Coromandel International Limited

TCFD Report for FY 2024-25

Agility in Action

Contents

ABOUT THIS REPORT

Overview & Introduction

Coromandel International Limited (hereinafter referred to as "Coromandel" or "the Company" or "CIL") is pleased to present its introductory Task Force on Climate-related Financial Disclosures (TCFD) Report for FY 2024-25. This inaugural Report establishes a structured foundation for Coromandel's long-term climate transparency commitments and aligns with global expectations under the TCFD framework and the IFRS S2 Climate-related Disclosures Standard.

For FY 2024–25, Coromandel has adopted a foundational-but-forward-looking approach, integrating climate considerations into governance, strategy, risk management and operational performance measurement. This Report reflects both:

- The current state of climate-readiness across the organisation, and
- The Company's roadmap for progressively enhancing its climate disclosures in subsequent years, including deeper scenario analysis, improved quantification of financial impacts, and expanded Scope 3 assessment coverage.

The purpose of this Report is to provide transparent insights into:

- The governance systems that oversee climate-related matters
- How climate considerations are integrated into the Company's strategy
- The processes used to identify and manage physical and transition risks
- The metrics and targets that guide Coromandel's climate-related performance

This Report has been developed based on a desktop review, internal consultations, and the high-level climate-scenario analysis conducted using structured templates shared across relevant business teams. Coromandel's disclosures are aligned with:

- TCFD Recommendations (2017)
- IFRS S2 Climate-related Disclosures Standard (2023)
- The Greenhouse Gas Protocol Corporate Standard
- India's BRSR Core and emerging climate disclosure expectations

Reporting Period

The disclosures in this Report cover the period from April 1, 2024, to March 31, 2025, consistent with Coromandel's financial reporting cycle. Relevant multi-year performance trends, scenario analysis outcomes, and climate-related data points are presented wherever necessary to provide additional context.

Reporting Boundary

The scope of this TCFD Report includes Coromandel's major business segments and operational locations covering 18 locations across India, including:

1. **Nutrient & Allied Businesses**
    - **Fertilizer & SSP units -** Visakhapatnam (Vizag), Kakinada (Unit I & II), Ennore, Hospet, Pali, Ranipet, Kota, Nandesari, Nimrani, Udaipur
    - **Crop Protection Chemical units -** Ankleshwar, Dahej, Jammu, Ranipet, Sarigam

- **Bio units –** Thyagavalli

2. **Retail Business -** Coromandel's network of rural retail centres
3. **Corporate office -** Chennai
4. **R&D and Innovation Facilities –** (Cuddalore) Research and development centres supporting product innovation, nutrient efficiency, and sustainable agriculture practices.
5. **Supply Chain & Logistics -** Key inbound and outbound logistics operations that materially influence climate-related exposure.

The boundary covers operations where Coromandel exercises direct operational control. For areas such as supply chain, product application, and upstream dependencies, relevant climate-related risks and opportunities are assessed and discussed qualitatively.

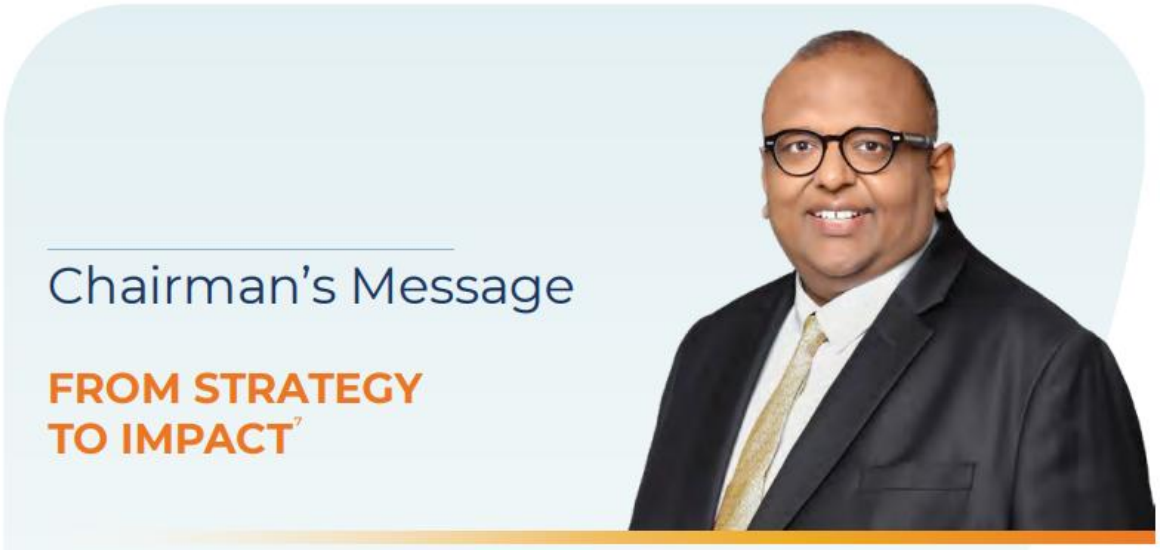
Forward-looking Statement

This Report contains forward-looking statements relating to Coromandel's climate strategy, decarbonisation initiatives, transition preparedness, and anticipated future operational conditions.

These statements are based on high-level scenario assumptions aligned with IPCC SSP and IEA pathways, regulatory expectations, and prevailing market conditions.

Actual outcomes may differ materially due to climatic variability, policy shifts, technology disruptions, raw-material supply volatility, and broader macroeconomic uncertainties. Coromandel does not assume any obligation to update these forward-looking statements except as required by law.

LEADERSHIP MESSAGE



Dear Stakeholders,

I extend my warm greetings as we conclude FY 2024-25 and present Coromandel International's introductory TCFD-aligned disclosures. This report reflects our commitment to enhancing transparency around climate-related risks and opportunities, strengthening organisational resilience, and aligning our long-term strategy with the evolving expectations of regulators, investors and stakeholders.

Operating Context: Climate and Agriculture Are Increasingly Interlinked

The Indian agricultural sector continues to face the dual challenge of supporting national food security while adapting to shifting climate patterns. FY 2025 recorded foodgrains production of 354 million tons, a 6% increase over the previous year. At the same time, variability in monsoon behaviour, water stress in several regions and rising temperature extremes continue to impact crop cycles, input demand and farmer livelihoods. With India's GDP growing 6.5% and rural consumption improving through targeted government interventions, the broader operating environment remains supportive, but climate variability remains a material consideration for Agri-input businesses like ours.

Company Performance and Strategic Progress

Coromandel delivered stable performance in FY 2025, reporting revenue of INR 24,064 Cr (up 9% year-on-year) and EBITDA of INR 2,656 Cr (an 11% increase). Profit after tax stood at INR 1,941 Cr, a 13% growth. These results reflect operational efficiency, disciplined financial management and strengthened supply chain execution.

Our strategic capex program, amounting to nearly INR 2,000 Cr, marks the company's highest capital commitment to date. Key projects including the 1,650 TPD sulphuric acid plant at Visakhapatnam, the ongoing phosphoric and sulphuric acid expansions at Kakinada, and new NPK granulation capacity are being executed with a focus on safety, resource efficiency and long-term resilience. Investments in our crop protection capabilities, expansion of the Dahej manufacturing facility, and acquisition of a majority stake in NACL Industries will further strengthen domestic and export competitiveness.

Climate Governance and Our Approach to Oversight

During the year, we strengthened our climate governance architecture by integrating climate-related considerations into Board-level discussions and strategic decision-making. Oversight of climate-related issues rests with the Board and its Committees, supported by our senior management team responsible for executing the company's climate strategy, monitoring key indicators and integrating climate considerations into operations,

procurement and capital allocation. This TCFD report reflects these governance enhancements and our commitment to structured, Board-level oversight.

Understanding Climate-Related Risks and Opportunities

We undertook desktop level assessment of climate-related physical and transition risks across our key manufacturing locations, supply chain and product portfolio. Physical risks assessed include acute hazards such as cyclones, high-intensity rainfall and heatwaves, and chronic risks such as rising temperatures and long-term water stress. Transition risks evaluated include evolving regulations, market shifts towards low-carbon inputs and technologies, and potential implications for raw material sourcing.

Alongside risks, we also identified opportunities related to water-efficient, low-carbon and nutrient-efficient Agri-solutions, circularity interventions and clean energy adoption. These insights will form the basis for future scenario analysis, enabling more informed resilience planning.

Strategy and Climate-Aligned Growth Priorities

Our long-term strategy is guided by the need to build a resilient, resource-efficient and climate-aware operating model. Key components include:

- Strengthening raw material security and manufacturing capacity with a view on process efficiency, energy security and supply resilience.
- Scaling innovation in nano-fertilisers, water-efficient solutions, biologicals and precision Agri-advisory within the broader climate-adaptive product portfolio.
- Accelerating digital solutions through MyGromor, data-led advisory, drone spraying (covering 2.2 lakh acres in FY 2025) and AI-powered tools to improve farmer productivity and resource optimisation.
- Increasing circularity through by-product utilisation, including the gypsum conversion JV.
- Enhancing climate adaptation support for farmers through better weather insights, crop recommendations and risk-responsive technologies.

