



Inspired by Science



SUSTAINABILITY REPORT 2021

Dedicated to 75th year of our existence

PI Industries Limited

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About the Report

Culture of Integrity, transparency and accountability in all business activities is encouraged at PI Industries Ltd ('PI', or the 'Company'). As one of the leading agri-sciences companies, PI aims to provide in-depth insights into both its strategy and performance on several sustainability parameters to our stakeholders with its annual sustainability report.

The report covers the period from 1st April 2020 to 31st March 2021. Comparable data from 2019-20 has also been included to facilitate trend analysis. The report has been prepared in accordance with the Global Reporting (GRI) Standards: Core Option. We have also aligned the report to the recommendations of Task Force on Climate-related Financial Disclosures (TCFD).

Scope and Boundary

Our reporting boundary includes operations that fall under direct control of the organisation. This basically includes our Agri Input operations spanning across manufacturing units at Panoli and Jambusar, R&D center located at Udaipur and marketing operations across various states of India. The report excludes subsidiaries, joint ventures, and associate companies where we have no operational control.

Report Content

The report presents in-depth and transparent balanced disclosures on PI's material economic, environmental, social, and governance issues for the reporting period. We had conducted a structured materiality assessment in FY2018-19 in consultation with our internal stakeholders. This workshop along with our regular interaction with external stakeholders, helped us to identify key material topics for the organisation as well as stakeholders. This year, the Company refreshed the material issues through review of global and sectoral sustainability

trends, benchmarking against peer companies, and limited engagement with internal stakeholders. The report highlights our contributions to the United Nations Sustainable Development Goals (SDGs) and the principles of the United Nations Global Compact (UNGC). The report content has been defined using the reporting principles prescribed in the GRI Standards.

All calculation methodologies and assumptions while reporting on GRI indicators are included in the report wherever applicable. We have separately disclosed our efforts in combatting COVID-19 crisis with resilience and impact thereof.

External Assurance

The content and data disclosed in the report has been externally assured by Thinkthrough Consulting Pvt. Ltd. as per the AA1000 Assurance Standard (AA1000AS v3) – Type 2 Moderate criteria.

We solicit your feedback on our sustainability report. You can send us your comments at sustainability@piind.com



We Are PI Industries

We are PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030), a 75 years old integrated agri chemicals solution company catering to complex chemistry solutions market in agri and other fine chemicals areas across the world. Over the years, we have leveraged our capabilities and partnerships to provide value-added and innovative agri solutions to millions of farmers and partners in India and across the globe, carving a niche for ourselves built on in-depth R&D expertise, manufacturing prowess, and as a strong believer in technology, we are focusing on Industry 4.0 standards for our manufacturing plants, with strong focus on innovation.

Founded in 1946, PI houses a robust manufacturing and R&D infrastructure consisting of 5 formulation facilities as well as 14 multipurpose manufacturing plants under its 4 manufacturing locations. Our state-of-the-art facilities have integrated process development teams with in-house engineering capabilities. We maintain a strong research presence through our R&D facility at Udaipur, Rajasthan. More than 350 scientists and engineers work in our state-of-the-art R&D with comprehensive infrastructure in Udaipur spread over a 11 acre campus, and are engaged in process technology, research biological evaluation and scale up. The pioneering and innovative work of our scientists has helped us become a IP led organization. Our scientists are also working on new chemistries and next generation process technologies which will help us expand the range of our offerings and target new applications, markets and customers. The research facility at Udaipur also includes advanced research and development labs, kilo plants and pilot plants with NABL certification.

At PI, we have long-term partnerships with leading companies globally providing them solutions across the fields of R&D, regulatory services, manufacturing services, application development, marketing, distribution, and customer connect initiatives. With 3,000+ workforce, we are well positioned to further accelerate our growth backed by our partnership approach with global innovators, a strong distribution network in India, a committed and engaged workforce, and an abiding respect for intellectual property.



~3,000
EMPLOYEES

350+
SCIENTISTS &
RESEARCHERS

₹
4,577
Crore
REVENUES IN
FY21

100+
PATENTS FILED

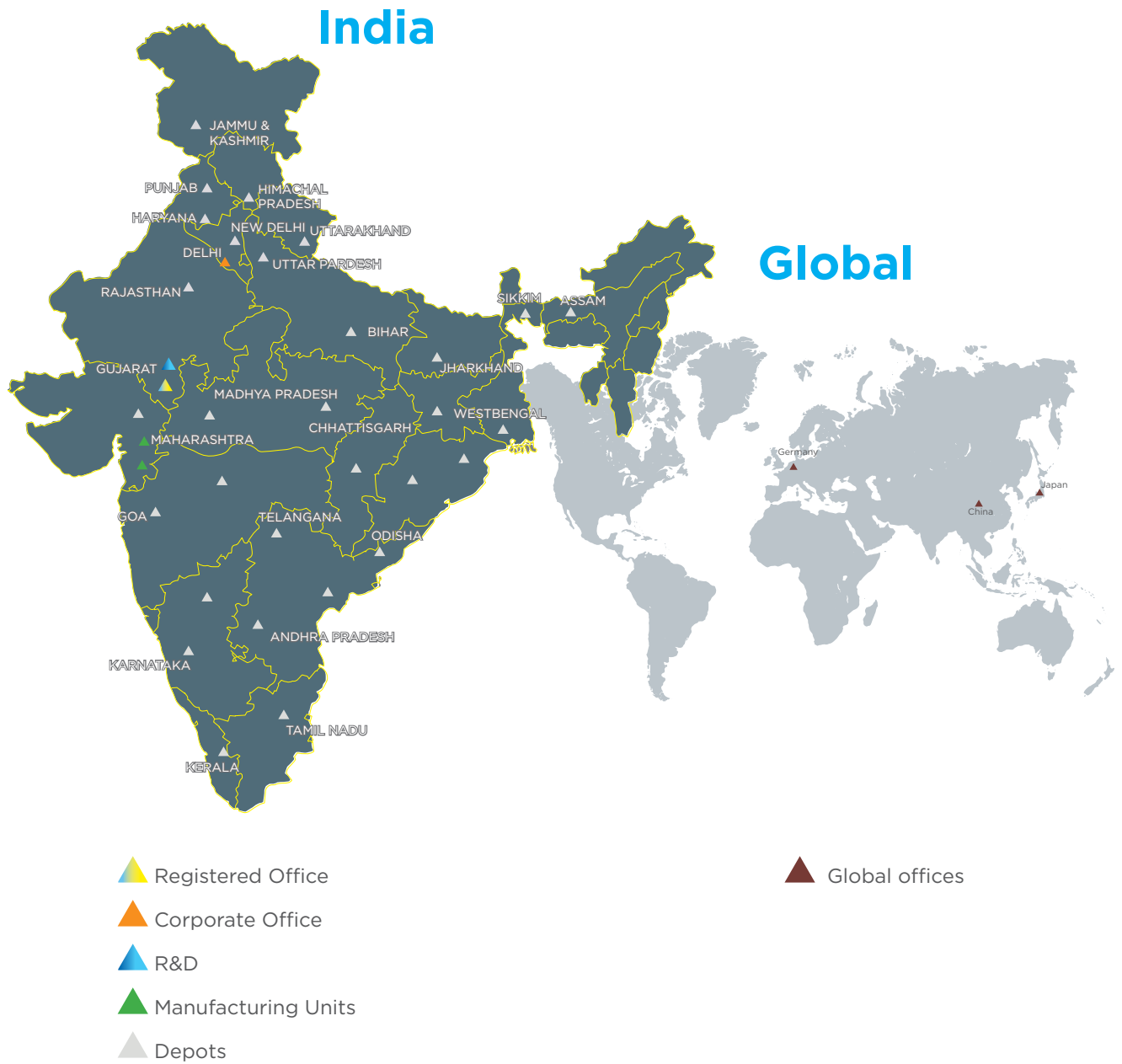
20+
GLOBAL
INNOVATOR
PARTNERS

>30
LAKH
DIGITALLY
CONNECTED
FARMERS

38,948%
TOTAL
SHAREHOLDER
RETURN OVER
10 YEARS

Our Presence

4,000+ channel partners 28+ stock points 70,000+ retailers



Products and Services Portfolio

Our products can be broadly classified in four categories in agriculture and horticulture space covering the entire agro-chemical market. Not only do we have exclusive rights from several global corporations for distribution of their products in India, we also have a strong in-house discovery, development, scale-up and large scale chemical manufacturing capabilities to cater to the diverse and dynamic needs of the sector.



Insecticides

- Osheen
- Cosko
- Keefun
- Snailkill
- Vibrant
- Colfos
- Fosmite
- Roket
- Carina
- Simbaa
- Maxima
- Fluton
- Academy
- Admit
- Chariot
- Cidial
- Deuce
- Eco champ
- Fenval
- Forward
- Highlight
- Invest
- Colt



Biostimulants

- Biovita Granules
- Biovita Liquid
- Super Spreader
- Humesol
- Rapigro Granules
- Rapigro Liquid



Fungicides

- Cuprina
- Lurit
- Kitazin
- Perido
- Sanipeb
- Clutch
- Logik
- Fender
- Hesder
- Visma
- Domark
- Fantic M
- Manage
- Raze
- Suggest
- Touch Stone
- Valero
- Iprobenphos
- Lurit



Herbicides

- Solaro
- Nominee Gold
- Awkira
- Elite
- Pimix
- Melsa
- Londax Power
- Wicket
- Legacee
- Lifegold
- Passport

Our service offerings across value chain



R&D Services

- Target Discovery
- Molecule Design
- Library Synthesis
- Lead Optimization
- Biological Evaluation
- Route Synthesis



CSM Services

- Process Research and Development
- Analytical Method Development
- Synthesis of Reference standards
- Structure Elucidation and
- Synthesis of Impurities
- Physio-Chemical Studies and 5-Batch Analysis under GLP Conditions
- Scale-up Studies
- Safety Data Generation
- Waste Categorization and Treatability Studies
- Process/Plant Engineering
- Large-Scale Commercial Production

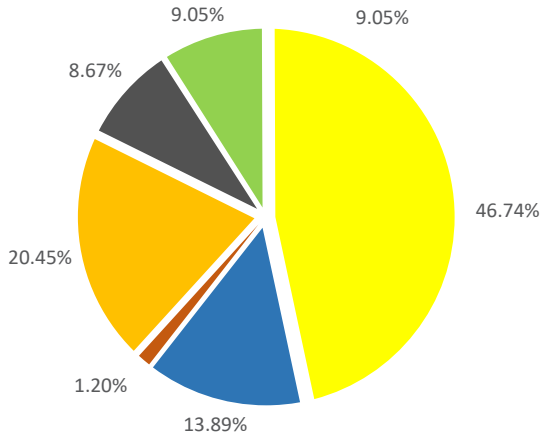


Distribution Services

- Evaluation & Trials - Bio-efficacy, Residue, Toxicity studies, Packaging Specifications Development, CIB Intimation, RTT Application
- Registration in India -
- Geography specific bio-efficacy, evaluation and trials, Inclusion in schedule, dossier preparation & Submission
- Manufacturing - Large Scale Formulations
- Marketing and Distribution - Geography Fitment Evaluation, Pre and Post launch campaigns, Product Stewardship, Crop Diversification/Combination Development

For more details on our product and services, please visit our website at <https://www.piindustries.com/our-business/Our-Business/products-and-services>

Shareholding Pattern



■	Promoters
■	Mutual Funds/Banks
■	Indian Bodies Corporate
■	FPI/FII/FN/NRI/Foreign Bodies
■	Indian Public
■	Others – (Clearing members, Trust, HUF, NBFC, IEPF etc.)



Memberships and Associations

We believe that as our role as a responsible organisation go beyond our own boundaries. We seek to promote sustainability advocacy through various channels and associations. Different groups of stakeholders like business, government, academia and civil society bring unique set of expertise and outlook and when assimilated can lead to a much wider development impact.

Industry Associations:

Provides a common platform to exchange ideas and practices

- Confederation of Indian Industry (CII)
- National Council on Agriculture
- Federation of Indian Chambers of Commerce and Industry
- Agro Chem Federation of India
- BASAI (Biological Agri Solutions Association of India)
- Crop Life India



Our Sustainability Framework

The challenges of the future are considerable – climate change, environmental degradation, extreme weather events, water scarcity, among others pose an existential threat to humanity. 2020-21 was the year, when the COVID-19 pandemic raged through several parts of India, when all the normal activities were shut, families and friends faced untimely loss of many lives with broad disruption of economic activities. Such risks, encompassing topics ranging from climate change to health and safety of workforce, also have profound implications on businesses. It affects all sectors and challenges even the most progressive companies. Sustainability risks are getting more and more attention from our stakeholders – investors, shareholders, employees, customers, supply chain partners and others. Monitoring and tackling these risks is the need of the hour. They are intrinsically linked to financial performance, organisational resilience, and retaining stakeholder trust.

For PI Industries, sustainability means more than just countering risks. We view sustainability as a source of competitive advantage and key to our business continuity & success. We closely monitor global trends, align our strategic approach with evolving best practices, and create shared value for all. The value that we pursue can only be co-created by cumulative contributions from all stakeholders. Representation of the social and environmental stakeholders is ensured through relevant policies and proxies at the highest governing and operational levels.

The evolving ESG (Environment, Social and Governance) doctrine offers an effective framework to benchmark, define, aim, measure, report, and improve one's ESG priorities. This has helped us to identify our sustainability priorities, which guides us in development and implementation of associated initiatives across our value chain. The 17 Sustainable Development Goals (SDGs) also play

a crucial role in guiding our actions to contribute towards a more prosperous, socially-inclusive, and environmentally-sustainable world.

Water scarcity, climate change, energy consumption, health issues are amongst the most pressing challenges in today's scenario. Water consciousness remains at the core of our sustainable development priorities, more so because, being an agri input provider this is not just limited to our operations but to the farming community across the country as well. PI continuously explores avenues to reduce water consumption, energy efficiency and GHG intensity across its processes with simultaneous commitment towards the community. To drive solutions for overcoming these challenges, the rigorous process for formulating a framework aligned with the Sustainable Development Goals (SDG) reflects PI's continued commitment to contribute to their accomplishment.

Creating shared value for all

Through its products and services, PI Industries contributes to sustainable agriculture and livelihood development of farmers. Ensuring satisfaction of our customers is of paramount importance to us. Key tenets to meeting the customer requirements in a responsible manner includes innovation, product stewardship, operational excellence. We also strive to create long-term economic value for our shareholders. Our community development programs drive socio-economic development in the country.



Reducing our ecological footprint

We apply the concept of eco-efficiency to assess our environmental performance due to our operations. We focus on reducing the consumption of resources (water and energy), improve raw material efficiency, incorporate circularity in operations, and reduce emissions and waste production.

Empowering our people

We aim to become an employer of choice by empowering individuals to reach their full potential. We aim to build an inclusive culture where diversity of all employees is valued. We respect human rights of all and strive to uphold them across our operations. Another key tenet of business sustainability is upholding high standards of safety and health across operations and locations

Sustainability Goals - 2025

With a strong focus on building a safer and more sustainable future for supporting greener planet, citizens of the world, and green circular economy **PI Industries has launched its sustainability commitments in 2020, for the next five years.**

Climate change is one of most critical challenges faced by the humanity. As a part of its commitment to combat climate change, PI Industries is pleased to provide its support to the Task Force on Climate-related Financial Disclosures. Going forward, we will leverage TCFD to understand where the gaps lie in our sustainability and climate initiatives and align our disclosures with its recommendations.



INCREASE OPERATIONAL ECO EFFICIENCY AND REDUCING ECOLOGICAL FOOTPRINT

6 12 13

- Increase renewable energy usage to 20% of total
- Reduce CO₂ emission by 25%
- Reduce landfill Hazardous waste by 25%
- Reduce fresh water consumption by 25%



ACHIEVE BEST IN CLASS EMPLOYEES SAFETY, HEALTH AND WELLBEING STANDARDS AND DIVERSIFIED CULTURE AT WORKPLACE

4 5 8

- Reduce lost-time injury frequency rate to 0.20
- Ensure NIL fatal injury in plant operations
- Increase employees average training hours per FTE by 25%.
- Increase women participation in leadership positions by 25%



CONTRIBUTE TO IMPROVE FARM PRODUCTIVITY AND PROSPERITY OF THE FARMERS AND INCLUSIVE DEVELOPMENT & WELLBEING OF THE SOCIETY.

4 8 10

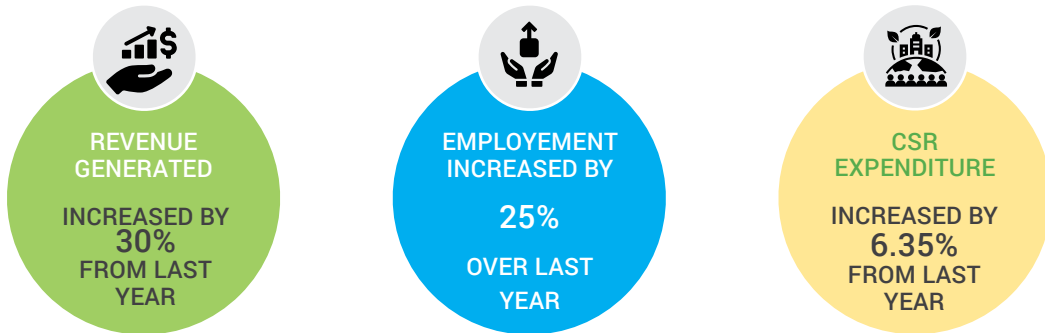
- Introduce new technologies/product /services and intensify farmers' education to improve the farm productivity and reduce environment impact of agriculture by saving water usage
- Conduct skill development training for women and youth to improve their employability and independence
- Contribute for education and healthcare of underprivileged in the society.



