of Conduct & awareness programs 🟢 Structured grievance redressal mechanism 🔗 HR & Operations oversight
<p>REGULATORY COMPLIANCE</p> <ul style="list-style-type: none"> ● Legal penalties & reputational exposure 📌 Statutory compliance register 🟢 Monthly compliance review 🔗 HR & QMS Head supervision 	<p>OPERATIONAL CONTROLS</p> <ul style="list-style-type: none"> ● Process inefficiencies impacting quality & output 📌 Documented SOPs & control systems 🟢 Corrective & preventive action process 🔗 Functional head review meetings 	<p>WORKPLACE SAFETY</p> <ul style="list-style-type: none"> ● Accidents & injuries causing downtime 📌 Safety training & PPE enforcement 🟢 Incident investigation & safety improvements 🔗 EHS Head audits
<p>FIRE PROTECTION</p> <ul style="list-style-type: none"> ● Fire hazards causing safety & asset damage 📌 Fire extinguishers, hydrants & alarm systems 🟢 Fire drills & third-party inspections 🔗 EHS periodic inspections 	<p>EMERGENCY PREPAREDNESS</p> <ul style="list-style-type: none"> ● Delayed response increasing operational loss 📌 Emergency response plans 🟢 Mock drills & defined response roles 🔗 EHS team review 	<p>HAZARDOUS WASTE MANAGEMENT</p> <ul style="list-style-type: none"> ● Environmental & regulatory exposure 📌 SOP-based waste segregation & disposal 🟢 Authorized vendor engagement 🔗 EHS compliance checks
<p>UNSAFE ACTS & CONDITIONS</p> <ul style="list-style-type: none"> ● Increased accident probability 📌 Safety awareness & PPE monitoring 🟢 Reward & recognition for safe behavior 🔗 Safety audits by EHS 	<p>PPE AVAILABILITY</p> <ul style="list-style-type: none"> ● Exposure due to insufficient protective equipment 📌 Demand planning & inventory control 🟢 Vendor management & stock audits 🔗 Periodic EHS stock review 	<p>WORK ENVIRONMENT</p> <ul style="list-style-type: none"> ● Health impact & reduced productivity 📌 Lux & noise level monitoring 🟢 Engineering corrections & maintenance 🔗 Periodic EHS assessment

STRATEGY, MATERIALITY & STAKEHOLDER ENGAGEMENT

Active Chromewell Exhaust Pvt. Ltd. integrates sustainability into its core business strategy, operational planning, and risk management framework. Environmental stewardship, social responsibility, and strong governance practices are recognized as material drivers of long-term value creation, regulatory compliance, operational continuity, and stakeholder trust.

This section outlines the Company's strategic approach to material ESG topics, stakeholder engagement processes, and the methodology adopted to identify and prioritize key sustainability issues.

SUSTAINABILITY STRATEGY

Sustainability considerations are embedded into decision-making across manufacturing, procurement, workforce management, and governance processes. The Company's strategy focuses on:



Given the nature of operations—fabrication, welding, bending, cutting, and assembly—energy use, emissions management, waste handling, and workplace safety are identified as high-priority sustainability areas.

The Company's ESG Policy aligns with Good International Industry Practices (GIIP), IFC Performance Standards, and World Bank EHS Guidelines. Through structured monitoring systems, internal audits, and performance improvement programs, sustainability topics are integrated into business continuity planning and operational controls.

STAKEHOLDER ENGAGEMENT & MATERIALITY ASSESSMENT

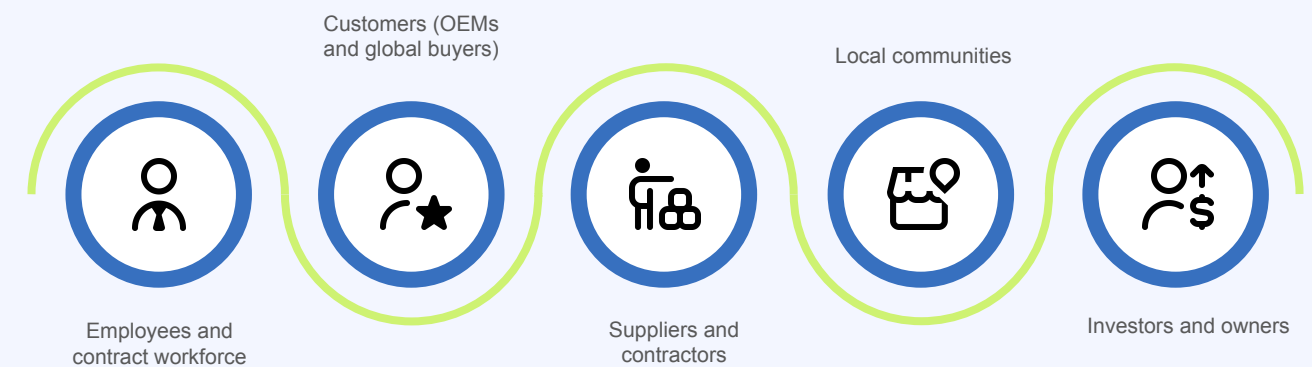
Purpose of Stakeholder Engagement

Stakeholder engagement forms an integral part of Active Chromewell Exhaust Pvt. Ltd.'s sustainability governance framework. The Company engages regularly with internal and external stakeholders to ensure responsible decision-making, transparency, and long-term value creation.

Through structured engagement, the Company seeks to understand stakeholder expectations and concerns, identify material ESG topics, strengthen trust-based relationships, and align sustainability commitments with operational priorities. Insights gathered through these interactions directly inform the Company's ESG roadmap, performance targets, and risk management approach.

Stakeholder Identification & Mapping

Stakeholders are identified and prioritized based on their influence on operations, dependency on Company performance, and long-term sustainability impact.



Employees and contract workers drive operational performance, safety standards, and productivity. Customers rely on consistent product quality, regulatory compliance, timely delivery, and ESG alignment. Suppliers and contractors provide critical materials and services and are expected to meet defined quality, ethical, and compliance standards. Local communities are impacted by environmental and social performance and contribute to the Company's social license to operate. Investors and owners focus on governance, risk management, financial stability, and long-term sustainable growth.

Stakeholder Engagement Mechanisms

The Company engages stakeholders through structured and periodic interactions aligned with operational needs and governance processes.

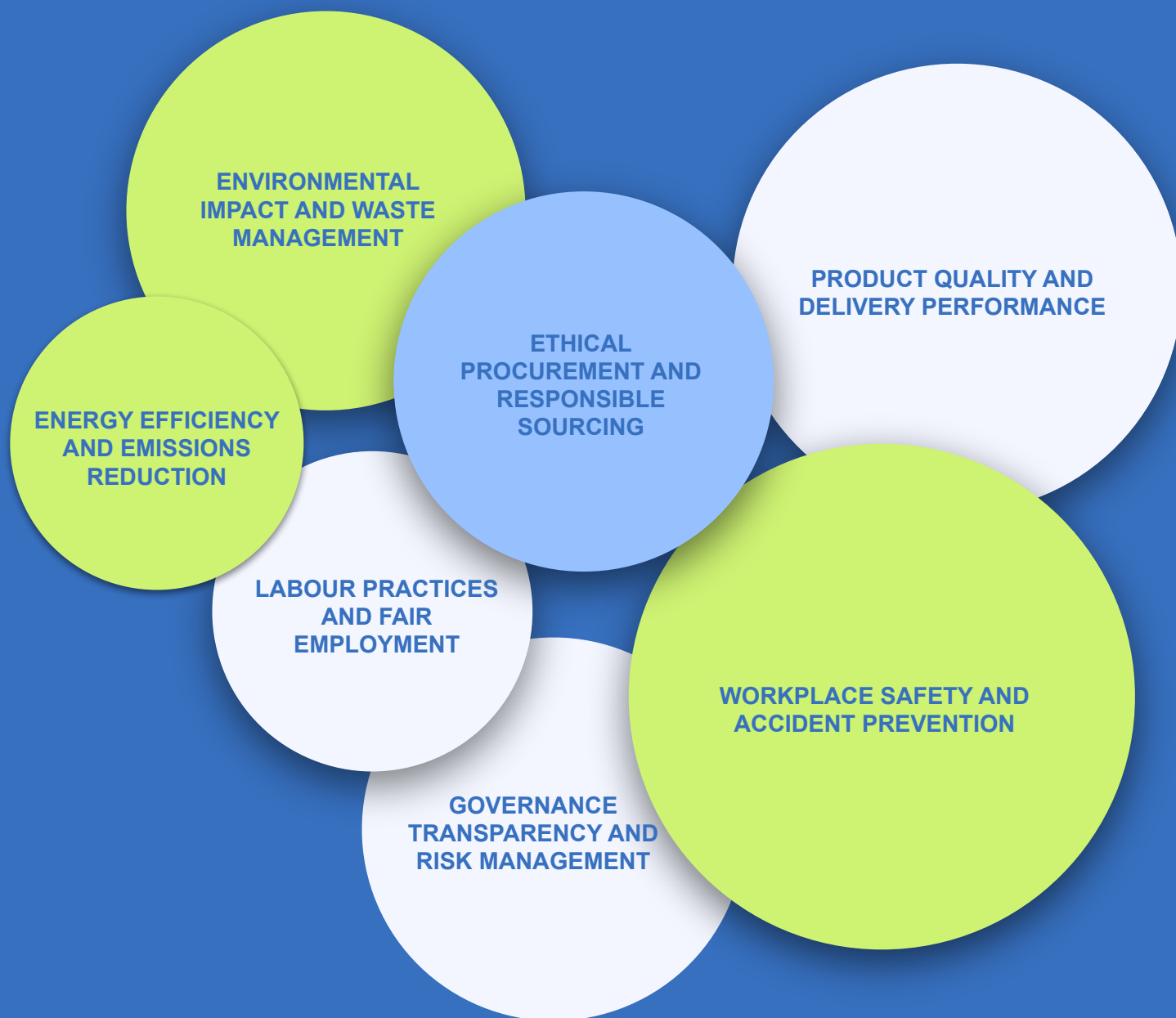
Employees and contract workers are engaged through tool-box talks, safety meetings, training programs, performance discussions, and grievance mechanisms. Customers are engaged through technical reviews, audits, quality meetings, and

structured complaint resolution systems. Suppliers and contractors are engaged through onboarding assessments, procurement communication, ESG screening, and periodic reviews.

Local communities are engaged through CSR initiatives and welfare programs. Investors and owners are engaged through performance reviews, governance discussions, and strategic planning meetings.

Key Topics Raised by Stakeholders

Stakeholder interactions have highlighted the following priority ESG themes:



These themes form the foundation of the Company’s material sustainability focus areas.

Stakeholder Expectations & Company Response

The Company addresses stakeholder expectations through defined policies and operational systems. Employee expectations regarding safe working conditions and fair treatment are addressed through PPE enforcement, structured training programs, and labour compliance mechanisms. Customer expectations on quality and delivery are supported through cross-functional complaint resolution processes and performance monitoring systems.

Suppliers are guided through a Sustainable Procurement Policy and ESG screening processes to ensure transparency and compliance. Community expectations are addressed through responsible operational practices and community welfare initiatives. Investors and owners are supported through strong governance practices, risk management frameworks, and performance transparency.

Outcomes of Stakeholder Engagement

Stakeholder engagement has contributed to measurable improvements in workplace safety practices, enhanced customer satisfaction, strengthened supplier governance, positive community relationships, and improved oversight of strategic sustainability priorities. Engagement outcomes are reviewed periodically and incorporated into management planning and performance improvement initiatives.

MATERIALITY ASSESSMENT PROCESS

Active Chromewell Exhaust Pvt. Ltd. conducted a structured materiality assessment aligned with globally recognized frameworks including GRI Standards, IFC guidance, and Good International Industry Practices (GIIP). The objective of the assessment was to identify, prioritize, and integrate the most significant environmental, social, and governance (ESG) topics impacting business continuity and stakeholder trust.



A comprehensive list of ESG topics was developed based on the Company’s ESG Policy commitments, internal risk registers, industry benchmarks, regulatory requirements, stakeholder feedback, and emerging sustainability trends. This ensured that both internal and external perspectives were considered in defining the universe of potential material topics.

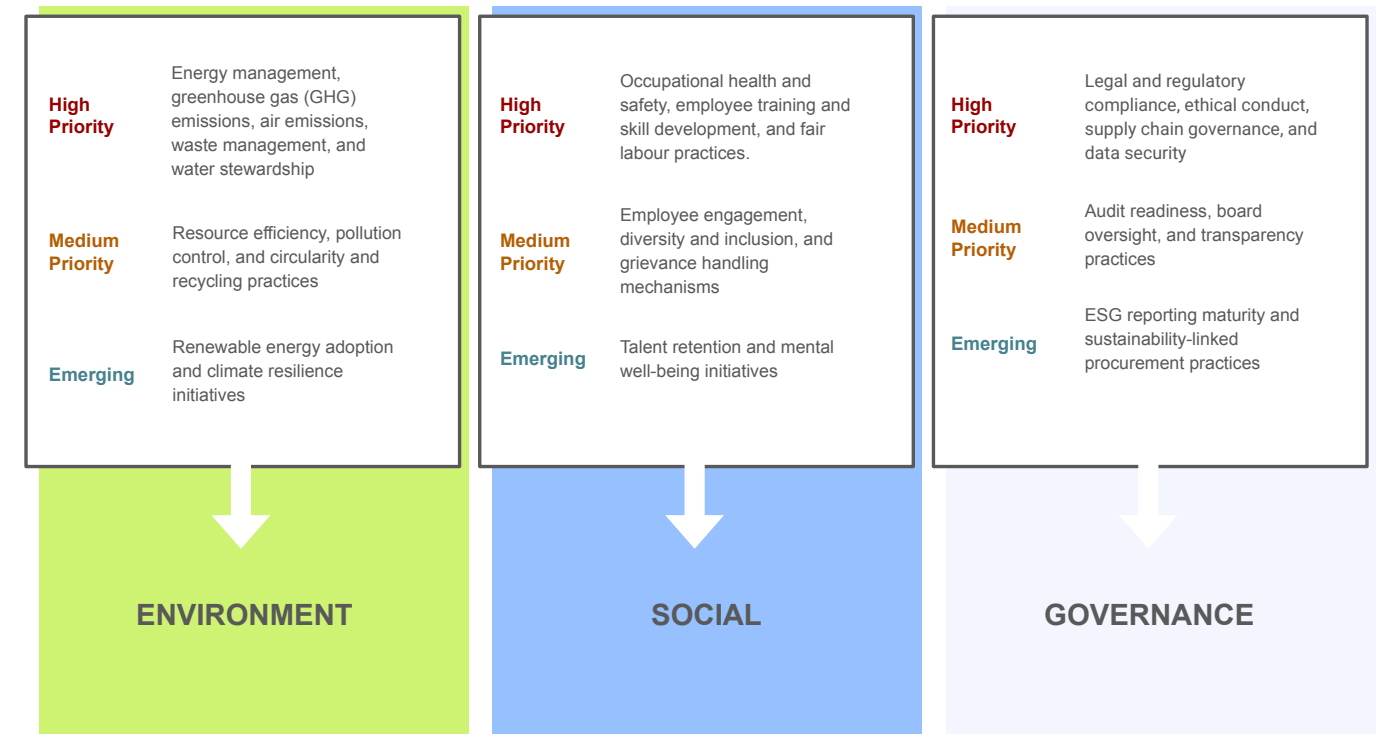
Identified topics were evaluated against the level of stakeholder concern, degree of influence on business decisions, and their potential impact on reputation, regulatory compliance, and operational continuity. This step ensured alignment between stakeholder expectations and organizational priorities.

The leadership team assessed each topic based on financial relevance, operational risk exposure, environmental and social impact, and long-term strategic implications. This evaluation enabled prioritization of topics that could significantly affect performance, competitiveness, and sustainability outcomes.