Progress on Climate-Related Metrics and Resource Efficiency

- During FY 2025, we continued to advance our sustainability performance across key indicators aligned to climate action and resource efficiency:
- Commissioned a 6 MLD desalination plant and a 20 MW waste heat recovery system, reducing freshwater consumption by 11% and lowering GHG emissions by 13%.
- Maintained zero liquid discharge across twelve units, strengthening water stewardship.
- Sustained a 41% greenbelt cover across operational areas, contributing to carbon sequestration and local biodiversity.
- Expanded renewable and waste-heat-based energy utilisation as part of our transition efforts.

We continue to refine our GHG inventory, including Scope 1, Scope 2 and Scope 3 emissions as data maturity improves.

Building Forward: Strengthening Climate Resilience

Looking ahead to FY 2026, our focus remains on completing key ongoing projects, enhancing energy efficiency, strengthening water security, integrating climate risk considerations more deeply into enterprise risk management, and improving data quality for climate-related metrics. We will also advance scenario analysis to better understand potential climate impacts and strengthen long-term resilience planning.

Acknowledgements

I express my sincere gratitude to our employees, whose dedication across plants, field locations and offices continues to drive Coromandel's progress. I also thank our Board members for their guidance, shareholders for their confidence, and our channel partners, suppliers, financial institutions and communities for their continued

collaboration. Our deepest appreciation goes to India's farmers, whose resilience and commitment remain the backbone of the nation and the agri-ecosystem.

With continued support and collective effort, we are confident of advancing our climate resilience journey and delivering long-term value for all stakeholders.

Arun Alagappan

Executive Chairman,

Coromandel International Limited

Managing Director & CEO Message

Dear Shareholders,

I am pleased to present the performance highlights of Coromandel International for FY 2024-25. This year marked steady progress across our businesses, supported by disciplined execution, strategic investments and close engagement with the farming community. I thank all stakeholders for their continued confidence in the Company.

Operating Environment

FY 2024-25 was characterised by significant external developments from geopolitical disruptions and commodity volatility to shifts in technology, supply chains and the green transition. Despite these global uncertainties, India sustained its growth trajectory, emerging as the fourth-largest economy. The agriculture sector recorded strong output, supported by supportive government policies in irrigation, credit, soil health management and adoption of modern practices. Foodgrain production rose to 354 million tons, reflecting improved farm sentiment and steady demand for agri inputs.

Business Performance and Operational Delivery

Against this backdrop, the Company delivered a robust operational and financial performance. Consolidated revenue grew 9% to ₹24,085 crores, while PAT increased 25% to ₹2,055 crores. Fertiliser sales reached 4 million tons, with plants operating close to full capacity. Our long-standing supplier relationships ensured stable raw material availability even in a volatile environment.

The Specialty Nutrients and Organic portfolio grew 11% YoY, demonstrating rising adoption of efficient and sustainable nutrient solutions. In Crop Protection, revenues stood at ₹2,637 crores, supported by new product launches and improved export traction across Latin America, Africa and Asia-Pacific. Exports exceeded ₹1,000 crores during the year.

Retail operations expanded to nearly 900 outlets, supported by deeper penetration in new states. The MyGromor digital platform continued to scale, enhancing farmer access to agronomic advice, product information and service delivery. Drone-based spraying under Gromor Drive covered over 0.2 million acres, enabling efficient and timely application.

Progress on Strategic Investments

To strengthen long-term competitiveness, the Company continued to invest in manufacturing and supply chain integration. The sulphuric and phosphoric acid projects are progressing as per schedule and are expected to be commissioned by early 2026, enabling backward integration across all fertiliser units. The 0.75-million-ton expansion at Kakinada will support domestic availability and reduce import dependence.

In Crop Protection, construction of the Multi-Product Plant for advanced technical is underway. The agreement to acquire controlling stake in NACL Industries will help broaden our product base, enhance domestic presence and strengthen R&D and manufacturing capabilities.

Digitalisation remains a priority area. During the year, the Company advanced its data and analytics roadmap, piloting AI/ML-based solutions in operations and marketing and strengthening cybersecurity and process automation.

Sustainability and Resource Efficiency

- We continued to strengthen our sustainability performance through structured initiatives in water stewardship, energy efficiency and safety.
- TRIR for the year stood at 0.30, reflecting improved safety performance.
- Waste heat utilisation contributed to a 13% reduction in GHG emissions.
- Increased utilisation of desalinated water helped reduce stress on freshwater sources.
- Zero liquid discharge continued across key manufacturing sites.
- The Company is working on enhancing its climate-related data and expanding Scope 3 assessments in line with evolving expectations.

Industry Outlook and Strategic Focus

The Agri-inputs sector is witnessing a shift towards higher efficiency, sustainability solutions, biologicals and precision agriculture. Coromandel is well placed to participate in this transition through its integrated model, strong product portfolio and expanding digital capabilities.

We remain focused on strengthening our core fertiliser business through integration, differentiated offerings and market development; scaling our growth engines Crop Protection and Retail; and nurturing emerging categories such as bioproducts, specialty nutrients, organics and nano-based solutions. The Company is also evaluating opportunities in adjacent areas such as CDMO, specialty chemicals and advanced chemistries.

Acknowledgements

I would like to acknowledge the efforts of our employees across manufacturing locations, field units and offices. Their commitment has been central to the Company's progress. I thank the Board for its support and guidance. I am grateful to our farmers, channel partners, suppliers, bankers, regulators and shareholders for their continued trust.

With disciplined execution and a clear strategic direction, the Company is well positioned to pursue long-term growth and deliver sustained value.

S Sankarasubramanian

Managing Director & CEO,

Coromandel International Limited

ABOUT THE COMPANY

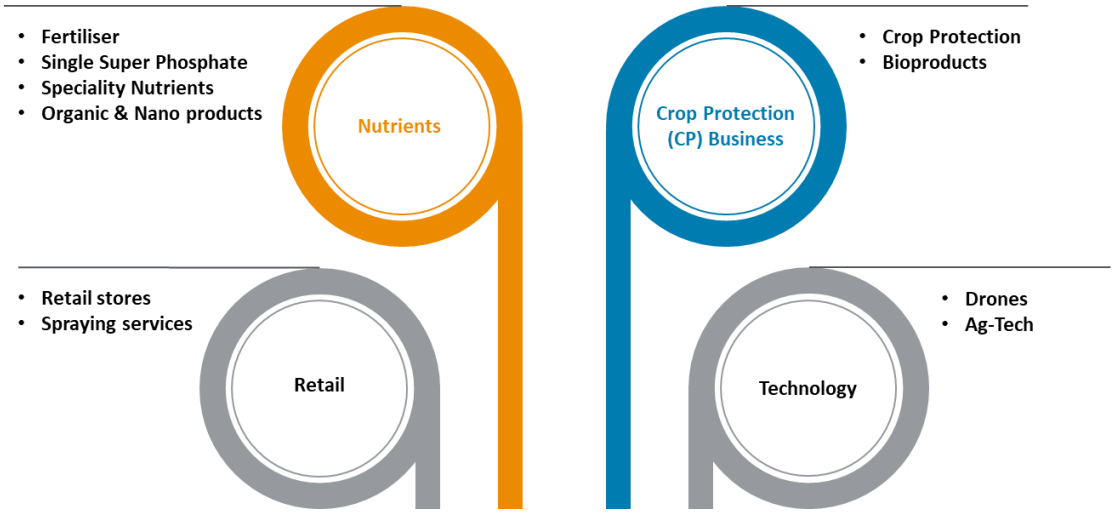
Coromandel International Limited is one of India's leading Agri-solutions providers with a strong legacy of supporting the country's farming community. Established in 1961 and part of the Murugappa Group, the Company delivers a comprehensive portfolio of crop nutrition, crop protection, specialty nutrients, bio-products, and advisory services that strengthen agricultural productivity and long-term farm resilience.

With a diversified business model spanning Nutrient & Allied Businesses, Crop Protection, and Retail, Coromandel offers end-to-end solutions across the agricultural value chain. Its integrated offerings are supported by a robust manufacturing base comprising 18 strategically located plants and a widespread rural distribution network of 900+ retail outlets across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, and Maharashtra. These centres provide farmers with timely access to Agri-inputs, soil testing, mechanization support, diagnostics, and personalized advisory services.

Coromandel's growth is anchored in innovation, operational excellence, and a commitment to responsible stewardship of natural resources. The Company's R&D initiatives focus on nutrient-efficient products, water-smart solutions, sustainable crop protection chemistry, and digitally enabled advisory systems. Investments in emerging technologies, data-driven farm solutions, and digital platforms continue to enhance decision-making and improve service reach.