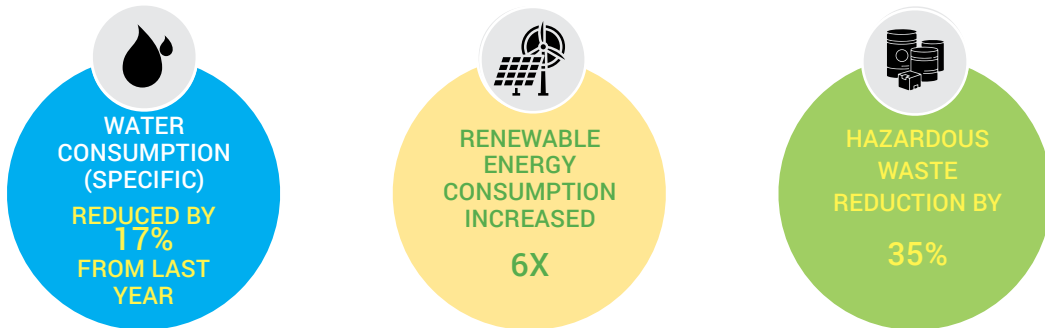
Key Sustainability Performance Indicators

With a strong focus on building a safer and more sustainable future for supporting greener planet, citizens of the world, and Green economy we continue to support and contribute to UN SDGs

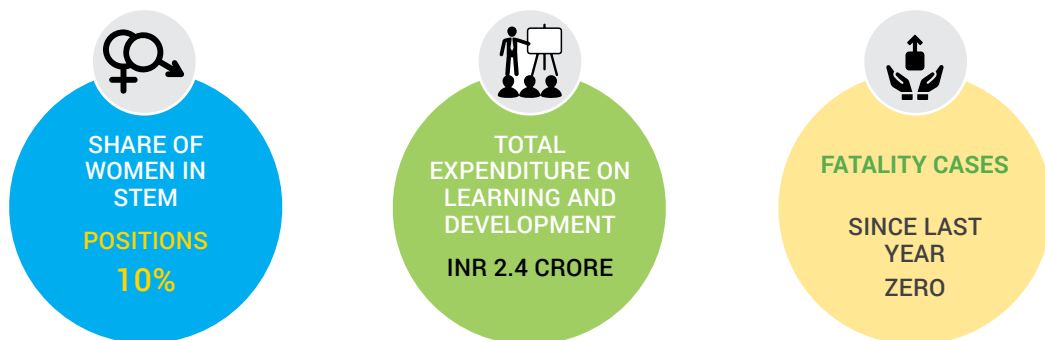
Creating shared value for all



Reducing our ecological footprint



Empowering our people



Our Vision



“Building on the foundation of trust, we shall be at the forefront of science-led opportunities by delivering innovative solutions.”

Our Values



TRUST

Like the earth, we are dependable

We work with integrity of purpose, honesty in action and fairness in all our dealings.



SPEED

Blazing ahead, like fire

Quick and agile like fire, we constantly strive to work with speed in the way we observe, think and act.



INNOVATION

Enlivening, like the air

A constant quest for reaching new horizons, the never-ending search for a better and novel way to do things. Innovation is a way of life for us.



ADAPTABILITY

Adaptive, like water

Constantly transforming ourselves like water, we are free flowing, adapting and highly responsive to change.


From the Chairperson's Desk



Sustainability is no longer a choice but critical for the resilience of our planet. For us, at PI, sustainability has always been a way of life, shaping our thinking, planning, execution and our outlook. Beyond agriculture, as we move into healthcare, our goal is to aggressively innovate towards a healthier planet with all its inhabitants.

Dear Stakeholders of PI,

Sustainability is no longer a choice but critical for the resilience of our planet. For us, at PI, sustainability has always been a way of life, shaping our thinking, planning, execution and our outlook. Beyond agriculture, as we move into healthcare, our goal is to aggressively innovate towards a healthier planet with all its inhabitants.



Being inspired by science, we take every opportunity to push the boundaries of today's technologies to create new possibilities for fulfilling our stated sustainability goals. Every activity of ours embraces the guiding principle of Responsible Care® and our commitment to make the environment safe and better. Our work in the agricultural and food production systems is aimed at to enable environmentally safe, economically enriching and, positive impact on communities.

Embracing and adapting with agility, the wide array of new and emerging technologies makes our journey and the ability to contribute more exciting. As we move ahead we are working on setting new and more urgent goals, as we believe speed is of essence to safeguard our planet.

We are continuously working to bring down our emissions, switch over to renewable energy sources, and bring down consumption of water, not only in our production processes but also of the way our farmers utilise this precious resource. PI's efforts commences at the planning stage when each and every investment, business proposition, supply chain and commercial arrangements are looked through the sustainability lens. Sustainability improvement goals are

set for production processes, vendor enrolment and procurement, supply chain management, marketing and sales, information technology and for our end customer outreach programs.

Greener chemistry is a focus area for the in house dedicated R&D team and Engineering supporting with more efficient utilities and process plants. Digitalisation in our manufacturing processes combined with the insights gained through AI adds to efficiencies reducing our environmental foot print. Being a pioneer in biologicals, PI has extended it beyond nutrients to a wider array, including in its manufacturing processes.

Serving communities beyond our immediate stakeholders is dear to our heart. At the Corporate level and at the individual level our employees work to bring about transformative impact. Projects aimed at empowering farmers and our local communities with a special emphasis on women and youth empowerment programs result in a wide variety of benefits such as water conservation, farm productivity efficiency, income from farming and overall financial & legal literacy of people. Our Projects namely 'Direct

Seeding Rice' and 'Employment linked skill development training program' have made substantial impact and we continue to emphasise and work on these initiatives.

It is a matter of immense satisfaction for me to share our first ESG/Sustainability report with you. I recognise that it is a beginning, but with this step, our drive to improve will only grow. Our endeavour is to re-imagine a healthier planet, apply ourselves and our resources, current and future, push the frontiers of technology to evolve into a life sciences Company which continues to work for a better and safer world.

I thank all stakeholders for your continued patronage and look forward to your support in this new, challenging and wondrous journey. Do participate in our sustainability journey with your feedback on this report mailed to me at sustainability@piind.com.

With warm regards,

Narayan K. Seshadri

Commitment Towards Sustainability

Our Commitment

"The Company stands committed to its responsibility towards society and our goal is to ensure that our economic growth is socially and environmentally sustainable. Our business efforts would be towards inclusive development and we aim that people grow with us and we grow with people. We attract, nurture and help people grow."

Sustainability Policy

We are an ethical Company dedicated to ensuring that we use only those resources required to achieve our legitimate business objectives, while doing what we can to conserve existing natural resources such as to ensure that there will be sufficient resources for future generations, while also contributing to our communities and the communities in which we and our suppliers and customers live.

We shall conduct our business responsibly, with integrity and with respect for the interest of all our stakeholders who are directly or indirectly related to our operations.

We shall uphold the values of trust, honesty and just dealings in our relationship with all stakeholders.

While pursuing our business objectives, we shall always endeavour to strike the right balance amongst economic progress, environmental protection and social responsibilities.

We shall adopt principles of Responsible Care and encourage and support our partners to embrace these principles.

Create conducive environment for the employees and community in and around our business operations for improvement in quality of life through enhanced economic, educational and healthcare opportunities.

Continually improve and enhance our capabilities through innovative approach to deploy sustainable technology solutions and efficient use of scarce and natural resources.

We shall always comply with, and exceed, where practicable, all applicable legislation, regulations and codes of practice.

It is the responsibility of each employee of the Company to ensure that these principles are upheld across our business operations and commercial relationships, and that each employee serves as an ambassador for the company in all our communities.

Policies focussed towards Environment

At PI Industries, we have following policies driven from our approach towards sustainability.

PURPOSE	Inculcate the principles of safety, health and environmental care in our processes			
SUSTAINABILITY POLICIES	Environment Health and Safety (EHS) Policy	Energy Management Policy	Quality Policy	Sustainable Procurement Policy
OBJECTIVE	Assist Board in fulfilling its responsibilities in respect of development, implementation, and monitoring of the Company's initiatives related to sustainability			
SUSTAINABILITY COUNCIL	Board Representation	VC & MD, JMD, ED	Executive Management	CEO, COO, CFO, CPO,
	Operating Team	Head EHS, Head Procurement, Head Marketing, Head HR, Head Operations, ESG Expert officer, BU Head, Lead Compliance		

Governance for Sustainability

In our efforts to further institutionalise sustainability in our governance mechanism, we have formalised a sustainability Council of cross-vertical team members. Primary objectives of the Council is to assist the Board in fulfilling its responsibilities in respect of development, implementation, and monitoring of the Company's sustainable development policies. The Committee will also review reports, if and when required, for inclusion in the disclosure documents for the Company.



We have been awarded Responsible Care logo authorization by Indian Chemical Council from November 2018 until October 2021.

Future-proofing our Business

For PI Industries, risks are defined as events that may impact our ability to achieve our strategy and business objectives, as well as deliver value to stakeholders. Management of risks enables us to anticipate the evolving operating context and respond with agility.

The Company's risk framework encompasses practices related to the identification, analysis, evaluation, treatment, mitigation, and monitoring of the strategic, operational, and legal & compliance risks to achieve its key business objectives. Risk Management at PI seeks to minimise the adverse impact of these risks by deploying mitigation measures, thus, enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. This is done through periodic review meetings of the senior leadership. Our Risk Management Committee comprises of five members, majority being board members including one Independent Director. The primary responsibilities of the Committee include:

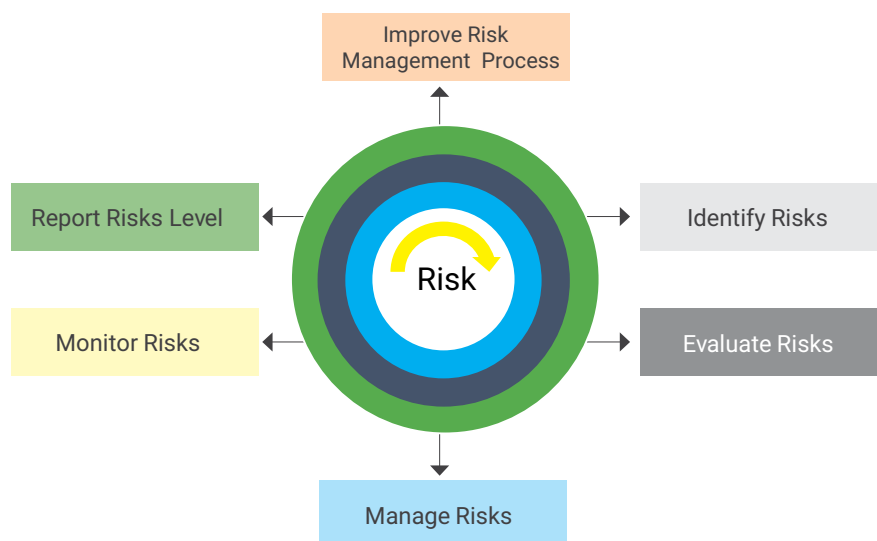
- Formulate a Risk Management Framework and recommend the said framework and any amendments thereto to the Board for its approval. Establish that appropriate methodology, process and systems are in place to monitor, evaluate and report risks associated with the business;
- Review the adequacy of the existing measures to mitigate various risks;
- Evaluate and approve new risks and mitigation measure that may be recommended by the Chief Risk Officer in respect of any function and review the action for its implementation on an ongoing basis;
- Evaluate and direct that appropriate processes and systems are in place to monitor, evaluate and

- report cyber security risks associated with the business of the company and to review the adequacy of the existing measures to mitigate the said risk. PI have adopted an enterprise-wide risk management framework (ERM) to support its vision and achieve its business objectives. The key elements of the ERM include Training employees to consider risks as part of their decision-making process;
- Risk identification, evaluation, prioritisation, consolidation and monitoring;
- Implementing risk management policy.


PI has continuously strived to promote culture of Adaptability, Trust, Speed and Innovation by adopting accountability, transparency and excel performance. We follow a structure to identify, mitigate and monitor risks. All businesses, new projects and related activities go through a detailed feasibility study by internal or external teams to assess risks associated with them. We also give paramount importance to the risk assessment exercises which are conducted at manufacturing units to ensure operations are



conducted in the safest manner. Robust risk management is inextricably linked with business continuity. With a focus on ensuring operational resiliency, PI regards business continuity vital, especially in current times. Our business continuity plans ensure that the identified risks don't disrupt our operations and business. We are happy to announce that we have deployed a Business Continuity System in the South of the Country with all critical business systems having the capability of being operated from the alternate location.

Integrating sustainability in business strategy starts with a clear understanding of business risks with due focus on their sustainability elements. At PI industries, we closely monitor and try to align our strategic approach with global sustainability trends and risks. We have defined clear action plans to address and mitigate these sustainability risks. We are also guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in identifying any climate-related risks and opportunities.



Our Sustainability-related Risks

Risk	Risk Description	Mitigation Measures
<p>Raw materials and waste</p> 	<p>Manufacturing of agro-chemicals use and produce significant amounts of hazardous materials, including raw materials, intermediate, and final products. The handling, storage, and transportation of these materials should be managed properly to minimise environmental and health impacts</p>	<ul style="list-style-type: none"> • Optimising the use of virgin materials • Solvent recovery and reuse • Using smart packaging • Improving the yield of intermediate products to reduce waste generation and raw material consumption • Implementing proper waste management procedures at sites • setting up formal procedures and training employees on implementation of chemical us guidelines for manufacturing
<p>Product use</p> 	<p>The misapplication of agro-chemicals can represent a serious threat to local biodiversity, environment, and water resources. The release of active ingredients and toxic runoff from fields into groundwater and rivers can spread toxic chemicals throughout watersheds, causing potentially irreparable biological damage.</p>	<ul style="list-style-type: none"> • Undertaking bio-efficacy studies • Phasing out particularly harmful ingredients with less dangerous substitutes during product design • Supporting the proper use of products, largely through the provision of information to customers • Following proper labelling of products in accordance with international standards and norms
<p>Employee health and safety</p> 	<p>There are a wide range of occupational safety hazards in the chemical sector-notably biological impacts caused by toxic chemicals and physical injuries occurring during the production process. Health and safety incidents, most notably chemical explosions, have been heavily publicised around the world due to the number of injuries that occur when systems failures occur.</p>	<ul style="list-style-type: none"> • Implementing a robust and effective occupational health and safety management system to prevent exposure to toxic chemicals and to prevent physical injuries in the production of chemicals • Conducting regular audits and safety training for workforce • Ensuring regular checks for spills and discharge
<p>Non-compliance with environment, health, safety, and labour laws (Climate-related risks: Transition)</p> 	<p>The industry is subjected to various laws and government regulations on safety, health, environmental protection, and labour. Further, we anticipate that regulations with respect to climate change and greenhouse gas emissions may become more stringent. Non-compliance may lead to legal ramifications and reduce our brand reputation.</p>	<ul style="list-style-type: none"> • Regular monitoring of emerging regulations • Impact and magnitude of such risks monitored by the Risk Management Committee

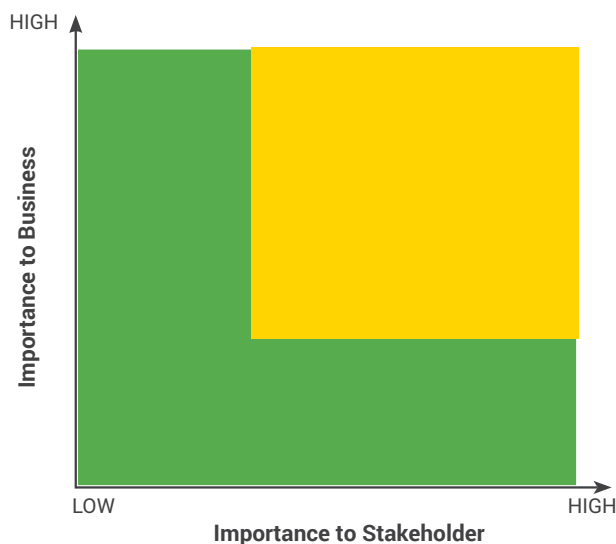
Risk	Risk Description	Mitigation Measures
<p>Energy usage and greenhouse gas emissions (Climate-related risks: Transition)]</p> 	<p>With the adoption of Paris Agreement, countries will strengthen their measures to reduce greenhouse (GHG) emissions. It is expected that government will further tighten regulations related to GHG emissions. This requires the Company to reduce its energy consumption and GHG emissions.</p>	<ul style="list-style-type: none"> • Monitoring and reporting on energy consumption and GHG emissions • Adopting energy efficiency measures, cleaner fuels, and renewable energy • Target to achieve 20% reduction of specific GHG emission (scope 1 and scope 2) by 2023-24
<p>Climate-related risks (Physical)</p> 	<p>The impacts of climate change include frequent weather changes, drought, dry weather, and floods. Being an agrochemical company, the sale of our products are determined by the volume of crops planted. Adverse weather conditions early in the season, especially drought conditions, can result in lower than normal plantings, thereby reducing the demand of our crop protection products. It may also cause volatility in the prices of commodities, which may affect growers' decisions about the types and quantum of crops to plant and may consequently affect the sales of our products.</p> <p>Overall a fairly water intensive sector, our manufacturing operations may be impacted by decreased availability of water. Further, with increased concerns over climate change and its associated impacts, we anticipate enactment of more stringent regulations on water rights.</p> <p>In addition, the effluent discharge from our units comprises of various organic and inorganic material, suspended solids etc., which may be toxic in nature, depending on the production process of the agrochemicals.</p>	<ul style="list-style-type: none"> • Diversifying our product portfolio • Diversifying to different areas for production via various manufacturing channels and in different regions • Leveraging our vast supply chain network to make adjustments in product supply • Operating locations located in non-water stressed areas as identified by the Government • Diversifying to different areas for production via various manufacturing channels and in different regions • Implementing measures for reducing water consumption at source • Onsite water treatment plants and recycling of water with the target of becoming Zero Liquid Discharge (ZLD) • Development of agrochemical products which utilise less water • Target to achieve 25% reduction of specific fresh water consumption by 2023-24

Identifying and Embedding Material Issues

We, at PI Industries, define material topics as issues that have an impact on our ability to create economic, environmental, and social value of ourselves, our stakeholders, and the environment. We had conducted a materiality assessment in 2018 in line with GRI requirements to identify issues that matter most to our business and our stakeholders.

