



CLEAN CHEMISTRY

GREEN CHEMISTRY

CLEAN SCIENCE AND TECHNOLOGY LIMITED SUSTAINABILITY REPORT 2024-25

About the Report

We are pleased to share Clean Science and Technology Limited's (hereinafter referred to as "CSTL," the Company") Second Sustainability Report, which briefly discloses our performance on Environment, Social, and Governance (ESG) aspects for FY 2024-25. Through this Report, we seek to update our stakeholders about our achievements and challenges as we accelerate our responsible growth through sustainable operations.

Reporting Period and Framework

The Report highlights our non-financial performance for the Financial Year (FY) 2024-25, i.e., the period from April 1, 2024 to March 31, 2025 and update over information/data of previous Sustainable Report. The Second Sustainable Report FY 2023-24 was an update over information/data of First Sustainable Report FY 2022-23, which was aligned with the 'core' option of the Global Reporting Initiative (GRI) Standards.

The major aspects related to Sustainability Initiatives are already disclosed in Business Responsibility & Sustainability Report (BRSR - Page No. 138-174) in Annual Report of the Company for FY 2024-25 which is already adopted by the Shareholder's of the Company in 22nd Annual General meeting held on 11th September 2025.

Scope and Boundary

The reporting boundary covers 100% of CSTL's operating locations in India, including three manufacturing units in Pune, India.

Feedback and Suggestions

We have always valued the feedback of our internal and external stakeholders that helps us strengthen our practices and grow further. Please reach out to us at:

| | | |
|------------------|---|---|
| Corporate Office | : | 603 & 604, 6th Floor, Tower No.15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013. |
| Telephone | : | + 91 20 41264761 |
| Website | : | https://www.cleanscience.co.in |
| Email | : | compliance@cleanscience.co.in |

To know more about CSTL, please log on to: <https://cleanscience.co.in/>

ESG Highlights



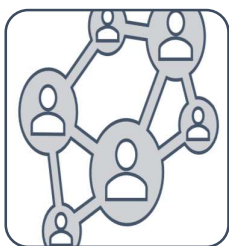
Environment

Zero Liquid Discharge & ISO 14001:2015, Responsible Care certified across all facilities, Certification for Clean and green environment

Water consumption - 10.65 m³/MT of production (reduced by 7.55%)

Energy Intensity - 37.40 GJ/MT of production (reduced by 0.40%) and increase in renewable electricity by 22% from last year

GHG emission - 3.39 tCO₂e/MT of production (reduced by 8.13%)



Social

- 18,317 lives benefited through CSR initiatives
- Zero Fatality & Zero LTIFR
- CSR Expenditure - INR 69.65 million
- Training in Safety, Health and Environment in FY 24-25 - 27,930 hours



Governance

- Women at Board level - 11.11%
- Net Profit (Standalone)- INR 2,923 Million
- Total Revenue from operations (Standalone)- INR 9,223 Million

ACHIEVEMENTS OVER ESG TARGETS

| PARTICULARS | 5 YEARS ESG GOAL/TARGETS (FROM FY 22-23) | ACHIEVEMENTS IN FY 2023-24 | ACHIEVEMENTS IN FY 2024-25 |
|----------------------------|--|----------------------------|----------------------------|
| GHG emissions | Reduction by 15% | 3.46% | 8.13% |
| Specific water consumption | Decrease by 15% | 2.34% | 7.55% |
| Renewable electricity | Increase share by 25% | 29% | 31% |
| Tree plantation | 50,000+ trees | 11,000+ trees | 15,000+ trees |

CERTIFICATIONS

CSTL has obtained a broad range of globally relevant certifications since our inception, including:

- Responsible Care
- FAMI-QS
- FSSC 22000
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- FISSAI
- HALAL
- RSPO MB
- KOSHER
- Ecovadis
- Together for Sustainability

MEMBER OF ASSOCIATIONS

At CSTL, we encourage our employees and workers to be a part of industry platforms and associations as outlined below to communicate, network and resolve work-related issues.

- Indian Chemical Council (ICC)
- Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA)
- Chemexcil
- Kurkumbh Environment Protection Co-operative Society Maryadit
- Federation of Indian Export Organisation
- Confederation of Indian Industry (CII)
- National Safety Council

SUSTAINABILITY : MAJOR HIGHLIGHTS FY 24-25

CSTL has come a long way since its inception. What started as a vision to develop innovative and sustainable chemical processes has now transformed into one of the leading global specialty chemical company. Sustainability remains at the core of everything we do. We continue to pioneer green chemistry solutions, with a focus on reducing our environmental impact through clean and efficient manufacturing processes. Our commitment to sustainability has not only strengthened our reputation but has also contributed to cost savings and operational efficiencies. At CSTL, our dedication to innovation and expansion remains intact. With strategic foresight, we have expanded our operations by commissioning a new subsidiary, Clean Fino Chem Limited. CFCL is enabling CSTL to expand its capabilities, diversify its chemistry portfolio, and tap into much larger addressable markets through product innovation and integration. CFCL is home to India's largest HALS (Hindered Amine Light Stabiliser) production infrastructure. We find ourselves at a pivotal juncture as we embark on a strategic expansion of our operations to elevate scale and diversify our portfolio, profitably. This significant step forward not only amplifies our market presence but also reinforces our commitment to growth. Specifically, with the commercialisation of our new subsidiary, we are positioned to scale our operations to the next level alongside, our commitment to sustainability.