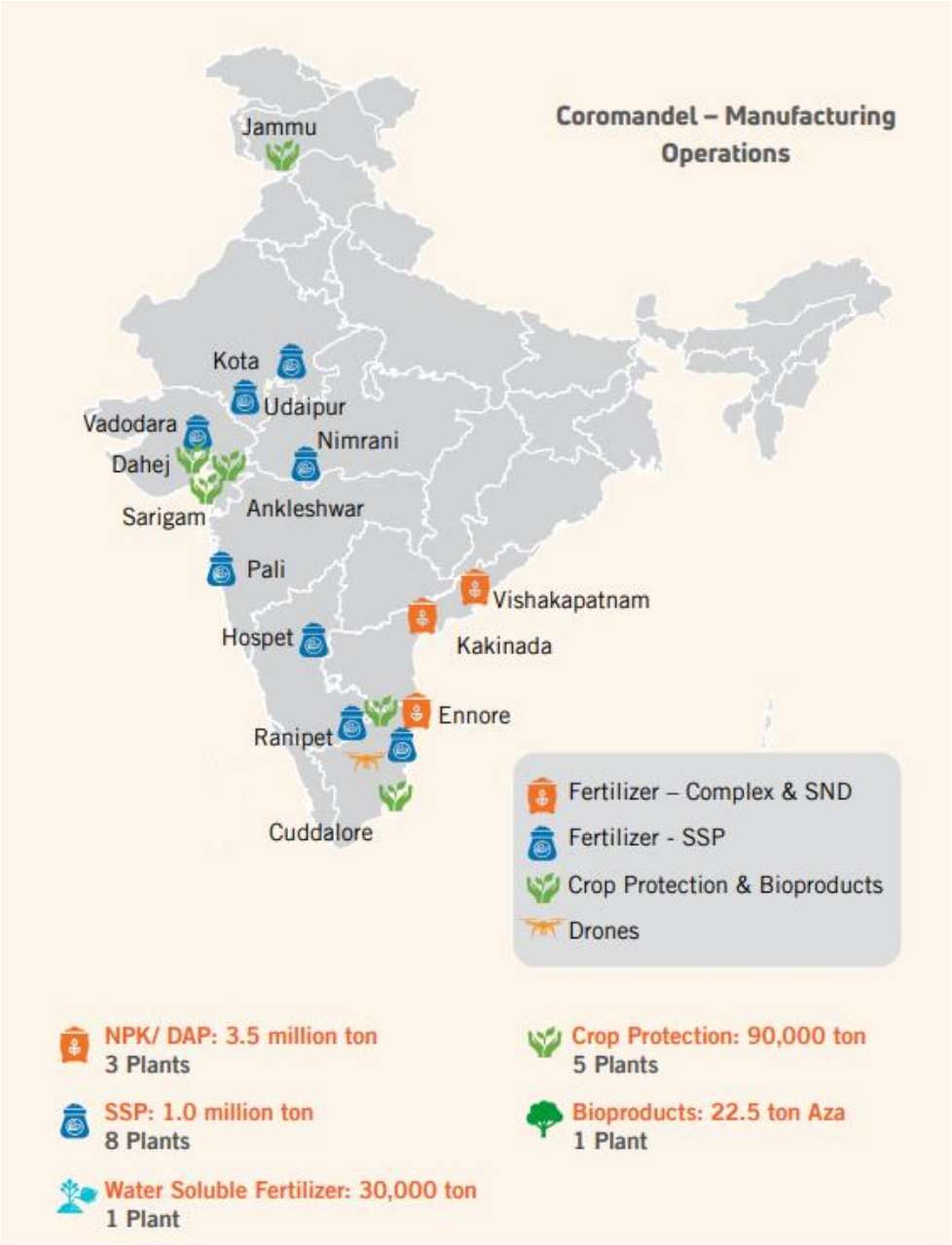
The Company remains focused on strengthening its competitive capabilities through capacity expansion, backward integration, crop protection growth, and retail advancement. At the same time, its global sourcing partnerships and export-oriented initiatives are positioning Coromandel to tap new opportunities in domestic and international markets. By combining innovation, customer-centricity, and sustainability-led practices, Coromandel continues to play an important role in shaping India's agricultural progress.

Coromandel operates through a diversified portfolio of business units that cater to the evolving needs of the agricultural ecosystem. With a strong presence across the Agri-input value chain, CIL's integrated approach enables it to deliver end-to-end solutions to farmers while including sustainable agricultural practices. The Company's key business verticals are strategically aligned to support productivity enhancement, resource efficiency, and rural prosperity. The following are the key business verticals of the Company:



The Company has established a nationwide footprint that enables it to serve the diverse and evolving needs of Indian agriculture. The Company's strategic presence includes divisional offices in key cities such as Bangalore, Vijayawada, Pune, Indore, Noida, and Kolkata, acting as regional hubs to coordinate operations, marketing, and customer engagement activities across India.

Coromandel's extensive distribution network comprises over 12,000 channel partners, including dealers and retailers. This network is further strengthened by a dedicated team of more than 2,500 marketing and agronomy professionals who work closely with farmers, providing end-to-end agricultural solutions.



Key Performance highlights for FY 2024-25:

Significant GHG emission reductions with Scope 1 & 2 emissions - a **reduction of 13%** compared to previous year

Total energy consumption across Coromandel's manufacturing sites stood at 2.5 million GJ, **lower by 6%** over the previous year.

Utilized 20,879 GJ of energy from renewable fuels which is an **increase of ~400%** compared to the previous year.

Waste minimization efforts led to a total waste recycled volume of 21,494 MT; **a 124% increase** compared to 9,574 MT last year.

Share of desalinated water in overall consumption **increased to 32%** compared to 18% last year

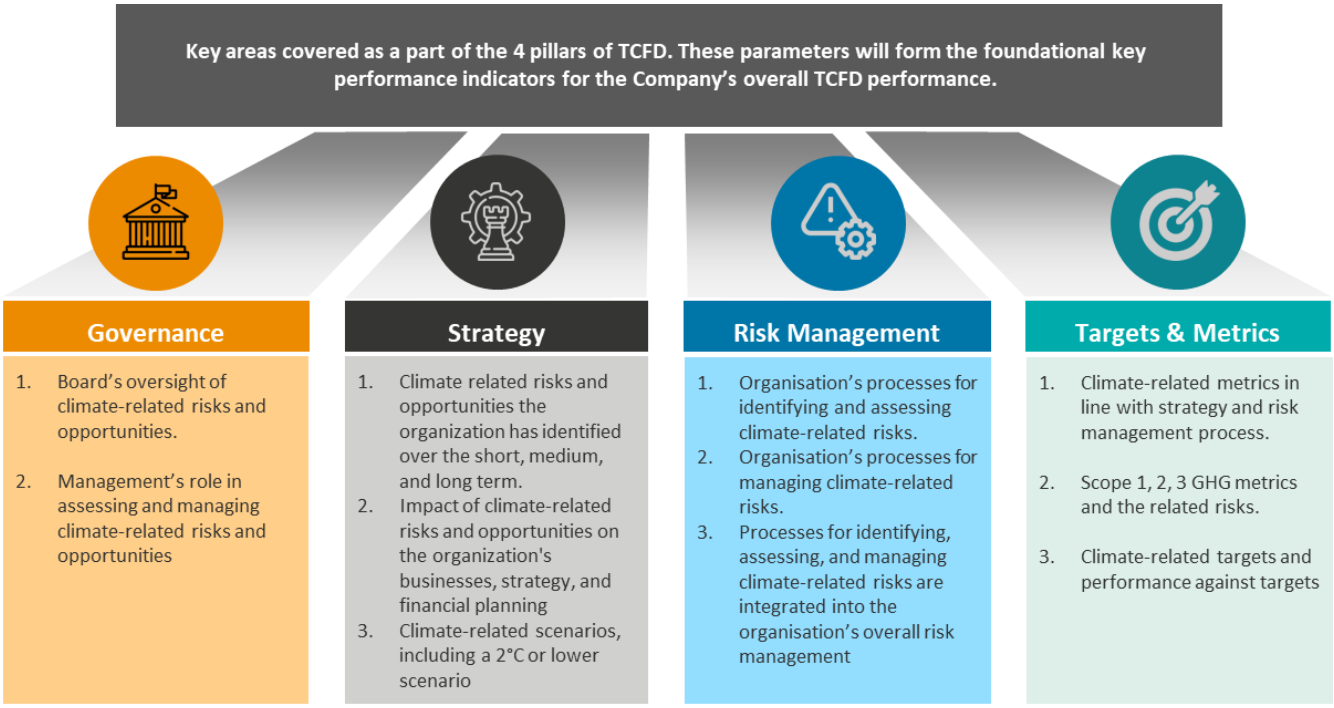
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)/IFRS S2 OVERVIEW

Climate change is reshaping risk landscapes for businesses worldwide, creating new financial, operational, and strategic challenges. For an agriculture-linked sector such as Agri-inputs, the impacts of changing weather patterns, water stress, regulatory shifts, and emerging technologies are especially significant. Stakeholders including regulators, investors, and value chain partners are increasingly seeking consistent, decision useful information on how organizations identify, assess, and respond to these climate-related developments.

The Task Force on Climate-related Financial Disclosures (TCFD) was established to improve the quality and comparability of climate disclosures across industries. Its recommendations guide companies in presenting clear, structured information that helps stakeholders understand the potential financial implications of climate-related risks and opportunities. The TCFD framework encourages organizations to adopt a forward-looking approach and integrate climate considerations into core business processes, enabling better planning for resilience and long-term value creation.

TCFD recommendations are organized into four interlinked thematic areas that reflect the essential elements of how companies operate:

This Report outlines how Coromandel integrates these four TCFD pillars into its operations, highlighting the governance mechanisms in place, the strategic implications of climate related scenarios, the processes used to assess physical and transition risks, and the metrics and targets guiding the Company's climate action commitments.