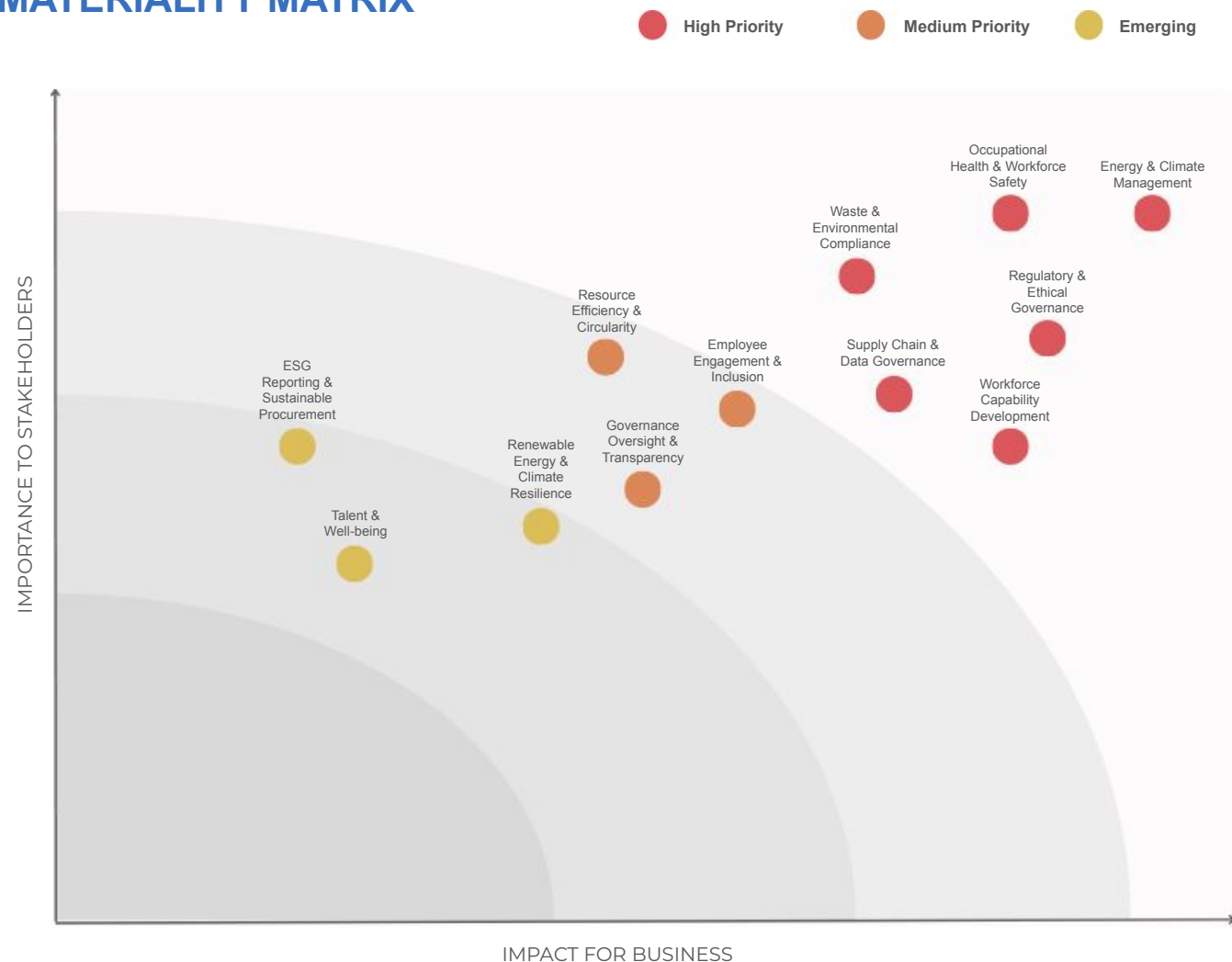
The finalized topics were plotted on a Materiality Matrix reflecting business impact on one axis and stakeholder importance on the other. This structured approach enabled classification of topics into high, medium, and emerging priority areas.

MATERIAL TOPICS IDENTIFIED

Based on the assessment, material topics were categorized according to their level of priority and impact.



MATERIALITY MATRIX



Active Chromewell’s ESG framework focuses on improving resource efficiency, strengthening compliance and governance practices, enhancing workplace safety and employee welfare, and promoting responsible sourcing throughout the supply chain. Through clearly defined policies and measurable targets, the company seeks to manage sustainability risks while creating long-term value for

stakeholders including employees, customers, suppliers, regulators, and communities.

The ESG strategy is implemented through cross-functional oversight by management and operational teams, with periodic review of sustainability performance indicators and alignment with evolving regulatory requirements and stakeholder expectations.

ESG STRATEGIC PILLARS

Active Chromewell Exhaust Pvt. Ltd.’s ESG strategy is structured around four key pillars that guide sustainability initiatives across the organization.

ENVIRONMENTAL RESPONSIBILITY

The company is committed to minimizing environmental impacts associated with its manufacturing operations. Environmental stewardship initiatives focus on improving energy efficiency, managing greenhouse gas emissions, conserving water resources, and ensuring responsible waste management practices. Through continuous monitoring and operational improvements, Active Chromewell aims to enhance resource efficiency while reducing emissions, waste generation, and environmental footprint across its facilities.

Key Focus Areas

- Energy efficiency and GHG emission management
- Water conservation and responsible resource use
- Waste reduction and responsible hazardous material handling
- Pollution prevention and environmental compliance

LINKAGE TO STRATEGY

The outcomes of the materiality assessment are directly integrated into the Company’s strategic and operational framework. Identified priorities inform the ESG KPI framework, greenhouse gas management strategy, energy efficiency initiatives, social performance programs, governance and compliance systems, climate and environmental targets, and

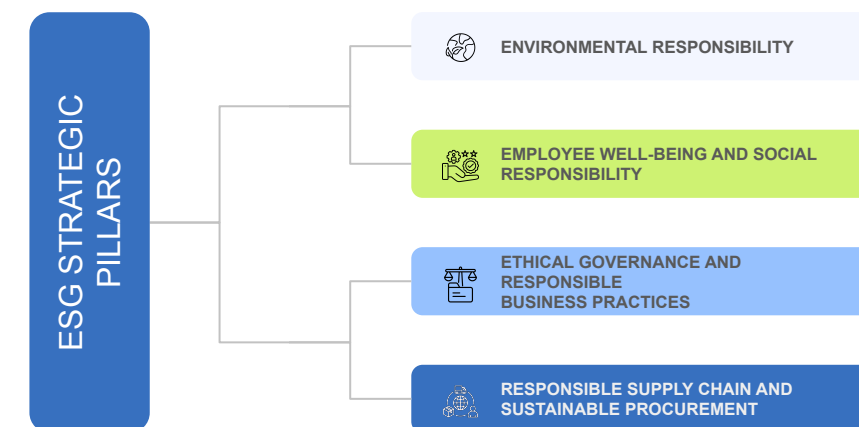
stakeholder communication commitments.

By embedding material ESG priorities into decision-making processes, the Company ensures that sustainability performance remains aligned with stakeholder expectations, regulatory requirements, and long-term business objectives.

ESG STRATEGY AND OBJECTIVES

Active Chromewell Exhaust Pvt. Ltd. integrates Environmental, Social, and Governance (ESG) principles into its operational practices, risk management systems, and long-term business strategy. As a manufacturer in the automotive component sector, the company recognizes its responsibility to operate ethically, minimize environmental impacts, safeguard employee well-being, and contribute positively to the broader value chain.

The company’s ESG strategy is built on a structured framework that identifies key sustainability priorities across environmental performance, responsible business conduct, workforce welfare, and transparent governance. These priorities are embedded within operational policies, supplier management processes, and internal control systems to ensure responsible and sustainable growth.



EMPLOYEE WELL-BEING AND SOCIAL RESPONSIBILITY

Active Chromewell prioritizes the health, safety, and well-being of its workforce. The company promotes fair labor practices, equal opportunity employment, and a safe working environment across all operations. The organization maintains strong occupational health and safety management systems, employee grievance mechanisms, and training programs to ensure that employees and contract workers operate in a secure and respectful workplace.

Key Focus Areas

- Occupational health and safety
- Employee welfare and skill development
- Labor rights and fair employment practices
- Workplace equality and anti-discrimination

ETHICAL GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

Integrity, transparency, and accountability are central to Active Chromewell's governance framework. The company maintains policies and mechanisms to prevent corruption, address grievances, protect confidential information, and ensure ethical conduct across operations.

Governance practices include robust internal controls, compliance monitoring, whistleblower protections, and structured grievance redressal processes to maintain trust among stakeholders.

Key Focus Areas

- Business ethics and anti-corruption
- Whistleblower and grievance redressal mechanisms
- Information security and data protection
- Compliance with applicable laws and regulatory requirements

RESPONSIBLE SUPPLY CHAIN AND SUSTAINABLE PROCUREMENT

Active Chromewell recognizes that sustainability extends beyond internal operations to the broader supply chain. The company promotes responsible sourcing practices and works with suppliers who adhere to ethical, environmental, and compliance standards.

Supplier evaluation processes incorporate sustainability and compliance considerations to ensure responsible procurement and risk management within the supply chain.

Key Focus Areas

- Supplier code of conduct implementation
- ESG screening of suppliers
- Responsible procurement and compliance monitoring
- Collaboration with suppliers to improve sustainability performance

ESG OBJECTIVES

The company's ESG objectives are designed to strengthen sustainability performance while supporting operational efficiency and long-term resilience. These objectives guide the implementation of measurable targets across environmental, social, and governance dimensions.

Environmental Objectives

- Improve energy efficiency across manufacturing operations
- Reduce greenhouse gas emissions associated with energy consumption
- Promote responsible water management and conservation
- Minimize waste generation and increase recycling and recovery
- Strengthen pollution prevention and environmental compliance practices



Social Objectives

- Provide a safe and healthy workplace for employees and contract workers
- Promote fair labor practices and protect human rights across operations
- Strengthen employee awareness, training, and capacity building programs
- Maintain accessible grievance redressal and whistleblower mechanisms
- Foster an inclusive and discrimination-free work environment



Governance Objectives

- Maintain high standards of ethical conduct and anti-corruption practices
- Ensure transparency and accountability in operational and compliance processes
- Strengthen information security and protection of sensitive data
- Enhance responsible sourcing and supplier compliance monitoring
- Continuously improve ESG governance and oversight mechanisms



ALIGNMENT OF ESG FOCUS AREAS WITH UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Active Chromewell Exhaust Pvt. Ltd.'s ESG strategy contributes to several United Nations Sustainable Development Goals (SDGs) by promoting responsible manufacturing practices, ethical governance, and employee well-being.

ESG Focus Area	Key Objective	Relevant SDGs	SDG Description
Whistleblower & Grievance Redressal Mechanism	Ensure transparent reporting channels and fair resolution of employee and stakeholder grievances	8 (Fair Wages and Economic Growth), 16 (Peace, Justice and Strong Institutions)	Decent Work & Economic Growth; Peace, Justice & Strong Institutions
Waste & Hazardous Materials Management	Promote responsible waste handling, safe storage, and environmentally sound disposal practices	6 (Clean Water and Sanitation), 12 (Responsible Consumption and Production), 13 (Climate Action)	Clean Water & Sanitation; Responsible Consumption & Production; Climate Action
Sustainable Procurement & Responsible Sourcing	Integrate environmental and ethical considerations into supplier selection and monitoring	8 (Fair Wages and Economic Growth), 12 (Responsible Consumption and Production), 16 (Peace, Justice and Strong Institutions)	Decent Work & Economic Growth; Responsible Consumption & Production; Peace, Justice & Strong Institutions
Responsible Information Management & Data Protection	Strengthen data protection systems and ensure responsible management of sensitive information	9 (Industry, Innovation and Infrastructure), 16 (Peace, Justice and Strong Institutions)	Industry, Innovation & Infrastructure; Peace, Justice & Strong Institutions
Occupational Health & Safety (OHS)	Provide a safe and healthy workplace for employees, contract workers, and visitors	3 (Good Health and Well-being), 8 (Fair Wages and Economic Growth)	Good Health & Well-being; Decent Work & Economic Growth
Labor & Human Rights	Promote fair labor practices, protect worker rights, and ensure equal opportunities	5 (Gender Equality), 8 (Fair Wages and Economic Growth), 10 (Reduced Inequalities)	Gender Equality; Decent Work & Economic Growth; Reduced Inequalities
Environmental Performance & Resource Management	Improve energy efficiency, water conservation, and resource utilization across operations	6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 12 (Responsible Consumption and Production), 13 (Climate Action)	Clean Water & Sanitation; Affordable & Clean Energy; Responsible Consumption & Production; Climate Action
Business Ethics & Anti-Corruption	Maintain ethical business practices and zero tolerance toward corruption or bribery	8 (Fair Wages and Economic Growth), 16 (Peace, Justice and Strong Institutions)	Decent Work & Economic Growth; Peace, Justice & Strong Institutions
Anti-Discrimination & Anti-Harassment	Foster an inclusive workplace free from discrimination and harassment	5 (Gender Equality), 8 (Fair Wages and Economic Growth), 10 (Reduced Inequalities)	Gender Equality; Decent Work & Economic Growth; Reduced Inequalities
Energy & Greenhouse Gas (GHG) Management	Improve energy efficiency and monitor emissions to support climate mitigation	7 (Affordable and Clean Energy), 12 (Responsible Consumption and Production), 13 (Climate Action)	Affordable & Clean Energy; Responsible Consumption & Production; Climate Action

SUSTAINABILITY TARGETS, COMMITMENTS & MEASURABLE OBJECTIVES

(Baseline: FY 2023–24)

Active Chromewell Exhaust Pvt. Ltd. integrates sustainability into its governance, risk management, and operational framework. The Company has established defined targets and measurable objectives across ethics, environment, labor practices, occupational health and safety, procurement, and information security. These commitments are reviewed annually and aligned with regulatory requirements and evolving stakeholder expectations.

1

Whistleblower & Grievance Redressal Mechanism

The Company maintains a formal whistleblower and grievance redressal framework applicable to employees, contractors, suppliers, and relevant stakeholders. The mechanism promotes transparency, ethical conduct, and protection against retaliation.

TARGETS & COMMITMENTS:

- 100% employee coverage under whistleblower and grievance awareness during induction
- Annual refresher awareness sessions for employees and supervisors
- 100% acknowledgment of grievances and complaints within 7 working days
- Preliminary assessment of complaints within 15 working days
- Resolution of at least 90% of grievances within 45–60 days, subject to complexity
- 100% documentation of investigation outcomes and corrective actions
- Zero tolerance for retaliation against whistleblowers
- 100% investigation of reported retaliation cases
- Quarterly review of grievance trends
- Annual review of targets and mechanism effectiveness

2

Waste & Hazardous Materials Management

The Company is committed to environmentally responsible waste management and safe handling of hazardous materials across operations.

TARGETS & COMMITMENTS:

- 100% segregation of waste at source
- Year-on-year reduction in waste generation per unit of production, where feasible
- 100% compliance with statutory hazardous waste regulations
- Zero incidents of unauthorized hazardous waste disposal
- 100% labeling and safe storage of hazardous materials
- 100% disposal through authorized vendors
- Periodic inspection of storage and disposal areas
- Annual review of targets based on operational and regulatory changes

3

Sustainable Procurement & Responsible Sourcing

Environmental, social, and ethical considerations are embedded into supplier selection and evaluation processes.

TARGETS & COMMITMENTS:

- 100% communication of Supplier Code of Conduct to key suppliers by FY 2025–26
- At least 90% acknowledgment coverage by FY 2026–27
- 100% sustainability and compliance screening for new suppliers from FY 2024–25
- 100% documentation of statutory licenses and compliance declarations for new suppliers
- Risk-based sustainability assessment of at least 50% of identified high-risk suppliers by FY 2025–26
- Documented sustainability engagement with at least 50% of key suppliers by FY 2026–27

4

Responsible Information Management & Data Protection

Information security is integrated into operational controls, access management, and awareness programs.

TARGETS & COMMITMENTS:

- 100% induction coverage on information security awareness
- Annual refresher training for employees handling sensitive information
- Zero tolerance for deliberate data misuse
- 100% role-based access control for critical systems
- 100% recording and assessment of reported security incidents
- Preliminary assessment within 15 working days
- 100% confidentiality agreements for key third parties
- Annual review of targets

5

Occupational Health & Safety (OHS)

The Company is committed to providing a safe and healthy working environment for employees, contract workers, and visitors.

TARGETS & COMMITMENTS:

- Year-on-year reduction in accidents and near-miss incidents
- Zero fatal accidents across operations
- 100% OHS induction and annual safety training coverage
- 100% reporting and investigation of recordable incidents
- 100% implementation of corrective and preventive actions
- 100% statutory compliance with OHS requirements
- Periodic emergency preparedness drills
- Annual review of targets

6

Labor & Human Rights

The Company upholds fair labor practices and human rights in alignment with applicable laws and recognized standards.

TARGETS & COMMITMENTS:

- 100% compliance with labor laws and statutory registers
- 100% issuance of formal appointment letters
- 100% OHS training coverage for employees and contract workers
- Compliance with legal limits on working hours and rest periods
- Zero cases of child labor, forced labor, or bonded labor
- 100% age and identity verification during recruitment
- Zero substantiated cases of discrimination or harassment
- 100% workforce coverage under labor rights awareness programs
- 100% grievance acknowledgment and resolution tracking
- 100% payment of wages equal to or above statutory minimum wage and progressive alignment with living wage benchmarks

7

Environmental Performance & Resource Management

Environmental stewardship is embedded into operations to enhance efficiency and reduce impact.

TARGETS & COMMITMENTS:

- 15–20% reduction in energy intensity over a defined multi-year period
- 15% reduction in water consumption intensity over five years
- 85–90% diversion of non-hazardous waste from landfill
- Reduction in hazardous waste generation per unit of production
- Year-on-year reduction in process-related air emissions, where feasible

8

Business Ethics & Anti-Corruption

The Company adopts a zero-tolerance approach toward bribery, corruption, and unethical conduct.

TARGETS & COMMITMENTS:

- 100% employee coverage under ethics awareness during induction
- Periodic refresher training for high-risk roles
- Zero confirmed cases of bribery or corruption
- 100% documentation of gift and hospitality approvals
- 100% acknowledgment of ethics complaints within 7 working days
- Preliminary assessment within 15 working days
- 100% communication of ethical expectations to key suppliers
- Annual review of targets

9

Anti-Discrimination & Anti-Harassment

The Company maintains a workplace free from discrimination and harassment.