For FY2020-21, we refreshed our materiality assessment through review of sectoral trends, peer benchmarking, and discussions with relevant senior leadership. This exercise has helped us to evaluate our sustainability practices and align them with stakeholder expectations. Based on this process, we identified a list of 18 material topics categorised into high and medium priority topics. Apart from confirming the previous assessment, this exercise also highlighted the growing importance of topics such as diversity and human rights. They are further embedded into the organisational strategy and action plans.

Process of materiality assessment








- High Priority**
- Economic performance and growth
 - Corporate governance and ethics
 - Regulatory compliance
 - Water
 - Waste management
 - Emission reduction
 - Occupational health and safety
 - Local communities
 - Diversity at workplace
 - Product innovation and responsibility
 - Customer privacy
 - Employee development and engagement

- Medium Priority**
- Energy
 - Supply chain sustainability
 - Materials
 - Total quality management
 - Operations excellence
 - Human rights assessment

In addition to this, we have also mapped our material topics with the Sustainable Development Goals. SDGs, also known as Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity by 2030.

Material Topic	Impact Boundary	Why is it Material?	SDGs Mapping
Economic performance and growth	Within PI	Financial sustainability is required for continued operations and growth of the Company.	
Corporate governance and ethics	Within PI	Sound corporate governance practices is necessary to build an environment of trust, accountability, integrity, and transparency within the organisation. It also aids in building trust between company and stakeholders.	
Regulatory compliance	Within PI	Non-compliance with the laws of the land has the potential to disrupt businesses and tarnish the reputation of the Company	
Materials	Within and outside PI	Optimum utilisation of the materials is directly linked to the operating cost. Reduced operating costs enhances profitability, which also impacts PI's investment in employees and other stakeholders.	
Energy	Within and outside PI	Energy efficiency is Important to reduce cost of production and the carbon footprint. Since energy has a significant sustainability connotation from national perspective, it is important to use it efficiently.	
Water	Within and outside PI	Being a water intensive industry, unsustainable water consumption will pose an added stress on our resources, especially in water-stressed areas. Further, water is a shared resource for communities as well, making efficient water consumption important.	
Emission reduction	Within and outside PI	Climate change is shifting the way businesses operate. GHG emissions have increased due to anthropogenic activities. Reducing GHG emissions and mitigating climate change is essential to de-risking our business and responding to stakeholder expectations	
Waste management	Within and outside PI	Chemical industry generates substantial hazardous waste. Safe disposal is must for regulatory compliances, stakeholders, and the ecosystem.	
Supply chain sustainability	Within and outside PI	It is essential to work with our supply chain to cascade sustainable business practices.	
Employee development and engagement	Within PI	Employees are the backbone of any organisation. Retention of the workforce requires us to understand their concerns, focus extensively on training, and providing competitive benefits.	
Diversity and inclusion	Within PI	There is a strong business case for fostering diversity and inclusion at the workplace and productivity of the Company & financial returns	
Occupational health and safety	Within and outside PI	Chemical handling is a high safety risk. Thus, ensuring safety of the employees is critical	
Local Communities	Outside PI	Maintain a long-lasting relationship with the local communities and giving back to the society is of prime importance.	

Material Topic	Impact Boundary	Why is it Material?	SDGs Mapping
Human rights assessment	Within and outside PI	Human rights touches all aspects of a company's operations. Respecting human rights of all stakeholders is both a legal and ethical imperative.	
Product innovation and responsibility	Within and outside PI	Due to the nature of its business, PI has to make sure that there are no harmful effects of its products on its customers and to the environment. Creation of value-added products of our customers requires innovation and research & development.	
Customer privacy	Within and outside PI	As custodians of customers sensitive information, it is important to keep confidentiality of all the customer related information.	
Total quality management system	Within PI	As a customer-focused organisation, ensuring quality of our products is essential to meeting their needs and expectations	
Operations excellence	Within PI	Exceeding customer expectations by continually improving our processes will contribute to the growth the Company	

Creating Value for our Stakeholders

We are committed to work closely with all our stakeholders in our journey towards inclusive growth. We define our stakeholders as entities or individuals that are significantly affected by the organisation's activities, products, and services; and whose actions affect the ability of the organization to successfully implement its strategies and achieve its objectives. We engage with our stakeholders to broaden our awareness, seek technical input, and collaborate to build a sustainable business.

As part of our business, we engage with a wide range of stakeholders throughout the year using both formal and informal engagement methods. During the reporting period, the Company continued to gather diverse opinions through stakeholder forums, surveys, and on-site visits across its stakeholder spectrum including customers, employees, suppliers & dealers, shareholders/investors/analysts, and community.



Stakeholder Group and their Significance	Mode of Communication and Frequency	Key Topics of Significance
<p>Employees Building a committed workforce comprising of best talent, enabling their professional & personal development, and ensuring their safety & well-being is key to meeting our vision and business objectives</p>	<ul style="list-style-type: none"> • Regular employee engagement initiatives • Annual performance appraisal • Annual employee satisfaction survey • Internal Portal 	<ul style="list-style-type: none"> • Employee satisfaction • Talent retention • Remuneration and other employee benefits • Grievance resolution • Diversity and equal opportunity • Safety, health, and well-being
<p>Investors and shareholders We leverage the financial capital from our investors and shareholders to invest in our operations & product development, employees, and communities. As such, maximising returns for shareholders and attracting new investors remains a priority for PI</p>	<ul style="list-style-type: none"> • Annual General Meeting • Investors meet and periodic correspondence 	<ul style="list-style-type: none"> • Shareholding pattern • Disclosures in the public domain • Sustainable growth of business and profitability • Timely receipt of dividends • Sound corporate governance mechanisms
<p>Customers and partners, including farmers Customer satisfaction and retention is crucial for our growth. We constantly engage with customers to anticipate & meet their needs of high-quality products and responsive services</p>	<ul style="list-style-type: none"> • Annual meetings with sales associates • Website, product brochures, newsletter, social media • Forums, seminars and conferences • Customer satisfaction survey • Field demonstrations and trainings 	<ul style="list-style-type: none"> • Customer satisfaction • Product innovation and new product development • Market competition • Investment opportunities • Communication to the customer and partners • Customer health and safety • Productivity
<p>Suppliers We rely on our vast supply chain network to procure raw materials for product development and supply our products to customers</p>	<ul style="list-style-type: none"> • Annual and half-yearly supplier audits • Tendering process • Supplier survey • Meetings by purchase department 	<ul style="list-style-type: none"> • Suppliers assessment and training
<p>Community We regularly engage with the community around our areas of operations to ensure that they are having a positive and inclusive socio-economic impact. It forms the basis of our social license to operate.</p>	<ul style="list-style-type: none"> • CSR initiatives 	<ul style="list-style-type: none"> • Sustainable agriculture • Community well-being • Infrastructure development • Local employment • Women empowerment
<p>Regulatory bodies We adhere to the environment- and socio-economic laws of the region. We also proactively engage with regulators for proactive compliance. Engagement is also necessary to understand the emerging regulations on sustainability and climate change</p>	<ul style="list-style-type: none"> • Compliance reports • Corporate website • Annual reports 	<ul style="list-style-type: none"> • Statutory compliance • Product safety • Sound corporate governance mechanisms • Environment impact of our operations

Embedding Responsible & Effective Governance

Governance Structure

PI strongly believes in enhancing the stakeholders' value through good corporate governance practices which not only involves transparency, empowerment, accountability and integrity but also trust, speed, innovation and adaptability. Embedding strong and ethical governance practices sets the foundation for realising our growth strategy, reposing the trust and confidence of our stakeholders, and enhancing our reputation for integrity, which in turn helps us attract and retaining human & financial capital. The Company's overall governance framework, systems and processes

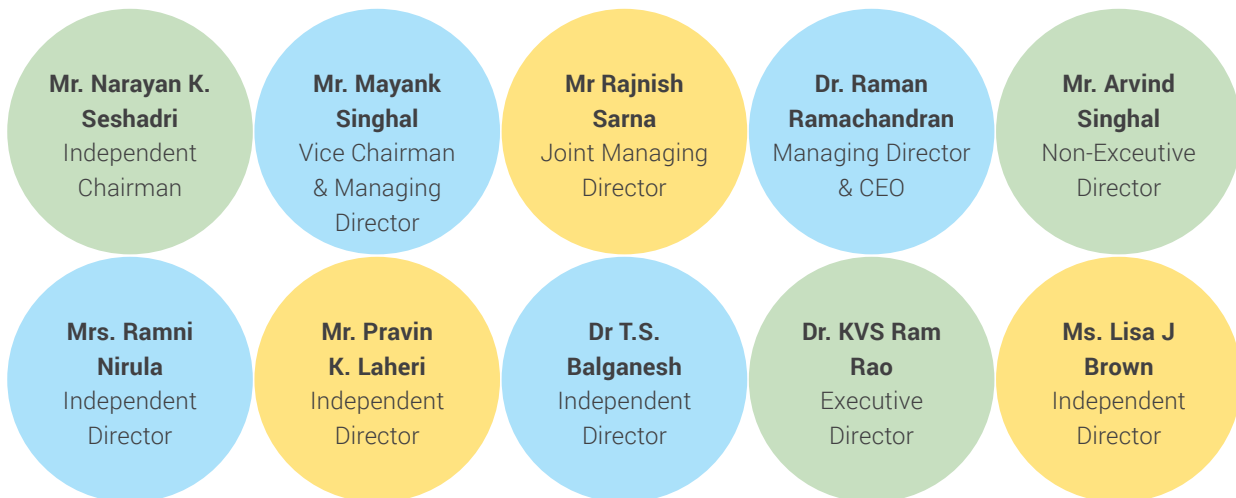
reflect and support our Mission, Vision and Values. We regularly benchmark our framework with national and international best practices to improve our practices.

We have a balanced and diverse Board of Directors which sets the Company's core values and standards and provide guidance to the senior leadership on various aspects of business, policy, direction, governance and compliance. Ensuring effective governance on risk, internal controls, and compliance with laws and regulations is also a critical function of the Board. In addition

to diversity and independence, we also consider diversity of skills and thinking styles, functional knowledge, and domain expertise during the appointment of Board members. In order to promote diversity in the Board, we have formalised the Policy on Board Diversity .

The Board also carries out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its committees.

Our Board of Directors



2020-21 Highlights

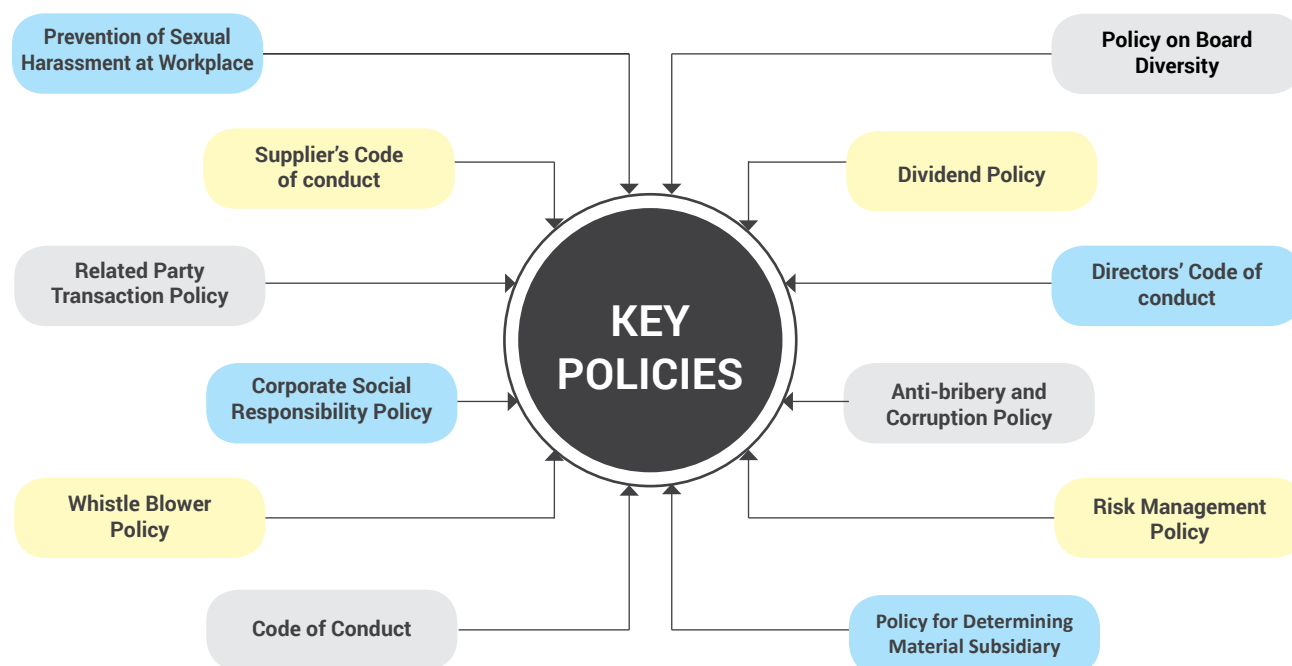
- 99% of our workforce completed training of our Company's Code of Conduct
- 99% of our workforce completed training on Cyber Security Module
- No Penalties imposed on PI Industries for material non-compliance with respect to corporate governance policies
- Increased Gender Diversity by appointing one more Independent female director to the Board of Directors, inline with PI Industries' diversity agenda
- Directors on the Nomination and Remuneration Committee are 100% Independent

Governance Committees

MANAGEMENT ADVISORY COMMITTEE	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE
Mr. Mayank Singhal, Chairman Dr. Raman Ramachandran, Member Mr. Narayan K. Seshadri, Member Dr. T.S. Balganes, Member Mr. Rajnish Sarna, Member	Mr. Narayan K. Seshadri, Chairman Mr. Rajnish Sarna, Member Mrs. Ramni Nirula, Member	Mrs. Ramni Nirula, Chairman Mr. Narayan K. Seshadri, Member Mr. Pravin K. Laheri, Member Mr. Arvind Singhal, Member
STAKEHOLDERS RELATIONSHIP COMMITTEE	CSR COMMITTEE	RISK MANAGEMENT COMMITTEE
Mr. Pravin K. Laheri, Chairman Mr. Mayank Singhal, Member Mr. Rajnish Sarna, Member Dr. T.S. Balganes, Member Mr. Rajnish Sarna, Member	Mr. Pravin K. Laheri, Chairman Mr. Mayank Singhal, Member Mrs. Ramni Nirula, Member Mr Rajnish Sarna, Member Mrs. Ramni Nirula, Member	Mr. Mayank Singhal, Chairman Mr. Narayan K. Seshadri, Member Dr. Raman Ramachandran, Member Mr Rajnish Sarna, Member Dr. K. V. S. Ram Rao, Member

Our Policy Framework

Our code of conduct(s), policies, and governance framework defines a value system which expects high standards of honesty, integrity, ethical and law-abiding behaviour from all our business operations and employees. We have laid down well-defined codes of acceptable conduct for employees, management, and suppliers. These codes are periodically reviewed to ensure efficacy. We also have a strong redressal mechanism in place to address stakeholder grievances in a timely manner. All such policies are available on our website at <https://www.piindustries.com/investor-relations/Corporate-Governance/Policies>. Some of the key polices are



Governance

Compliance with Policies, Codes and Regulatory framework is one of the drivers to enhance performance and strategies. We have mandatory training modules to train and develop all employees on these codes and policies. Reporting on violations of any provisions of these codes or policies is handled through our strong and robust vigil mechanism and promoted to develop transparent and compliant ecosystem

Ethics and Compliance

At PI, Compliance Management is one of the drivers to enhance performance and strategies. We focus on four pillars under the compliance framework: statutory compliances, compliances from iso standards, compliance to corporate requirements, and compliance to contractual commitments.

We have an online compliance tool that helps us track and manage compliance of various regulatory and statutory requirements. Additionally, we have mandatory training modules in place to train and develop employees on corporate requirements such as 'code of conduct', 'anti-competitive practices', 'information security', etc.

We also have internal audit mechanism in place to ensure that there are no

gaps or breaches. We also promote transparency and effective mechanism to monitor the good practices being followed in the key areas such as environment, health and safety, compliance, human resource, product responsibility, and social responsibility. However, we believe that acting ethically involves more than complying with laws and regulations.

Our Anti-Corruption and Bribery Policy applies to all our operating locations & subsidiaries, and extends to all our employees, contractual workforce, suppliers, and agents. Implementation of the Policy is ensured through training, communication, and internal audits. Provisions of the Policy and our expectations are communicated to all employees at the time of induction.

A strong grievance framework set up provides all stakeholders access to the grievance redressal mechanism so that the concerns are addressed duly, and where necessary is also brought to the attention of PI's management.

Our Vigilance and Ethics Officer investigates any allegation of corruption and violation of the Policy. Following any such investigation, corrective measures and/or disciplinary actions are taken, as appropriate.

During the year, we didn't record any case of non-compliance with environmental or socio-economic laws. We also didn't record any confirmed incident of corruption or anti-competitive behaviour.