Key areas covered as a part of the 4 pillars of TCFD. These parameters will form the foundational key performance indicators for the Company's overall TCFD performance.
Governance
1. Board's oversight of climate-related risks and opportunities.
2. Management's role in assessing and managing climate-related risks and opportunities
Strategy
1. Climate related risks and opportunities the organization has identified over the short, medium, and long term.
2. Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning
3. Climate-related scenarios, including a 2°C or lower scenario
Risk Management
1. Organisation's processes for identifying and assessing climate-related risks.
2. Organisation's processes for managing climate-related risks.
3. Processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management
Targets & Metrics
1. Climate-related metrics in line with strategy and risk management process.
2. Scope 1, 2, 3 GHG metrics and the related risks.
3. Climate-related targets and performance against targets

GOVERNANCE

Key Focus Areas:

1. **Board's oversight of climate-related risks and opportunities.**
2. **Management's role in assessing and managing climate-related risks and opportunities.**

Approach to Governance

Coromandel International Limited upholds a strong governance philosophy that holds in integrity, transparency, and accountability. Governance is included as a strategic enabler of long-term value creation, guiding the Company's financial, operational, environmental, and social responsibilities. The Board of Directors provides overall strategic oversight, ensuring that all corporate actions are aligned with regulatory expectations, ethical standards, and stakeholder interests.

The Company adopts a proactive governance approach that integrates sustainability and climate-related considerations into decision-making. Through Board-level oversight, various committees, and structured reporting mechanisms, Coromandel ensures that climate risks, opportunities, and transition pathways are consistently evaluated, managed, and disclosed. This supports the Company's commitment to resilient operations, responsible growth, and long-term stakeholder trust.

Board Oversight

The Board of Directors steers the strategic direction and operational effectiveness of Coromandel. It ensures clarity of purpose, responsible leadership, and effective governance across the organization. The Board's role includes:

- Overseeing the Company's long-term vision, value creation approach, and risk management framework.
- Ensuring compliance with the Companies Act, 2013, SEBI LODR Regulations, and global governance standards.
- Reviewing the Company's sustainability performance, climate-related risks, and ESG initiatives through structured committee mechanisms.
- Ensuring ethical leadership and a culture of transparency at all levels.

As of FY2024 - 25, the Board comprises a balanced mix of Executive Directors and Independent Directors, with **50% independent representation**. The Board recorded an average **attendance of over 92%** during the year, reflecting strong governance engagement.

Committees of the Board

The Board of Directors provide overall oversight across governance, compliance, risk management, and sustainability performance.

Key Board Committees Supporting Sustainability and Climate Oversight

- **Risk Management Committee**
  Reviews the Company's risk management framework, including identification and mitigation of climate-related risks, transition impacts, and operational vulnerabilities.

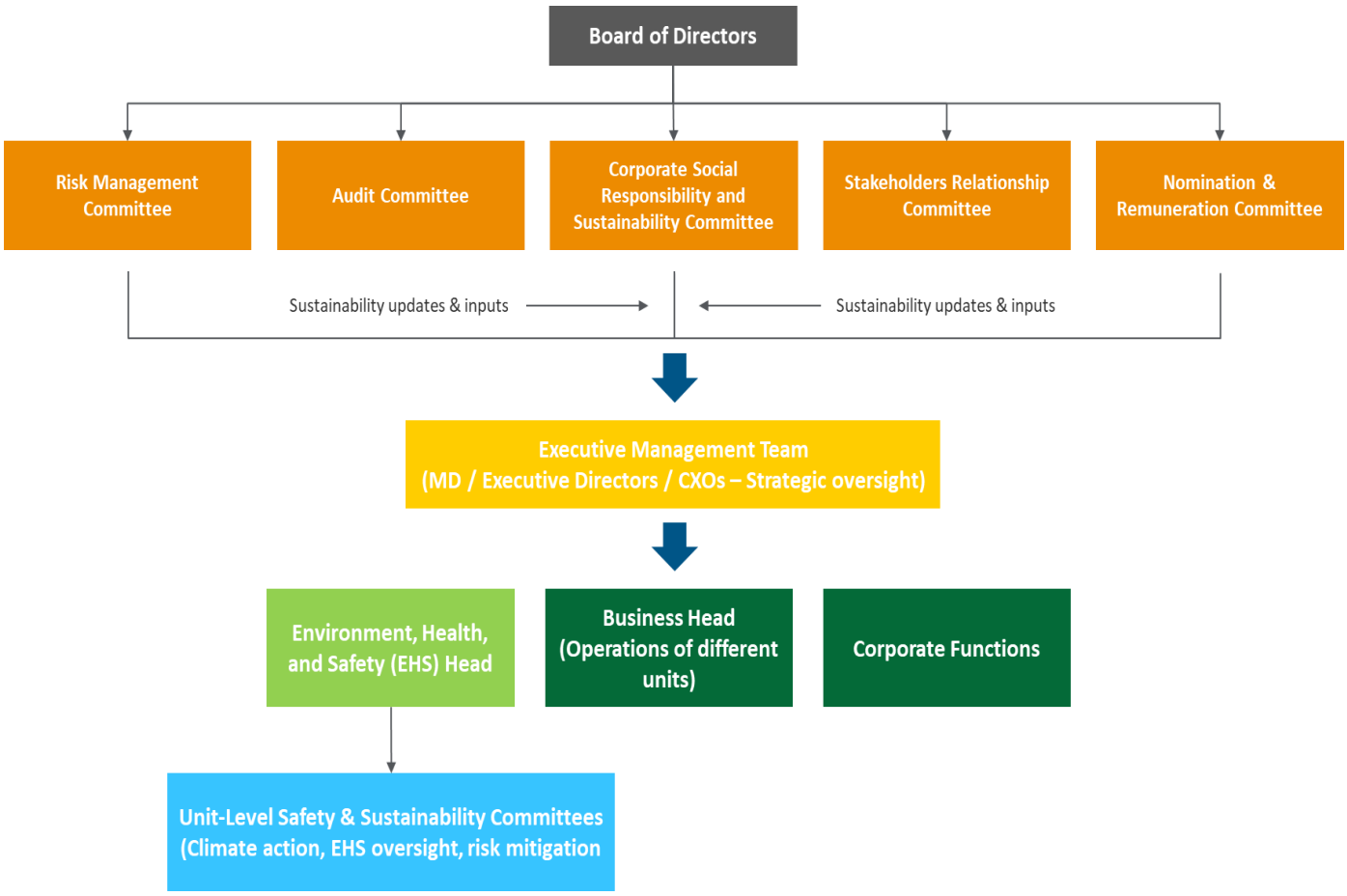
- **Corporate Social Responsibility and Sustainability Committee**
  Guides the Company's sustainability and environmental initiatives, monitors progress against ESG goals and ensures alignment with regulatory and global sustainability expectations.

- **Audit Committee**
  Ensures financial integrity, internal control robustness, and compliance with reporting standards, including ESG disclosures and climate-related data assurance.

- **Stakeholders Relationship Committee**
  Oversees stakeholder concerns and grievance mechanisms, ensuring transparent communication and safeguarding stakeholder interests.

- **Nomination & Remuneration Committee**
  Ensures Board diversity, independence, and leadership capability aligned with long-term sustainability priorities.

Governance Structure



Management Oversight

Coromandel's management is responsible for the effective execution of the governance, sustainability, and risk mitigation priorities established by the Board and its committees. Business heads and functional leaders implement sustainability initiatives, monitor performance, and report progress to senior leadership and the relevant Board committees.

At an operational level, a Safety and Sustainability Committee has been established. Led by the Unit Head and supported by members from critical functions, this committee identifies operational issues, monitor action plans, and review progress on sustainability and safety measures. They meet regularly to assess performance and escalate significant findings to Business Heads for further review.

Through this structured, multi-level approach, Coromandel ensures that sustainability and risk management responsibilities are clearly defined and consistently monitored across its operations. Key aspects overseen at the management level (based on CIL disclosures):

- Implementing sustainability initiatives across business units.
- Monitoring progress and reporting key findings to senior management and Board committees.
- Conducting periodic reviews at plant level to identify improvement areas and take corrective actions.
- Ensuring cross-functional collaboration through unit-level Safety and Sustainability Committees.

Company Policies

Coromandel has established a set of policies that guide its commitments to safety, environmental stewardship, ethical conduct, and responsible business practices. These policies serve as the foundation for aligning day-to-day operations with the Company's governance standards, regulatory requirements, and sustainability objectives. They provide clear direction to employees and business units, ensuring consistency in performance, compliance, and risk management across the organisation. The list of policies includes the following:

Environment, Occupational Health and Safety (EOHS) Policy

Coromandel International Limited has implemented several Environment, Occupational Health, and Safety (E&OHS) policies and programs to ensure the safety of our workers, clients, and the environment. Our comprehensive E&OHS management system encompasses various aspects, including:

- Risk assessment
- Incident reporting and investigation
- Emergency response planning
- Training and awareness initiatives

Furthermore, we conduct routine safety audits and evaluations to identify and reduce risks and continually enhance our EOHS performance.