TARGETS & COMMITMENTS:

- 100% induction coverage on anti-discrimination and POSH awareness
- Annual refresher training for employees and supervisors
- 100% complaint acknowledgment within 7 working days
- Preliminary assessment within 15 working days
- Zero tolerance for substantiated cases
- 100% investigation and documentation of complaints
- Annual review of targets

10

Energy & Greenhouse Gas (GHG) Management

Energy efficiency and GHG management support climate responsibility and operational efficiency.

TARGETS & COMMITMENTS:

Energy Efficiency

- Achieve 10–15% reduction in energy intensity (energy consumption per unit of production) by FY 2027–28, compared to FY 2023–24 baseline
- Implement annual energy efficiency initiatives based on operational reviews and audits
- Maintain 100% preventive maintenance coverage for major energy-consuming equipment
- Gradually replace inefficient lighting and equipment with energy-efficient alternatives

Scope 1 GHG Emissions (Direct Emissions)

- Achieve 10% reduction in Scope 1 emission intensity (fuel-related emissions per unit of production) by FY 2027–28, compared to FY 2023–24 baseline
- Monitor and report Scope 1 emissions annually

Scope 2 GHG Emissions (Indirect Emissions)

- Achieve 12–15% reduction in Scope 2 emission intensity (electricity-related emissions per unit of production) by FY 2027–28, compared to FY 2023–24 baseline
- Monitor and report Scope 2 emissions annually

Scope 3 GHG Emissions (Value Chain Emissions)

- Identify and assess key Scope 3 emission categories across the value chain
- Target 5–8% reduction in selected Scope 3 emission sources by FY 2027–28, compared to FY 2023–24 baseline, where reliable data is available

GOVERNANCE & REVIEW: All sustainability targets are monitored through designated functional heads and management oversight mechanisms. Performance against targets is reviewed periodically, and commitments are refined annually to reflect operational, regulatory, and stakeholder expectations.

ENVIRONMENTAL STEWARDSHIP AND PERFORMANCE

ENVIRONMENTAL MANAGEMENT APPROACH

Active Chromewell Exhaust Pvt. Ltd. recognizes environmental stewardship as an essential component of its operational excellence and long-term business sustainability. As a manufacturer serving the automotive industry, the company acknowledges its responsibility to manage environmental impacts associated with its operations while supporting efficient production and technological advancement. With over five decades of industry experience, Active Chromewell integrates environmental considerations into its manufacturing processes, operational planning, and strategic decision-making.

The company's environmental management approach is built on the principles of **pollution prevention, responsible resource management, regulatory compliance, and continuous improvement**. These principles guide the implementation of environmental practices across production activities, infrastructure management, and supply chain interactions. By embedding sustainability considerations into daily operations, the company aims to reduce environmental risks while maintaining high standards of manufacturing quality and reliability.

Active Chromewell's environmental management framework emphasizes proactive monitoring and control of environmental aspects associated with its operations. Environmental performance is tracked through internal monitoring systems, operational procedures, and periodic assessments to ensure adherence to applicable environmental regulations and industry standards. These processes help identify opportunities for improvement in resource efficiency, waste reduction, and emissions management.

Environmental considerations are integrated across the company's **entire operational value chain**, including procurement of raw materials, manufacturing processes, energy consumption, water usage, waste handling, and logistics activities. Through responsible material handling practices and efficient production

systems, the company works to minimize environmental impacts while optimizing operational performance. In addition to regulatory compliance, Active Chromewell promotes a culture of environmental awareness among its workforce. Employees are encouraged to participate in responsible resource use, waste segregation, and environmental protection initiatives within the workplace. Awareness programs and operational guidelines help ensure that sustainability practices are consistently implemented across departments.

The company also prioritizes **continuous improvement in environmental performance** through periodic evaluation of operational practices and adoption of efficiency-enhancing technologies wherever feasible. Initiatives aimed at improving energy efficiency, optimizing resource utilization, and strengthening waste management practices contribute to reducing the overall environmental footprint of the organization.

Through these efforts, Active Chromewell Exhaust Pvt. Ltd. strives to operate as a responsible manufacturing organization that balances industrial productivity with environmental responsibility. By integrating sustainability principles into its operational framework, the company seeks to support environmentally responsible growth while continuing to deliver reliable, high-quality automotive components to its customers.

ENERGY CONSUMPTION AND EFFICIENCY MANAGEMENT

Energy consumption is a significant operational factor in the manufacturing activities of Active Chromewell Exhaust Pvt. Ltd. Processes such as machining, welding, fabrication, assembly, and finishing require consistent energy inputs to maintain production efficiency and product quality. Recognizing the environmental and operational implications of energy use, the company has adopted a structured approach to monitor, manage, and optimize energy consumption across its facilities.

Active Chromewell systematically tracks energy usage from key sources, primarily purchased electricity and diesel used in operational activities. Monitoring energy consumption allows the company to assess operational efficiency and identify opportunities for improvement in energy management practices.

Over the reporting period, the company recorded the following trends in energy consumption:

- Total energy consumption decreased from **1,010.71 MWh in FY 2022–23** to **831.17 MWh in FY 2023–24**, and further to **818.74 MWh in FY 2024–25**.
- Purchased electricity represents the largest share of energy consumption, accounting for **788.16 MWh in FY 2024–25**, compared with **800.76 MWh in FY 2023–24**.
- Diesel consumption used for operational activities remained relatively stable, recording **30.58 MWh in FY 2024–25**.

When measured in energy units, total energy consumption decreased from **3,638.55 GJ in FY 2022–23** to **2,992.21 GJ in FY 2023–24**, and further to **2,947.45 GJ in FY 2024–25**. This reduction reflects improved energy management and operational optimization initiatives implemented across the company's facilities.

To further strengthen energy efficiency, Active Chromewell focuses on **technological and equipment upgrades** within its manufacturing infrastructure. Aging equipment is gradually replaced or upgraded with modern, energy-efficient alternatives that deliver higher operational performance while reducing electricity consumption. These improvements help reduce energy losses and support more efficient production operations.

Key energy efficiency initiatives include:

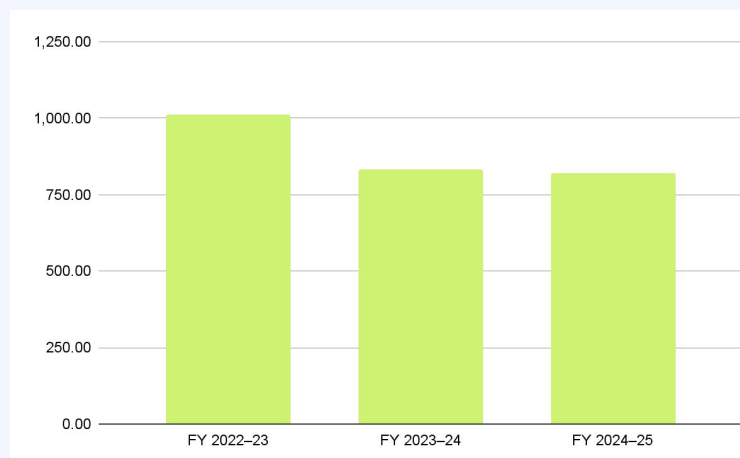
- Adoption of **energy-efficient motors and drives** across production equipment
- Upgrading older machinery with **advanced and energy-optimized manufacturing systems**
- Preventive maintenance of equipment to maintain optimal operating efficiency
- Optimization of production scheduling to minimize idle machine energy consumption
- Gradual installation of **energy-efficient lighting systems** across manufacturing and administrative areas

Energy performance is also supported through internal monitoring systems that track energy usage trends and identify improvement opportunities. These measures help ensure that energy efficiency improvements are sustained over time while maintaining consistent production output.

The company also monitors **energy intensity**, which reflects the amount of energy consumed relative to business output. Energy intensity improved from **3.19E-06 GJ per INR of turnover in FY 2022–23** to **2.58E-06 GJ per INR of turnover in FY 2024–25**, demonstrating progress in reducing the energy required to support operational growth.

ENERGY CONSUMPTION OVER THE YEARS

Year	Total Energy Consumption
FY 2022–23	1,010.71 MWh
FY 2023–24	831.17 MWh
FY 2024–25	818.74 MWh



ENVIRONMENTAL STEWARDSHIP AND PERFORMANCE

Active Chromewell Exhaust Pvt. Ltd. recognizes the importance of managing greenhouse gas (GHG) emissions as part of its commitment to climate responsibility and sustainable manufacturing practices. The company monitors and reports its emissions in alignment with internationally recognized reporting frameworks, including the **Greenhouse Gas Protocol and Global Reporting Initiative (GRI 305)** standards.

GHG emissions generated from the company's operations arise primarily from fuel consumption, electricity use, and selected value chain activities associated with procurement, logistics, and employee transportation. To effectively manage these emissions, Active Chromewell categorizes them into **Scope 1 (direct emissions)**, **Scope 2 (energy indirect emissions)**, and **Scope 3 (other indirect emissions)**. This classification allows the company to better understand the sources of emissions across its operations and value chain, enabling targeted strategies for emission reduction.

SCOPE 1 – DIRECT EMISSIONS



Scope 1 emissions represent **direct greenhouse gas emissions from sources that are owned or controlled by the company**. For Active Chromewell, these emissions primarily originate from diesel consumption used in operational activities and process-related emissions associated with manufacturing processes.

During the reporting period, Scope 1 emissions showed an increase due to variations in process emissions and operational fuel use. Total direct emissions increased from **30.02 tCO₂e in FY 2022–23** to **66.88 tCO₂e in FY 2023–24**, and further to **88.86 tCO₂e in FY 2024–25**. The increase in emissions is largely attributable to changes in production activities and process-related emissions during the reporting year.

The company continues to monitor direct emissions closely and aims to gradually reduce fuel-related emissions through improved operational efficiency, better equipment management, and process optimization.

SCOPE 2 – ENERGY INDIRECT EMISSIONS



Scope 2 emissions arise from the **generation of purchased electricity consumed by the company's manufacturing operations**. Since electricity is the primary energy source used across production lines, utilities, and facility infrastructure, Scope 2 emissions represent the largest share of Active Chromewell's total operational emissions.

In FY 2024–25, Scope 2 emissions were recorded at **558.02 tCO₂e**, compared with **566.94 tCO₂e in FY 2023–24** and **694.73 tCO₂e in FY 2022–23**. The reduction in electricity-related emissions over the reporting period reflects improvements in energy efficiency and better energy management practices within the organization.

By implementing energy optimization measures, upgrading equipment, and improving operational efficiency, Active Chromewell continues to reduce the emissions associated with electricity consumption.

SCOPE 3 – OTHER INDIRECT EMISSIONS



In addition to operational emissions, the company monitors selected **Scope 3 emissions arising from its value chain activities**. These emissions include indirect emissions associated with upstream procurement, transportation and logistics, employee commuting, and business travel. For FY 2024–25, total Scope 3 emissions were estimated at **498 tCO₂e**, compared with **487 tCO₂e in FY 2023–24** and **495 tCO₂e in FY 2022–23**. Major contributors to Scope 3 emissions include raw material procurement, packaging materials, transportation of goods, and employee commuting activities.

Monitoring Scope 3 emissions helps the company gain a broader understanding of its carbon footprint and identify opportunities for collaboration with suppliers, logistics providers, and employees to reduce emissions across the value chain.

Through comprehensive tracking of Scope 1, Scope 2, and Scope 3 emissions, Active Chromewell Exhaust Pvt. Ltd. aims to strengthen its climate management strategy and support long-term emission reduction initiatives across its operations.

TOTAL GREENHOUSE GAS EMISSIONS AND EMISSION INTENSITY

Active Chromewell Exhaust Pvt. Ltd. consolidates its greenhouse gas emissions across operational and value chain activities to understand its overall carbon footprint and track progress toward climate responsibility. By combining emissions from **Scope 1 (direct emissions)**, **Scope 2 (energy indirect emissions)**, and **selected Scope 3 (other indirect emissions)**, the company is able to assess the full extent of emissions associated with its operations.

For FY 2024–25, the company reported **total greenhouse gas emissions of 1,144.88 tCO₂e**, compared with **1,120.82 tCO₂e in FY 2023–24** and **1,219.75 tCO₂e in FY 2022–23**. While operational emissions fluctuate depending on production activity and energy usage patterns, the overall trend reflects ongoing efforts to manage and gradually reduce emissions through improved energy efficiency and operational controls.

A breakdown of emissions sources highlights that **Scope 2 emissions from purchased electricity remain the largest contributor** to the company's total carbon footprint. Electricity-related emissions accounted for **558.02 tCO₂e in FY 2024–25**, followed by Scope 3 value chain emissions of **498 tCO₂e**. Direct operational emissions (Scope 1) contributed **88.86 tCO₂e** during the reporting year.

Monitoring emissions across these categories enables the company to identify priority areas for reduction initiatives, particularly in electricity consumption,

operational fuel use, and supply chain logistics.

In addition to tracking total emissions, Active Chromewell also monitors **emission intensity**, which measures greenhouse gas emissions relative to the company's business output. Emission intensity provides a more accurate reflection of climate performance by accounting for variations in production levels and revenue growth.

During the reporting period, emission intensity was recorded at **1.00E-06 tCO₂e per INR of turnover in FY 2024–25**, compared with **9.83E-07 tCO₂e per INR in FY 2023–24** and **1.07E-06 tCO₂e per INR in FY 2022–23**. Although fluctuations may occur depending on operational factors and production volumes, the company continues to pursue efficiency improvements aimed at reducing emissions per unit of economic output.

Active Chromewell uses these metrics to evaluate the effectiveness of its climate management initiatives and guide future emission reduction strategies. By strengthening energy efficiency, improving operational practices, and gradually modernizing production technologies, the company aims to progressively lower both its overall emissions and emissions intensity.

Continuous monitoring of greenhouse gas emissions enables the organization to maintain transparency in its environmental reporting while supporting informed decision-making and long-term climate action planning.

strategy is the **modernization and upgrade of manufacturing equipment and supporting infrastructure**. By gradually replacing or upgrading older machinery with more energy-efficient alternatives, the company seeks to optimize production processes and reduce unnecessary energy consumption. These technological improvements not only enhance operational efficiency but also contribute to lowering the overall carbon footprint associated with manufacturing activities.

ENERGY EFFICIENCY INITIATIVES AND TECHNOLOGICAL UPGRADES

Active Chromewell Exhaust Pvt. Ltd. places significant emphasis on improving energy efficiency across its manufacturing operations. As energy consumption constitutes a major component of the company's environmental footprint, the organization continues to implement operational and technological measures aimed at reducing energy use while maintaining production efficiency and product quality.

A key focus area within the company's climate action

Energy efficiency initiatives implemented across the company's operations include improvements in machinery performance, optimization of utilities, and enhanced monitoring of energy usage. Preventive maintenance programs are regularly conducted to ensure that production equipment operates within its designed efficiency parameters. Proper maintenance helps prevent energy losses caused by mechanical inefficiencies, leakages, or suboptimal equipment performance.

The company also prioritizes **process optimization** to improve energy utilization during manufacturing activities. Production planning and scheduling practices are designed to minimize idle machine time and reduce energy consumption during non-operational periods. These operational adjustments help ensure that energy resources are used efficiently while maintaining production continuity.

Lighting systems within manufacturing facilities and administrative areas are gradually being upgraded with **energy-efficient lighting technologies**, such as LED lighting solutions. These upgrades contribute to reducing electricity consumption while improving lighting quality and workplace safety.

In addition to technological improvements, Active Chromewell recognizes that **employee awareness and capacity building are critical components of effective energy management and climate action**.

The company conducts **training and awareness programs on energy conservation and climate change** to help employees understand the environmental impact of energy use and the importance of responsible resource management.

These training sessions aim to:

- Increase awareness of **climate change and its implications for industrial operations**
- Encourage employees to adopt **energy-efficient practices in daily operations**
- Promote responsible use of electricity, machinery, and utilities
- Strengthen employee participation in the company's **energy conservation initiatives**

Employees are also encouraged to actively identify opportunities for energy savings within their operational areas and report inefficiencies. By fostering a culture of environmental responsibility, the company ensures that sustainability practices are integrated into day-to-day operations across departments.

Through a combination of **technological upgrades, operational improvements, and employee training programs**, Active Chromewell continues to strengthen its energy management framework. These initiatives support the company's broader climate action strategy while improving operational efficiency and promoting sustainable manufacturing practices.



WATER MANAGEMENT AND CONSERVATION

WATER STEWARDSHIP FRAMEWORK

Active Chromewell Exhaust Pvt. Ltd. recognizes water as a valuable natural resource and is committed to responsible water stewardship across its operations. Although water is not a primary raw material in the production of automotive exhaust components, it plays an important role in supporting facility operations including sanitation, equipment cleaning, maintenance, and landscaping.

The company's water management strategy is guided by a structured **water stewardship framework** that focuses on monitoring water withdrawal, consumption, reuse, and discharge across the facility. This framework aligns with **GRI 303: Water and Effluents** standards and aims to ensure responsible use of water resources while minimizing environmental impact.

Active Chromewell's water stewardship approach focuses on:

- Monitoring water withdrawal and consumption trends
- Identifying opportunities to reduce water-intensive operations
- Increasing reuse and recycling of treated wastewater
- Ensuring effective wastewater treatment and regulatory compliance
- Promoting employee awareness on water conservation practices

Through these initiatives, the company aims to improve water efficiency and reduce freshwater demand while maintaining safe and efficient operations.