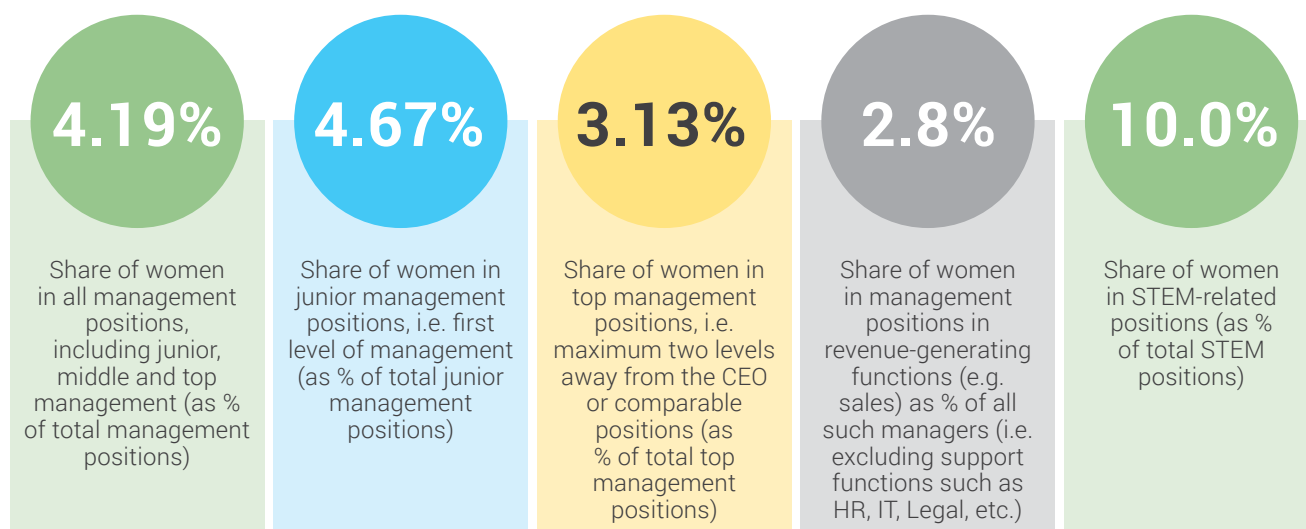
Building a Committed & Empowering Workforce

Highly skilled and motivated employees are PI's core asset and key to our success. We aim to build a committed and agile workforce comprising of exceptional talent from different age groups, genders, cultures, ethnicities, skills, and capabilities. PI is committed to being an equal opportunity employer, where merit in qualification and capability is the sole criteria for selection, remuneration, and promotion of all employees. We also strive to offer our employees a challenging and nurturing work environment, with a focus on improving their job expertise and cultivating next generation of leaders. .



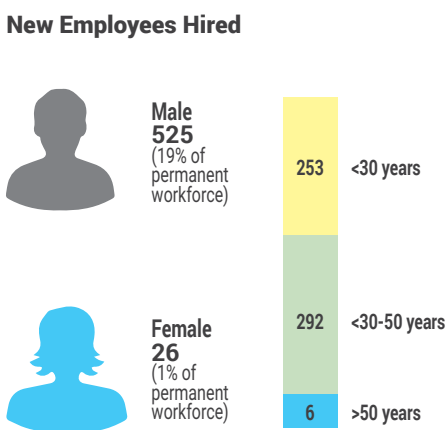
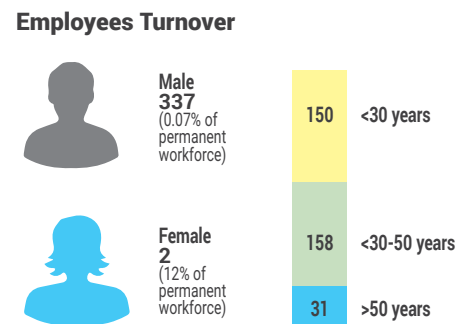
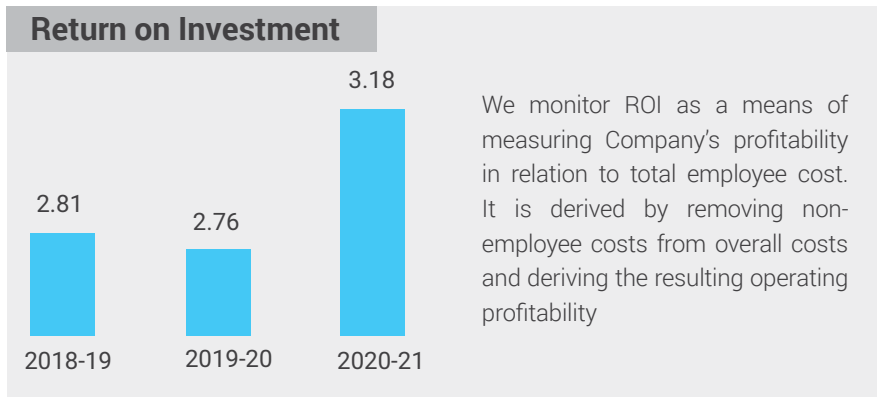
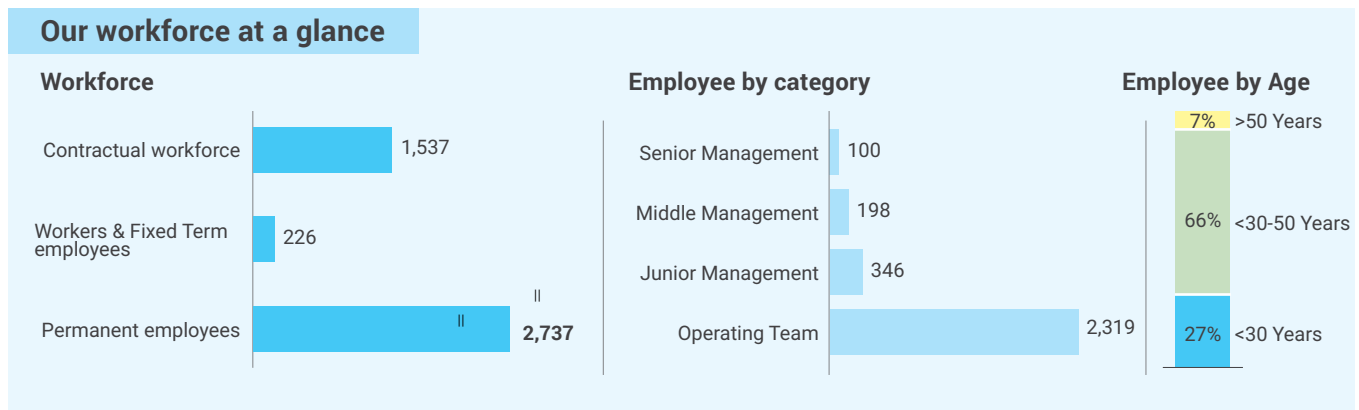
2020-21 HIGHLIGHTS

- 40, 674 training hours
- 40 Lakh INR total training cost
- 15 hours per employee is average training hours for our employees
- 100% utilisation of digitised training module during COVID-19
- Gender Pay Scale Parity
- 3.18 Human Capital Return on Investment



Our Diverse and Inclusive Workforce

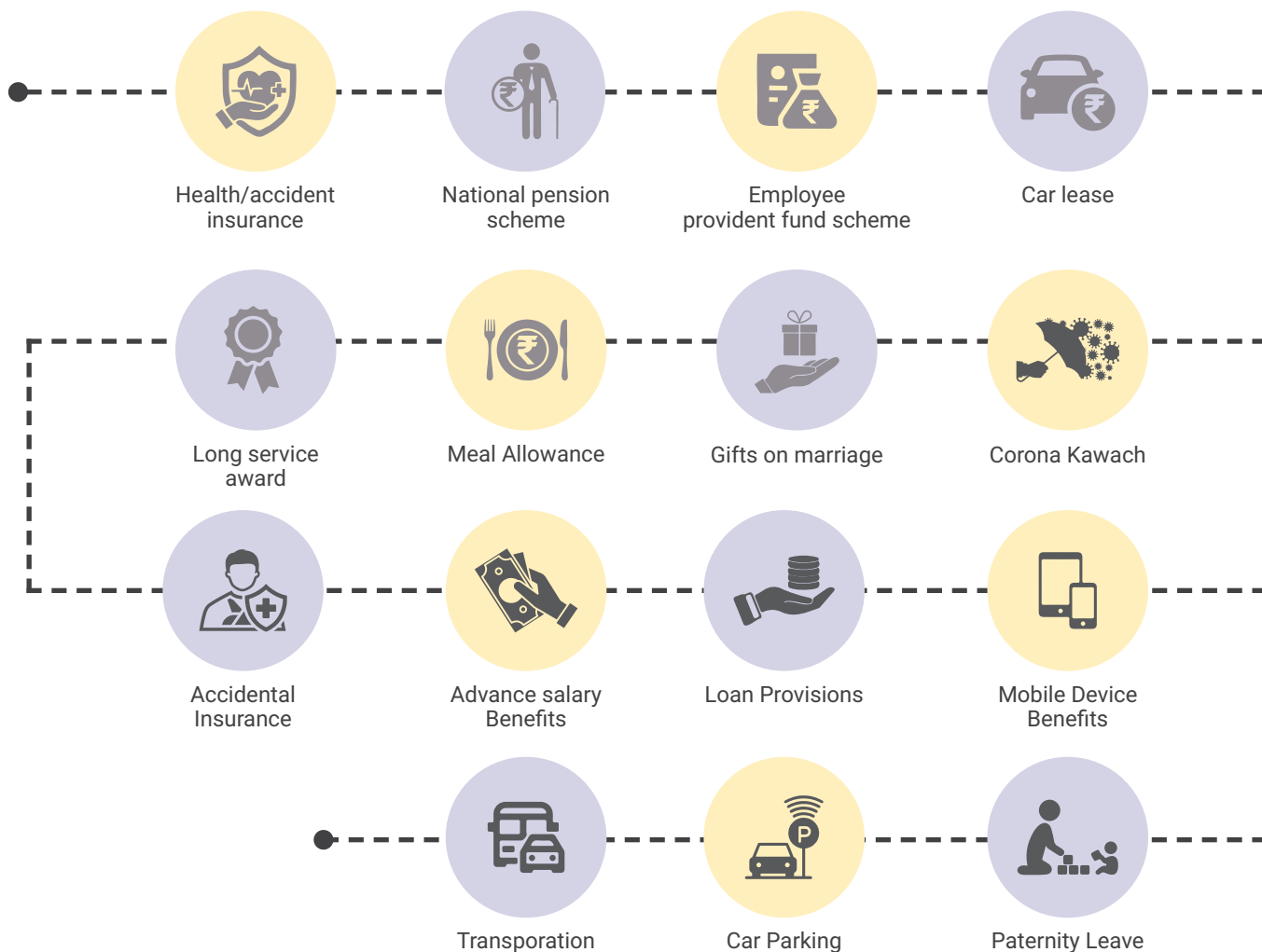
Our workforce is one of the Company's key strength. At PI, we focus on hiring people with a wide range of talent, both new recruit and experienced professionals to ensure sustained growth of all business segments.



Gender Pay Indicators

Average Female Salary (in INR)	Employee Level	Average Male Salary (in INR)
19,51,798	Management level (base salary only)	22,31,359
21,79,259	Management level (base salary + other cash incentives)	25,27,807
4,67,728	Non-management level	6,84,461

Benefits provided to full-time employees



Creating a Future-ready Workforce

Due to the dynamic nature of our business, innovation in all we do is crucial to our business. Anticipating future needs and developing necessary competencies in our employees is thus, a business requirement. As a response to this need, we offer multiple learning and development opportunities to our employees.

The process starts by identification of learning needs both at individual level by employees themselves as well as by human resource department and functional heads at an organisational

level. Based on the specific requirements, an annual training calendar is finalised and training is imparted through both internal and external experts. Our training programs comprise several technical, domain, soft skills, and leadership aspects.

We have dedicated facilities like learning centers and training labs for classroom sessions as well as access to e-learning and video-based modules, providing convenient and flexible learning environment. In 2018, we launched

a Learning Management Solution to enable employees to own and take charge of their learning. EMS is an online training and development system, where different e-modules are uploaded and assigned to staff members as per specific requirement. We tied up with Skillsoft, a global learning solutions provider, to offer a range of learning modules to our employees.

- Evaluating employees against behavioral and leadership competencies using a battery of proven tests;

- Developing and implementing individual development plans for each employee through a mix of experiential learning, executive education, cross-functional teaming and coaching and mentoring;
- Developing differentiated career paths for employees based on their performance and potential;
- Establish a structured process for Talent Review to monitor the progress and development of employees in line with business needs;
- Use the outcomes of the assessments to develop succession plans for critical role;
- Integrate the outcomes of the above with career decisions.

Our Career Management Framework helps in charting out the pathway for employee growth, by detailing various career options available to employees in the different functions and defining the capabilities and competencies required for an employee to progress their career in multiple ways. Initially implemented for Agri-input business, we are in the process of expanding this to other businesses and functions.

Learning Hours in FY2020-21 Up (By Gender and Age Group)

Age Group	Female	Male	Grand Total
Less than 30	324	8,940	9,265
30-50 Years	179	28,396	28,576
Greater than 50	5	2,829	2,834
Grand Total	509	40,165	40,674

Learning Hours in FY2020-21 (By Level and Gender)

Level	Female	Male	Grand Total
Senior Management	9	1,286	1,295
Middle Management	18	2,564	2,582
Junior Management	29	4,927	4,956
Operating Team	454	31,389	31,843
Grand Total	510	40,166	40,676

Respecting Human Rights at Workplace

Human rights remain at the forefront of all activities undertaken by the Company. PI Industries identifies and manages human rights risks, especially topics related to employees, joint ventures, business partners (suppliers, contractors, and customers) and local communities where we have operations. This year, we launched our Human Rights Policy in alignment with the principles of International Labour Organisation and United Nations Global Impact. The key elements of our Policy are:

Forced Labour:

All our employees work on mutually agreed terms and conditions defined in the appointment letter accepted before the start of employment in the company.

Child Labour:

We do not employ any person less than 18 years of age and ensure that this Policy is adhered to by all our suppliers and vendors.

Freedom of Association:

PI has multiple forums and committees such as Safety Committee and Canteen Committee, with representation from workforce to jointly decide on measures to improve working conditions in the company. Employees are encouraged to provide valuable suggestions or voice grievances, in a dedicated platform named 'Human Resource Service Management', which are addressed in a time bound manner.

Right to Collective Bargaining:

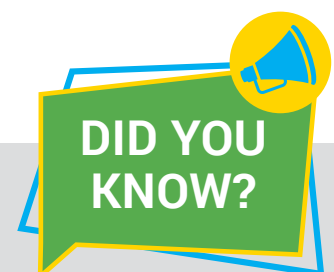
Periodic compensation benchmarking surveys and a consistent and

transparent performance management system ensures that employees at all levels are compensated in line with industry benchmarks.

Equal Employment Opportunity:

PI is an equal opportunity employer; we aim to ensure that no employee (or a job applicant) receives less favourable treatment, because of age, disability, gender, race, religion, or belief. We are committed to provide equal opportunities in employment and creating an inclusive work environment.

No significant risks related to forced and child labour as well as violation of the right to freedom of association & collective bargaining have been identified at our locations.



The average training hours for our employees in FY2020-21 was 15 hours per employee. This year, we have launched the Percipio Platform that provides hundreds of e-Learning courses from a wide variety of professional topics for employees to indulge in via their laptops, desktops, mobiles or tablets.

Promoting Employee Safety and Conducive Workplace



We believe maintaining high standards of safety and health throughout our operations is the cornerstone to our continued success. We have a robust management system to ensure safety of personnel and process and the approach is reflected in our safety policies, risk assessment framework, incident review and audit systems. We closely monitor safety performance parameters and set goal for improvements on incident rates.

Based on the Corporate EHS policy, we perform safety risk assessment at different stages from new chemical process R&D through the commercialisation process to plant design, construction, operation, and maintenance. We leverage tools such as Hazard Identification and Risk Assessment to analyse and prioritise risks, and develop risk mitigation plans. We have established multi-functional safety committees at all our manufacturing units who are responsible for driving occupational

health and safety. They bring together various stakeholders, evaluate, and recommend actions to improve working conditions, and promote positive safety culture. These include decisions on any issues related to personal & process safety & welfare, industrial hygiene, and environment management.

We encourage our workforce to report any hazards or unsafe conditions, without the fear of any reprisals. We also track reported near miss incidents to monitor our safety performance. Frequent external and internal audits form a part of continual efforts in improving various leading and lagging indicators. As part of our process, we carefully analyse the cause for any work-related incidents and make correction in the standard operating procedures to avoid such eventualities. We are focused on cultivating the right safety attitude and taking measures to avoid and mitigate any future risks. We reported total 2,969 numbers of near miss in FY2020-21.

We continue to educate and encourage every member of our workforce to embrace safety as a value. Safety and occupational health is a mandatory module of induction process. Refresher training programmes and periodic workshops are also conducted to enhance safety awareness and knowledge among employees and contractors.

All our facilities are equipped with dedicated occupational health centers with necessary first-aid facilities, full time medical officer in charge, and a well-equipped ambulance. We also have tie-up with external hospitals in case of any serious incidents. Mock drills for identified potential threats like fire/leakage/medical emergencies etc. are regularly organised to enhance employee awareness and ensure proper handling of emergencies.

SAFETY MANAGEMENT SYSTEMS

OBJECTIVE	GOVERNANCE	METRICS
Prevent fires, explosions, and release of hazardous materials.	Enforce robust process safety management systems and procedures at all our sites	<ul style="list-style-type: none"> Process Hazard Analysis (PHA) PreStartup Safety Review (PSSR) Management of Change (MOC)

SAFETY SNAPSHOT

Parameters	2019-20		2020-21	
	Employees	Contract Workers	Employees	Contract Workers
Number of fatalities	2.00	4.00	Nil	Nil
Rate of fatalities	0.47	0.41	Nil	Nil
Number of high consequence work-related injuries	Nil	2.00	1.00	Nil
Rate of high consequence work-related injuries	Nil	0.20	0.22	Nil
Number of recordable work related injuries	8.00	6.00	4.00	3.00
Rate of recordable work related injuries	1.90	0.61	0.88	0.35
Number of hours worked	42,16,246.00	98,09,448.00	45,62,797.00	84,88,158.00


2020-21 HIGHLIGHTS

- 4 out of 5 manufacturing locations are OHSAS 18001/ ISO 140001, covering 100% of employee and contractual workforce. Target to get 5th manufacturing location OHSAS certified in 2021
- LTIFR improved from 2019
- No fatalities
- 3 out of 5 manufacturing locations attain goal of 'ZERO-ACCIDENTS' in 2020.