Environment Policy

We are committed to protecting the environment and have implemented various programs aimed at reducing our carbon footprint. Our environmental management system includes initiatives for minimizing waste, preventing pollution, and conserving energy and water. Additionally, we conduct regular environmental

Product Stewardship

Coromandel enforces a policy that mandates the proper and secure utilization of our products throughout their entire lifecycle. The company adheres to strict quality assurance and safety standards in the production, storage, transportation, and disposal of products. Additionally, we provide educational and awareness programs to our stakeholders and customers about the safe and responsible usage of our products.

Sustainable Procurement Policy

Coromandel follows a procurement policy that promotes the ethical and responsible acquisition of goods and services. The selection of suppliers is based on their capacity to fulfil the company's quality and cost requirements, as well as their commitment to environmental, social, and ethical standards. To confirm their compliance with the company's sustainability guidelines, we regularly conduct evaluations and assessments of our suppliers.

Risk Management Policy

The Company has constituted a Risk Management Committee, as per the details set out in the Corporate Governance Report. The Company has formulated a Risk Management Policy to ensure risks associated with the business operations are identified and risk mitigation plans put in place.

Furthermore, we conduct routine safety audits and evaluations to identify and reduce risks and continually enhance our EOHS performance.

Together, these policies establish Coromandel's commitment to transparent, responsible, and sustainable operations, and support the Company's efforts in managing environmental and social impacts while meeting stakeholder expectations.

STRATEGY

Key Focus Areas:

1. **Climate related risks and opportunities the organization has identified over the short, medium, and long term.**
2. **Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning**
3. **Climate-related scenarios, including a 2°C or lower scenario.**

CLIMATE-RELATED RISKS AND OPPORTUNITIES

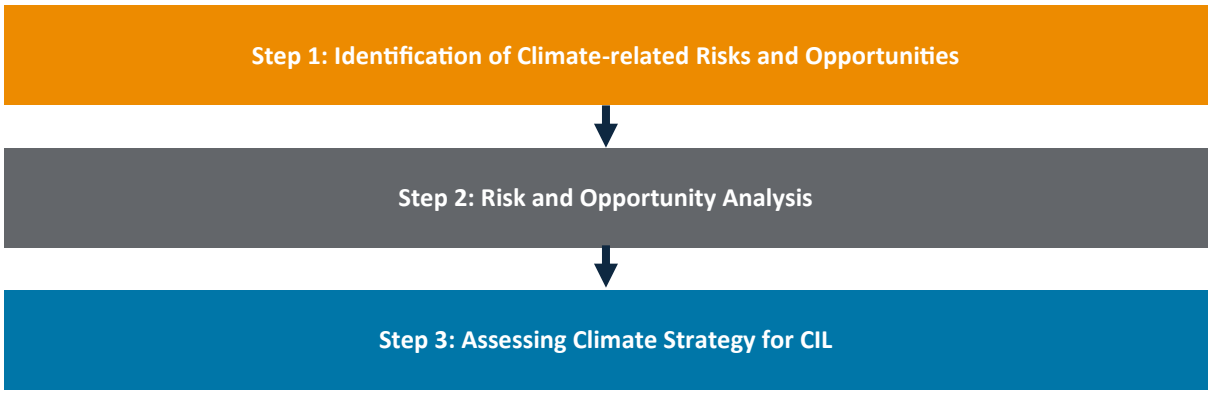
Recognising the growing significance of climate change on long-term business resilience, Coromandel International Limited has initiated a structured approach to identify, assess and manage climate-related risks and opportunities. In line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), FY2024-25 marks CIL's first year of formal climate-risk reporting.

Climate considerations are increasingly shaping input availability, production continuity, regulatory expectations and stakeholder priorities. As a responsible agri-solutions provider, CIL aims to strengthen climate resilience across its manufacturing operations, supply chain, product portfolio and farmer-facing services.

During the year, CIL undertook a desktop-based climate risk review supported by internal risk registers, published climate scenarios, and cross-functional workshops with Manufacturing, EHS, Supply Chain, R&D and sustainability teams. The assessment covered both transition risks (policy, market, technology, reputational) and physical risks (acute and chronic), along with emerging climate-linked risks relevant to agriculture and agri-inputs. Opportunities arising from resource efficiency, renewable energy, sustainable products and farmer-focused advisory solutions were also mapped.

This exercise helps CIL understand how climate risks may influence business performance under different future conditions and lays the foundation for enhanced scenario analysis in subsequent years. Insights from the assessment have been integrated into the Company's Enterprise Risk Management (ERM) framework and strategic planning processes.

The methodology of the assessment undertaken is outlined below:



1. Identification of Climate-related Risks and Opportunities

1.1 Approach to identification

- Reviewed CIL's ERM risk universe, risk registers and risk assessments across corporate, divisional and plant levels.
- Analysed climate-linked regulatory developments, sectoral trends, market dynamics and global agri-climate reports.
- Conducted interactions with leadership teams and plant heads to understand operational sensitivities.
- Referred to published global climate scenarios (IEA, IPCC SSP pathways) to determine potential areas of climate exposure.

1.2 Climate-related risks identified

Transition Risks:

- Regulatory & policy shifts (emissions norms, EPR compliance, subsidy changes)
- Market risks (raw material cost fluctuation, farmer preference shifts)
- Technology risks (new molecule restrictions, need for greener chemistries)
- Reputational risks (stakeholder expectations on responsible agriculture)

Physical Risks:

- Acute: cyclones, flooding, heavy rainfall events
- Chronic: prolonged droughts, monsoon variability, water scarcity, rising sea level.

Opportunities:

1. Energy efficiency measures
2. Renewable energy integration
3. Circularity and waste reduction
4. Green and bio-based products
5. Scalable sustainable farming services (soil testing, nutrient management, drone spraying)

Based on this review, a consolidated universe of climate-related risks and opportunities was developed for CIL's priority operations.

Time horizons

To align with strategic planning and TCFD guidance, the assessment uses three planning horizons:

- **Short term:** 0 to 5 years (operational resilience and contingency planning)
- **Medium term:** 5 to 15 years (capital planning and supply-chain adaptation)
- **Long term:** More than 15 years (strategic transformation and potential product portfolio shifts)

2. Risk and Opportunity Analysis

2.1 Transition risk analysis

The Company analysed the exposure to transition risks using the Company's risk registers. A desktop mapping was conducted for:

- Relevance of policy/regulatory changes to manufacturing operations
- Potential shifts in raw material availability and cost
- Implications of farmer-led and market-led sustainability preferences
- Applicability of energy-transition pathways to CIL's energy use
- SSP scenario relevance

2.2 Physical risk analysis

The Company also assessed potential exposure of its manufacturing units and supply chain to projected climate hazards including:

- Changes in rainfall, drought patterns, and water availability
- Temperature rise impacts on operations
- Extreme weather events impacting logistics and raw material supply

3. Assessing Climate Strategy for CIL

Based on the risk assessment outcomes, the Company has evaluated its strategies across priority themes including energy efficiency, water management, sustainable products, supply chain diversification and farmer-centric advisory services. Existing initiatives and mitigation measures such as ETP strengthening, renewable energy transition, product quality enhancements, safety upgrades, soil-health interventions, and diversification of input sources were reviewed for alignment with climate risks.

This process has strengthened CIL's understanding of near-term and long-term climate impacts and supports the Company's ambition to integrate climate considerations into capital allocation, operational planning, and product development. The assessment also informs CIL's ongoing work to expand Scope 1 and Scope 2 emissions management and establish a strong Scope 3 emissions baseline.

TRANSITION RISKS

As global policies, markets and stakeholder expectations continue to evolve towards a lower-carbon economy, companies in the Agri-input sector increasingly face transition-related risks. Regulatory changes, shifts in farmer behaviour, emerging technologies, and supply-chain pressures can influence production continuity, cost structures, and long-term competitiveness. For CIL, these transition dynamics bring both challenges and opportunities for innovation and operational strengthening.

Policy and Regulatory Risk

India's environmental landscape is rapidly evolving, with increasing focus on emissions reduction, waste management, product stewardship, chemical regulations and water conservation. Regulations such as EPR (Extended Producer Responsibility) in plastic waste, stricter effluent standards, fertiliser control orders, and emerging national climate policies may influence compliance obligations and cost structures. Changes in government subsidy policies also remain a significant consideration for the fertiliser business.

Market Risk

Climate-related disruptions and global geopolitical tensions can impact the availability and pricing of raw materials such as ammonia, sulphur, phosphoric acid and potash. Changes in farmer preferences towards sustainable solutions, bio-based products or greener chemistries may also influence product mix and demand patterns.

Technology Risk

The Agri-input sector is witnessing increased emphasis on greener chemistries, new molecules, and sustainable formulations. Restrictions on certain crop-protection products, advances in bio-based and low-carbon solutions, and the need for improved process efficiency may require technology upgrades and R&D investments.

Reputational Risk

Stakeholders including regulators, investors, customers and farmers are increasingly aware of climate-linked environmental impacts. Demonstrating responsible manufacturing practices, safer chemistries, water stewardship and transparent emissions management is essential to maintaining stakeholder trust.