WATER PERFORMANCE OVERVIEW

Active Chromewell Exhaust Pvt. Ltd. systematically monitors its water withdrawal, consumption, reuse, and discharge as part of its environmental performance management system. Tracking these indicators allows the company to understand water usage patterns across its facility, identify areas of inefficiency, and implement targeted water conservation initiatives. The company's monitoring framework is aligned with **GRI 303: Water and Effluents**, ensuring transparency and consistency in reporting water-related environmental performance.

The primary source of water for the company's operations is **third-party water supply**, which supports facility requirements such as sanitation, cleaning activities, equipment maintenance, and landscaping. As water is mainly used for supporting operational functions rather than core manufacturing processes, monitoring consumption trends plays an important role in identifying opportunities to optimize usage and reduce freshwater demand.

The company's water performance data over the reporting period is summarized below:

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Water Withdrawal (KL)	9,350.54	9,764.05	10,172.87	12,512.68
Total Water Consumed (KL)	9,350.54	9,764.05	10,172.87	12,512.68
Water Reused / Recycled (KL)	890.87	976.41	1,017.29	1,251.27
Net Freshwater Consumption (KL)	8,460.22	8,787.65	9,155.58	11,261.41
Total Water Discharged (KL)	8,460.22	8,787.65	9,155.58	11,261.41

The data indicates a gradual increase in water withdrawal and consumption over the reporting period. Total water withdrawal increased from approximately **9,764 KL in FY 2022-23** to **12,512.68 KL in FY 2024-25**, reflecting changes in operational activity levels, facility usage, and workforce requirements. As most of the withdrawn water is utilized for operational purposes within the facility, total water consumption closely mirrors the withdrawal values.

At the same time, the company has taken steps to implement **water reuse and recycling practices** within the facility. The amount of water reused increased from **976.41 KL in FY 2022-23** to **1,251.27 KL in FY 2024-25**, demonstrating gradual progress in improving water resource efficiency. Reused water is typically utilized for **non-potable applications such as gardening, cleaning, and other facility maintenance activities**, helping reduce reliance on freshwater sources.

Net freshwater consumption and wastewater discharge trends also reflect the overall increase in water usage over time. However, the presence of wastewater treatment and reuse practices helps ensure that water is managed responsibly and that environmental impacts associated with wastewater discharge are minimized.

Monitoring these performance indicators enables Active Chromewell to evaluate water efficiency trends and identify opportunities for improvement. By analyzing water consumption patterns and expanding water reuse initiatives, the company aims to strengthen its water stewardship practices and support long-term sustainable resource management across its operations.

WATER CONSUMPTION EFFICIENCY AND PROCESS-LEVEL ASSESSMENT

Active Chromewell Exhaust Pvt. Ltd. continuously evaluates the efficiency of water use across its facility to ensure that water resources are utilized responsibly and efficiently. As part of its environmental management practices, the company conducts periodic assessments of water consumption patterns to identify opportunities for reducing water usage without compromising operational effectiveness or workplace hygiene standards.

Water efficiency analysis focuses on understanding how water is distributed across various operational activities within the facility. Since the manufacturing processes for automotive exhaust components require minimal direct water input, the majority of water consumption occurs in **support and auxiliary activities**, such as sanitation, facility cleaning, and equipment maintenance. This distribution of water usage highlights significant opportunities for efficiency improvements through operational controls and infrastructure upgrades.

The company evaluates water efficiency by analyzing both **absolute water consumption trends and water intensity metrics**, which measure water use relative to economic output. The gradual increase in water consumption observed in recent reporting years suggests the need for targeted efficiency initiatives to ensure that water use remains proportional to operational growth.

To identify areas for improvement, the company conducts internal reviews of water-consuming processes. These assessments have identified several activities that contribute significantly to overall water usage within the facility:

- **Sanitation and domestic water usage**, which typically represents the largest portion of water demand due to workforce requirements and facility infrastructure.
- **Cleaning and housekeeping operations**, including floor washing, equipment cleaning, and maintenance activities.
- **Landscape irrigation and gardening**, which require periodic water use for maintaining green areas within the facility.
- **Utility and support systems**, where water may be used for maintenance or operational support functions.

Through process-level assessments, the company seeks to understand where water consumption can be optimized. For example, improvements in cleaning procedures, adoption of water-efficient fixtures, and optimized irrigation practices can significantly reduce water demand in non-production activities.

In addition, the company promotes responsible water usage through **employee awareness and operational guidelines**. Employees are encouraged to adopt water conservation practices such as minimizing unnecessary water flow during cleaning activities, reporting leaks promptly, and following facility water usage protocols.

These process-level efficiency assessments allow Active Chromewell to identify areas where water consumption can be reduced while maintaining operational performance. By combining operational improvements, infrastructure upgrades, and employee engagement initiatives, the company aims to progressively enhance water efficiency across its facility and strengthen its commitment to sustainable resource management.

WATER ACCOUNTING AND EFFICIENCY AUDITS

Active Chromewell Exhaust Pvt. Ltd. maintains a structured **water accounting system** to track and manage water usage across its operations. The company records water withdrawal, consumption, reuse, and discharge data through periodic monitoring and internal reporting mechanisms. This systematic tracking enables the organization to understand water usage patterns, identify inefficiencies, and support informed decision-making for water conservation initiatives.

Water accounting at the facility involves documenting the sources of water withdrawal, the distribution of water across operational activities, and the quantity of water discharged after use. These records are reviewed periodically to ensure that water consumption remains within operational requirements and to identify opportunities for improving efficiency.

The company also conducts **internal water efficiency reviews and audits** to assess the effectiveness of its water management practices. These audits evaluate:

- Water consumption trends across different operational areas
- The efficiency of water reuse and recycling initiatives
- Potential leakages or infrastructure inefficiencies

- Performance of wastewater treatment systems
- Compliance with environmental regulations and reporting requirements

Through these assessments, Active Chromewell identifies operational areas where water consumption can be reduced or optimized. For example, monitoring consumption patterns helps the company detect abnormal increases in water usage, which may indicate leaks, inefficient cleaning practices, or other operational issues requiring corrective action.

Water accounting also supports **performance benchmarking** over time. By comparing current consumption data with historical records, the company can measure progress in water conservation efforts and evaluate the effectiveness of implemented initiatives.

In addition, these monitoring systems help ensure **transparency in environmental reporting**, supporting the company's commitment to responsible resource management and alignment with sustainability reporting standards such as **GRI 303**.

Through continuous monitoring, periodic audits, and data-driven analysis, Active Chromewell aims to strengthen its water management practices and ensure efficient use of water resources across its facility.

WASTEWATER QUALITY AND COMPLIANCE

Active Chromewell Exhaust Pvt. Ltd. ensures that all wastewater generated from its facility is managed responsibly through proper treatment and monitoring systems. Wastewater generated from domestic usage, sanitation, and facility cleaning activities is directed to the **Sewage Treatment Plant (STP)** for treatment before discharge or reuse. The company follows applicable environmental regulations and ensures that wastewater discharge complies with standards prescribed by the **Maharashtra Pollution Control Board (MPCB)**.

Regular monitoring of wastewater quality is conducted through **third-party accredited laboratories** to verify compliance with environmental discharge standards. These laboratory tests evaluate key parameters such as **pH, Total Suspended Solids (TSS), and Biological Oxygen Demand (BOD)** to ensure that the treatment system effectively reduces pollutant loads before discharge.

Testing of wastewater entering the STP (inlet) indicates the typical quality of untreated wastewater generated from facility operations. Laboratory analysis recorded the following results:

- **pH: 7.8**
- **Total Suspended Solids (TSS): 62.4 mg/L**
- **Biological Oxygen Demand (BOD): 79.7 mg/L**

These values represent the raw wastewater characteristics prior to treatment.

After treatment through the Sewage Treatment Plant, the wastewater quality improves significantly. Laboratory testing of STP outlet samples reported the following values:

- **pH: 7.3**
- **Total Suspended Solids (TSS): 20.5 mg/L**
- **Biological Oxygen Demand (BOD): 24.7 mg/L**

The treated wastewater parameters were found to be **well within the permissible limits specified by MPCB**, confirming the effectiveness of the treatment process in reducing pollutant concentrations. The STP plays an important role in supporting the company's water stewardship objectives by ensuring safe wastewater management and enabling opportunities for **reuse of treated water for non-potable applications** such as gardening and facility cleaning. This approach helps reduce freshwater consumption while maintaining compliance with environmental regulations.

To ensure consistent performance, the company conducts **periodic inspections and maintenance of the treatment infrastructure** and reviews laboratory test results to identify any deviations or improvement opportunities. Documentation of wastewater monitoring results also supports environmental reporting and regulatory compliance.

Through regular monitoring, effective treatment systems, and adherence to regulatory requirements, Active Chromewell maintains responsible wastewater management practices while minimizing potential environmental impacts associated with wastewater discharge.

WATER RISK ASSESSMENT AND RESILIENCE PLANNING

Active Chromewell Exhaust Pvt. Ltd. recognizes that responsible water management also requires an understanding of potential **water-related risks** that could affect operational continuity and environmental sustainability. Although the company's operations do not rely heavily on water-intensive manufacturing processes, water availability remains important for supporting facility operations such as sanitation, maintenance, and housekeeping activities.



The company periodically evaluates potential water-related risks associated with its operations, including risks related to **water availability, infrastructure reliability, and wastewater management**. These assessments help the organization anticipate challenges that may arise due to increasing water demand, climate variability, or regional water stress conditions.

At present, the facility operates in an industrial area with **reliable municipal or third-party water supply systems**, which reduces the likelihood of immediate operational disruptions caused by water shortages. However, Active Chromewell acknowledges that long-term environmental challenges, including climate change and regional water stress, may affect water availability in the future. As a result, the company is committed to strengthening its resilience by implementing proactive water management strategies.

Key measures adopted to mitigate water-related risks include:

- **Monitoring water consumption patterns** across operational areas to detect unusual usage trends or inefficiencies.
- **Maintaining wastewater treatment infrastructure**, such as the Sewage Treatment Plant (STP), to ensure proper treatment and compliance with environmental standards.
- **Increasing water reuse practices**, particularly for non-potable applications such as gardening and cleaning.
- **Improving infrastructure maintenance**, including regular inspection of pipelines, plumbing systems, and water storage units to prevent leakages and water losses.
- **Promoting water conservation awareness among employees**, encouraging responsible water usage within the facility.

In addition, the company aims to progressively improve water efficiency by identifying opportunities to reduce water consumption in support activities such as sanitation and cleaning operations. These efforts help reduce

dependence on freshwater sources while supporting sustainable resource management

Through continuous monitoring and proactive planning, Active Chromewell seeks to strengthen its resilience to potential water-related risks while ensuring that water resources are managed responsibly across its operations.

AIR EMISSIONS MANAGEMENT AND MONITORING

Active Chromewell Exhaust Pvt. Ltd. recognizes the importance of maintaining good air quality within and around its manufacturing facility. The company implements a structured **air emission monitoring program** to assess and control potential air pollutants arising from manufacturing activities such as welding, fabrication, and metal processing. These measures ensure compliance with environmental regulations and help maintain a safe working environment for employees.

To monitor air quality, the company conducts **periodic air emission monitoring through accredited third-party environmental laboratories**. Monitoring activities include both **workplace air**

quality assessments within operational areas and ambient air quality monitoring around the facility boundary. These assessments evaluate concentrations of key pollutants including **Sulphur Dioxide (SO₂), Nitrogen Dioxide (NO₂), and particulate matter (PM₁₀ and PM_{2.5})**.

Workzone air monitoring is conducted at critical operational locations such as the **press shop, welding cell, and assembly area**, where fabrication and welding activities may generate airborne particulates. Independent laboratory testing indicates that pollutant levels remain well within regulatory limits prescribed under the **Factories Act, 1948**, demonstrating effective control of workplace emissions.



The monitoring results from the workzone air assessments are summarized below:

Monitoring Location	SO ₂ (mg/m ³)	NO ₂ (mg/m ³)	Suspended Particulate Matter (mg/m ³)
Press Shop	0.042	0.054	0.069
Welding Cell Unit-1	0.062	0.076	0.082
Assembly Area	0.048	0.062	0.056

These results confirm that workplace pollutant concentrations remain significantly below permissible limits, indicating that ventilation systems and operational controls effectively maintain safe air quality within the facility.

In addition to workplace monitoring, the company also conducts **ambient air quality monitoring** at multiple locations around the facility to assess potential impacts on the surrounding environment. Monitoring points include areas such as the **main gate, cooling tower area, scrap yard, and STP location**. Ambient air monitoring is conducted in accordance with **Central Pollution Control Board (CPCB) guidelines and National Ambient Air Quality (NAAQ) standards**.

The ambient air monitoring results are summarized below:

Monitoring Location	SO ₂ (µg/m ³)	NO ₂ (µg/m ³)	PM ₁₀ (µg/m ³)	PM _{2.5} (µg/m ³)
Near Main Gate	13.2	17.6	57.4	28.3
Near Cooling Tower	12.5	16.4	52.8	24.7
Near Scrap Yard	12.9	16.7	56.6	22.4
Near STP Area	13.6	16.4	54.9	23.5

All measured parameters are **within the National Ambient Air Quality standards**, confirming that the company's operations do not significantly impact surrounding air quality.

To further minimize air emissions and maintain a safe working environment, Active Chromewell implements several operational control measures, including:

- Regular maintenance of production equipment to prevent excessive emissions.
- Installation of ventilation systems in welding and fabrication areas.
- Periodic housekeeping and dust control measures within the facility.
- Monitoring and maintenance of fuel-based equipment to ensure efficient combustion.

The company reviews monitoring results periodically to identify potential improvement opportunities and strengthen its environmental performance. Through continuous monitoring and operational controls, Active Chromewell ensures that its manufacturing processes maintain compliance with regulatory standards while supporting broader environmental sustainability goals.

NOISE MONITORING AND PREVENTIVE MAINTENANCE

Active Chromewell Exhaust Pvt. Ltd. recognizes the importance of controlling noise levels within its operations to ensure a safe and comfortable working environment for employees and to minimize potential impacts on the surrounding community. Manufacturing activities such as metal fabrication, welding, machining, and the operation of auxiliary equipment can generate noise during normal operations. To manage these impacts, the company has implemented a **structured noise monitoring and control program** supported by preventive maintenance practices and engineering controls.

The company conducts **periodic noise monitoring through accredited third-party laboratories** to ensure compliance with applicable environmental and occupational safety standards. Monitoring is carried out at key locations across the facility to assess both **ambient environmental noise levels** and **equipment-related noise emissions**, particularly from backup power systems such as diesel generator (DG) sets.

Ambient noise monitoring is conducted around the facility perimeter to assess the potential impact of operational activities on surrounding areas. Monitoring results from locations such as the **main gate, STP area, and scrap yard** indicate that average noise levels remain within the permissible limits specified under **CPCB environmental noise standards**.

The monitoring results are summarized below:

Monitoring Location	Daytime Noise Level dB(A)	Nighttime Noise Level dB(A)	CPCB Standard
Near Main Gate	68.4	61.2	75 dB(A) Day / 70 dB(A) Night
STP Tank Area	69.9	63.1	75 dB(A) Day / 70 dB(A) Night
Near Scrap Yard	67.2	58.9	75 dB(A) Day / 70 dB(A) Night



The monitoring results demonstrate that ambient noise levels around the facility remain within regulatory limits, confirming that operational activities do not significantly contribute to environmental noise pollution.

In addition to ambient monitoring, the company also evaluates **noise levels generated by diesel generator sets**, which may be used during power interruptions. DG sets are equipped with **acoustic enclosures designed to reduce noise emissions**. Monitoring results indicate that the enclosure system significantly reduces noise levels. Measurements taken at a distance of **0.5 meters from the DG set** show an average noise level of approximately **99.5 dB(A) without enclosure** and **73.9 dB(A) with enclosure**, representing a reduction of approximately **25.6 dB(A)**.

This level of noise reduction meets the **Maharashtra Pollution Control Board requirement of at least 25 dB(A) insertion loss for DG acoustic enclosures**, demonstrating the effectiveness of the installed noise control system.

To further minimize noise emissions and maintain safe workplace conditions, Active Chromewell implements several **preventive maintenance and operational control measures**, including:

- Regular inspection and maintenance of machinery to prevent abnormal noise caused by mechanical wear or misalignment.
- Installation and maintenance of acoustic enclosures for diesel generator sets.
- Preventive maintenance of fabrication and welding equipment to ensure smooth operation.
- Periodic lubrication and servicing of rotating equipment to reduce vibration and noise.
- Strategic equipment placement and structural barriers to reduce noise propagation across the facility.

Through continuous monitoring, preventive maintenance programs, and engineering controls, Active Chromewell ensures that noise levels remain within acceptable limits while maintaining a safe and productive working environment for employees. These efforts support the company's broader commitment to environmental stewardship and occupational health and safety.

WASTE MANAGEMENT AND MATERIAL RESOURCE EFFICIENCY

Active Chromewell Exhaust Pvt. Ltd. adopts a structured waste management approach focused on **waste minimization, material recovery, safe disposal, and responsible handling of hazardous substances**. The company integrates waste reduction principles across its manufacturing operations by emphasizing **resource efficiency, process optimization, and circular material management practices**.

