

TGV SRAAC LIMITED

MATERIALITY ANALYSIS REPORT	
BOARD MEETING APPROVAL	21.05.2026

Materiality Analysis Report

Conducted to Identify Relevant Indicators for Sustainability and Corporate Responsibility

Introduction

Materiality analysis is a strategic approach to identifying and prioritizing sustainability issues that impact business operations and stakeholder interests. This assessment was conducted for TGV SRAAC Limited, an Indian-origin Chloro Alkalie manufacturing company specializing in Caustic Soda, Chlorine, Chloromethanes and Fatty Acids. Given the nature of these compounds, the company is committed to mitigating environmental risks, ensuring workplace safety, complying with regulatory frameworks, and fostering community well-being.

The objective of this materiality analysis is to integrate sustainability into the company's business strategy by addressing key Environmental, Social, and Governance (ESG) issues, improving operational efficiency, and aligning with national and global regulatory standards.

Methodology

The materiality analysis followed a structured approach:

1. **Stakeholder Engagement** - Conducted discussions with internal and external stakeholders, including employees, regulators, local communities, suppliers, and customers, to identify key concerns and expectations.
2. **Industry Benchmarking** - Analysed best practices from leading chemical manufacturers, regulatory frameworks such as SPCB (State Pollution Control Board), MoEF&CC (Ministry of Environment, Forest, and Climate Change), OSHA, and REACH regulations.
3. **Regulatory and Compliance Review** - Examined Indian and global laws governing chemical manufacturing for our compounds, including Hazardous Waste Management Rules, 2016, and Water (Prevention and Control of Pollution) Act, 1974.
4. **Risk and Impact Assessment** - Evaluated potential operational, environmental, and social risks based on their likelihood and severity of impact on business sustainability.
5. **Material Issue Prioritization** - Identified critical ESG indicators based on relevance to the company's operations and stakeholder concerns.

Key Material Topics and Company Actions

1. Environmental Impact

Air Emissions & Air Quality

The manufacturing of our compounds can release air pollutants, including particulate matter and emissions. To mitigate this, the company has installed advanced air pollution control systems such as scrubbers and bag filters to capture toxic particulates before they are released into the atmosphere. Additionally periodic ambient air quality monitoring is conducted to ensure compliance with SPCB air emission standards, and corrective actions are taken when necessary.

Effluent Management & Water Pollution

Our compounds may pose few risks to water bodies if not treated properly. The company has established a state-of-the-art effluent treatment plant (ETP) to treat wastewater before discharge, ensuring it meets prescribed limits for heavy metal contamination. Additionally, a zero liquid discharge (ZLD) strategy is being explored to recycle treated water back into the production process, reducing freshwater consumption and minimizing environmental impact.

Waste Management

The production of compounds generates solid waste, including solid sludge and barium residues. The company ensures responsible waste disposal through licensed waste treatment facilities, and it is actively working on waste reduction strategies such as process optimization to minimize waste generation. Additionally, the company is exploring opportunities for industrial symbiosis by repurposing waste materials for use in other industries, reducing landfill dependency.

Resource Efficiency & Energy Management

The company is committed to resource optimization by implementing process improvements that reduce raw material wastage and energy consumption. Energy-efficient technologies, such as heat recovery systems and LED lighting, have been integrated into operations to lower energy demand. Additionally, the company is evaluating the feasibility of incorporating renewable energy sources, such as solar power, to reduce its carbon footprint.

2. Occupational Health & Safety (OHS)

Exposure to Chemicals

Workers handling our compounds may face potential health risks due to prolonged exposure. To mitigate this, the company has implemented stringent occupational exposure limits and conducts regular air quality monitoring within the workplace. Employees are

provided with specialized protective gear, such as masks and chemical-resistant gloves, to minimize direct contact with harmful substances.

Workplace Safety & Personal Protective Equipment (PPE) Compliance

To ensure a safe working environment, the company has established a structured safety management system, including regular safety drills, hazard communication programs, and PPE compliance audits. Employees undergo mandatory safety training to enhance awareness of chemical hazards, emergency response protocols, and safe handling procedures.

Health Monitoring & Medical Surveillance

Recognizing the long-term health risks associated with chemical exposure, the company has implemented an employee health monitoring program. Periodic medical check-ups are conducted to detect early signs of occupational illnesses.

Process Safety Management (PSM)

The company has adopted international best practices in process safety management to prevent industrial accidents. Critical safety measures include automated shutoff systems, real-time monitoring of process parameters, and stringent chemical handling protocols. Additionally, periodic HAZOP (Hazard and Operability) studies are conducted to identify and mitigate potential process safety risks.

3. Social Responsibility & Community Engagement

Local Community Impact & Environmental Transparency

As a responsible corporate citizen, the company actively engages with local communities to address environmental concerns related to pollution and water contamination. Regular public disclosure of environmental performance is maintained through sustainability reports, and community grievance mechanisms are in place to resolve concerns transparently.

Employee Well-being & Training Programs

Recognizing the importance of workforce development, the company conducts continuous training programs on safety, leadership, and technical skills. Employee wellness initiatives, such as mental health support programs and ergonomic workplace improvements, are also being introduced to enhance overall well-being and productivity.

4. Governance & Compliance

Regulatory Compliance & Ethical Business Practices

The company strictly adheres to national and international environmental and safety regulations, including the Environment Protection Act, 1986, and EU REACH regulations for global exports. Internal compliance audits are conducted to ensure adherence to legal and ethical standards, and corrective measures are promptly implemented if any deviations are identified.

Transparency & Anti-Corruption Measures

To promote ethical governance the company has implemented a robust whistleblower policy encouraging employees and stakeholders to report unethical practices without fear of retaliation. Additionally, supplier audits and due diligence processes are conducted to prevent corruption and ensure responsible sourcing of raw materials.

Risk Management & Business Continuity Planning

Recognizing the potential risks associated with hazardous chemical manufacturing, the company has developed a comprehensive risk management framework. Emergency preparedness plans, including fire drills and chemical spill response exercises, are conducted regularly to mitigate risks. Furthermore, a business continuity plan is in place due to multi location facilities to ensure operational resilience in case of unforeseen disruptions.

5. Economic Performance & Innovation

Sustainable Product Development & Green Chemistry

The company is investing in R&D to develop environmentally friendly alternatives to conventional compounds.¹ Efforts are focused on process modifications that reduce waste generation, along with exploring bio-based raw materials to minimize environmental impact.

Circular Economy & Waste Valorization

In alignment with circular economy principles, the company is working on valorizing industrial by-products, such as repurposing chromium sludge for use in cement manufacturing. By integrating waste recovery into production processes, the company aims to reduce resource consumption and improve overall sustainability.

Market Competitiveness ESG Integration

As global customers increasingly demand sustainable supply chains, the company is enhancing its ESG performance to remain competitive. Sustainability certifications such

as ISO 14001 are being pursued to strengthen market positioning and attract environmentally conscious investors and customers.

Conclusion

Through this detailed materiality analysis, the company has identified key ESG areas critical to sustainable business growth. By implementing targeted initiatives in environmental management, workplace safety, regulatory compliance, and community engagement, the company is positioning itself as a responsible and forward-thinking chemical manufacturer. Continuous monitoring and stakeholder engagement will ensure that these initiatives evolve to meet emerging sustainability challenges.

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