Our commitment to Sustainability and ESG principles is foundational, guiding us towards greener operations. During FY 2024-25, we embracing solar power in a significant way With 17.7 MW of solar capacity now in place, 67% of the Company's total electricity needs are met through renewable sources. It is a meaningful step towards creating a more sustainable and resilient future. This, among many other initiatives on ground, have helped us reduce our carbon footprint and emphasise our dedication to clean energy. We have taken proactive steps to address the environmental, social, and governance (ESG) responsibilities by establishing ambitious targets for next five years. These targets are designed to drive meaningful progress in key areas of environmental sustainability, social responsibility, and corporate governance. In terms of environmental sustainability also, ambitious five-year targets have been set. These targets include reducing specific Greenhouse Gas (GHG) emissions by 15% from the 2022-23 levels. Additionally, our Company aims to decrease specific water consumption by 15% from the 2022-23 levels. Furthermore, there is a commitment to increase the share of renewable electricity by 25% from the 2022-23 level. Moreover, as part of reforestation efforts, our Company has further pledged to plant 50,000 trees over the ensuing period. Additionally, we have established social responsibility goals to guide our actions and impact positively on the society. This includes striving to achieve a target of 30% women staff at our corporate office, reflecting our commitment to diversity and gender equality in the workplace. Furthermore, in order to upskill the team, we aim to increase training hours by 25% for both manpower and staff, emphasising our dedication to continuous learning and skill development. Moreover, our dedication to safety remains of paramount importance, with a continuous focus on improvement to ensure zero casualties. Regarding corporate governance, we are deeply committed to maintaining high standards and strive to achieve two primary objectives. Firstly, we are dedicated to achieving 100% compliance with all statutory requirements. Secondly, we aim to ensure that no auditor qualifications or re-statements occur. Our Company's name is synonymous with eco-friendly chemical manufacturing, which has always enabled us to prioritise sustainability and clean chemistry. The recognition of our efforts through prestigious certifications from GreenCo, Eco Vadis, and Together for Sustainability (TFS), highlights our commitment to environmental stewardship, resource conservation, and ESG excellence. Being a holder of the 'Responsible Care' reaffirms our commitment to Environment, Health, Safety & Security. This recognition, alongside our sustainable practices, demonstrates our pledge to responsible chemical management and the welfare of our communities and the environment. Our sustainable initiatives extend beyond internal operations to include significant contributions to global efforts. In partnership with the Government, we've initiated significant afforestation efforts, planting over 15,000 trees on 10 hectares and planning for an additional 12,000 trees on 19 hectares in Pune District, thereby, enhancing sustainability footprint. Through these comprehensive initiatives, CSTL continues to lead in sustainable growth, affirming our legacy as a leader in eco-friendly chemical manufacturing.

SUSTAINABILITY PERFORMANCE DATA FOR FY 2024-25

PROFIT

Revenue in Rs. Million

| Economic value generated | FY 2024-25 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---|---------------|------------------|------------------|----------------|
| i. Gross revenue from operations | 9,223 | 7,894 | 9,265 | 6,775 |
| ii. Other Income | 362 | 384 | 388 | 299 |
| iii. Net Profit | 2,923 | 2,477 | 3,035 | 2,286 |
| Economic value distributed | FY 2024-25 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
| i. Operating cost (includes cost of raw materials and other expenses) | 4,736 | 4,057 | 4,882 | 3,503 |
| ii. Employee wages and benefits | 496 | 465 | 450 | 345 |
| iii. Interest payment to providers of credit | 3 | 8 | 2 | 1 |
| iv. Dividend distributed to shareholders | Rs. 6/share | Rs. 5.00/share * | Rs. 5.00/share * | Rs. 3.25/share |
| v. Payment to Government (taxes) | 982 | 833 | 1,019 | 763 |
| vi. Community investments | 69.65 | 64 | 51 | 41 |
| Economic value retained (Retained earnings) | 14,357 | 11,959 | 10,014 | 7,535 |

* includes Rs. 2/- paid as interim dividend and Rs.4/- recommended as final dividend

Revenue in Rs. Million

| Defined Benefit Plan Obligations and other retirement plans | FY 2024-25 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---|------------|------------|------------|------------|
| i. Contribution to PF | 12.83 | 12.45 | 10.25 | 8.03 |
| iii. Contribution to Gratuity fund | 4.24 | 3.97 | 3.66 | 7.04 |