Well-being of our people remained at the center of all the activities and we took various steps across levels to make sure that our people are safe and secure during the pandemic.

VISION	Physical and Mental Well-being of our workforce
ACTIVITIES CONDUCTED	Organised health talks with eminent medical experts pre, during and post COVID-19
	Organised awareness sessions with medical experts on communicable and non-communicable diseases
	Organised medical screening camps across PI locations to monitor health of workforce

The occupational health and safety management system of 4 of our sites are certified by OHSAS 18001, covering 100% of employees and contractual workforce. Our new site at Panoli will be certified in FY2021-22.



DID YOU KNOW?

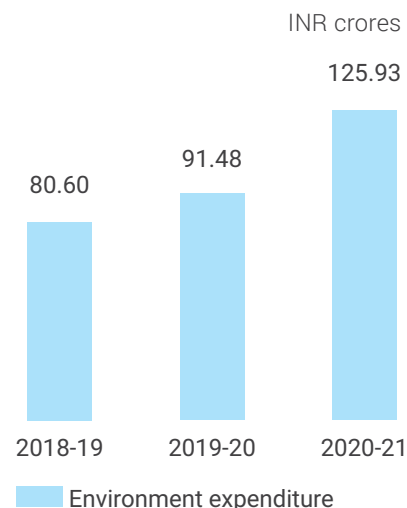
Our Unwavering Commitment to Environment

At PI, we believe in adopting a cohesive approach to environmental sustainability in line with national & international requirements and mandates that encourage businesses to adopt greener processes. Considering that we have 5 manufacturing plants and 1 R&D site, we seek to follow a systematic approach to minimising the environmental footprint of our operations while fulfilling the needs of our customers. We focus on the following key areas: resource optimisation (including materials and water), reduction of emissions and energy use, and responsible waste management. Our ambition is to among the benchmarks in operational

eco-efficiency in the industry. Our environment management system is certified as per provisions of ISO 14001:2015.

In order to understand how our environmental performance creates value for us and our stakeholders, we monitor our investments on environmental management as well as research and development and track the year-on-year return on existing investment. In FY2020-21, our environment expenditure amounted to INR 125.93 crores (capital and operating expenses). Our total savings due to the implementation of these management action was INR 8.78 crores.

Investment on environmental management



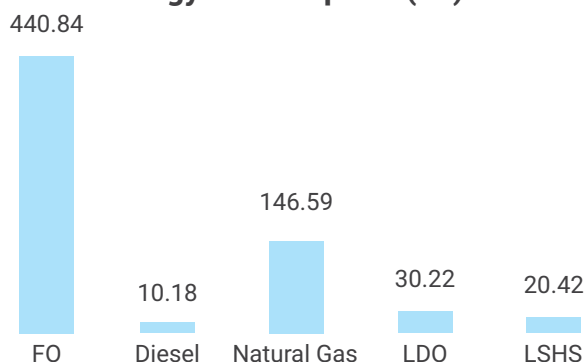
Highlights

- Reduced water consumption (Specific) by 17%
- Increased environmental investments from 2019
- Increased renewable energy from 2019
- Reduced generation of Hazardous waste from 2019
- PI topped the TFS audit conducted by BCS for its leading suppliers by securing a score of 99 out of 100

Energy

At PI, energy use is mainly for our manufacturing processes and research & development activities. We employ both direct and indirect energy sources with a mix of renewable and non-renewable fuel types in our operations. Natural Gas and furnace oil comprise a major portion of our direct energy mix and are used for running generators and boilers. The graph below provides a brief picture of our direct energy consumption in FY2020-21. Indirect energy consumption (power purchased) this year was around 421.8 TJ. Of the total power purchased, approximately 2% is from renewable sources (wind and solar energy).

Direct energy consumption (TJ)



Energy (Direct and indirect) intensity (TJ per MT of production): 0.06

Our approach to energy saving is largely focused on reducing our direct and indirect energy consumption. To this end, we have been implementing several initiatives in the past few years, such as replacement of existing equipment with new, energy efficient equipment, installing energy saving devices in existing equipment, purchasing higher

voltage power to reduce consumption, and installation of a rooftop solar panel in our R&D site in Udaipur. We have also greatly strengthened our energy efficiency monitoring efforts in the past couple of years, and hope to integrate more renewable energy sources into our operations (specifically, solar,

wind, and other hybrid sources) as years progress. We have obtained ISO 50001:2011 Energy Management System (EnMS) Certification for our Jambusar site. Our key energy savings initiatives have been encapsulated in the box below:

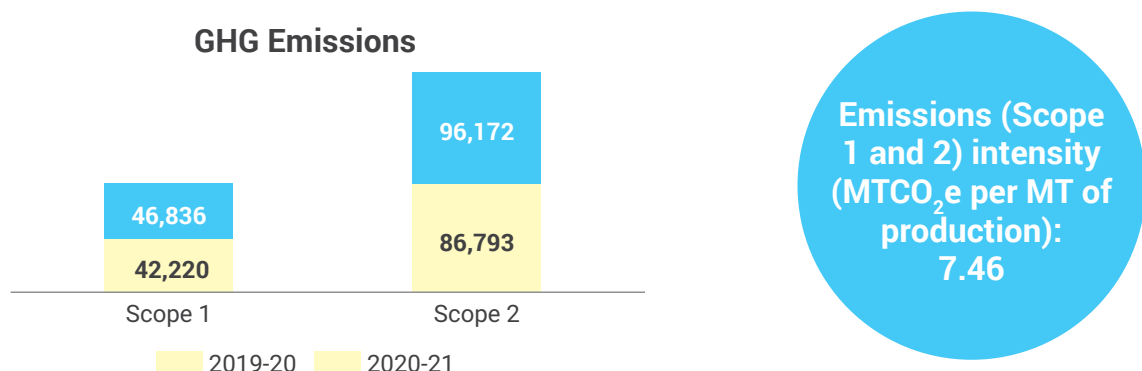
Energy Saving initiatives taken in FY 2020-21

- 3.5% reduction in boiler fuel consumption reduction by implementing Fuel Emulsification System for improving Combustion efficiency.
- 100% conversion of all HPMV Lights in plant area with 45 W LED Lights in (Phase-III)
- 3.5% reduction of power consumption by optimizing operation in -35 C & -15 C Brine systems
- 7 % power consumption reduction by variable frequency drive in -35 Brine secondary pumps.
- Reduction in power consumption by implementing temperature interlock in cooling tower fans.

Emissions

PI Industries' main products are insecticides, fungicides, and herbicides for agricultural use - which contribute to GHG and other air emissions both during manufacturing and use, and impact the entire value chain of agricultural products. Considering this, we are fundamentally committed to reducing harmful emissions as far as possible, since our products impact what ends up on people's plates, or in their everyday lives. An example is the promotion of Direct Seeded Rice Technology (DSR) by PI, whereby carbon emissions are reduced because there is no transplantation required. Our initiatives on energy efficiency as well as use of renewable energy contribute to reducing GHG emissions from our operations. In order to reduce our emissions, we are in the process of replacing fuel oil with light diesel oil at our sites.

Our Scope 1 GHG emissions comprise of emissions from the fossil fuels - which are furnace oil, diesel, natural gas. Our Scope 2 GHG emissions comprise of the grid electricity used for our manufacturing processes, e.g., for chillers, coolers, and air compressors.



The chart below gives a split up of our direct GHG emissions (in MTCO₂e).

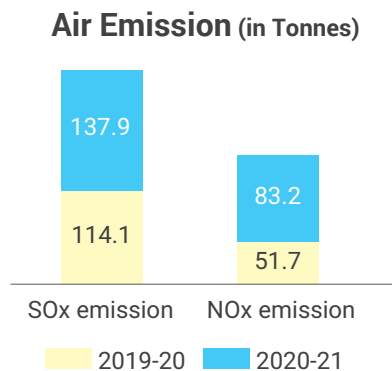
Direct (Scope 1) Emissions					
Source	LDO	LSHS	FO	Diesel	Natural Gas
GHG Emissions	2,239	1,497	34,121	754	8,224

While our absolute emissions increasing, our emissions intensity decreased marginally this year.

Other Air Emissions

Our air emissions mainly consist of NOx and SOx released from our manufacturing processes. The stacks emissions are monitored on monthly basis to ensure the emissions are within the permissible limits prescribed by the Pollution Control Board. We also

monitor fugitive VOC (volatile organic compounds) emissions through online VOC monitors installed at our sites. The graph below shows the quantity of air emissions released from PI Industries' operations in 2020-21:



In order to reduce SOx and NOx emissions, we use low sulphur fuel in boilers and high efficiency burners respectively. We are also using natural gas for boilers at our Panoli site to further reduce the emissions.

During FY 2020, we had commissioned one new manufacturing site and enhanced the capacity of existing manufacturing sites, due to which GHG and Air emissions had increased

Water Consumption

Judicious water use and consumption is at the core of sustainable development and is critical for our processes and the ecosystem that we thrive in. Water is also at the heart of adaptation to climate change, serving as a crucial link between the climate system, human society and the environment. Hence, we consider it our duty to reduce water consumption not only during the production stage, but across the entire value chain - considering that insecticide manufacturing is also a water intensive industry. Our water use is mainly in manufacturing, and also for domestic uses such as drinking, washing, and using toilets. **Our (fresh) water consumption in FY2020-21 was 7.52 lakh kl across all plants. Our specific water consumption was 39 kl per tonne of production.**

We regularly monitor our water consumption and integrate steps towards reducing water usage in our action plans towards improving productivity across each of our plants. The need to engage in responsible withdrawal and usage of this scarce resource is also inculcated in employee mindsets. Apart from these, we have undertaken various other initiatives across our manufacturing plants with an aim to decrease abstracted water demand in our operating plants. These are encapsulated in the figure below:

Water conservation measures



Installation and maintenance of rainwater harvesting systems across all our plants



Introduction of reverse osmosis and ultrafiltration for increased recovery of wastewater (as a part of tertiary wastewater treatment)



Continuous monitoring of water consumption across all our plants.



Introduction of drip irrigation to replace surface irrigation in gardening



Replacement of wooden drift eliminators with PVC drift eliminators to reduce water consumption in the process cooling tower



Conversion of water cooled air compressors to air cooled ones to reduce water and power consumption

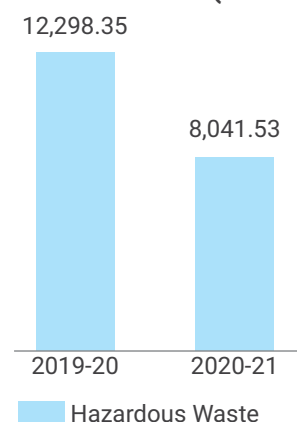
Waste Management

The agro-chemical industry is inherently prone to generating a high quantity of hazardous waste, both during manufacturing as well as use. Hence, while we strictly adhere to CPCB regulations in disposing and handling our waste, we also seek to reduce waste generation at our units in the future by making our processes more efficient. The waste generated from our plants comprises mainly of hazardous waste after manufacturing of our products viz. process waste salt, process residue, distillation residue etc. and non-hazardous waste comprising of wooden scrap, plastic, metal scrap, and paper waste. All non-hazardous waste is sent to authorized recyclers for disposal. We are continuously working

on to reduce the hazardous waste generation by process optimization, yield improvement and recycling.

Currently, effluents generated at our plants are treated and processed with innovative technology for recycling. Our Udaipur facility and the Formulation plant at Panoli are zero liquid discharge units, and we have laid down plans for achieving zero liquid discharge for the remaining locations as well. The plants which are not zero discharge are having full-fledged Effluent Treatment Plant (ETP) comprising primary, secondary and tertiary stages where effluent is getting treated to achieve the discharge norms set by the Pollution Control Boards. In the year 2020-21 we discharged treated effluent from ETP

Waste Generated (in Tonnes)



We generated 1752.95MT of Non Hazardous waste in 2019-20 and 2335.77 MT in 2020-21

having COD value of 41.1 MT. Apart from this, we are also working towards using smart packaging in order to minimise the volume of packaging waste

Hazardous Waste sent for land filing	4,319.83 MT
Hazardous Waste incinerated	3,721.70 MT
Total Hazardous waste	8,041.53 MT

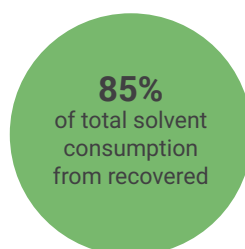
Promoting a circular economy

Our raw material consumption primarily consists of different organic and inorganic chemicals and solvents. It is our endeavor to optimise the use of virgin material in our operations and reuse raw materials without compromising on the quality of our products. Solvent recovery is our prime focus area and we take several initiatives to recover and reuse solvents in our manufacturing facilities. During the year 85% of our total solvent consumption was from recovered and reused material. We

also recycled catalyst in process that also resulted in reduction of resource consumption.

Our packaging material includes various containers, drums, bottle, bags, plastic sheets, cardboard, paper labels etc. We have standardised our packaging, making it tamper proof. Due to safety concerns, we do not reuse most of our packaging materials and it is classified as hazardous waste which is disposed of in prescribed manner. The Company also modified the packing of various

finished products to reduce the usage of plastic and increase use of recycled paper. During the year, the Company also encouraged procurement of raw materials in bulk, IBC containers, or jumbo bags. This helped in reducing generation and handling of various types of packing materials, better adherence to environment and safety guidelines and also maximum use of container space thereby reducing overall number of trips.



Sustainable Supply Chain

We have implemented sustainable parameters across various facets of the business. However, it is equally important to implement it across the value chain of our products, through our supplier, vendors, whole sellers and partners. This also helps in educating them on sustainability parameters and reducing the social and environmental risk at our associated business partners and suppliers.

We have developed processes and systems, to evaluate the suppliers and other external service providers, not only on the quality parameters and technical strength, but also on the sustainability parameters to create an inclusive business environment. Through this, we want to demonstrate our commitment towards Cleaner, Greener Environment and fulfilling our social responsibilities.

The Company has a formal policy for Sustainable Procurement, which is regularly reviewed to ensure that it continues to help us move towards our vision. We encourage our supply chain partners to review this information and ensure that principles and practices outlined in the policy will be reflected in their on-going business dealings with us. As a part of our on-boarding process, vendors are encouraged to incorporate sustainable practices such as use of solar and wind energy, water conservation, and waste reduction. Sustainability audits of

Ethically Driven

- Business Integrity & Ethics
- Legal and Regulatory compliance
- Human Rights

Socially Focussed

- Responsible conduct with stake holders
- Local community development
- Health & Safety of employees

Green Inspired

- Green Progresses
- Reduce, Recycle and Re-use
- Adopting Green Initiative and Practices

Quality Centered

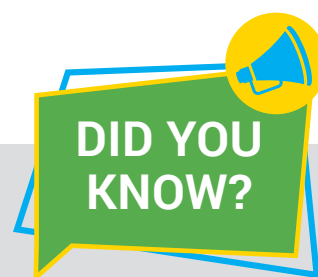
- Quality Assurance System
- Materials Management
- GMP Practices Controls

our key suppliers also form a critical component of our supply chain framework. During the reporting period, the Company organised Vendor meets and visited vendor locations in phase wise approach during February and March 2021. The purpose of the meet was to understand the progress on ongoing initiatives of new packaging with each supplier. Our Technical Team offered necessary guidance so that the suppliers can get necessary support to run their business in more environment friendly, compliant and

therefore sustainable in the long run. 20 new suppliers (100%) were screened on environmental criteria during the year.

We aim at making our value chain environmentally friendly and responsible. We are committed to comply with the requirements of local laws and regulations related to environment in the country and regions in which we operate including from where we source any material, product and / or services.

We also strive to use renewable raw materials such as seaweed (excluding energy) in the manufacturing of our crop protection products. During the reporting period, 35.85% of our raw materials were renewable in nature for domestic agri input market segments.



Resilient Sustainable Economic Growth

PI's approach to the management of financial capital is based on the optimal utilisation of inputs, and the subsequent investment of the surplus into research and development and attractive growth opportunities. We utilise a robust financial planning process to assess and forecast the requirements of fund for the operations and investments towards our growth and expansion strategy.

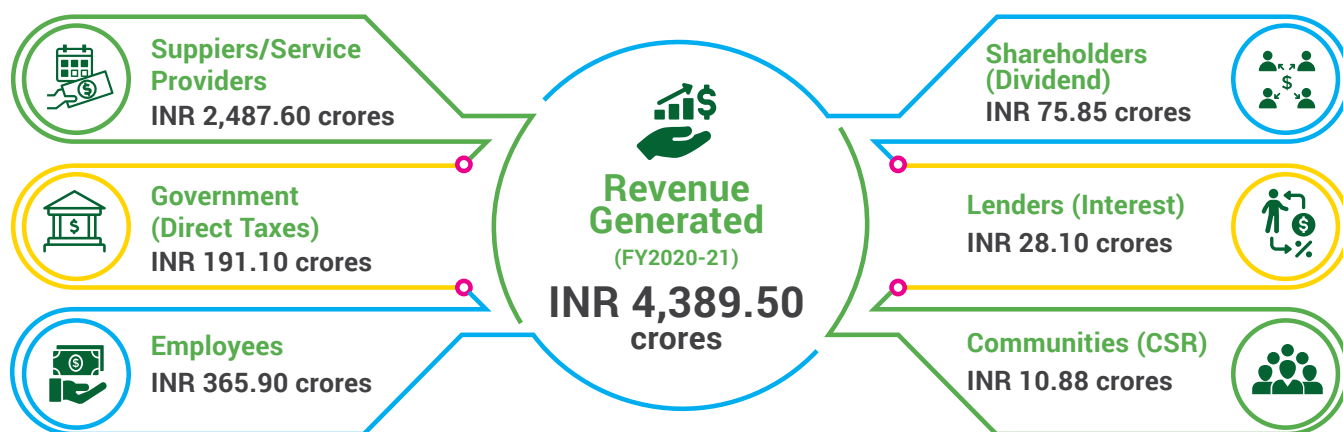
The Company has in place an adequate Internal Financial Controls for ensuring efficient conduct of business. We have laid down well defined policies and procedures for all critical processes across our plants and offices wherein financial transactions are undertaken. The policies and procedures cover the key risks and controls in all the processes identified to respective

process owners. In addition, PI has a well-defined financial delegation of authority which ensures approval of financial transaction by appropriate personnel. The adequacy of these internal controls is regularly monitored.