Manufacturing processes such as **metal fabrication, welding, machining, and assembly** generate different types of waste streams, including **metal scrap, packaging waste, maintenance-related residues, and limited quantities of hazardous waste**. Active Chromewell implements waste segregation and recovery practices to ensure that recyclable materials are diverted from landfill while hazardous waste is handled through authorized disposal channels.

Waste management practices are guided by **GRI 306 Waste Management Standards**, ensuring systematic monitoring of waste generation, recycling, and disposal across operations.

Waste Performance Overview

Active Chromewell tracks waste generation and disposal across its operations to evaluate performance and identify opportunities for waste reduction. The following table summarizes the company's waste generation and management performance.

Parameter	FY 2021–22	FY 2022–23	FY 2023–24	FY 2024–25
Total Waste Generated (MT)	20.5	22.0	25.0	28.8
Waste Recycled (%)	0.30%	0.32%	0.35%	0.35%
Waste Recycled (MT)	0.061	0.070	0.087	0.101
Waste Sent for Disposal (%)	99.70%	99.68%	99.65%	99.65%
Waste Sent for Disposal (MT)	20.44	21.93	24.91	28.70
Hazardous Waste Generated (MT)	0.060	0.075	0.087	0.095
Non-Hazardous Waste Generated (MT)	20.44	21.93	24.91	28.70
Hazardous Waste Recycled (MT)	0.060	0.075	0.087	0.095

The data shows a **gradual increase in total waste generation**, reflecting growth in operational activities and production output. However, the company continues to implement waste reduction initiatives to improve material utilization and reduce the environmental impact of its operations.

WASTE STREAM MAPPING AND INVENTORY

Active Chromewell conducts **waste stream mapping across its manufacturing processes** to identify sources of waste generation and opportunities for material recovery. Waste streams are mapped across key operational stages including:

- Raw material handling and storage
- Fabrication and machining processes
- Welding and assembly operations
- Packaging and logistics activities
- Maintenance and facility management

Through this mapping process, waste is categorized into the following groups:

NON-HAZARDOUS WASTE

- Metal scrap from fabrication and machining
- Packaging materials (cardboard, plastic wrapping, pallets)
- Office and general facility waste

HAZARDOUS WASTE

- Used lubricating oils
- Oil-contaminated cotton waste and rags
- Maintenance chemicals and containers
- Electrical and electronic waste

Maintaining an inventory of waste streams enables the company to monitor waste generation patterns and develop targeted reduction strategies.

REDUCTION OF MATERIAL CONSUMPTION IN OPERATIONS

Active Chromewell focuses on **process optimization and efficient material utilization** to reduce internal waste generation. Several operational improvements have been implemented to minimize raw material losses during production.

Key initiatives include:

- **Optimizing fabrication layouts and cutting patterns** to reduce metal offcuts.
- **Improved inventory planning** to prevent material overstocking and obsolescence.
- **Preventive maintenance of machinery**, which helps reduce material wastage caused by equipment inefficiencies.
- **Standardized work procedures** that improve production accuracy and reduce rework.

These initiatives contribute to reducing raw material consumption while improving overall production efficiency.

MATERIAL REUSE, RECOVERY, AND REPURPOSING

Active Chromewell promotes **circular material management practices** by recovering and reusing materials wherever feasible. Recoverable waste streams are segregated at the source and directed toward recycling or reuse channels.

Examples of resource recovery initiatives include:

- **Metal scrap recycling through authorized recyclers**, ensuring valuable materials are returned to industrial supply chains.
- **Reuse of packaging materials**, including pallets and containers for internal logistics operations.
- **Segregation of recyclable waste such as paper, cardboard, and plastics**, which are transferred to recycling vendors.

These measures help reduce landfill disposal while improving resource efficiency.

HAZARDOUS WASTE TREATMENT AND SAFE DISPOSAL

Although hazardous waste generation is relatively small compared to non-hazardous waste, Active Chromewell maintains strict procedures to ensure safe storage, handling, and disposal.

Hazardous wastes are:

- **Segregated at source and stored in designated hazardous waste storage areas.**
- **Clearly labeled and documented** to maintain traceability.
- **Disposed of through authorized treatment, storage, and disposal facilities (TSDFs)** approved by the Maharashtra Pollution Control Board.

In addition, the company ensures proper handling of electronic waste. Documentation indicates that e-waste generated from the facility has been **disposed of through authorized recyclers**, ensuring environmentally responsible disposal practices.

DESIGN AND OPERATIONAL PRACTICES TO REDUCE RESOURCE INPUTS

Active Chromewell also focuses on **design and operational improvements that reduce the amount of material required during production and product use**. These initiatives support both operational efficiency and environmental sustainability.

Key initiatives include:

- Improving process efficiency to reduce raw material losses.
- Optimizing product design and fabrication processes to maximize material utilization.
- Encouraging responsible resource use among employees through training and awareness programs.
- Implementing preventive maintenance practices that extend equipment life and reduce material replacement needs.

CONTINUOUS IMPROVEMENT IN WASTE MANAGEMENT

The company regularly reviews its waste management performance to identify opportunities for improvement. Periodic monitoring, waste audits, and vendor assessments help ensure compliance with environmental regulations and support ongoing improvements in recycling and resource efficiency.

Through a combination of **waste stream mapping, material recovery initiatives, safe hazardous waste management, and operational efficiency improvements**, Active Chromewell continues to strengthen its waste management practices and reduce the environmental footprint of its manufacturing operations.

PRODUCT USE AND END-OF-LIFE MANAGEMENT

Active Chromewell recognizes that the environmental impact of its exhaust components extends beyond manufacturing. The Company is committed to reducing use-phase impacts through **lightweight design, restricted substance elimination, and improved product durability**, while ensuring responsible material recovery at end of vehicle life through **recyclability-led design and transparent material declarations**.

Key initiatives include:

- **Optimizing product weight and flow characteristics** to support vehicle fuel efficiency and reduced tailpipe emissions during operation, with a target of 10% weight reduction across new product lines by FY 2028–29.
- **Ensuring full compliance with BS VI and applicable emission standards** for all components supplied, verified through design review and customer qualification processes.
- **Eliminating substances of concern** from product materials and coatings in line with ELV regulations and customer restricted substance lists, targeting full compliance by FY 2025–26.
- **Improving product durability and service life** through advanced material grades and process controls, reducing replacement frequency and associated lifecycle resource consumption.
- **Designing for recyclability**, targeting a minimum of 85% recyclable material content by weight across all product lines by FY 2027–28, with material composition declarations issued for all new designs from FY 2025–26.
- **Increasing recycled raw material inputs** in production, with a target to source at least 20% of total metallic raw material from recycled or secondary sources by FY 2028–29.

All new product designs from FY 2025–26 will undergo a structured **product-level environmental review** covering use-phase and end-of-life considerations, ensuring lifecycle impacts are systematically assessed and reduced across Active Chromewell's product portfolio.

LABOR AND HUMAN RIGHTS

Active Chromewell Exhaust Pvt. Ltd. is committed to upholding fair labor practices and protecting human rights across its operations. The company recognizes that respecting the rights, dignity, and well-being of employees is fundamental to sustainable business practices and long-term organizational success. Its approach to labor and human rights is guided by applicable national laws and internationally recognized principles relating to fair employment, non-discrimination, and safe working conditions.

The company ensures that all employment practices comply with relevant **labor laws, occupational regulations, and statutory requirements** governing wages, working hours, employee welfare, and workplace conditions. Employment relationships are based on transparency, fairness, and respect for individual rights, ensuring that employees are treated with dignity and provided with equal opportunities for growth and development.

Active Chromewell maintains a workplace environment that promotes **equal opportunity and non-discrimination**. Recruitment, training, performance evaluation, and career advancement decisions are based on merit, skills, and qualifications, without discrimination based on gender, caste, religion, ethnicity, age, disability, or any other protected characteristic. The company strives to foster an inclusive workplace culture where diversity is respected and employees feel valued and supported.

The organization strictly prohibits **child labor, forced labor, and any form of involuntary employment**

within its operations. Hiring practices include verification of employee identity and age to ensure compliance with statutory employment age requirements. All employees are engaged through lawful employment arrangements, and individuals retain the freedom to terminate their employment in accordance with applicable contractual and legal provisions.

Employee welfare and well-being are integral to the company's human rights commitment. The company ensures that employees receive **fair wages and statutory benefits** in accordance with applicable labor laws. Working hours, overtime practices, and rest periods are managed in compliance with regulatory requirements to support employee health and work-life balance.

Active Chromewell also promotes awareness of employee rights through communication and training initiatives. Employees are encouraged to raise concerns or grievances through established internal mechanisms designed to ensure transparency, confidentiality, and timely resolution of issues. These systems support an open and respectful work environment where concerns can be addressed constructively.

Through its commitment to ethical employment practices, respect for human rights, and fair labor standards, Active Chromewell aims to create a responsible and supportive workplace that contributes positively to the well-being of its workforce and the communities in which it operates.

LIVING WAGES AND FAIR COMPENSATION

Active Chromewell Exhaust Pvt. Ltd. is committed to ensuring fair, transparent, and equitable compensation practices that support the financial well-being and long-term stability of its workforce. The company recognizes that providing fair wages is a fundamental component of responsible labor practices and an important element of respecting employee rights and dignity. Through structured payroll systems, statutory compliance, and periodic wage reviews, Active Chromewell strives to ensure that employees receive wages that meet or exceed legal minimum requirements while progressively aligning with broader living wage considerations.

The company's compensation framework is designed to provide employees with a **structured and transparent wage system** consisting of multiple components such as basic pay, dearness allowance (DA), house rent allowance (HRA), conveyance allowance, medical allowance, educational allowance, production incentives, attendance incentives, and other operational allowances. These wage elements ensure that employees receive comprehensive compensation packages that reflect their roles, responsibilities, and working conditions.

Payroll records indicate that employees across production, maintenance, quality, and administrative departments receive structured earnings with defined allowances and statutory deductions. For example, payroll data for May 2025 shows that operational employees typically receive **monthly earnings ranging from approximately ₹30,000 to over ₹50,000 depending on their role, working days, and overtime hours**, while skilled or supervisory roles may receive higher compensation based on experience and responsibilities. Additional payments such as overtime allowances, attendance incentives, night shift allowances, and production-based incentives contribute to improving employee income stability and reward operational contributions.

Administrative and managerial employees receive broader compensation structures that include benefits such as uniform allowances, supplementary allowances, travel allowances, communication allowances, and other role-based benefits. In several cases, monthly compensation levels for managerial or specialized roles may exceed **₹60,000 to over ₹100,000**, reflecting differentiated wage structures

aligned with skill levels, experience, and responsibilities.

The company also ensures that employees benefit from **statutory social security mechanisms**, including provident fund contributions and professional tax compliance. These systems support long-term financial security and retirement savings for employees while ensuring compliance with applicable labor laws and statutory requirements. Transparent payroll management systems record earnings, deductions, and benefits systematically, ensuring accountability and compliance with regulatory standards.

Active Chromewell acknowledges that fair compensation extends beyond legal compliance and includes consideration of **living wage principles**, which reflect the income necessary for employees to meet basic needs such as housing, food, healthcare, transportation, and education. As part of its responsible employment practices, the company aims to periodically review wage structures in relation to economic conditions, cost-of-living indicators, and industry benchmarks.

LIVING WAGE TARGETS AND COMMITMENTS

To strengthen its commitment to fair labor practices and employee welfare, Active Chromewell has established the following targets related to living wages and fair compensation:

- **100% compliance with statutory minimum wage requirements** for all employees across operational and administrative functions.
- **Periodic wage structure reviews at least once every two years** to evaluate alignment with living wage benchmarks and industry standards.
- **100% coverage of employees under statutory social security schemes**, including provident fund and other applicable benefits.
- **Transparent payroll documentation and wage communication** for all employees to ensure clarity in earnings, deductions, and benefits.
- **Fair overtime compensation practices** in accordance with labor regulations and working hour requirements.
- **Progressive improvement in employee compensation structures** through performance incentives, allowances, and periodic salary revisions.



Through these measures, Active Chromewell aims to create a workplace environment where employees are fairly compensated for their contributions and supported through responsible wage practices. By aligning wage policies with statutory compliance and emerging living wage considerations, the company seeks to promote financial security, workforce stability, and sustainable employment practices across its operations.

PREVENTION OF CHILD LABOUR, FORCED LABOUR, AND HUMAN TRAFFICKING

Active Chromewell Exhaust Pvt. Ltd. is committed to upholding fundamental human rights and maintaining ethical labour practices across its operations and supply chain. The company strictly prohibits the use of **child labour, forced labour, bonded labour, or any form of human trafficking** within its workforce and business relationships. This commitment is reinforced through the company's **Child Labour and Forced Labour Prevention Policy**, which establishes clear standards, monitoring mechanisms, and corrective procedures to ensure compliance with national laws and international labour standards.

The policy aligns with internationally recognized frameworks, including conventions of the **International Labour Organization (ILO)** and global human rights principles, ensuring that the company's operations respect the dignity and rights of all individuals. It applies to **all employees, contractors, suppliers, and business partners**, reinforcing the company's expectation that ethical labour practices are upheld throughout its value chain.

Child Labour Risk Assessment and Impact Evaluation

Active Chromewell conducts periodic assessments to identify potential risks related to child labour within its operations and supply chain. These assessments evaluate hiring practices, employment records, contractor arrangements, and supplier operations to ensure that no individuals below the legal working age are engaged in company activities.

Child labour is defined as the employment of individuals **below the minimum legal working age, typically under 15 years, or the higher age required under applicable national laws**, particularly when such work interferes with education or harms the physical or mental development of children.

The company's impact assessment approach focuses on:

- Evaluating recruitment and employment records to confirm compliance with age requirements
- Reviewing supplier and contractor labour practices to identify potential risks in the value chain
- Assessing operational activities to ensure that no hazardous tasks could involve underage workers
- Monitoring workforce demographics to detect anomalies in employee age distribution

These assessments help ensure that the company's operations do not directly or indirectly contribute to child labour practices.

Age Verification and Responsible Hiring Practices

Active Chromewell has implemented strict **age verification procedures as part of its recruitment process**. All potential employees must provide valid documentation—such as national identity cards, birth certificates, or other government-issued documents—to confirm that they meet the legal minimum age for employment before joining the organization.

The recruitment process includes:

- Mandatory verification of age documentation during hiring
- Maintenance of employee records and identity documentation within HR systems
- Screening of contractor and supplier workforce records where applicable
- Ensuring that any apprenticeship or training programs comply with legal age requirements and do not interfere with educational opportunities

These procedures ensure that no individual below the legally permitted age is employed within the company.

Prevention of Forced Labour and Human Trafficking

Active Chromewell strictly prohibits all forms of forced or involuntary labour, including **debt bondage, coercion, slavery, human trafficking, and retention of employee identity documents**. Employment

relationships within the company are strictly voluntary, and employees retain the right to terminate

employment in accordance with contractual and legal provisions.

The company ensures that:

- Employees are not subjected to threats, coercion, or physical or psychological pressure
- Workers are free to leave their employment after providing reasonable notice
- Personal identity documents such as passports or identification cards are never retained by the employer
- Employees receive fair wages and working conditions in accordance with labour regulations
- No recruitment or employment practices create situations of debt bondage or involuntary labour

These measures help ensure that employment remains voluntary and respectful of worker rights.

Monitoring, Internal Controls, and Compliance Mechanisms

Active Chromewell maintains internal control mechanisms to ensure the effective implementation of its child labour and forced labour prevention commitments. These controls include regular monitoring, internal audits, and periodic policy reviews conducted by the company's compliance and human resources teams.

Internal monitoring activities include:

- Reviewing recruitment procedures and employee records

- Assessing wage practices and employment conditions
- Evaluating supplier compliance with labour standards
- Conducting internal audits to assess adherence to labour policies

In addition to internal monitoring, the company reserves the right to conduct **supplier audits and third-party inspections** to verify compliance with labour standards. These audits may include site visits, worker interviews, and reviews of employment documentation to ensure that suppliers and contractors adhere to the company's labour policies.

Remediation and Corrective Action Procedures

If any instance of child labour or forced labour is identified, Active Chromewell follows a structured remediation approach. Immediate action is taken to **cease the use of such labour practices and ensure the protection of affected individuals**.

Remediation actions may include:

- Immediate termination or correction of the non-compliant employment practice
- Collaboration with local authorities or social organizations to support affected individuals
- Providing access to education, healthcare, or vocational training in cases involving underage workers
- Implementing corrective action plans for suppliers or contractors involved in violations

Suppliers or contractors found to be in violation of these requirements must implement corrective measures within a defined timeframe. Failure to comply may result in **termination of business relationships or legal action where necessary**.



Training, Awareness, and Continuous Improvement

To strengthen awareness and prevention efforts, Active Chromewell conducts training programs for employees, particularly those in **human resources, procurement, and supply chain management**, on identifying and preventing child labour and forced labour risks. These programs cover legal obligations, ethical labour standards, and reporting procedures for suspected violations.

Regular engagement with suppliers and contractors further reinforces the company's expectations regarding responsible labour practices across the value chain.