RESPONSIBLE OPERATIONS

Energy

| Parameters | FY 2024-25 (GJ) | FY 2023-24 (GJ) | FY 2022-23 (GJ) | FY 2021-22 (GJ) |
|--|-----------------|-----------------|-----------------|-----------------|
| Coal | 13,53,549 | 10,53,624 | 10,36,416 | 8,90,253 |
| Diesel (HSD) | 4,934 | 3,211 | 5,146 | 3,185 |
| Briquettes | 0 | 0 | 31,869 | 25,992 |
| Process Heat Recovery | 2,17,547 | 1,72,133 | 1,78,513 | 1,26,265 |
| Purchased Electricity | 40,018 | 37,809 | 52,660 | 36,643 |
| Solar Electricity | 80,748 | 72,513 | 54,798 | 46,606 |
| Total Energy Consumption | 16,96,796 | 13,39,290 | 13,59,402 | 11,28,944 |
| Specific Energy Consumption (GJ/MT) | 42.82 | 42.40 | 43.22 | 41.59 |

Emissions

| Parameters | FY 2024-25 (MTCO2e/Annum) | FY 2023-24 (MTCO2e/Annum) | FY 2022-23 (MTCO2e/Annum) | FY 2021-22 (MTCO2e/Annum) |
|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Scope 1 - Direct Emissions | 1,26,117 | 1,07,683 | 1,05,562 | 90,201 |
| Scope 2- Indirect Emissions | 8,081 | 7,448 | 10,374 | 8,025 |
| Total GHG Emissions | 1,34,198 | 1,15,131 | 1,15,936 | 98,225 |
| Emission Intensity | 3.39 | 3.56 | 3.69 | 3.62 |

| Parameters | FY 2024-25 (kgCO2) | FY 2023-24 (kgCO2) | FY 2022-23 (kgCO2) | FY 2021-22 (kgCO2) |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Nox emissions | 40,721 | 37,817 | 30,294 | 27,929 |
| SOx emissions | 33,905 | 31,548 | 34,283 | 39,903 |
| Particulate Matter (PM) | 75,902 | 67,255 | 60,242 | 67,694 |

Water

| Operational Water | FY 2024-25 (kl) | FY 2023-24 (kl) | FY 2022-23 (kl) | FY 2021-22 (kl) |
|---|--------------------|--------------------|--------------------|--------------------|
| Produced water | 9,653 | 7,439 | 8,368 | 6,880 |
| Third party water | 4,12,354 | 3,56,528 | 3,53,945 | 2,87,386 |
| Total Water | 4,22,007 | 3,63,967 | 3,62,313 | 2,94,266 |
| Water Intensity (kl per MT of production) | 10.73 | 11.25 | 11.52 | 10.84 |

Waste

| Waste disposal | FY 2024-25 (MT) | FY 2023-24 (MT) | FY 2022-23 (MT) | FY 2021-22 (MT) |
|---|--------------------|--------------------|--------------------|--------------------|
| Waste to Co-processing | - | - | - | - |
| Waste sent for reuse | - | - | - | - |
| Waste sent to recyclers | 29.2 | 75.1 | 245.06 | 20.68 |
| Waste sent to other recovery operations | 8,256 | 7,142 | 4,403 | 2,201 |
| Waste sent to landfills | 2,353 | 1,021.72 | 833.63 | 733.83 |
| Waste sent for incineration | 26 | 16.79 | 12.33 | 30.57 |

Employee Engagement

| | Average Training Hours (Employees) | |
|------------|---|--------|
| FY 2024-25 | | 17,711 |
| FY 2023-24 | | 17,179 |
| FY 2022-23 | | 17,250 |
| FY 2021-22 | | 5,252 |
| | Average Training Hours (Contractual Labor) | |
| FY 2024-25 | | 9,731 |
| FY 2023-24 | | 9,162 |
| FY 2022-23 | | 195 |
| FY 2021-22 | | 1,570 |
| | Average Training Hours (Security Personnel) | |
| FY 2024-25 | | 488 |
| FY 2023-24 | | 238 |
| FY 2022-23 | | 394 |
| FY 2021-22 | | 248 |

Key Safety Initiatives



To ensure a safe workplace and maintain zero incidences, we have initiated several initiatives such as:

- Conducted BBS (Behavior Based Safety) training to almost all employees & workers at factory
- Conducted RC audit & received Responsible Care (RC) certification for another 3 years
- Recording & timely correction of walk-through observations of unsafe acts and conditions
- Plant-level safety committee meetings
- Internal safety audits by internal cross-functional teams
- Safety suggestion scheme with rewards
- Purchased life-line for sampling at high risk ISO & other tankers
- Recording of Incidents and CAPA in Incident/Accident Tracker
- Fabricated emergency trolleys containing required PPEs, fire extinguishers, foam branches, etc., for handling emergencies
- Purchased a movable foam trolley for extinguishing solvent fire
- Interconnection of fire hydrant systems of our units
- Installation of Public Announcement system
- Annual Day Celebration includes safety plays, skits to create awareness amongst employees.
- Protective gears provided to all employees for safe material handling
- Hazardous chemicals like Phenol, DCC are handled wearing pressure suite