COVID-19 pandemic has had a disruptive impact on the global economy in 2020-21. Lockdown and other associated restrictions resulted in disruption of economic activity. During this volatile period, PI focused on managing cash efficiently and ensured that it has adequate liquidity. We registered year-on-year growth of 29% in revenue from operations during the reporting period. Our operating profit and net profit also saw an increase of 41.08% and 63% respectively. This was made possible due to our strong risk management framework which

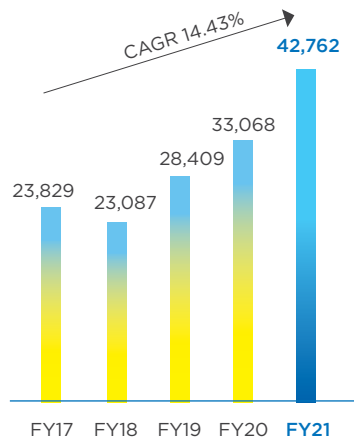
helps us forecast future trends and challenges as well as our meticulous planning for responding to these dynamic forces of business.

While maintaining economic health of the company is necessary, we realise it is equally important to create shared value for our stakeholders. Investors are our key stakeholders and must get fair returns in our company. We have declared/paid total dividend of 500% for 2020-21. We contributed INR 13.9 crores and INR 5.9 crores towards provident fund and gratuity fund respectively. Additionally, we create economic value for our stakeholders by generating employment, paying taxes, investing in social advancements, newer technologies and encouraging local business and vendors.

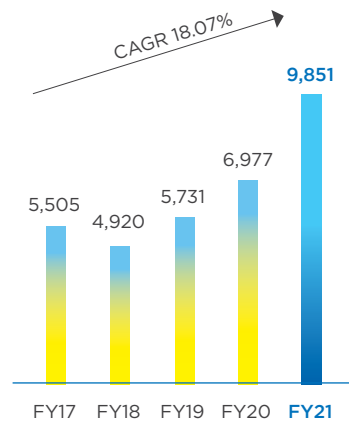


Total Economic Value Retained
INR 1,230.67 crores

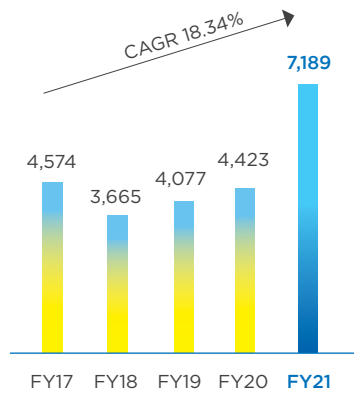
Revenue from Operation*



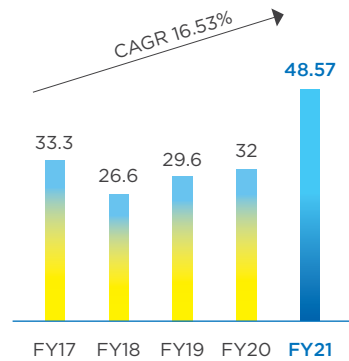
EBITDA



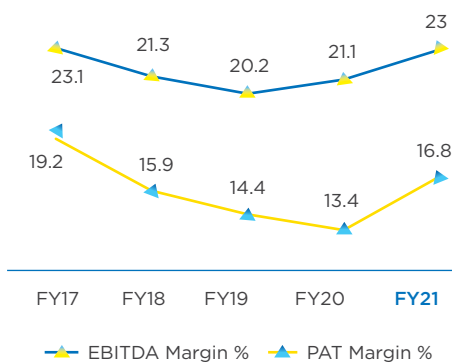
PAT



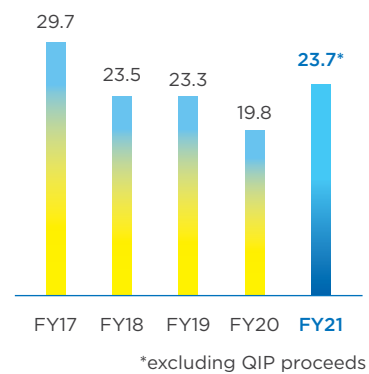
EPS



EBITDA & PAT Margins (%)



ROCE (%)



Product Innovation & Responsibility

Product Responsibility

For PI, product responsibility means exercising due care in the design of our products to ensure they are safe for people and environment, when used appropriately. We also strive to create products of the highest quality, which meet the requirements of our customers. We adopt a lifecycle drive approach to assess the impacts of our products across all stages of development, manufacturing, use, and disposal.

Product Lifecycle Approach

- | | | |
|---------------------------------------|-----------------------------|---------------------------|
| • Regulatory compliances | • Safe Chemistry | • Packaging |
| • Raw Material (efficient, renewable) | • Bio-based | • Use Phase impacts |
| • Safer Adjuvants | • Renewable Energy | • End of life cycle |
| • Toxicity | • Transportation Efficiency | • Ecological consequences |



NOMINEE GOLD

Is Environment friendly, cost effective, safe to rice crop

Results in saving of water, in comparison with the other pre-emergent herbicides and other farmer practices

Helps in direct adoption of Direct sown rice which requires lesser resources like water, labour etc

Couple with Direct Seeded Rice technology, its use has translated in INR 6,000 of savings per hectare.



HUMESOL

Benefits the overall plant and soil system sustainably

Improves plant metabolism and plant health by improving bio-nutrient availability and helps in soil conditioning



BIOVITA

Based on seaweed

Improves soil health and soil nutrition organically

Provides naturally occurring balanced nutrition to the crop

DID YOU KNOW?

The quantity of waste generated per kg production of any substance is considered as the Efactor. We have stringent norms employed during the development phase wherein we ensure that the Efactor should be below 20Kg/kg of product.

Operational Excellence

At PI Industries, 'Operational Excellence' is most crucial and highly valued area which is embedded in each function of the organisation. The Company has adopted a value stream management approach to remain centered on the needs of the customers, empowering employees, and optimizing existing activities/ processes to improve the Environment Social Governance performance of organisation.

A global operational excellence framework is followed to improve Company's key goal and their performance in every dimension of sustainability (i.e., economic, environmental and social) too. This is implemented by a structured end to end 'review and governance' mechanism.

With increasing focus on the ESG performance enhancement which involves reduction of GHG emissions, waste minimization, and other key sustainability indicators, Company firmly believes to move ahead with the economic profitability, sustainable operational excellence and strong socio-economic impact on the society at large by the way of engaging stakeholders.

Operational Excellence Objectives



Productivity

- Improve Capacity & Asset utilization
- Build Asset Reliability (Zero Breakdown, Improvement in MTTR, MTBF etc.)
- Build Lean Operations (Eliminate Waste, Reduced Changeover, Eliminate Hand-off's etc.)



Quality

- Build Quality in Business Critical processes (Process Capability measures such as Cp, CpK, First Time Right etc.)
- Adopt Proactive measures such as FMEA, Design Thinking etc.



Cost

- Drive profitability through cost leadership in Energy, Raw Material Cost, Operating Expenditure etc.
- Eliminate Cost of Poor Quality through Quality Pillar (above)



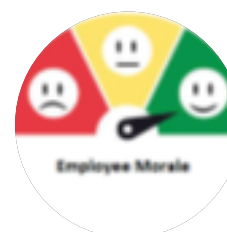
Customer Excellence

- Improve delivery performance
- Improve Customer Satisfaction Index by way of enhancing intimacy with customers, understanding latent needs and taking feedback through satisfaction survey.



Safety & Environment

- Build safety culture across functions through Safety Pillar in Daily work Management, 5S, Abnormality Management etc.
- Improve environment performance using global benchmark (E-scale, E-factor and New technologies)



Morale

- Build continuous improvement culture through People Involvement in OE initiatives (Training & Certifications, Kaizen, Daily work management, Focussed Improvement Team's etc.)
- Cultural Development at workplace through TPM and 5S initiatives.

Customer-Centric Approach

PI firmly believes that investing in an improved customer experience forms the core of its business model and leverages its extensive presence in the rural areas effectively by combining the use of latest technology in outreach programs.

Company's strategic business partners' meets are held at regular intervals wherein the customers are informed, requested to provide feedback and trained on the shifting paradigms in agriculture industry. Adopting to the COVID-19 situation in this reporting

period, Company conducted 'Digital business partners meet' wherein customers from targeted geography participated and exchanged their thoughts and experiences on our products. Additionally, PI's channel partners along with strong and experienced field workforce visit the villages and farmers regularly, conduct group meetings, take feedback from them on PI's products, impart knowledge, and train them on improved methods of agriculture to increase yield and productivity.

Company's feedback surveys, held once every two years, are focused towards technical and infrastructural capability, management systems, cost efficiency, product delivery, sustainability. Feedback is also taken to understand the various quality aspects of PI's products and services including Quality of Response to enquiry, products supplier, delivery response, after sales service, commercial and accounting etc.

Responsible marketing and labelling

PI provides detailed Material Safety Data Sheet (MSDS) along with its products, detailing the chemical components used for making the formulation, its transport requirements, hazardous/non-hazardous data, logistics requirements, safer storing conditions etc. This MSDS sheet, is passed on right from, when the product leaves the factory gate, till its usage and disposal. For better understanding of the MSDS data, the MSDS sheets are also translated in the local languages for farmers and other product bearers such as retailers and sellers, whenever and wherever it is necessary.

We have developed direct and multilingual communication products to disseminate the required information about the safer use of our products to farmers. We have developed various mechanised spraying systems to ensure safe, focused and highly efficient spraying of the product without being in direct contact. We have trained coaches on the fields to enable safer use of our products to the farmers for better production and yield. In addition, we also organise various product safety and stewardship activities at field level and provide monthly updates to the leadership. We conducted Mega-stewardship day in FY2020-21, in which 178 meetings were conducted pan India. A total of 15,574 farmers, including 595 female farmers participated in the events. YTD activities conducted were 368 with 11,009 participants.

Other Stewardship Activities



Provided 700 PPE kits to our teams and 1,000 kits to farmers. Also distributed 2,134 face shields and 2,989 face masks at field locations.



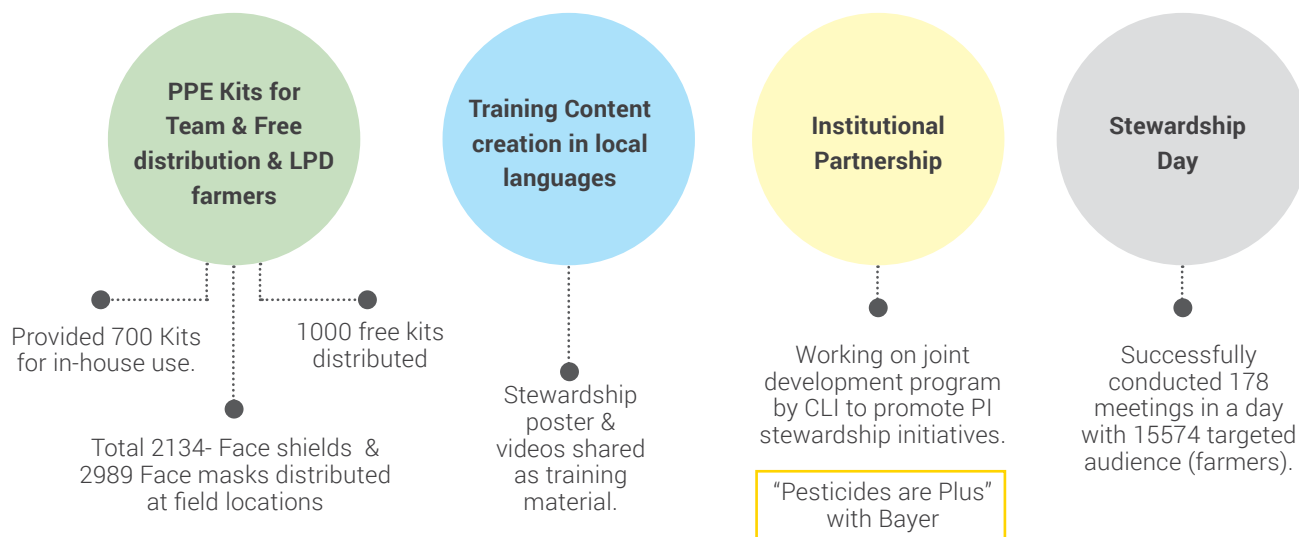
Stewardship poster and videos created in local languages for training of farmers



Collaborated with CropLife International to promote stewardship initiatives and Bayer on 'Pesticides are Plus' initiative.

Stewardship

Total number of Stewardship support activities conducted in FY'20-21



Company remains committed on making customers aware about the safe use of its Products by conducting multiple workshops and programs in various parts of country involving expense of over 84 Lakhs INR on safety & stewardship initiatives, for the year 2020-21. In the year gone by, we conducted Mega -stewardship day in which 178 meetings were conducted pan India. Total number of farmer participants in the meeting were 15,574. YTD activities conducted were 368 with 11009 participants. These efforts by the company stand testament about its intentions to safeguard the health of its customers and the environment at large.



PI has registered with ECOVADIS, an agency that rates supplier companies based on their reported sustainability parameters within the ambit of supply chain. The Company undertakes ECOVADIS assessment for its sustainability ratings. Company is ranked in "Gold" rating under ECOVADIS and is among top 7 agro-chemical supplier companies globally on sustainability practices.

In our continuous efforts to make safer products, introduction of water based Rice herbicide "Bis-pyribac sodium" - a SC formulation in place of fossil fuel based Rice herbicide Glyphosate thereby eliminating the consumption of solvents.

Another example is where the company brought in a new generation Insecticide "TOLFENPYRAD EC" to replace the existing hazardous product like Ethion 50 % EC.



Leveraging Information Technology for Transforming Operations

The year 2020-21 was fraught with challenges related to COVID-19. Apart from transitioning to work-from-home, there was a need to stabilize supply chains and work on the sales and distribution, keeping the production running whilst maintaining close but virtual contact with our customers and partners. We, at PI Industries, leveraged information technology to deliver value to our businesses and customers. This year, our focus was on rolling out digital platforms and tools that help in optimizing production, maximizing sales, building customer loyalty and integrating inter and intra business processes. Bringing about innovation and reduction of operational costs whilst increasing output and enhancing quality is one of our key objectives. We had, in the previous year embarked on implementation of the Golden Batch Project for one of our plants. This platform integrates with fully automated DCS plants and provides deep data driven insights into manufacturing processes. We are happy to announce that this year we have also extended this project to three other plants.

As a strategy of standardising and optimising procurements, PI has successfully launched SAP ARIBA – Sourcing and Discovery Modules as well as Supplier Lifecycle Module. This ensures that the procure to pay process is fully automated right from vendor on boarding, vendor selection, online bidding to online reverse auctions

that ensure we acquire goods at the best and the most competitive rates. Our Research Platform, the Electronic Laboratory Notebooks (ELN) has been augmented to include a variety of protocols and workflows involving a number of trials and studies. In addition, the ELN platform has been enhanced with Signals – a cloud based ELN system for collaboration with our external partners.

Governance: As we continue to rely on digital technologies, data security and customer privacy becomes imperative. All digital systems and technologies need to make safeguard data and make them easily and transparently available. At PI Industries, Infrastructure and Digital Platforms are hosted in a state-of-the-art Tier 4 data centre in the Delhi NCR region. All data created/received from client/partner is classified as per company watertight policies. Multilayer Access control is implemented and access to the data is limited to few authorised users only. This is strictly governed along with approval based workflow. Access to this data is maintained in audit trails and are audited periodically during internal and external audits for ITGC & ISO 27001. To further ensure data protection, various cyber security solutions are deployed in the organisation, manned by security teams for any policy violation or data leakage monitoring. Assets accessing this data are hardened assets with removable ports blocked and governed by corporate group policies.

Innovate for a Brighter Tomorrow

Accelerated scale-up of our research and development (R&D) framework – assets, activities, affiliations, and associations – over the recent four-five years has cast a robust foundation for a knowledge-driven globally competitive PI. With a firm belief in research and innovation capabilities to be our game changer, we have steadily been investing around 3-4% of our revenues in R&D Activities. Our best in class R&D center at Udaipur has strengthened PI's standing in the global agrochemical sector. It has also been paving way for our entry into several chemical adjacencies, pharma being the first success story recently scripted. Spread over 1,30,000/-sqft, it is one of the largest agrochemical research facilities in Asia.

The P.P. Singhal Research Centre facility at Udaipur is equipped with chemical discovery labs, analytical labs, biological testing labs, green houses, process innovation, process development labs, kilo plant and pilot plant among others. The analytical labs possesses NABL ISO 17025 accreditations and GLP certifications. As of March 31, 2021 PI has employed (+350 researchers and scientists) who specialise in process research and complex chemistries, (131) of which possessed a doctoral degree.

Care and support in the times of COVID-19

Committed to fight Coronavirus pandemic

The COVID-19 pandemic created an unprecedented crisis globally. As responsible corporate citizens, teams at PI swung into swift action to support the government and the community during the COVID-19 crisis since the beginning. To mitigate the effects of the outbreak, PI has undertaken numerous community initiatives which include awareness on health and safety, provision of food, oxygen plants,

isolation centres, sanitizers, sanitization drives, partnering with the local administration among several others.