Targets and Commitments

Active Chromewell has established measurable commitments to ensure the continued prevention of child labour and forced labour across its operations:

- **Zero tolerance for child labour and forced labour across company operations**
- **100% age verification for all new employees before hiring**
- **100% supplier compliance with the Child Labour and Forced Labour Prevention Policy**
- **Periodic internal audits to monitor labour practices and recruitment procedures**
- **Training and awareness programs for HR and supply chain teams on labour rights compliance**
- **Immediate corrective action and remediation in the event of any identified violations**

Through these measures, Active Chromewell aims to maintain a workplace that respects human rights, promotes ethical labour practices, and ensures that its operations and supply chain remain free from child labour, forced labour, and human trafficking.

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Active Chromewell Exhaust Pvt. Ltd. prioritizes the health, safety, and well-being of its workforce by implementing comprehensive occupational health and safety (OHS) management practices across all operational areas. The company recognizes that manufacturing operations—including machining, welding, fabrication, and finishing processes—may expose employees to various operational risks. Therefore, a structured framework is in place to identify hazards, manage workplace risks, respond to emergencies, and support employee physical and psychological well-being.

The company adopts a proactive approach to workplace safety by integrating **risk assessment, preventive controls, employee training, health monitoring, and emergency preparedness measures** into daily operational practices. These initiatives aim to ensure a safe working environment while minimizing workplace accidents, injuries, and occupational illnesses.

Health and Safety Risk Assessment

Active Chromewell conducts systematic **Hazard Identification and Risk Assessment (HIRA)** exercises to identify potential hazards associated with operational activities and workplace conditions. These assessments evaluate risks related to machinery operation, material handling, chemical use, welding processes, and workplace ergonomics.

Risk assessments help identify hazards such as:

- Mechanical hazards during cutting and grinding operations
- Thermal hazards from hot components or welding activities
- Chemical exposure from substances such as acids, solvents, and etching solutions
- Ergonomic risks during manual material handling
- Dust and particulate exposure during finishing or grinding processes

Based on these assessments, preventive measures are implemented including **use of personal protective equipment (PPE), safe operating procedures, equipment safeguards, and operator training**. Risk mitigation measures also include improved housekeeping practices, designated waste collection systems, and operational monitoring to minimize workplace hazards.

Risk assessments are periodically reviewed to ensure that new equipment, process changes, or operational expansions do not introduce unmanaged risks.

Emergency Health and Safety Response Plan

Active Chromewell has established a structured **Emergency Health and Safety Response Plan** to ensure effective response during emergencies such as fires, chemical spills, medical emergencies, natural disasters, or workplace accidents.

The plan aims to:

- Protect the health and safety of employees and visitors
- Minimize injuries and loss of life during emergency events
- Reduce damage to company property and infrastructure
- Ensure rapid and coordinated emergency response

An **Emergency Response Team (ERT)** composed of trained personnel from various departments is responsible for coordinating emergency actions, including evacuation procedures, first aid response, communication with emergency services, and incident documentation. The Health and Safety Officer and HR Manager oversee plan implementation and maintain coordination with external authorities when necessary.

Emergency preparedness measures include:

- Clearly marked evacuation routes and assembly points
- Regular emergency drills and safety training programs
- Fire detection and firefighting equipment
- Emergency communication systems and contact lists

Regular training and mock drills are conducted to ensure employees understand emergency procedures and can respond effectively during incidents.

Employee Reporting and Complaints Procedure

Active Chromewell encourages open communication and provides mechanisms for employees to report **health and safety incidents, workplace hazards, or safety concerns** without fear of retaliation.

Employees may report issues through:

- Direct reporting to supervisors or department heads
- Reporting to the Health and Safety Officer or HR department
- Internal safety meetings or employee engagement discussions

Reported incidents and concerns are documented and investigated to identify root causes and implement corrective actions. This approach supports continuous improvement in workplace safety and encourages employee participation in maintaining safe operations.

Regular Health Checkups and Medical Monitoring

To safeguard employee health, Active Chromewell organizes **periodic medical examinations and health checkups** for employees. These health assessments help identify potential occupational health issues at an early stage and ensure that employees remain medically fit to perform their job roles.

Health monitoring initiatives include:

- Periodic medical checkups for operational employees
- Health assessments for employees exposed to occupational hazards
- Monitoring of physical health indicators through medical screening programs
- Maintenance of employee health records for follow-up and compliance purposes

The company also provides insurance coverage for employees through group health and life insurance programs, ensuring financial protection and access to healthcare services in the event of illness or injury.

Psychological Well-Being and Stress Management

Active Chromewell recognizes that employee well-being extends beyond physical health. The company promotes a supportive work environment through employee engagement initiatives and workplace activities designed to strengthen teamwork and reduce stress.

Employee engagement and well-being initiatives include:

- Employee interaction sessions and relationship meetings
- Workplace celebrations and recognition programs
- Team-building activities such as sports events and cultural programs
- Recognition of employee achievements and contributions

These activities contribute to a positive workplace culture, enhance employee morale, and support mental and psychological well-being.

Additionally, employees affected by workplace incidents or stressful situations may receive counselling support as part of post-incident response measures under the company's safety framework.

Control of Hazardous Substances

Manufacturing operations may involve the use of certain chemicals such as acids, solvents, and cleaning agents. Active Chromewell implements strict procedures to manage and control exposure to hazardous substances.

Key control measures include:

- Safe storage and labeling of chemicals
- Controlled use of substances such as methanol, nitric acid, hydrochloric acid, and other processing chemicals
- Use of personal protective equipment such as gloves, safety shoes, and protective clothing
- Safe disposal and treatment of chemical waste through authorized waste management systems

Chemical usage and disposal are monitored through operational procedures and environmental control plans to ensure safe handling and regulatory compliance.

Management of Working Hours and Overtime

Active Chromewell manages employee working hours in accordance with applicable labor regulations and internal policies. Structured shift schedules are maintained to ensure adequate rest periods and avoid excessive working hours.

Employees may request shift changes through formal documentation and approval processes managed by the HR department, ensuring transparency and proper workforce management.

Overtime work is monitored to ensure compliance with legal requirements and to protect employee health and safety.

Continuous Improvement in Workplace Safety

Active Chromewell is committed to continuously improving its occupational health and safety practices. Safety performance is regularly reviewed through internal audits, incident investigations, employee feedback, and risk assessment updates.

The company continues to strengthen its health and safety management framework through:

- Regular training and safety awareness programs
- Continuous monitoring of workplace hazards
- Implementation of corrective and preventive actions following incidents
- Engagement of employees in safety initiatives

Through these measures, Active Chromewell aims to maintain a **safe, healthy, and productive working environment** for all employees while supporting responsible and sustainable manufacturing operations.



SOCIAL DIALOGUE

Commitment to Social Dialogue

Active Chromewell Exhaust Pvt. Ltd. is committed to maintaining open, transparent, and constructive communication between management and employees. The company recognizes that social dialogue plays a critical role in building trust, maintaining harmonious industrial relations, and ensuring sustainable business performance.

The organization encourages active participation of employees and their representatives in discussions related to workplace policies, working conditions, productivity improvements, and employee welfare. Through structured communication channels, management ensures that employees' views, suggestions, and concerns are considered in decision-making processes.

The company also promotes mutual respect and collaboration between management and workers' representatives to maintain industrial peace and strengthen organizational development.

A formal **Memorandum of Settlement between management and the recognized union** is currently in place for the period **1 April 2024 to 31 March 2027**, which establishes agreed terms on wages, working conditions, employee benefits, and productivity commitments.

Collective Bargaining Agreement

Active Chromewell Exhaust Pvt. Ltd. respects the right of employees to organize and collectively bargain through their recognized union. Collective bargaining serves as an important mechanism to ensure that employment terms are negotiated fairly and transparently between management and worker representatives.

The Collective Bargaining Agreement (CBA) defines various aspects of employment conditions and employee welfare, including:

Wage Structure

The agreement includes structured wage revisions over a three-year period, ensuring fair compensation based on employee seniority categories. Wage increases are distributed across basic salary and allowances and are implemented in stages during the settlement period.

EMPLOYEE BENEFITS

The agreement includes several benefits aimed at improving employee well-being, including:

- Annual bonus payments in accordance with applicable laws.
- Attendance incentives for employees maintaining regular attendance.
- Festival gifts or vouchers provided during Diwali.
- Medical insurance coverage for employees and their families.
- Additional medical support in case of critical illness.

These benefits help improve employee motivation, financial security, and workplace satisfaction.

Working Conditions

The settlement also defines key employment conditions such as:

- Leave entitlements including earned leave, sick leave, and casual leave.
- Paid holidays and festival holidays.
- Shift allowances and night shift compensation.
- Overtime payments for work beyond regular duty hours.
- Provision of uniforms and safety equipment.

By establishing these standards through collective bargaining, the company ensures fairness and transparency in employment practices.

Career Management

The company is committed to supporting the professional development and long-term employability of employees through structured career management practices. Career development initiatives are designed to enhance employee skills, improve productivity, and provide opportunities for employees to grow within the organization.

Key elements of career management include:

Skill Development

The company organizes skill development programs to enhance employees' technical, operational, and safety competencies. These programs help employees perform their jobs more efficiently and prepare them for future responsibilities.

Multi-Skilling Opportunities

Employees are encouraged to develop multi-skill capabilities that allow them to perform tasks across different machines, processes, or departments. Multi-skilling increases operational flexibility and helps employees broaden their professional experience.

Career Progression

Employees demonstrating strong performance and technical capability may be considered for additional responsibilities or higher positions. The company encourages internal talent development by providing opportunities for employees to grow within the organization.

Continuous Improvement Participation

Employees are encouraged to participate in continuous improvement initiatives such as Kaizen activities, suggestion schemes, and quality improvement projects. These initiatives promote innovation and develop employees' problem-solving and leadership skills.

Training for Role Changes

When employees are assigned new tasks or transferred to different departments due to operational requirements, appropriate training and guidance are provided to ensure smooth transition and effective job performance.

Training and Skill Development

Training and skill development form an integral part of the company's employee development strategy. The company regularly organizes training programs to enhance employee knowledge, technical competence, and safety awareness.

Training programs cover areas such as:

- Machine operation and equipment handling
- Workplace safety practices and proper use of personal protective equipment (PPE)
- Quality standards and compliance with ISO systems
- Productivity improvement techniques and lean manufacturing practices

Employees are also encouraged to participate in improvement programs such as Kaizen and suggestion schemes, where they can propose ideas to improve efficiency, safety, and quality. These programs help create a culture of continuous learning and innovation.

Worker Participation and Communication

The company promotes worker participation through structured dialogue mechanisms that allow employees and their representatives to engage with management on workplace matters.

Key communication platforms include:

Management–Union Meetings

Regular meetings are conducted between management representatives and union leaders to discuss operational issues, employee concerns, and improvement initiatives.

Worker Welfare Committee

The Worker Welfare Committee serves as a forum for discussing employee welfare initiatives, workplace conditions, and suggestions for improving employee well-being.

Grievance Redressal Mechanism

Employees are encouraged to raise workplace concerns through an established grievance redressal process. Initially, employees may approach their supervisors or department heads. If the issue remains unresolved, it can be escalated to union representatives and subsequently discussed with HR management in scheduled meetings.

Productivity Improvement Discussions

Employees and union representatives also participate in discussions related to productivity improvement, operational efficiency, and workplace innovations.

These communication channels help ensure that employee voices are heard and workplace issues are addressed effectively.

ETHICS AND INTEGRITY

Active Chromewell Exhaust Pvt. Ltd. is committed to conducting business with integrity, transparency, and accountability. The company maintains a strong ethical framework designed to prevent misconduct, ensure responsible decision-making, and promote a culture of compliance across all operations.

DATA CONFIDENTIALITY AND INFORMATION SECURITY

OBJECTIVE: The Data Confidentiality Policy establishes a structured framework to protect confidential, sensitive, and business-critical information from unauthorized access, misuse, or loss.

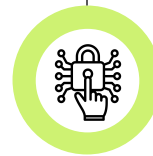
SCOPE: The policy applies to employees, customers, suppliers, contractors, partners, and external entities involved in handling sensitive data.



DATA LIFE CYCLE MANAGEMENT:
Standardized handling of data from creation to secure disposal



BACKUP AND RECOVERY:
Systems to ensure data availability during disruptions



ACCESS CONTROLS:
Restricting access to authorized personnel only



SECURE STORAGE:
Protection of data stored on-premise, offsite, or in cloud environments



DATA BREACH PREVENTION: Use of encryption, antivirus tools, and cybersecurity controls



MONITORING AND REVIEW: Regular assessments to strengthen controls and support audit compliance

Failure to comply may result in disciplinary action, termination of employment, or legal consequences, unless formally exempted under approved circumstances.

WHISTLEBLOWER MECHANISM AND ETHICAL REPORTING FRAMEWORK

Active Chromewell has established a robust whistleblower framework to promote ethical conduct, transparency, and early identification of risks. The mechanism enables employees and stakeholders to report concerns related to misconduct, regulatory non-compliance, or unethical practices without fear of reprisal, thereby strengthening governance and operational integrity.

ZERO-RETALIATION COMMITMENT

The Company maintains a strict zero-retaliation policy. Whistleblowers are protected against harassment, discrimination, demotion, termination, or any adverse employment action arising from good-faith reporting.

CONFIDENTIALITY AND SECURE REPORTING

Confidential and anonymous reporting channels are available to ensure privacy and encourage timely reporting. All disclosures are handled with strict confidentiality and access is restricted to authorized personnel only.

IMPARTIAL AND INDEPENDENT REVIEW

All whistleblower complaints are assessed objectively and investigated without conflict of interest. Investigations are conducted by designated, independent reviewers to ensure fairness, consistency, and unbiased outcomes.

STRUCTURED INVESTIGATION AND RESOLUTION PROCESS

To ensure accountability and timely action, Active Chromewell follows a defined investigation timeline:

- 1 Acknowledgement of complaint within 5 days
- 2 Preliminary assessment within 10 days
- 3 Completion of investigation within 30 days
- 4 Final resolution and closure within 60 days

This structured approach ensures consistency, fairness, and effective remediation while minimizing operational and reputational risks.

TRAINING COMMITMENTS

To strengthen awareness and effectiveness of the framework, the Company has set measurable improvement targets:

100% whistleblower policy training coverage by 2027

30% increase in utilization of reporting channels by 2028, reflecting enhanced trust and awareness

50% reduction in retaliation-related complaints by 2029, reinforcing a safe and ethical workplace culture

Through this framework, Active Chromewell reinforces its commitment to ethical governance, risk mitigation, and sustainable business performance.

Confidential Reporting

Employees and stakeholders may report concerns through confidential and secure reporting channels. Anonymous reporting is permitted where legally allowed, ensuring that individuals can raise concerns without fear of retaliation.

Zero-Retaliation Commitment

The company strictly prohibits retaliation against individuals who report concerns in good faith. Whistleblowers are protected from discrimination, harassment, demotion, or termination resulting from their disclosure.

Independent Review Process

All complaints received through the whistleblower mechanism are assessed objectively by designated personnel or committees. Investigations are conducted in a fair, transparent, and impartial manner, ensuring appropriate corrective actions where necessary.

Structured Investigation Timeline

To ensure accountability and timely resolution, the company follows a defined investigation process:

1. Acknowledgement of complaint within a defined period.
2. Preliminary assessment of the complaint.
3. Completion of investigation within the defined investigation timeframe.
4. Final resolution and closure of the case.

This structured process promotes transparency and strengthens trust in the company's ethical governance system.

APPROVAL PROCESS FOR SENSITIVE TRANSACTIONS

To prevent conflicts of interest, fraud, or misuse of company resources, Active Chromewell has implemented a **controlled approval process for sensitive transactions**.

Sensitive transactions may include:

- High-value financial transactions
- Related-party transactions
- Procurement decisions above defined thresholds

- Capital expenditures and investments
- Contractual commitments with external parties
- Transactions involving confidential or strategic information

Multi-Level Authorization

Sensitive transactions require approval from designated management authorities in accordance with the company's delegation of authority framework.

Segregation of Duties

To strengthen internal controls, responsibilities for initiating, reviewing, approving, and recording transactions are separated across different personnel or departments.

Documentation and Transparency

All approvals must be documented and recorded in the appropriate system or documentation trail to ensure transparency and auditability.

Compliance Monitoring

Internal audits and periodic reviews are conducted to verify compliance with approval procedures and detect any irregularities.

RECORDS RETENTION AND INFORMATION MANAGEMENT

Active Chromewell maintains a structured **Records Retention Schedule** to ensure that business records are retained, protected, and disposed of in accordance with regulatory requirements and operational needs.

Records Classification

Company records are categorized based on their nature and importance, including:

- Financial and accounting records
- Employee and HR records
- Legal and contractual documents
- Operational and production records
- Compliance and audit documentation

Retention Periods

Each category of records has defined retention periods aligned with applicable laws, regulatory requirements, and business needs.

Secure Storage

Records are securely stored in physical or digital systems with appropriate access controls to prevent unauthorized access, loss, or misuse.

Controlled Disposal

Once the retention period expires, records are disposed of in a secure and controlled manner to maintain confidentiality and compliance.

Data Protection Integration

The records retention system is integrated with the company's data confidentiality and information security framework to ensure proper handling of sensitive information throughout its lifecycle.

TRAINING AND AWARENESS

To ensure effective implementation of ethical standards, the company provides training and awareness programs on:

- Code of conduct and ethical behavior
- Whistleblower reporting procedures
- Data confidentiality and information security
- Compliance with company policies and legal requirements

These programs help employees understand their responsibilities and contribute to maintaining a culture of integrity and accountability.