TRANSITION RISK SCENARIO ANALYSIS

CIL undertook a transition risk scenario analysis to evaluate how evolving climate policies, carbon regulations, technological advancements, and market shifts may influence its long-term strategic and operational outlook. The assessment covers the Company's key businesses covering Fertilisers, Crop Protection Chemicals (CPC), Bio-Products and Specialty Nutrients and reflects the Company's commitment to proactively preparing for decarbonisation pathways emerging in India and globally.

To guide this evaluation, the Company used two widely recognised climate pathways:

1. IEA Net Zero Emissions (NZE) 2050 Scenario (1.5°C) – representing a stringent policy environment, rapid adoption of low-carbon technologies, and significantly higher carbon pricing.
2. IEA Stated Policies / Above 2°C Scenario – representing gradual policy tightening, moderate carbon price escalation, and slower adoption of low-carbon alternatives.

These scenarios were applied to understand potential impacts on Coromandel's fuel mix, electricity sourcing, regulatory compliance requirements, customer expectations, and its ability to meet long-term cost-efficiency and competitiveness goals.

As part of the assessment, the Company analysed how key transition drivers including energy efficiency expectations, renewable energy integration, technology shifts, and supply-chain vulnerabilities influence operating costs and business resilience. The Company also reviewed its current base of energy consumption, GHG emissions performance, and ongoing efficiency initiatives to identify opportunities to strengthen its preparedness under different policy environments.

The evaluation highlights that Coromandel is increasingly well-positioned to manage transition risks, supported by continued reduction in GHG emissions intensity for Scope 1 & 2 emissions (which improved to 0.060 tCO_2e per MT of production in FY 2024-25), enhanced electrical energy efficiency, and rising utilisation of renewable and recovered energy sources such as waste-heat recovery systems. Planned expansion of renewable and low-carbon energy, continued modernisation of equipment, and the scale-up of WHRS capacity further strengthen resilience to future carbon-related cost escalation.

For additional details, please refer to the Climate Strategy, Energy Management and GHG Reduction Initiatives sections of this report.

Mapping Scenarios to Coromandel's Transition Context

Coromandel's manufacturing portfolio encompassing fertilisers, CPC, and bio-products is sensitive to energy price volatility, regulatory changes, and operational efficiency requirements. Under each scenario, the transition implications differ:

Scenario

1. IEA Net Zero Emissions (NZE) Scenario - Global Industrial Sector

Net-Zero Emissions Target Year: Scenario reference year: 2050

Scenario Description:

The IEA NZE Scenario outlines a global transition pathway in which energy systems rapidly decarbonise, with electricity-related emissions declining sharply and industrial processes adopting cleaner fuels and efficiency improvements. By 2030, global industry is expected to see accelerated adoption of low-carbon energy sources, and by 2050 significant reductions are projected through wide deployment of electrification, waste-heat utilisation and process optimisation technologies.

CIL uses the IEA NZE 2050 scenario as a high-ambition transition pathway to assess the sensitivity of its operations and product portfolio to accelerated global climate action, higher carbon pricing, and rapid adoption of low-carbon agricultural practices. This does not imply a commitment to a net-zero target but serves as a stress-test to evaluate resilience under a 1.5°C-aligned future This scenario is used by Coromandel to understand potential long-term transition pressures, despite the Company not having a Net Zero target. The Company is in the process of developing its Net-Zero target in the coming years.

2. SSP1-2.6 Scenario — Global Industrial Sector

Net-Zero Emissions Target Year: Beyond 2070

Scenario Description:

This scenario represents a moderate transition pathway where emissions decline but at a slower pace. Temperatures stabilise near ~1.8°C by the end of the century. Under this pathway, industrial sectors face steady but less aggressive policy tightening, though climate-linked disruptions (raw-material volatility, water stress, temperature extremes) intensify. Coromandel uses SSP1-2.6 to understand risks emerging from physical impacts, resource variability and long-term adaptation requirements.

3. SSP2-4.5 Scenario — Global Industrial Sector

Net-Zero Emissions Target Year: Not achieved within this century (continued rise in global emissions)

Scenario Description:

SSP2-4.5 represents a “middle-of-the-road” global development pathway where economic and population growth follow historical trends and climate action progresses unevenly across regions. Under this scenario, global temperatures are projected to increase by ~2.5°C by 2100, reflecting insufficient policy ambition, slower adoption of low-carbon technologies, and continued dependence on fossil fuels.

For the industrial sector, SSP2-4.5 implies moderate improvements in efficiency but no structural transformation toward deep decarbonisation. Carbon pricing evolves slowly, regulatory measures vary widely across countries, and businesses face heightened exposure to climate-linked operational disruptions such as supply-chain instability, water availability issues, and higher heat-stress days.

Coromandel uses SSP2-4.5 to assess long-term climate-related uncertainties under a scenario where mitigation progress is limited, helping evaluate vulnerabilities relating to:

- Input/raw-material volatility, especially for energy-intensive or petrochemical-linked intermediates
- Exposure to chronic physical risks, including increasing temperatures, water scarcity, and changes in monsoon patterns
- Operational reliability, given more frequent climate shocks
- Adaptation planning needs, particularly climate-resilient infrastructure, diversified sourcing, and strengthened business continuity systems.

4. SSP5–8.5 (Very High Emissions / Fossil-Fuel Intensive Development)

This scenario represents the upper-bound, worst-case physical climate risk pathway and is used by Coromandel to understand extreme stress conditions under which climate-related hazards could severely impact operations and supply chains.

Under RCP 8.5 (aligned with SSP5-8.5), global emissions continue to rise through the century, driven by high fossil-fuel use and limited mitigation action. This leads to very high warming of approximately 4.3–4.8°C by 2100, with pronounced increases in the frequency, duration, and severity of climate extremes.

Key implications for Coromandel under this scenario include:

- Severe heat stress, with significantly more extreme-heat days, affecting worker safety, energy demand for cooling, and operational continuity.
- Intensified water scarcity, increasing risks to process-water availability at manufacturing sites and raising irrigation stress for the agricultural sector.
- Higher probability of crop failures, erratic monsoon patterns, and pest/disease pressures, affecting downstream demand and agricultural productivity.
- Increased physical disruption risks, including flooding, cyclones, supply-chain interruptions, and transport delays across key logistics corridors.
- Greater strain on utilities, particularly electricity and water, leading to potential downtime and increased dependency on resilient infrastructure.

This scenario does not serve as a forecast but as a stress-test boundary, enabling Coromandel to examine the upper range of climate impacts and define where adaptation investments, redundancy planning, and climate resilient infrastructure would be needed to safeguard long-term operations.

Analysis of Transition Risks

A. Regulatory Risk

1. Risk: Enhanced Environmental and Emissions-Reporting Obligations

Risk Description:

India's regulatory environment for climate- and sustainability-related disclosures continues to expand. The introduction of BRSR Core and heightened scrutiny of emissions, effluent quality and product standards requires companies, including fertiliser manufacturers, to maintain strong governance and internal controls. Fertiliser Control Order (FCO) specifications, hazardous-chemical handling rules and water-use permissions further increase compliance complexity. Strengthening traceability, ensuring accurate reporting and maintaining site-level visibility are critical to preventing regulatory non-compliance.

Resilience Measures:

Coromandel prioritises adherence to all statutory requirements and continuously upgrades its environmental management systems. The Company has enhanced emissions monitoring, digitalised several reporting workflows, and expanded effluent-treatment and water-recycling capabilities. Facilities follow established ISO and safety-management systems, along with rigorous inspection and quality protocols. These measures help maintain compliance readiness and reduce exposure to evolving regulatory expectations.

2. Risk: Exposure to Climate-Linked Operational Conditions

Risk Description:

Climate variability is increasing the frequency of high-temperature days, irregular rainfall and water-stress conditions at several manufacturing locations. Reduced water availability or cyclone-related disruptions can affect logistics, cooling-water supply, storage of raw materials and operating hours. Stricter enforcement of water-use norms or potential tightening of industrial-discharge standards may also arise.

Resilience Measures:

Coromandel actively invests in water-efficiency measures such as process recycling, condensate recovery and enhanced ETP capabilities. At Ennore, the Company has planned installation of 2 MLD SWRO to strengthen water security. Emergency preparedness protocols exist for cyclone-prone sites such as Vizag and Kakinada. Units maintain storm-water-management systems, structural reinforcements, backup power availability and monsoon-preparedness plan to minimise operational disruptions.

3. **Risk:** Mandates on Cleaner and More Efficient Production Practices

Risk Description:

Future policy shifts may require greater energy efficiency, restrictions on high-emission fuels, or mandatory adoption of cleaner industrial technologies. As global and national frameworks move toward resource-efficient and low-carbon processes, manufacturing units may face additional expectations for reducing thermal and electrical energy intensity.

Resilience Measures:

Coromandel continues to implement energy-efficiency initiatives across sites, including process optimisation, VFD installations, lighting upgrades and heat-recovery expansion. The Company reported a ~19% reduction in thermal energy consumption and ~11% reduction in electrical energy usage in FY 2024–25. Waste-Heat Recovery Systems (WHRS) at key units generated significant clean power, reducing reliance on conventional energy sources and strengthening readiness for future energy-efficiency mandates.