As the country battles with the destructive second COVID-19 wave, PI Industries is displaying exemplary corporate social responsibility by offering innovative and agile solutions across India to fight the outbreak.



3 Mobile Medical Vans covering >30,000 people in 64 villages



Setting up of 5 oxygen plants across 5 hospitals in Gujarat, Rajasthan, Haryana and Delhi.



Life-saving Medicine for the underprivileged



COVID-19 Isolation Centre at Delhi and a 50 bed isolation centre at Bharuch, Gujarat



Distribution of sanitisers and masks over 70,000 masks distributed across the country



Distribution of food kits

Community Interventions and support to our business partners and farmers

Setting-up of Oxygen Plants

Amidst the deadly second wave of COVID-19 when states are reeling under a shortage of medical oxygen, PI Industries quickly rolled out a project for setting up of 5 oxygen plants across 5 hospitals in Gujarat, Rajasthan, Haryana and Delhi.



5 Oxygen plants across 5 States

Additionally, PI Industries through its Corporate Social Responsibility provided financial assistance to the Udaipur Chamber of Commerce and Industry (UCCI) for procuring oxygen concentrator machines during this crisis.

Financial assistance for procurement of medicines for underprivileged

In the wake of COVID-19 second wave, PI from its CSR arm PI Foundation provided financial assistance to Rotary welfare Trust, Bharuch for procuring expensive lifesaving medicines to support the underprivileged community.

Financial Support for setting up COVID-19 isolation centre in New Delhi

For supporting the relentless efforts by administration and front line workers, PI through its CSR, provided financial support for setting up of COVID-19 Isolation centre to Vasant Vihar Welfare Association, New Delhi. Furthermore, the support is being extended to procure necessary equipment like BP apparatuses, Pulse-Oximeters, masks, gloves, sanitizers etc. to ensure seamless functioning of the centre.

Medical facilities to set up COVID-19 isolation centre in Bharuch

PI Industries, through its CSR arm PI Foundation, provided 50 beds, 50 mattress and requisite medical equipment such as Pulse-oximeter, Blood Pressure Apparatus and



thermometers to COVID-19 Isolation Centre at Swaraj Bhawan, Jambusar, managed by Govt of Gujarat along with Community based Organization.

Spraying Application Services during the early days of COVID-19

PI Industries joined forces with local administrations in several states to fight corona. PI's zonal teams swiftly obtained permissions from the government and demonstrated the potential of our hi-tech spraying application services in covering large areas for sanitisation. Starting with Andhra Pradesh and Telangana, sanitisation drives are continued around the country in Punjab, Haryana, Gujarat, Rajasthan and Delhi-NCR region.

Rajasthan. The initiative benefited over 1,50,000 people in over 30,000 households. Sanitisers were also distributed in old age home in Bharuch district, Gujarat. PI employees and their families were also given sanitisers.



Additionally, over 100,000 litres of sanitiser was used to disinfect entire villages near PI's plant operations in Jambusar and Panoli, Gujarat.



Disinfection drives have also been conducted in several government offices, SDM's office (Jambusar), SP Bharuch (police station) and other public places.

As the challenge surges, PI teams continue to partner with and assist the government's efforts in the fight against corona.

Sanitizer Production and distribution:

Responding to the sharp increase in demand for sanitisers used to prevent transmission of COVID-19, PI's production facility in Gujarat quickly rolled out production of the same. The sanitiser was distributed around our plant locations in Gujarat and

Support to Front line workers and hospitals

While PI teams have swung into action to support the government and the society, PI has also arranged for protective equipment (PPE) for healthcare workers and funding medical infrastructure support to government healthcare centres. Support was extended to Al-Mahmood General Hospital and Jayaben Mody hospital in Gujarat. The hospitals were declared COVID-19 designated Hospital by Govt. of Gujarat due to rise in numbers of COVID-19 patients. Besides, support was also provided to Rajasthan Government for PPE kits and masks for patients and frontline workers.

Distribution of food kits

PI teams organised the distribution of food kits to migrant and daily-wage labourers around our plant locations in Gujarat.

Awareness Programs

PI Foundation continue to conduct awareness campaigns through its 3 Mobile Medical Vans around PI's Jambusar and Panoli plants in Gujarat. Community outreach programs covered >30,000 people in 64 villages. Demonstration of proper



Over 12,500 dry ration kits distributed so far.

handwashing, information on COVID-19, social distancing and basic hygiene techniques was imparted.

Precautionary temperature screening was done for over 300 labourers near the Jambusar plant to closely monitor the COVID-19 scenario. Approx. 1500 people are screened daily.



Community outreach programs covered **>30,000** people in 64 villages

Distribution of masks

Distribution of 70,000 masks across the country through PI's women empowerment programme near plant operations, providing additional livelihood opportunities

Webinars for farmers

Around 11,000 farmers benefited through webinars for better yield and sustainable agriculture practices to overcome economic losses during COVID-19



induced lockdown. Besides, a short video was showcased to farmers on do's and don'ts for harvest, threshing and post-harvest storage of farm produce in the wake of COVID-19 pandemic.

Guidelines for Agri Community while resuming farming operations during COVID-19

Several video messages were shared with the farmers showcasing Do's and Don'ts for harvesting and



Around **11,000** farmers benefited through webinars

threshing and post-harvest, storage and marketing of farm produce in the wake of COVID-19 pandemic.

Employee Engagement at PI

Well-being of our people remained at the center of all the activities and we took various steps across levels to make sure that our people are safe and secure during the pandemic.

Digital continued to remain our focus as we leveraged technology and social media tools to build a robust employer-employee engagement environment. Our various digital initiatives have helped us to conduct our work seamlessly and effectively.




LOCKDOWN 2.0

ENGAGEMENT CALENDAR



APRIL						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
20  Painting by Children (A4 size Paper)	21  Painting by Children (A4 size Paper)	22  Painting by Children (A4 size Paper)	23  Cook favorite and innovative recipe (with minimum ingredients)	24  Cook favorite and innovative recipe (with minimum ingredients) Virtual Coffee Break (with teams)	25  Cook favorite and innovative recipe (with minimum ingredients)	26  Fit @ PI (Park Challenge)
27  Fit @ PI (Park Challenge) Movie Review (New released movies)	28  Fit @ PI (Park Challenge)	29  E-learning course (English - VMC portal)	30  E-learning course (Hindi - UVC portal) Virtual Birthday Celebration (between teachers)	MAY		
1  E-learning course (English - UVC portal) Virtual Coffee Break (with teams)	2  Fit @ PI (Push-up challenge)	3  Fit @ PI (Push-up challenge)	4  Fit @ PI (Push-up challenge) Movie Review (New released movies)	5  Short stories (Creative writing)	6  Short stories (Creative writing)	7  Short stories (Creative writing)
8  Recording a Song (Sings lyrics of any other song) Virtual Coffee Break (with teams)	9  Recording a Song (Sings lyrics of any other song)	10  Recording a Song (Sings lyrics of any other song)				

Common Activity

- Apart from these unique activities everyday, basic yoga / meditation/squats can be done for 15 minutes on all days
- Make a wish post lockdown – Things which you'll like to do post lockdown is lifted (Meeting an old friend, Dream vacation, Joining a hobby class etc)

21 Day challenge launched for employees as initiative to engage employee virtually during COVID-19



Fit @ PI Initiative - Celebrated International Yoga Day

At PI, we are making strategies to create an inclusive work culture that nurtures a dependable team and works towards long-term value creation for all our stakeholders. In line with this strategy, PI introduced a comprehensive Talent Management programme – Project Udbhav. The project covers all managerial and leadership levels in PI and is aimed at nurturing talent to prepare future leaders within the Company.

PI also launched a revamped on-boarding program called Project 'Aagman' which helped in much faster assimilation of new talent into PI. It provides a platform to all new joiners to interact and connect with the top management of the Company.



Annual Meet Organized



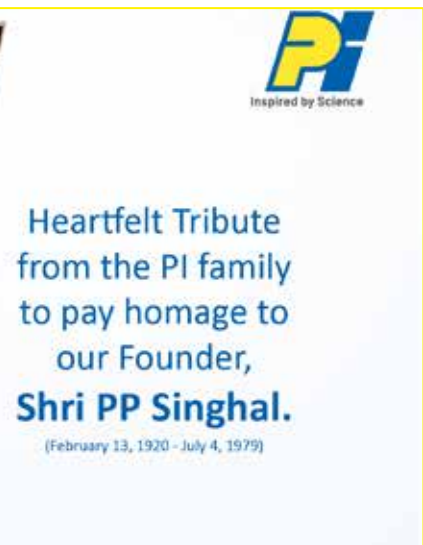
Digital learning platform Percipio launched



New talent on-boarding program called Project 'Aagaman'



Virtual Founder's day celebration



Creating Thriving Communities

Corporate Social Responsibility (CSR) at PI has laid a robust foundation for creating a positive impact on the lives of marginalised communities via a integrated and environmentally sustainable approach, which is aligned with the SDGs. We engage with the underprivileged population around our plant locations and farmers through PI Foundation in areas ranging from education to health, environment, agriculture, women empowerment, and skill development.

We also have a well-laid out CSR Policy which defines our approach of creating value for the society¹. Our initiatives are driven by the CSR Committee, which is responsible for formulating and recommending a CSR annual action plan to the Board.

We at PI Industries have maintained dedicated efforts towards our extensive CSR programs and hold ourselves accountable by taking targets for societal upliftment. These listed

targets are supported by various need and social impact assessment studies. The impact studies were carried out by external consultants, giving us deep insight on how to improve our CSR investment strategies. We also seek feedback from the community on our projects. PI's CSR efforts received several appreciations and recognitions during the 2020-21 on various platforms.

CSR Targets

Education and Skill Development

- Improvement in the learning levels of children in government schools
- Reduction in school absenteeism
- Employment linked skill development training for unemployed youth and jobs in organised sectors

Women Empowerment

- Financial and legal literacy for women in villages near plant location
- Bank linkages and linkages to dairy value chain through Self- help groups
- Skill and entrepreneurship development

Sustainable Agriculture Practices

- Promote farming system that is environmentally, economically and socially sustainable
- Propagate benefits of Direct seeded rice technique and conservation of water
- Reduce cost of cultivation, energy conservation and reduce farm emissions

Health, Hygiene and Sanitation

- Preventive and Curative healthcare for villages near plant location
- Covid-19 Support
- Behaviour change, advocacy and sanitation

During the reporting period, our expenditure on corporate citizenship and philanthropic contributions was INR 10.88 crores.



DID YOU KNOW?

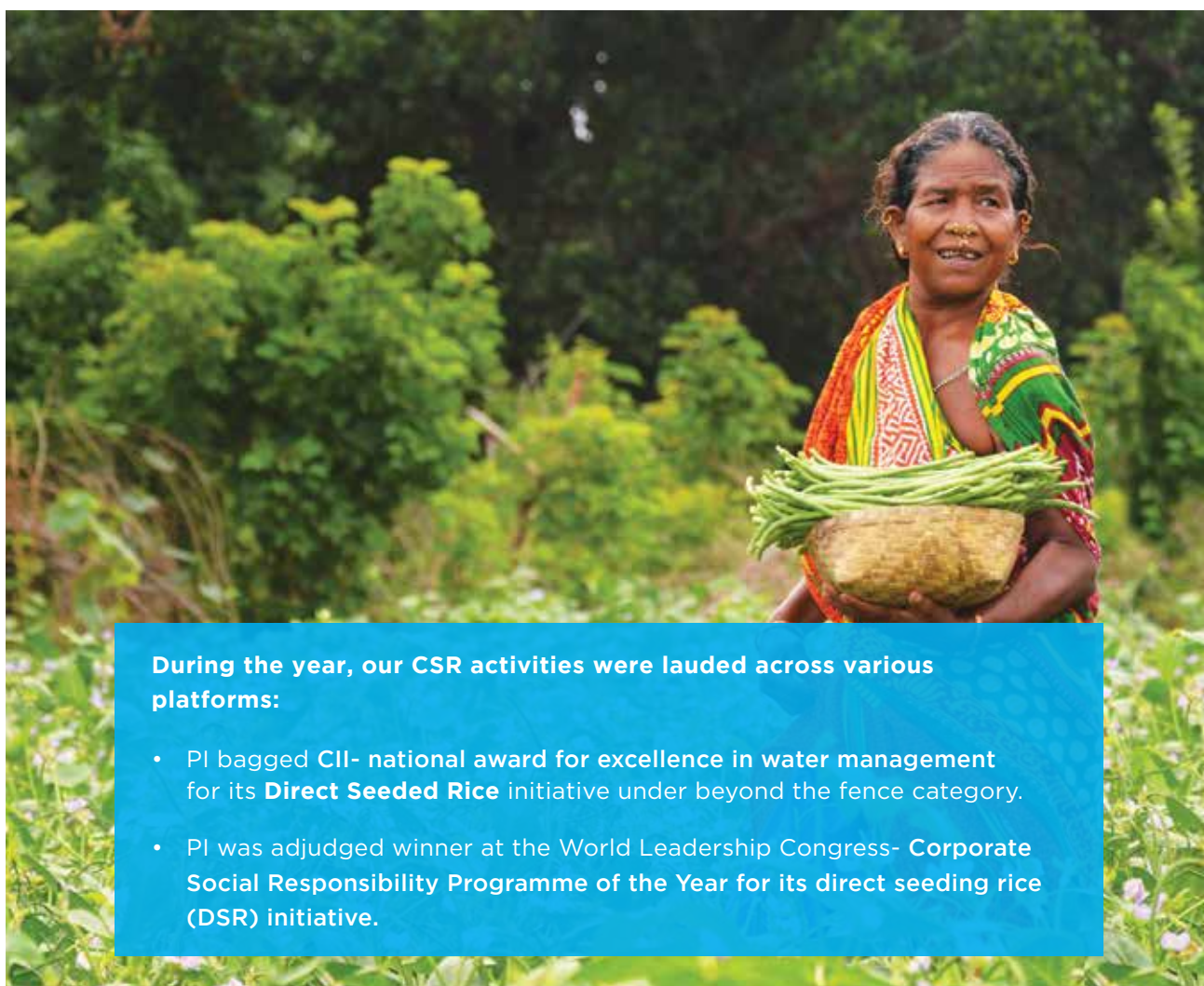
¹ For more details, please <https://www.piindustries.com/Media/Documents/CSR%20Policy.pdf>

Committed towards sustainable growth

At PI, we are committed to the social upliftment of the communities around us through a targeted, integrated and environmentally sustainable approach. Our CSR interventions are deep-rooted in the triple bottom-line framework for responsible business practices within: Social, Economic and Environmental pillars of Sustainable Development Goals (SDGs). Our focus domains include Education, Health, Environment, Agriculture, Women Empowerment and Skill Development that

align with several SDG goals, primarily with goal number 1,3,4,5,6,8 and 13. We engage with the society through PI Foundation to leverage our CSR activities for an all-inclusive growth.

During 2020-21, we created a meaningful impact on lives of marginalised communities around our plant locations and across the country through our developmental initiatives.



During the year, our CSR activities were lauded across various platforms:

- PI bagged CII- national award for excellence in water management for its **Direct Seeded Rice** initiative under beyond the fence category.
- PI was adjudged winner at the World Leadership Congress- **Corporate Social Responsibility Programme of the Year** for its direct seeding rice (DSR) initiative.

Health, Hygiene and Sanitation

The COVID-19 pandemic created an unprecedented crisis globally. As a responsible corporate citizen, PI is committed towards the fight against the virus and remains committed to help the vulnerable sections of our society whose livelihoods have been disrupted during the pandemic.

PI Foundation proactively organized several awareness sessions on precautions against COVID-19 in villages around plant locations. Demonstration of proper hand washing, information on COVID-19, social distancing and basic hygiene techniques were imparted.

Our Mobile Medical Units (MHUs) extended their services for conducting thermal screening, distributing hand sanitizers, masks and other necessities to >30,000 villagers.

We also joined forces with local administrations in several states to fight the virus and provided hi-tech spraying application services with 60 machines and 642 machine working days, covering large areas for sanitisation in >34 districts. Starting with Andhra Pradesh and Telangana,

sanitisation drives are continued around the country in Punjab, Haryana, Gujarat, Rajasthan and Delhi-NCR region.

In-house manufactured hand sanitizers were distributed amongst 1,50,000 underprivileged people in over 30,000 households. Sanitisers were also distributed in old age home in Bharuch district, Gujarat. PI employees and their families were also given sanitisers. Additionally, over 100,000 litres of disinfectant was used to disinfect entire villages near PI's plant operations in Jambusar and Panoli, Gujarat.

We also arranged for protective equipment (PPE) for healthcare workers and provided funds for medical infrastructure at government healthcare centres. The support was extended to Al-Mahmood General Hospital and Jayaben Mody hospital in Gujarat. These hospitals were declared COVID-19 designated hospitals by the government of Gujarat due to the rise in numbers of COVID-19 patients.

PI also made arrangements for easy access to preventive healthcare to marginalized communities around its plant location. High cost and inaccessibility of medical services in these areas has been a concern leading to elevated mortality rates in the region. We have been striving to bridge the gap in health services by deploying Mobile Health care vans providing preventive, promotive and curative health services at the beneficiary's doorstep.



<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>6 CLEAN WATER AND SANITATION</p> 
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Over 90,985 lives impacted through our Mobile Health Units (MHUs) and blood bank project in 2020-21

In 2020-21, 80,985 cases were treated using our Mobile health vans by taking measures to ensure last mile coverage. In addition, previously revived Kumarpal blood bank in Ankleshwar catered to over 10,000 people in during 2020-21. Over the years, there has been a significant decrease in primary healthcare issues via timely treatment within outreach of MMUs.

Conservation of Natural Resources & Sustainable Farming Practices

At PI, we have been striving to optimize the potential of farming system to make it economically, environmentally and socially sustainable. We ensure the on ground uptake of sustainable agriculture practices through a science-led approach, by conducting multiple activities. These include, farmers training, field demonstration and farm extension programmes on leading agronomic practices that have boosted economic returns to the farmers, while protecting the environment and conserving the natural resources.