SUSTAINABLE PROCUREMENT

SUSTAINABLE PROCUREMENT APPROACH

Active Chromewell Exhaust Pvt. Ltd. recognizes that responsible procurement practices are critical to building a resilient, ethical, and sustainable supply chain. The company integrates environmental, social, and ethical considerations into its supplier selection, evaluation, and ongoing monitoring processes.

Through its sustainable procurement framework, the company seeks to ensure that suppliers operate in accordance with responsible business practices while supporting operational efficiency and product quality. The framework promotes transparency, accountability, and long-term partnerships with suppliers who demonstrate commitment to sustainability and ethical conduct.

All suppliers are required to comply with the **Supplier Code of Conduct**, which outlines expectations related to environmental stewardship, labor practices, human rights protection, and ethical business conduct.

SUPPLIER CODE OF CONDUCT

Active Chromewell has established a **Supplier Code of Conduct** that defines the minimum standards suppliers must follow when conducting business with the company.

The Code applies to:

- Direct suppliers
- Contractors and service providers
- Agents and intermediaries
- Sub-suppliers engaged within the supply chain

Suppliers are expected to extend these standards to their own suppliers to ensure responsible practices across the entire value chain.

The Code covers several key areas:

Environmental Responsibility

Suppliers are required to comply with all applicable environmental laws and implement measures to minimize environmental impacts.

Key expectations include:

- Compliance with environmental regulations related to emissions, waste, and hazardous substances
- Implementation of pollution prevention practices
- Responsible management of chemicals and hazardous materials
- Efficient use of natural resources such as water and energy
- Adoption of sustainable product design practices where feasible

These requirements encourage suppliers to improve resource efficiency and reduce environmental impacts throughout the product lifecycle.

Labor Practices and Human Rights

Suppliers must ensure fair and safe working conditions for their employees.

Key labor and human rights requirements include:

- Payment of wages and benefits that meet or exceed legal requirements
- Compliance with legal limits on working hours
- Provision of safe and healthy working environments
- Prohibition of child labor and forced labor
- Equal employment opportunities without discrimination

Suppliers are also required to maintain accurate employment records and verify the age of workers to prevent child labor practices.

Ethical Business Conduct

Suppliers must conduct business with integrity and transparency.

The Supplier Code of Conduct requires suppliers to:

- Maintain a zero-tolerance policy toward bribery and corruption
- Avoid improper gifts, hospitality, or incentives intended to influence business decisions
- Maintain accurate records of business transactions
- Conduct operations in compliance with applicable competition laws

These measures help ensure ethical interactions across the supply chain and reduce risks related to corruption or misconduct.

SUPPLIER ONBOARDING AND COMMITMENT

All new suppliers are required to formally acknowledge and accept the Supplier Code of Conduct as part of the onboarding process.

Suppliers must confirm their commitment to comply with the requirements outlined in the Code, and these principles are incorporated into contractual agreements with suppliers.

This process ensures that sustainability and ethical expectations are clearly communicated before business relationships are established.

Supplier Assessment and Audit

Active Chromewell conducts **supplier quality management system assessments and audits** to evaluate supplier capabilities, compliance, and operational performance.

The supplier audit framework assesses multiple areas including:

- Raw material inspection and traceability
- Manufacturing process controls
- Quality assurance and product inspection procedures
- Machine maintenance and calibration systems
- Workforce training and competency
- Occupational safety practices
- Logistics and packaging processes

The audit process uses a **structured scoring system** where suppliers are evaluated against defined performance criteria to determine compliance levels and improvement opportunities.

Suppliers that fail to meet required standards may be required to implement corrective actions before continuing business engagement.

Monitoring and Corrective Action

Active Chromewell continuously monitors supplier performance to ensure ongoing compliance with sustainability expectations.

Monitoring activities include:

- Periodic supplier audits and assessments
- Review of supplier documentation and certifications
- Monitoring of product quality and delivery performance
- Verification of compliance with environmental and labor standards

Where non-compliance is identified, suppliers must develop **Corrective Action Plans (CAPs)** outlining actions, responsibilities, and timelines to address identified gaps.

Follow-up reviews and audits are conducted to verify the effectiveness of corrective measures.

UNSDG MAPPING

Sustainable Development Goal	SDG Target Description	Application at Active Chromewell Exhaust Pvt. Ltd.	Page Ref.
SDG 3 – Good Health & Well-Being	Reduce illness from hazardous chemicals and pollution	Implementation of occupational health and safety systems including hazard identification and risk assessment (HIRA), emergency response planning, employee health monitoring, and workplace safety training.	p. 47–48
SDG 5 – Gender Equality	End discrimination and ensure equal participation and opportunities	Equal opportunity employment practices, non-discrimination policies, fair compensation, and inclusive workplace culture.	p. 43–44
SDG 6 – Clean Water & Sanitation	Increase water-use efficiency and ensure sustainable withdrawals	Monitoring water withdrawal, consumption, recycling, and discharge, supported by water efficiency initiatives and wastewater treatment practices.	p. 31–32
SDG 7 – Affordable & Clean Energy	Improve energy efficiency	Energy monitoring systems, energy-efficient equipment upgrades, preventive maintenance programs, and operational optimization to reduce energy intensity.	p. 25–26
SDG 8 – Decent Work & Economic Growth	Promote productive employment and safe working environments	Living wage commitments, fair labor practices, collective bargaining agreements, employee welfare initiatives, and occupational safety programs.	p. 43–48
SDG 9 – Industry, Innovation & Infrastructure	Upgrade infrastructure for sustainable operations	Adoption of improved manufacturing technologies and operational optimization to enhance resource efficiency and reduce environmental impact.	p. 25–27
SDG 12 – Responsible Consumption & Production	Reduce waste generation through prevention, reduction, recycling and reuse	Waste segregation, recycling initiatives, hazardous waste management, and waste stream mapping to improve resource efficiency in manufacturing operations.	p. 39–40
SDG 13 – Climate Action	Integrate climate change measures into policies and planning	Monitoring Scope 1, Scope 2 and Scope 3 emissions and implementing energy optimization and emission reduction initiatives.	p. 27–28
SDG 15 – Life on Land	Ensure sustainable use of terrestrial ecosystems	Responsible sourcing practices and environmental expectations for suppliers across the value chain.	p. 55–56
SDG 16 – Peace, Justice & Strong Institutions	Reduce corruption and promote transparency	Whistleblower mechanism, ethical reporting framework, records retention policies, and approval process for sensitive transactions.	p. 53–55
SDG 17 – Partnerships for the Goals	Promote partnerships for sustainable development	Supplier engagement programs, Supplier Code of Conduct implementation, and sustainability assessments across the supply chain.	p. 55–56

UN GLOBAL COMPACT (UNGC) PRINCIPLES MAPPING

UNGC Principle	Description of How the Principle is Applied at Active Chromewell Exhaust Pvt. Ltd.	Page Reference in Report
Principle 1	Active Chromewell supports and respects internationally recognized human rights across its operations. The company maintains policies on labor and human rights, fair employment practices, equal opportunity employment, and employee grievance mechanisms to ensure protection of fundamental human rights.	p. 43–44
Principle 2	The company ensures that its operations and supply chain partners are not complicit in human rights abuses through supplier code of conduct requirements, procurement standards, and supplier engagement initiatives promoting responsible business conduct.	p. 55–56
Principle 3	Active Chromewell upholds freedom of association and recognizes collective bargaining through structured social dialogue mechanisms, employee engagement forums, and workers' committees that facilitate communication between employees and management.	p. 43–44
Principle 4	The company strictly prohibits forced labor and any form of involuntary employment. Internal monitoring systems, recruitment verification procedures, and labor compliance policies ensure that employment relationships are voluntary and compliant with labor regulations.	p. 45–46
Principle 5	Active Chromewell maintains a strong Child Labour Prevention Policy. Age verification is mandatory before hiring, and internal audits and monitoring mechanisms ensure that no child labor exists within operations or the supply chain.	p. 45–46
Principle 6	The company promotes diversity, equity, and inclusion by providing equal employment opportunities and maintaining a workplace free from discrimination or harassment. Policies support fair treatment regardless of gender, caste, religion, or background.	p. 43–44
Principle 7	Active Chromewell adopts a precautionary approach to environmental challenges through structured environmental management systems, monitoring of resource consumption, pollution control practices, and regulatory compliance mechanisms.	p. 25–26
Principle 8	The company undertakes initiatives to promote environmental responsibility including energy efficiency improvements, water conservation, waste management, and monitoring of environmental performance indicators.	p. 25–32
Principle 9	Active Chromewell encourages environmentally friendly technologies and operational improvements such as energy-efficient equipment, process optimization, and improved waste management practices to reduce environmental impact.	p. 25–27, 39–40
Principle 10	The company maintains zero tolerance for corruption and bribery through ethical governance frameworks including whistleblower mechanisms, confidential reporting channels, approval processes for sensitive transactions, and records retention policies.	p. 53–55

GRI CONTENT INDEX

GRI Standard	Disclosure	Page No.
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	p.25
	302-2 Energy consumption outside of the organization	p.27
	302-3 Energy intensity	p.26
	302-4 Reduction of energy consumption	p.26
	302-5 Reductions in energy requirements of products and services	p.26
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	p.31
	303-2 Management of water discharge-related impacts	p.31
	303-3 Water withdrawal	p.31
	303-4 Water discharge	p.32
	303-5 Water consumption	p.32
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	p.27
	305-2 Energy indirect (Scope 2) GHG emissions	p.27
	305-3 Other indirect (Scope 3) GHG emissions	p.28
	305-4 GHG emissions intensity	p.27
	305-5 Reduction of GHG emissions	p.26
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p.38
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	p.39
	306-2 Management of significant waste-related impacts	p.39
	306-3 Waste generated	p.39
	306-4 Waste diverted from disposal	p.40
	306-5 Waste directed to disposal	p.40

GRI Standard	Disclosure	Page No.
GRI 308: Supplier Environmental Assessment (2016)	308-1 New suppliers that were screened using environmental criteria	p.55
	308-2 Negative environmental impacts in the supply chain and actions taken	p.56
	3-3 Management of material topics	p.55
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	p.43
	401-2 Benefits provided to full-time employees that are not provided to part-time employees	p.44
	401-3 Parental leave	p.44
GRI 402: Labor/Management Relations (2016)	3-3 Management of material topics	p.43
	402-1 Minimum notice periods regarding operational changes	p.44
GRI 403: Occupational Health and Safety (2018)	3-3 Management of material topics	p.47
	403-1 Occupational health and safety management system	p.47
	403-2 Hazard identification, risk assessment and incident investigation	p.47
	403-3 Occupational health services	p.48
	403-4 Worker participation, consultation, and communication on occupational health and safety	p.47
	403-5 Worker training on occupational health and safety	p.48
	403-6 Promotion of worker health	p.48
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p.47
	403-8 Workers covered by an occupational health and safety management system	p.47
	403-9 Work-related injuries	p.48
403-10 Work-related ill health	p.48	

GRI Standard	Disclosure	Page No.
GRI 404: Training and Education (2016)	3-3 Management of material topics	p.43
	404-1 Average hours of training per year per employee	p.44
	404-2 Programs for upgrading employee skills and transition assistance programs	p.44
	404-3 Percentage of employees receiving regular performance and career development reviews	p.44
GRI 405: Diversity and Equal Opportunity (2016)	3-3 Management of material topics	p.43
	405-1 Diversity of governance bodies and employees	p.43
	405-2 Ratio of basic salary and remuneration of women to men	p.44
GRI 406: Non-Discrimination (2016)	3-3 Management of material topics	p.43
	406-1 Incidents of discrimination and corrective actions taken	p.44
GRI 407: Freedom of Association and Collective Bargaining (2016)	3-3 Management of material topics	p.43
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p.43
GRI 408: Child Labor (2016)	3-3 Management of material topics	p.45
	408-1 Operations and suppliers at significant risk for incidents of child labor	p.45
GRI 409: Forced or Compulsory Labor (2016)	3-3 Management of material topics	p.46
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p.46
GRI 410: Security Practices (2016)	3-3 Management of material topics	p.53
	410-1 Security personnel trained in human rights policies or procedures	p.53

GRI Standard	Disclosure	Page No.
GRI 411: Rights of Indigenous Peoples (2016)	3-3 Management of material topics	Not applicable – No indigenous populations impacted by operations
	411-1 Incidents of violations involving rights of indigenous peoples	None reported
GRI 413: Local Communities (2016)	3-3 Management of material topics	p.43
	413-1 Operations with local community engagement, impact assessments and development programs	p.43
	413-2 Operations with significant actual and potential negative impacts on local communities	None reported
GRI 414: Supplier Social Assessment (2016)	3-3 Management of material topics	p.55
	414-1 New suppliers that were screened using social criteria	p.55
	414-2 Negative social impacts in the supply chain and actions taken	None reported
GRI 415: Public Policy (2016)	3-3 Management of material topics	p.53
	415-1 Political contributions	No political contributions made during the reporting period
GRI 416: Customer Health and Safety (2016)	3-3 Management of material topics	p.28
	416-1 Assessment of the health and safety impacts of product and service categories	p.28
	416-2 Incidents of non-compliance concerning health and safety impacts of products and services	None reported

GRI Standard	Disclosure	Page No.
GRI 417: Marketing and Labeling (2016)	3-3 Management of material topics	p.28
	417-1 Requirements for product and service information and labeling	p.28
GRI 418: Customer Privacy (2016)	3-3 Management of material topics	p.53

ESG DATA PACK

Energy Consumption Within the Organisation (in MWH) GRI 302-1				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	834.952	980.69	800.76	788.156
HSD (Diesel)	29.75	30.02	30.41	30.58
Total	864.702	1010.71	831.17	818.736

Energy Consumption Within the Organisation (in GJ) GRI 302-1				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	3,005.83	3,530.48	2,882.74	2,837.36
HSD (Diesel)	107.1	108.07	109.48	110.09
Total	3,112.93	3,638.55	2,992.21	2,947.45

Direct GHG Emissions (Scope 1) in tCO ₂ e – GRI 305-1				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
HSD (Diesel)	29.75	30.02	30.41	30.58
Process CO ₂ emissions			36.47	58.28
Total	29.75	30.02	66.88	88.86

Indirect GHG Emissions (Scope 2) in tCO ₂ e – GRI 305-2				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	591.15	694.73	566.94	558.02
Total	591.15	694.73	566.94	558.02

Direct & Indirect GHG Emissions (Scope 1 & 2) in tCO ₂ e – GRI 305-1&2				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
HSD (Diesel)	29.75	30.02	30.41	30.58
Process CO ₂ emissions			36.47	58.28
Purchased Electricity	591.15	694.73	566.94	558.02
Total	620.9	724.75	633.82	646.88

Total GHG Emissions Summary – GRI 305				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Scope 1 – Direct GHG Emissions	29.75	30.02	66.88	88.86
Scope 2 – Energy Indirect GHG Emissions	591.15	694.73	566.94	558.02
Scope 3 – Other Indirect GHG Emissions	465	495	487	498
Total GHG Emissions	1085.9	1219.75	1120.82	1144.88

Indirect GHG Emissions (Scope 3) in tCO ₂ e – GRI 305-3					
Category (Code)	Activity / Subcategory	FY 2021–22	FY 2022–23	FY 2023–24	FY 2024–25
1 – Purchased Goods & Services	Raw Material Procurement	300	320	310	315
2 – Purchased Goods & Services	Packaging Materials	22	24	23	24
4 – Upstream Transportation & Distribution	Material Transport	60	62	61	62
6 – Business Travel	Air Travel	5	6	7	8
7 – Employee Commuting	Suburban Train Commuting	12	13	14	15
8 – Employee Commuting	Motorbike Commuting	40	42	43	44
9 – Downstream Transportation & Distribution	Export Air Freight	26	28	29	30
Total Scope 3		465	495	487	498

Energy Intensity (GJ/INR) GRI 302-3				
Energy Intensity (GJ / INR of Turnover)	FY 2021–22	FY 2022–23	FY 2023–24	FY 2024–25
Value	2.73E-06	3.19E-06	2.63E-06	2.58E-06

Emission Intensity (tCO ₂ /INR) GRI 305-4				
Emission Intensity (tCO ₂ e / INR of Turnover)	FY 2021–22	FY 2022–23	FY 2023–24	FY 2024–25
Value	9.53E-07	1.07E-06	9.83E-07	1.00E-06

Water Withdrawal (KL) - GRI 303-3				
Source of Water Withdrawal	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Third Party Water	9,350.54	9,764.05	10,172.87	12,512.68
Total	9,350.54	9,764.05	10,172.87	12,512.68

Water Discharge (KL)- GRI 303-4				
Destination	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Municipal Sewage / Domestic Wastewater	8,460.22	8,787.65	9,155.58	11,261.41
On-site Reuse (Gardening / Cleaning)	890.87	976.41	1,017.29	1,251.27
Total Water Discharged (external)	8,460.22	8,787.65	9,155.58	11,261.41

Water Consumed (KL) - GRI 303-5				
Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Water Consumed	9,350.54	9,764.05	10,172.87	12,512.68
Water Reused / Recycled	890.87	976.41	1,017.29	1,251.27
Net Fresh-Water Consumption	8,460.22	8,787.65	9,155.58	11,261.41