B. Market Risk: Increased Raw-Material and Energy Costs

Risk Description:

Global supply disruptions and geopolitical uncertainty influence the pricing and availability of phosphates, sulphur, ammonia and other key inputs. Coromandel's FY 2024-25 raw-material expenditure amounted to approximately ₹702 crores, reflecting high dependency on global markets. Power and fuel costs for the same year were ₹373 crore, revealing vulnerability to energy-price volatility. Consumer preferences are simultaneously shifting toward more sustainable, high-efficiency crop nutrition solutions.

Resilience Measures:

The Company has diversified sourcing geographies, strengthened supplier relationships, and expanded long-term contracts for key inputs. Investments in energy efficiency and WHRS (supplying ~5.6 lakh GJ of recovered energy in FY 2024–25) reduce dependence on grid power and fossil fuels. Product innovation in bio-solutions, micronutrients and water-soluble fertilisers ensures alignment with evolving farmer requirements.

C. Reputational Risk: Stakeholder Expectations on Environmental Performance

Risk Description:

Stakeholders increasingly evaluate companies based on their environmental and sustainability actions. Inadequate progress on emissions management, water stewardship, waste reduction or regulatory compliance may affect customer confidence, investor perception or community trust.

Resilience Measures:

Coromandel focuses on transparent performance reporting and maintains strong interactions with communities and stakeholders. In FY 2024–25, the Company achieved 3.96 million KL of water reuse a 3.5%

improvement, maintained zero major non-compliance, and continued lowering GHG emissions intensity. These achievements support its position as a responsible, sustainability-focused organisation.

D. Technology Transition Risk: Need to upgrade equipment or adapt to evolving lower-emission technologies.

Risk Description

As energy-efficiency requirements increase, manufacturing units face expectations to reduce thermal and electrical intensity. Coromandel's data indicates that thermal energy consumption declined by nearly 19% in FY 2024-25, while electrical energy consumption reduced by ~11%, showcasing the impact of ongoing technology upgrades.

Resilience Measures:

The Company has progressively modernised operations by installing VFDs, upgrading old machinery and expanding WHRS at key sites. The Vizag sulphuric acid plant and associated energy-recovery systems alone added 16 MW of power-generation capacity from waste heat. These technological shifts contribute directly to lowering Scope 1 emissions, which reduced by ~29% from 1.17 lakh tCO_2e to 0.83 lakh tCO_2e in FY 24–25.

Decarbonisation journey and strategic approach

Coromandel International Limited continues to strengthen its decarbonisation efforts in line with India's evolving climate policy landscape and global best practices. The Company integrates climate-related considerations into operational and strategic decision-making, ensuring that reductions in greenhouse gas (GHG) emissions remain a core priority across its fertilisers, crop protection, specialty nutrients, and bio-products businesses.

CIL has set clear emissions reduction objectives for its key operations and is progressing through a structured approach built around three focus areas:

Energy Efficiency Enhancements:

The Company is improving process efficiency, optimising energy consumption, and deploying low-energy technologies to reduce Scope 1 and 2 emissions intensity across manufacturing sites.

Increasing Renewable and Low-Carbon Energy Use

CIL is expanding the share of renewable power, strengthening waste-heat recovery systems, and evaluating alternative low-carbon fuels to reduce dependency on conventional energy sources.

Product and Process Innovation

The Company is advancing sustainable product development including specialised nutrients, biological solutions, and other low-environmental impact offerings that contribute to emissions reduction across the agricultural value chain and support long-term resource efficiency.

Through these initiatives, CIL aims to lower its operational carbon footprint, build long-term resilience to transition risks, and support India's broader decarbonisation goals. The Company's climate strategy showcases its commitment to responsible growth, operational efficiency, and the development of solutions that enable more sustainable agricultural practices.

Further details on progress, metrics, and targets are provided in the Climate Strategy, Energy Management, and GHG Reduction Initiatives sections of this TCFD report.

PHYSICAL RISK SCENARIO ANALYSIS

Coromandel's risk management framework incorporates climate scenario analysis to anticipate future changes in chronic and acute physical risks and to support long-term strategic and financial planning. As the operating environment becomes increasingly influenced by climate variability, assessing long-range projections of temperature, precipitation and extreme weather events becomes essential.

To evaluate long-term physical risks, Coromandel references the IPCC's Shared Socioeconomic Pathway (SSP) scenarios, which provide global projections of how climate variables may evolve under different warming trajectories through 2100. These scenarios help illustrate how changes in temperature, rainfall patterns and frequency of extreme heat days may influence agriculture-linked sectors such as fertilisers, crop protection and speciality nutrients.

The SSP scenarios also support an understanding of how physical risks may differ under various global mitigation pathways:

a. **SSP1 – 2.6 (Low Emissions / Sustainability)** – A moderate emissions pathway that approximates the direction of current global climate efforts and serves as the Company's central planning case. Under this scenario, temperatures increase to ~1.7–1.8°C by 2100, contributing to gradual increases in heat stress, higher cooling demand at manufacturing sites, and increased water requirements for agriculture and industrial operations.

b. **SSP2 - 4.5 (Intermediate Emissions / Middle-of-the-Road)** – A scenario characterised by uneven climate policy progress and moderate emissions reductions, used as the Company's high-stress physical-risk case. Global temperatures rise to ~2.5–2.7°C by 2100, significantly amplifying heatwave frequency and duration. This increases the risk of crop productivity decline, spikes in irrigation requirements, more frequent stress on raw-material supply chains, and higher operational risks for energy- and water-intensive processes.

c. **SSP5–8.5 (Very High Emissions / Fossil-Fuel Intensive)** - A worst-case physical climate scenario where emissions continue to rise through the century due to high fossil-fuel use and limited mitigation action. Global temperatures increase by ~4.3–4.8°C by 2100, leading to extreme and persistent heatwaves, severe water scarcity, heightened cyclone and flood risk, and widespread agricultural stress. For Coromandel, this represents an upper-bound scenario used for stress testing long-term resilience, given the potential for major disruptions to crop demand, logistics, utilities and site-level operating conditions.

These scenario insights help Coromandel understand how chronic climate shifts such as rising temperatures, altered monsoon behaviour, prolonged dry spells etc. may evolve over time and influence the Company's manufacturing locations, agricultural customer base and upstream supply chain.

This section presents Coromandel International Limited's first-year assessment of physical climate risks. The potential adverse impacts from changing weather patterns and extreme climate events on the Company's operations, supply chain, customers (farmers) and long-term value creation.

The purpose of this chapter is to:

a. Identify and characterise the physical hazards most material to Coromandel's business.
b. Describe the analytical approach used to translate climate projections into business impacts.
c. Present directional, evidence-based findings that inform near-term adaptation priorities.

Why physical risk matters for Coromandel?

Coromandel operates in the sector of agriculture and chemical manufacturing. Its business model that includes manufacturing and marketing fertilisers, crop-nutrition products and farmer services is directly linked to climatic conditions that affect crop choices, crop calendar, farm incomes and input demand. Key reasons physical risk is material for Coromandel include:

- **Monsoon and rainfall dependency:** Changes in monsoon onset, intensity and spatial distribution directly influence cropping patterns and fertiliser demand across key markets.
- **Drought exposure:** Droughts reduce cropping intensity and farmer purchasing power, increasing short-term demand volatility.
- **Temperature rise and heat stress:** Elevated temperature increases crop water needs, affects yield patterns, and raises water demand at manufacturing sites.
- **Extreme weather events (floods, cyclones):** These events can damage assets, disrupt logistics and port operations, and interrupt supply of imported raw materials.
- **Water scarcity at production clusters:** Many facilities are in regions where water availability is critical to operations; scarcity increases operational risk and potential downtime.
- **Rising sea levels:** Sea-level rise increases the risks for coastal logistics routes, ports used for importing key raw materials (such as phosphate and ammonia), and associated infrastructure. It can increase flooding frequency at low-lying transport corridors, potentially disrupting inbound and outbound supply chains and raising long-term adaptation requirements.

Understanding these pathways enables the Company to prioritise adaptation actions that protect production continuity and safeguard its role in India's food security.

Selection of IPCC SSPs for Physical Risk Analysis

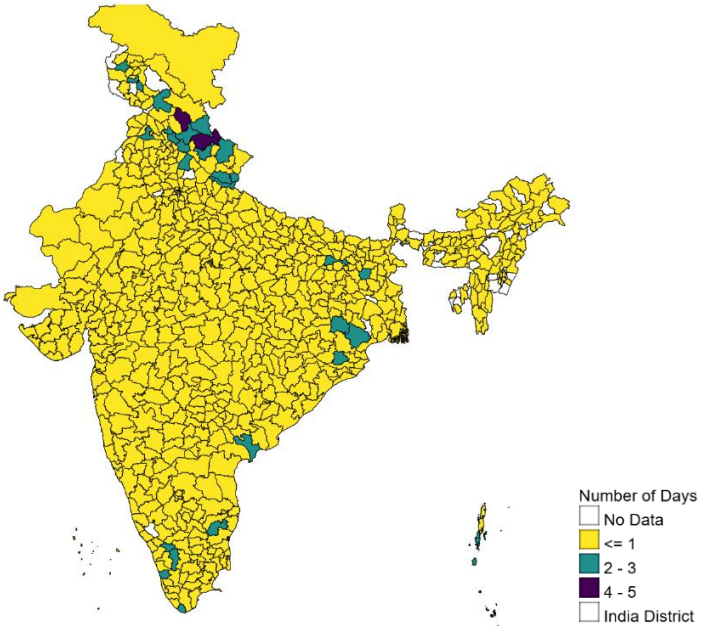
Coromandel uses three well-established SSPs that collectively span a wide range of climate stress outcomes. The below SSP's also highlight the Temperature Rise & Heat Stress:

These scenarios do not serve as predictions, rather, they define logical stress boundaries that help Coromandel assess where physical risks may intensify and where proactive planning may be required. For a company like CIL, rising temperatures translate into higher process water demand, agricultural stress, and an elevated need to secure continuous utilities at plants.