Around 11,000 farmers benefited through webinars for better yield and sustainable agriculture practices to overcome economic losses during Covid-19 induced lockdown. Besides, a short video was showcased to farmers on do's and don'ts for harvest, threshing and post-harvest storage of farm produce in the wake of COVID-19 pandemic.

Uptill 2020-21, our propagation of the DSR technique has impacted over 20 Lakh Acres of farm land across the country, thereby saving up to 1.7 trillion litres of water. Adoption has also reduced drudgery to a significant level and helped saving an average of ₹ 7,000/ Acre in the cost of paddy cultivation.

As part of promulgating sustainable agriculture practices in Chili cultivation, our intervention has helped around 2,700 farmers achieve increase in the productivity in select districts of Andhra Pradesh and Madhya Pradesh



In a project on generating income through promoting Farmer Producer Organizations (FPOs) in Rayagada district of Orissa, there has been an increment of 50% in agriculture-based income from the existing income of 1300 farmer families. Additionally, we also participated in educating and equipping around 8,000 farmers with alternative technologies to burning stubble.

47,000 new farmers benefited through leading agronomic practices thus saving over **1.7 Trillion** Litres of water through the adoption of Direct Seeding of Rice (DSR) technique in 2020-21.

Education and Skill Development

PI has undertaken an education initiative on improving age-appropriate learning levels in children and teaching outcomes for tutors. Under the initiative, 15,000 children across 135 government schools in 82 villages were taught reading, writing, comprehension and arithmetic in 2020-21.

In a bid to promote comprehensive learning, our mobile education vans have been imparting learning to the last mile through interactive techniques. This is also aimed at improving



<p>1 NO POVERTY</p> 	<p>4 QUALITY EDUCATION</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 
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Over 15,000 Govt. School Children benefited from our Learning Enhancement programme through digital mode and **170 youth** gained employment through Skill Development Programmes.

the enrolment, reducing dropout, improvement in attendance, passing grades, and primary completion. The students have shown a 78% increase in class appropriate learning levels in our project locations.

During the financial year, we also imparted employment linked skill-development courses on chemical plant operations, BPO, sales & Marketing and electrical in Gujarat. These courses have helped more than 170 youth gain employment in organized sector jobs.



Women Empowerment

Women across rural India are generally financially dependent on their male-counterparts and other family members, majorly due to lack of literacy and education. This inhibits families to realize their fullest earning potential.

To overcome this challenge, we initiated an Entrepreneurship and Skill Enhancement Programme

for underprivileged rural women. During 2020-21, the programme has benefited over 7,000 women across 87 villages in Jambusar and Panoli region of Gujarat. The programme involves formation of Self Help groups with facilitating opening of bank accounts, skill development and training programmes across the dairy, agriculture and micro-enterprises.



Improvement in the livelihood of **>7,000 women members & their families** via Entrepreneurship and skills enhancement.

During 2020-21, we conducted workshops in financial and legal literacy with 3,081 women and strengthened bank linkages and linkages with dairy value chain for

2,750 women. Also, 326 women were involved in entrepreneur activities through our skill training programmes.

Awards and Accolades



Business Leader of the Year Award to Mr. Mayank Singhal



Continuous Innovation in HR Strategy at Work Award by World HRD Congress



Most Admired Company of the Year Award



Corporate Social Responsibility Programme of the Year Award (DSR – water conservation initiative)



Vaccination drive for all employees



CII-National Award for 'Excellence in Water Management 2020'

GRI Content Index

GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 102: General Disclosures, 2016			
GRI 102: Organisational Profile	102-1 Name of the Organisation	Reported – Inside Cover Page	
	102-2 Activities, brands, products, and services	Reported – Page 4	
	102-3 Location of headquarters	Reported – Back Cover Page	
	102-4 Location of operations	Reported – Page 3	
	102-5 Ownership and legal form	Reported – Page 5	
	102-6 Markets served	Reported – Page 2,3	
	102-7 Scale of the organisation	Reported – Page 2,3	
	102-8 Information on employees and other workers	Reported – Page 26	
	102-9 Supply chain	Reported – Page 35	
	102-10 Significant changes to the organisation and its supply chain	There are no significant changes to the organisation and its supply chain.	
	102-11 Precautionary principle or approach	PI Industries undertakes risk assessments including hazard & operability studies and safety studies while developing new products. It also places due importance on the raw material selection and incorporation of green chemistry principles in manufacturing of products.	
	102-12 External initiatives	Reported – Inside Cover Page, Page 7, 8, 19, 20	
	102-13 Memberships of associations	Reported – Page 6	
GRI 102: Strategy	102-14 Statement from senior decision-maker	Reported – Page 11-12	
	102-15 Key impacts, risks, and opportunities	Reported – Page 15,16,17	
GRI 102: Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	Reported – Page 10, 23	
GRI 102: Governance	102-18 Governance Structure	Reported – Page 22, 23	
GRI 102: Stakeholder Engagement	102-40 List of stakeholder groups	Reported – Page 21	
	102-41 Collective Bargaining agreements	No Unions	
	102-42 Identifying and selecting stakeholders	Reported – Page 20	
	102-43 Approach to stakeholder engagement	Reported – Page 20, 21	
	102-44 Key topics & concerns raised	Reported – Page 21	

GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 102: Reporting practices Topic Specific Standard: Economic	102-45 Entities included in the consolidated financial statements	Reported – Inside cover page	
	102-46 Defining report content and topic boundaries	Reported – Inside cover page	
	102-47 List of material topics	Reported – Page 18, 19, 20	
	102-48 Restatements of information	Not applicable, as this is the first report of PI Industries	
	102-49 Changes in reporting	Not applicable, as this is the first report of PI Industries	
	102-50 Reporting period	Reported – Inside cover page	
	102-51 Date of most recent report	Not applicable, as this is the first report of PI Industries	
	102-52 Reporting cycle	Reported – Inside cover page	
	102-53 Contact point for questions regarding the report	Reported – Inside cover page	
	102-54 Claims of reporting in accordance with the GRI Standards.	Reported – Inside cover page	
	102-55 GRI Content Index	Reported – Page 56	
	102-56 External Assurance	Reported – Page 62	
Topic Specific Standard: Economic			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 36	
	103-2 The management approach and its components	Reported – Page 36	
	103-3 Evaluation of management approach	Reported – Page 36	
GRI 201: Economic Performance, 2016	201-1 Direct economic value generated and distributed	Reported – Page 36	
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 24	
	103-2 The management approach and its components	Reported – Page 24	
	103-3 Evaluation of management approach	Reported – Page 24	
GRI 205 Anti-Corruption	205-3 Confirmed incidents of corruption and actions taken	Reported – Page 24	
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 24	
	103-2 The management approach and its components	Reported – Page 24	
	103-3 Evaluation of management approach	Reported – Page 24	
GRI 206 Anti-Competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Reported – Page 24	
Category: Environment			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 34	
	103-2 The management approach and its components	Reported – Page 31, 34	
	103-3 Evaluation of management approach	Reported – Page 31, 34	
GRI 301: Materials, 2016	301-2 Recycled input materials used	Reported – Page 34	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 32	
	103-2 The management approach and its components	Reported – Page 31, 32	
	103-3 Evaluation of management approach	Reported – Page 31, 32	

GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 302: Energy, 2016	302-1 Energy consumption within the organisation	Reported – Page 31	
	302-3 Energy intensity	Reported – Page 31	
GRI 103, Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 33	
	103-2 The management approach and its components	Reported – Page 31, 33	
	103-3 Evaluation of management approach	Reported – Page 31, 33	
GRI 303: Water and Effluents, 2018	303-5 Water consumption	Reported – Page 33	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 32, 33	
	103-2 The management approach and its components	Reported – Page 31, 32, 33	
	103-3 Evaluation of management approach	Reported – Page 31, 32, 33	
GRI 305: Emissions, 2016	305-1 Direct (Scope 1) GHG emissions	Reported – Page 32	
	305-2 Energy indirect (Scope 2) GHG emissions	Reported – Page 32	
	305-4 GHG emissions intensity	Reported – Page 32	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Partially Reported – Page 33	Currently, PI is reporting only NOx and Sox emissions due to data unavailability
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 34	
	103-2 The management approach and its components	Reported – Page 31, 34	
	103-3 Evaluation of management approach	Reported – Page 31, 34	
GRI 306: Effluents and Waste, 2016	306-2 Waste by type and disposal method	Reported – Page 34	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 24	
	103-2 The management approach and its components	Reported – Page 24	
	103-3 Evaluation of management approach	Reported – Page 24	
GRI 307: Environmental Compliance, 2016	307-1 Non-compliance with environmental laws and regulations	Reported – Page 24	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 35	
	103-2 The management approach and its components	Reported – Page 35	
	103-3 Evaluation of management approach	Reported – Page 35	
GRI 308: Supplier Environmental Assessment, 2016	308-1 New suppliers that were screened using environmental criteria	Reported – Page 35	
Category: Social			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 25	
	103-2 The management approach and its components	Reported – Page 25	
	103-3 Evaluation of management approach	Reported – Page 25	

GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 401: Employment, 2016	401-1 New employee hires and employee turnover	Reported – Page 26	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Reported – Page 27	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 29, 30	
	103-2 The management approach and its components	Reported – Page 29, 30	
	103-3 Evaluation of management approach	Reported – Page 29, 30	
GRI 403: Occupational Health & Safety, 2018	403-1 Occupational health and safety management system	Reported – Page 29, 30	
	403-2 Hazard identification, risk assessment, and incident investigation	Reported – Page 29, 30	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Reported – Page 29, 30	
	403-5 Worker training on occupational health and safety	Reported – Page 29, 30	
	403-8 Workers covered by an occupational health and safety management system	Reported – Page 29, 30	
GRI 103: Management Approach, 2016	403-9 Work-related injuries	Reported – Page 30	
	103-1 Explanation of the material topic and its boundary	Reported – Page 27, 28	
GRI 103: Management Approach, 2016	103-2 The management approach and its components	Reported – Page 27, 28	
	103-3 Evaluation of management approach	Reported – Page 27, 28	
	404-1 Average hours of training per year per employee	Reported – Page 28	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 25, 26	
	103-2 The management approach and its components	Reported – Page 25, 26	
	103-3 Evaluation of management approach	Reported – Page 25, 26	
GRI 405: Diversity and Equal Opportunity, 2016	405-1 Diversity of governance bodies and employees	Reported – Page 22, 26	
	405-2 Ratio of basic salary and remuneration of women to men	Reported – Page 26	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 25, 26	
	103-2 The management approach and its components	Reported – Page 25, 26	
	103-3 Evaluation of management approach	Reported – Page 25, 26	
GRI 406: Non-discrimination, 2016	406-1 Incidents of discrimination and corrective actions taken	There was no incident of discrimination in the reporting period	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 28	
	103-2 The management approach and its components	Reported – Page 28	
	103-3 Evaluation of management approach	Reported – Page 28	
GRI 412: Human Rights Assessment, 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	100% of our operations are subject to human rights review	

GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 49-54	
	103-2 The management approach and its components	Reported – Page 49-54	
	103-3 Evaluation of management approach	Reported – Page 49-54	
GRI 413: Local Communities, 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Reported – Page 49-54	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 38-40	
	103-2 The management approach and its components	Reported – Page 38-40	
	103-3 Evaluation of management approach	Reported – Page 38-40	
GRI 416 Customer Health and Safety, 2016	416-1 Assessment of the health and safety impacts of product and service categories	100% of our products are assessed for health and safety impacts	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 42	
	103-2 The management approach and its components	Reported – Page 42	
	103-3 Evaluation of management approach	Reported – Page 42	
GRI 418: Customer Privacy, 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints concerning breaches of customer privacy and loss of customer data was reported	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 24	
	103-2 The management approach and its components	Reported – Page 24	
	103-3 Evaluation of management approach	Reported – Page 24	
GRI 419: Socioeconomic Compliance, 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Reported – Page 24	

UNGC Principle Index

UNGC Principle	Classification	Description	Page No.
Principle 1	Human Rights	Businesses should support and respect the protection of internationally proclaimed right to equality in wages	28
Principle 2		Businesses should make sure that they are not complicit in human rights abuses.	
Principle 3		Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	
Principle 4		The elimination of all forms of forced and compulsory labour	
Principle 5		The effective abolition of child labour	
Principle 6		The elimination of discrimination in respect of employment and occupation	
Principle 7	Environment	Businesses should support a precautionary approach to environmental challenges.	31
Principle 8		Businesses should undertake initiatives to promote greater environmental responsibility	
Principle 9		Encourage the development and diffusion of environmentally friendly technologies Assessment, Policy and Goals	
Principle 10	Governance	Businesses should work against corruption in all its forms, including extortion and bribery.	22, 23

To
The Management and Board of Directors
PI Industries Limited
Vipul Square (5th floor), Sushant Lok Phase 1
Gurgaon 122002, Haryana, India

Independent Assurance Statement for PI Industries Limited's Sustainability Report for FY 2020-21

Introduction and objective of engagement

PI Industries Limited (the 'Company') has developed its Sustainability Report for FY 2020-21 (the 'Report') in accordance with GRI Standards: Core Option.

Thinkthrough Consulting Private Limited (TTC) was engaged by the Company to provide independent assurance of the Sustainability Report for the period 1st April 2020 to 31st March 2021.

Intended Users of this Assurance Statement

This Assurance Statement is intended to be part of the Company's Sustainability Report for the Financial Year 2020-21.

Respective responsibilities

The development and presentation of the Sustainability Report are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, either through fraud or error.

TTC's responsibility, as agreed with the management of the Company, is to provide assurance on the Sustainability Report as described in the 'Assurance scope' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Sustainability Report is entirely at its own risk.

Assurance standard

The assurance process was conducted in line with the requirements of the AA1000 AS v3 (2020) Type 2 assurance¹. We applied a moderate² level of assurance.

Assurance scope

The scope of assurance engagement was limited to review of the Report's alignment with the GRI Standards: Core Option, and review of specific environmental and social disclosures as summarized in the tables below:

Social Parameter	Corresponding metrics	GRI Indicators	Environmental Parameter	Corresponding metrics	GRI Indicators
Board diversity	Diversity of the board in terms of gender, race and nationality	405-1 Diversity of governance bodies and employees	GHG emissions	Scope 1 and 2 emissions	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions
Board composition	Composition of the board in terms of independent directors	102-18 Governance Structure	Emissions into air	NO _x and SO _x emissions	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions
Gender equality	Employee gender diversity	405-1 Diversity of governance bodies and employees	Water usage	Water consumption	303-5 Water consumption
Gender pay indicators	Gender pay gap	405-2 Ratio of basic salary and remuneration of women to men	Renewable raw materials	Percentage of raw material which are renewable	301-2 Recycled input materials used
Human rights	Human rights policies and checks that	412-1 Operations that have been subject to	Discharges into landfill	Waste disposed	306-2 Waste by type and disposal method

¹ Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000ASv3 (2020) Standard.

² A moderate level of assurance as per AA1000AS v3 (2020) Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements (ISAE) 3000

	are in place so as to curb any violations	human rights reviews or impact assessments
Freedom of association	Freedom of Association policy and awareness of the same in employees	Not applicable
Talent development and retention	Talent Development Programs and Coverage, Employee Engagement Programs and coverage	404-1 Average hours of training per year per employee
Occupational health and safety	Measures undertaken to ensure employee health and safety, Trainings Conducted, Incidents reported and mitigation measures	403-1 Occupational health and safety management system 403-5 Worker training on occupational health and safety 403-9 Work-related injuries

Hazardous waste Hazardous substance management	Hazardous substance management usage, hazardous waste management	306-2 Waste by type and disposal method
Energy usage	Energy use in KWh	302-1 Energy consumption within the organisation

Methodology

We conducted review and verification of data collection, collation and aggregation methodologies and general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process comprised of:

- Evaluation of the appropriateness of the quantification methods used to arrive at the sustainability disclosures mentioned in the section of 'Assurance Scope';
- Execution of sample audit trail of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription and aggregation;
- Review of data collection and management procedures;
- Discussions with the key personnel responsible for data compilation for all the steps mentioned above.

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2020 to 31st March 2021);
- Review of any financial or production data;
- Review of any disclosures other than the ones listed in 'Assurance Scope'.

Due to the outbreak of the COVID-19 pandemic, and the resultant travel and meeting restrictions, data assurance was done through remote assessments using appropriate web-enabled tools. We did not conduct any physical verification at locations or offices of the Company. Audit trails and review were conducted through remote discussion with officials of the Company, and gathering of evidences on sample basis.

Our assurance team and independence

TTC is a professional services firm that specializes in accountability on sustainability issues. The assurance was performed by our multi-disciplinary competent team of experts across domains of sustainability as well as global sustainability reporting standards and AA1000ASv3. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. We have implemented measures to ensure that we follow the applicable independence procedures.

Our observations

While the sustainability disclosures of the Company as defined under the 'Assurance Scope' are fairly reliable, the Company has a scope to augment the robustness of its data management system, including internal review mechanism, to further enhance the accuracy of reporting.

Our conclusion

Based on the scope of our review, our conclusions are outlined below:

- **Inclusivity:**
We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The company transparently disclosed its stakeholder engagement approach and activities in the Report.
- **Materiality:**
We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company.
- **Responsiveness:**
We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with stakeholders (such as customers, suppliers, and local communities) on material topics covering its sustainability performance.
- **Impact:**
We are not aware of any matter that would lead us to believe that the Company does not monitor and measures and is not accountable for how their actions affect their broader ecosystem.
- **Reliability of sustainability performance information:**
Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in accordance with GRI Standards: Core Option and the Company's reporting principles and criteria.

For Thinkthrough Consulting Private Limited



Dipankar Ghosh, Partner
New Delhi
25 August 2021



AA1000
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000-223/V3-DF90S



Inspired by Science

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