Water Intensity (KL/INR) GRI 303-6				
Water Intensity (KL / INR of Turnover)	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Value	7.40E-06	7.71E-06	8.03E-06	9.88E-06

Diversity of Employees (Gender Composition)- GRI 405-1				
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
% Female Employees	1.52%	1.49%	1.53%	1.88%
% Male Employees	98%	99%	98%	98%
Total Headcount	330	335	326	373

Waste Management (GRI 306)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Waste Generated (MT)	20.5	22	25	28.8
Waste Recycled (%)	0.30%	0.32%	0.35%	0.35%
Waste Recycled (MT)	0.061	0.07	0.087	0.101
Waste Sent for Disposal (%)	99.70%	99.68%	99.65%	99.65%
Waste Sent for Disposal (MT)	20.44	21.93	24.91	28.7
Hazardous Waste Generated (MT)	0.06	0.075	0.087	0.095
Non-Hazardous Waste Generated (MT)	20.44	21.93	24.91	28.7
Hazardous Waste Recycled (MT)	0.06	0.075	0.087	0.095

Employee Details (GRI 2-7)					
Particulars	Category	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Male	Permanent	120	120	120	122
Female	Permanent	4	4	4	6
Male	Other than Permanent	205	210	201	244
Female	Other than Permanent	1	1	1	1
Total Male Employees		325	330	321	366
Total Female Employees		5	5	5	7
Grand Total Employees		330	335	326	373

Employee Distribution by Role and Gender- GRI 405-1					
Role / Category	Gender	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Board of Directors	Male	4	4	4	4
Board of Directors	Female	0	0	0	0
Senior Executive	Male	3	3	3	3
Senior Executive	Female	0	0	0	0
Administrative & Support Staff	Male	62	61	62	53
Administrative & Support Staff	Female	4	4	4	6
Technical & Skilled Employees	Male	58	59	58	69
Technical & Skilled Employees	Female	0	0	0	0
Semi-skilled / Operational Workers	Male	150	155	146	189
Semi-skilled / Operational Workers	Female	0	0	0	0
Grand Total	—	330	335	326	373

Employee Health Parameters 403-6				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percentage of Employees Covered Under Medical Insurance	100%	100%	100%	100%
Percentage of Employees Who Undergo Periodic Medical Examinations (Without Absence)	100%	100%	100%	100%
Health Issues Reported Due to Working Conditions	0	0	0	0
Percentage of Employees Trained on Health & Safety	100%	100%	100%	100%

Wages Reporting (GRI 202-1, 401-2, 405-2)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Average Annual Wage (INR)	3,60,000	3,85,000	4,10,000	4,35,000
Average Wage for Female (INR)	3,45,000	3,70,000	3,95,000	4,20,000
Average Wage for Male (INR)	3,65,000	3,90,000	4,15,000	4,40,000
Gender Pay Gap (%)	5.5%	5.1%	4.8%	4.5%
% of Employees Paid Living Wage	100%	100%	100%	100%
% of Direct Employees Covered by Living Wage	100%	100%	100%	100%
% of Direct Employees Paid Below Living Wage	0%	0%	0%	0%
% of Employees Given Annual Salary Appraisal	90%	92%	95%	96%

Female Representation by Role- GRI 405-1				
Role / Category	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Board of Directors	0%	0%	0%	0%
Senior Executive	0%	0%	0%	0%
Administrative & Support Staff	8%	8%	8%	13%
Technical & Skilled Employees	0%	0%	0%	0%
Semi-skilled / Operational Workers	0%	0%	0%	0%
Overall Female Share	2%	1%	2%	2%

Employees Covered by an Occupational Health & Safety Management System 403-8				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Employees Covered under OHS Management System	100%	100%	100%	100%
% of Total Employees Covered	100%	100%	100%	100%
Third-Party / Contract Workers Covered	100%	100%	100%	100%

Work-Related Ill Health- GRI 403-10				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fatalities as a Result of Work-Related Ill Health (Employees)	0	0	0	0
Total Reported Ill-Health Cases (Employees)	0	0	0	0
Rate of Work-Related Ill Health (per 1,000,000 hours worked)	0	0	0	0
Number of Man-Hours Worked (per employee per year)	942,560	978,892	1,032,418	1,089,284

Occupational Health & Safety Performance- GRI 403-9				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Fatalities as a Result of Work-Related Injury	0	0	0	0
Rate of Fatalities as a Result of Work-Related Injury (per 1,000,000 hours)	0	0	0	0
Number of High-Consequence Work-Related Injuries (Excluding Fatalities)	1	0	0	0
Rate of High-Consequence Work-Related Injuries (Excluding Fatalities) (per 1,000,000 hours)	0	0	0	0
Rate of Recordable Work-Related Injuries and Illness (TRIFR – per 1,000,000 hours)	0	0	0	0
Process Safety Incident Count (PSIC)	0	0	0	0
Process Safety Total Incident Rate (PSTIR)	0	0	0	0

Employee Training & Development (GRI 404-1)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Training Hours (All Programs)	865	1024	1186	1397.5
Average Training Hours per Employee	2.32	2.74	3.18	3.75

Employee Training & Development (GRI 404-1 & 403-5)				
Training	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Safety Training	72%	78%	80%	84%
Stacker Safety Training Awareness	74%	77%	82%	83%
Safety Awareness	70%	75%	76%	79%
Emergency Situation / Emergency Preparedness	75%	74%	79%	83%
Electrical Safety	70%	75%	78%	80%
Basic Fire Fighting	71%	72%	77%	78%
Emergency Response Plan	73%	73%	75%	77%
EHS Training	76%	79%	82%	82%
Safe Lifting Techniques	72%	72%	74%	75%
Waste Segregation	68%	72%	71%	71%
Power Saving	71%	70%	73%	75%
Hazardous Waste Storage	74%	73%	75%	74%
ROHS & Conflict Minerals Awareness	73%	74%	76%	77%
Energy Conservation	75%	81%	83%	83%
Climate Change Awareness	72%	76%	77%	80%
Labour & Human Rights (Child Labour, Harassment & Discrimination, Labour Rights, H&S)	80%	82%	85%	85%
Ethical Conduct	79%	82%	85%	85%
Information Security in Manufacturing Operations	68%	70%	73%	76%

Diversity, Equity & Inclusion (GRI 405 & 406)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent of Female Employees in Total Workforce	1.5%	1.5%	1.5%	1.9%
Percent of Female Employees in Executive Positions	0%	0%	0%	0%
Percent of Female Representation at the Board Level	0%	0%	0%	0%
Percent of Employees from Underrepresented Groups	0.00%	0.00%	0.00%	0.00%
Percent of Employees Trained in DEI	0%	0%	0%	0%
Reported Incidents of Harassment	0	0	0	0
Retention Rate of Female Employees	100%	100%	100%	100%
Employee Satisfaction Index (DEI) (Out of 5)	5	5	5	5
Percent of Employees from Underrepresented Groups in Top Management	0	0	0	0
Percent of Facility Accessible to Persons with Disabilities	0%	0%	0%	0%

Social Dialogue Reporting (GRI 402 & 407)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent of Employees Covered Under Collective Bargaining Agreements	26%	26%	26%	42%
Number of Employee Grievances Raised	0	0	0	0
Number of Employee Grievances Resolved	0	0	0	0
Percent of Grievances Resolved Through Social Dialogue Mechanism	0%	0%	0%	0%

Labor & Human Rights Incidents (GRI 408, 409 & 412)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Reported Labor Rights Violations	0	0	0	0
Number of Human Rights Violations Reported	0	0	0	0
Number of Child Labor Incidents Identified	0	0	0	0
Number of Forced or Bonded Labor Incidents	0	0	0	0
Number of Harassment or Discrimination Complaints	0	0	0	0
Number of Anonymous Complaints Received (Labor Rights)	0	0	0	0
% of Incidents Investigated and Closed Within Timeframe	0	0	0	0

Ethics & Integrity Incidents (GRI 205 & 406)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Reported Code of Conduct Violations	0	0	0	0
Number of Whistleblower Complaints Received	0	0	0	0
% of Whistleblower Complaints Resolved	0	0	0	0
Number of Confirmed Information Security Incidents	0	0	0	0
Number of Confirmed Corruption Incidents	0	0	0	0
Percent of Employees Who Have Acknowledged Environmental Policies	100	100	100	100
Percent of Employees Who Have Acknowledged Labor & Human Rights Policies	100	100	100	100
Percent of Employees Who Have Acknowledged Ethics Policies	100	100	100	100

Supply Chain Management (GRI 204, 308 & 414)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
% of Suppliers Who Have Signed Supplier Code of Conduct	100	100	100	100
% of Suppliers Assessed for Sustainability Risk	0	0	0	0
% of Strategic/Critical Suppliers Audited Annually	100	100	100	100
% of Contracts with Sustainability Clauses	100	100	100	100
% of Suppliers Trained on Sustainability Standards	100	100	100	100
% of Suppliers Meeting Sustainability Compliance Requirements	100	100	100	100
% of Suppliers Holding Recognized Certifications	0	0	0	5
% of Local/Regional Sourcing	90	80	80	80
% of Suppliers That Have Social Compliance Clauses in Contracts	100	100	100	100
% of Suppliers That Have Environmental Clauses in Contracts	100	100	100	100
% of Suppliers That Have Labor & Human Rights Clauses in Contracts	100	100	100	100

Supplier Classification & Composition (GRI 204-1)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Number of Active Suppliers	35	42	45	54
Strategic / Critical Suppliers	3	5	6	6
Local / Regional Suppliers	27	32	34	43
National Suppliers	5	5	5	5
% Spend on Local Suppliers	85%	80%	80%	75%
% Spend on Strategic Suppliers	15%	20%	20%	25%

Supplier ESG Risk Assessment Summary (GRI 308-1 & 414-1)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
High Risk Suppliers	3	5	6	6
Medium Risk Suppliers	4	5	8	10
Low Risk Suppliers	28	32	31	38
% Suppliers with Mitigation Plans Implemented	30	30	30	30
% Suppliers Reassessed Post-Audit	100	100	100	100

Supplier Development & Capacity Building (GRI 414-2)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Supplier Training Sessions Conducted	0	0	0	9
% of Suppliers Attending Training Programs	0%	0%	0%	13.84%
Total Supplier Training Hours	0	0	0	2
Average Hours of Training per Supplier	0	0	0	2
% of Suppliers Reporting ESG Improvements Post-Training	0%	0%	0%	5%

Supplier Audit & Compliance (GRI 308-2 & 414-2)				
Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Supplier ESG Audits Conducted	0	0	0	0
% of Strategic Suppliers Audited	20%	20%	20%	20%
% of Suppliers Found Non-Compliant	10%	10%	10%	10%
% of Non-Compliant Suppliers Remediated Within 3 Months	0	0	0	0
% of Suppliers with Corrective Action Plans (CAPs)	100%	100%	100%	100%

INDEPENDENT ASSURANCE STATEMENT

Active Chromewell Exhaust Pvt. Ltd. Sustainability Report 2024–25



To

The Directors and Management
Active Chromewell Exhaust Pvt. Ltd.
 Mumbai, Maharashtra, India

1. Introduction

Active Chromewell Exhaust Pvt. Ltd. (“Active Chromewell” or “the Company”) engaged an independent external assurance provider to conduct an independent assurance engagement on selected disclosures presented in the **Sustainability Report FY 2024–25**.

This assurance engagement reflects Active Chromewell’s commitment to transparency, ethical governance, and measurable sustainability performance. The objective of the assurance is to provide reasonable assurance on selected quantitative and qualitative Environmental, Social, and Governance (ESG) disclosures.

The assurance engagement was conducted in accordance with:

- **Global Reporting Initiative (GRI) Standards 2021**
- **International Standard on Assurance Engagements (ISAE) 3000 (Revised)**

2. Management Responsibility

The preparation and presentation of the Sustainability Report 2024–25 are the responsibility of the management of Active Chromewell.

Management is responsible for:

- Establishing sustainability policies and identifying material ESG topics
- Designing and maintaining internal controls and data collection systems
- Ensuring the accuracy and completeness of sustainability information
- Providing documentation and supporting evidence to the assurance team

The assurance provider’s responsibility is limited to providing independent assurance on the selected disclosures included in the report.

3. Scope, Boundary & Limitations

3.1 Scope of Assurance

The assurance covered selected ESG disclosures across the following areas:

- Environmental stewardship and resource management
- Energy consumption and GHG emissions
- Water management and conservation
- Waste management and material efficiency
- Labour and human rights practices
- Occupational health and safety
- Ethics, governance, and sustainable procurement

3.2 Reporting Boundary

The assurance boundary covered:

- **Active Chromewell manufacturing and operational facilities in India**
- Administrative and operational processes included within the reporting period
- Selected supplier and stakeholder engagement activities

3.3 Limitations

- The engagement was conducted at a **reasonable assurance level limited to selected indicators**.
- Forward-looking statements and financial forecasts were excluded.
- Certain Scope 3 emissions categories and supplier-level ESG verification processes are under progressive development.

GRI Topics and Coverage Summary

ESG Topic / Theme	GRI Indicators	Indicator Description	Coverage in Report
Energy Management	302-1, 302-3	Energy consumption and energy intensity	p. 26–27
Water Management	303-3, 303-5, 303-6	Water withdrawal, consumption and intensity	p. 31–32
Emissions (Scope 1, 2 & 3)	305-1, 305-2, 305-3	Direct and indirect GHG emissions	p. 27–28
Waste Management	306-3, 306-4, 306-5	Waste generation, recycling and disposal	p. 39–40
Employment & Labour	401-1	Workforce composition and employment practices	p. 43
Health & Safety	403-1 to 403-10	Occupational health and safety management	p. 47–48
Training & Development	404-1	Employee training hours and development	p. 23
Diversity & Equal Opportunity	405-1, 405-2	Gender equality and pay parity	p. 22
Human Rights & Labour Practices	407-1, 408-1, 409-1	Freedom of association, child labour and forced labour	p. 45–46
Supplier Screening	308-1, 414-1	Supplier environmental and social assessment	p. 56
Anti-Corruption & Ethics	205-1, 205-3	Anti-corruption policies and ethical conduct	p. 53–55
Customer Health, Safety & Privacy	416-1, 418-1	Product safety and data confidentiality	p. 54



4. Assurance Methodology

The assurance engagement followed a **systematic and evidence-based verification process**, which included:



1. Evaluation of the company's sustainability governance framework and reporting systems.
2. Review of ESG policies, procedures, and supporting documentation.
3. Cross-verification of quantitative data such as energy, water, emissions, waste, and workforce metrics.
4. Interviews with key management personnel and operational staff.
5. Review of operational records, monitoring reports, and compliance documentation.
6. Assessment of reporting principles including **accuracy, balance, comparability, clarity, reliability, and timeliness** in line with GRI Standards.

5. Findings & Observations

Active Chromewell demonstrates a structured sustainability reporting approach supported by governance mechanisms, environmental monitoring practices, and employee engagement initiatives.

Strengths Identified

- Comprehensive tracking of environmental indicators including **energy, water, emissions, and waste**.
- Implementation of **preventive maintenance, efficiency initiatives, and resource optimization programs**.
- Strong emphasis on **employee health and safety risk management** through HIRA assessments and training programs.
- Adoption of **ethical governance frameworks including whistleblower mechanisms and information security controls**.
- Integration of **sustainable procurement practices through supplier codes of conduct and compliance expectations**.

Areas for Enhancement

- Expand Scope 3 emissions assessment across broader value chain activities.
- Strengthen quantitative targets for climate risk mitigation and long-term decarbonization.
- Enhance digitalization of ESG performance monitoring systems.
- Further integrate supplier ESG performance evaluation and periodic sustainability audits.

6. Assurance Conclusion

Based on the procedures performed and evidence obtained, the assurance provider concludes that:

- The ESG disclosures presented in the **Active Chromewell Sustainability Report FY 2024–25** are **fair, balanced, and reliable**.
- The sustainability data and information reviewed are prepared, in all material respects, in accordance with **GRI Standards (2021)**.

In our professional opinion:

- The report demonstrates a **structured and accountable sustainability management approach**.
- The company shows commitment toward **continuous improvement in environmental performance, workforce well-being, and ethical governance practices**.

7. Independence & Impartiality

The assurance provider confirms that this assurance engagement was conducted independently and objectively.



- The assurance provider has **no financial or ownership interest** in Active Chromewell Exhaust Pvt. Ltd.
- The engagement complied with **ISAE 3000 (Revised)** and the assurance provider's internal independence and quality control procedures.
- All team members adhered to confidentiality and conflict-of-interest requirements.

8. Assurance Team

This assurance engagement was conducted by qualified sustainability assurance professionals with expertise in ESG reporting and management systems.

Manoj Kumar, Director & Chief Operating Officer (COO), YCPL Consulting Pvt. Ltd.
Lead Auditor – ISO 14001 & ISO 45001 Management Systems

Date: March 10, 2026

Place: Mumbai, India

For and on behalf of

Youniformity Consulting Pvt. Ltd.

2nd Floor, Maa Pitambara Complex,
 Near Dwarika Greens Phase 2, Rohta,
 Agra – 282009, Uttar Pradesh, India

operations@youniformity.co.in

+91 99977 23936

www.youniformity.co.in



Reach us at:
Active Chromewell Exhaust Pvt Ltd,
Sanaswadi Gat No- 1224/2, Tal- Shirur,
Dist -Pune
activechromewell.com