Rainfall Variability and Monsoon Behaviour

The Indian monsoon is the backbone of agricultural productivity. Based on the climatic studies carried out, it is projected to become increasingly erratic over the coming years.

- **Greater spatial unevenness:** More instances of surplus rainfall in some districts and deficits in others.
- **Higher intra-season variability:** Intense rainfall over shorter periods, alternating with prolonged dry spells.
- **Shifts in monsoon onset/withdrawal:** Affecting sowing windows and crop maturity cycles.



Maximum Probable Frequency of Heavy Rainfall Events (Number of Days): January to February (2011 to 2020)

CYCLONE & FLOOD (HEAVY RAINFALL) RISK

Cyclones and intense rainfall events pose periodic disruptions for CIL's coastal and high-rainfall sites. While core production has remained largely stable, these events can interrupt utilities, affect storage conditions, and slow down logistics, resulting in higher operating costs and temporary productivity loss.

Sites with elevated exposure: **4 sites (Visakhapatnam, Kakinada, Chennai, Cuddalore)**

Impact of Risk

- Supply interruptions due to port shutdowns, delayed vessel unloading and grid power failures during cyclones.
- Increased reliance on DG backup, used to maintain essential plant utilities and prevent process downtime.
- Damage to roofing, sheds and electrical systems, causing water ingress, temporary unit stoppages and repair expenditure.
- Waterlogging in plant areas such as SSP mills, sulphuric acid sections and godowns, affecting movement of materials and workforce safety.
- Raw material exposure risks, with open or semi-covered stock vulnerable to wetting, spoilage or handling issues during heavy rain.
- Longer turnaround times, as access roads, internal roads and logistics corridors face temporary flooding or congestion.

CIL's Resilience Measures

- Strengthening of sheds and roofing, annual structural inspections and maintaining AC sheet stock and repair agencies for rapid response.
- Enhanced drainage management, including pre-monsoon cleaning of stormwater drains, erosion control and keeping dewatering pumps ready.

- Protected storage practices, using covered sheds/tarpaulin and increasing secured raw material and finished goods storage capacity before monsoon/cyclone periods.
- Cyclone and monsoon preparedness plans, supported by special response drills, safety restrictions around roof-sheet areas and advance stocking of critical materials.
- Reliable power continuity, through DG backup to maintain utilities and essential maintenance work during outages.
- Worker safety measures, including restricted movement during high winds and readiness of emergency SOPs.

Overall financial impact

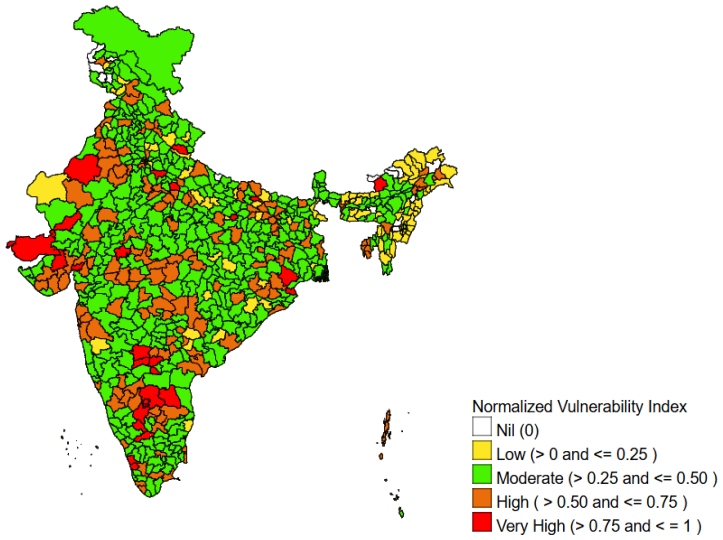
- The Company did not incur any financial impact as a result of cyclone and flood in the FY 2024-25

These changes have direct implications for fertiliser consumption patterns, farmer liquidity and the demand for supplemental nutrients, making rainfall variability one of the most consequential drivers of Coromandel's business environment.

Drought Frequency and Severity

Droughts pose a systemic risk to fertiliser demand and farm incomes. Under the scenarios:

- SSP1-2.6: Droughts continue at current or slightly higher frequencies, with region-specific intensification.
- SSP2-4.5: Significant increase in drought likelihood across India's key cropping regions, directly affecting cropping intensity and input use.
- SSP5–8.5: Severe and prolonged drought conditions become more frequent, with sharp declines in soil moisture and major stress on agriculture and water-dependent industries.



All Categories (Moderate, Severe and Extreme) Drought Normalized Vulnerability Index (Based on Standardized Precipitation Index)

DROUGHT RISK

Drought conditions reduce freshwater availability around several CIL manufacturing locations, creating operational strain and influencing overall business continuity. Prolonged dry spells limit the intake needed for cooling, boiler operations and treatment systems, increasing both cost and operational risk.

Sites with elevated exposure: **4 sites (Udaipur, Vadodara, Dahej & Cuddalore)**

Impact of Risk

- Higher operating costs when plants shift to tanker or third-party water to maintain minimum process requirements.
- Reduced production reliability, as limited water availability constrains cooling tower performance, boiler feedwater stability and utility efficiency.
- Greater process variability, with heat build-up or reduced cooling leading to equipment stress and potential load adjustments.
- Increased treatment challenges, as lower water volumes affect ETP/RO stability and raise chemical and energy use.

CIL's Resilience Measures

- Strengthening onsite storage, including expansion of raw-water tanks and monsoon runoff capture to buffer dry periods.
- Optimising water use in operations, through improved cooling tower cycles, condensate recovery and controlled load management during high-heat months.
- Diversifying emergency supply options, with pre-identified tanker sources and alternate water arrangements for high-risk sites.
- Enhancing recycling, increasing recovery at RO/ETP units to reduce fresh-water dependency during drought conditions.

Overall financial impact

- The Company did not incur any financial impact as a result of droughts in the FY 2024-25

For Coromandel, drought years can reduce nutrient application levels and shift farmer purchasing behaviour towards low-cost, essential products, impacting product mix and revenue.

Extreme Weather Events

Across scenarios, extreme weather events especially heatwaves disruptions are expected to increase:

- Extreme temperatures due to climatic change and constantly changing weather patterns.

HEATWAVES RISK

Heatwaves are becoming increasingly frequent and severe at some of the CIL locations. These conditions place additional pressure on plant utilities, equipment reliability and workforce safety, creating both operational and cost implications for the Company.

Sites with elevated exposure: **4 sites (Ranipet, Ennore, Udaipur & Kota)**

Impact of Risk:

- Increased cooling load and energy consumption
- Higher heat stress on employees and outdoor operations
- Minor risk of reduced equipment efficiency during peak heat periods

CIL's Resilience Measures:

- Deployment of heat-management protocols (cooling zones, rehydration stations) during peak summer months
- Optimisation of cooling tower operations and installation of high-efficiency ventilation systems
- On-site health monitoring and emergency response readiness
- Alignment of shift timings to reduce heat stress exposure

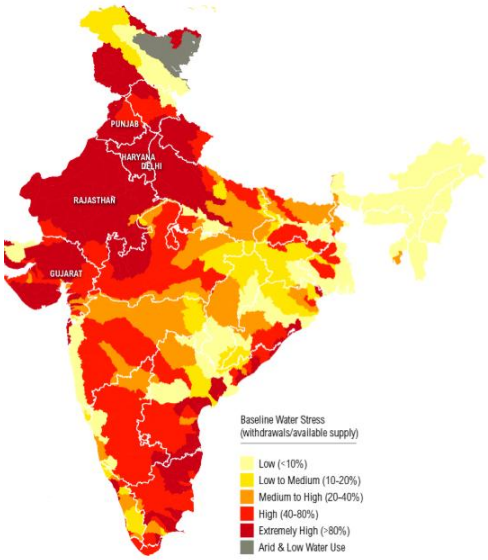
Overall financial impact

- The Company incurred a financial impact of INR 5,65,000 because of heatwaves in the FY 2024-25

Water Availability and Resource Stress

Water access is a critical operational requirement for manufacturing complexes. Climate projections indicate:

- Increasing pressure on freshwater resources, particularly in southern India.
- Rising competition for water between agriculture, industry and domestic use.
- Higher evaporation losses and increased operational water demand under high-temperature scenarios.



Baseline Water Stress in India

WATER STRESS RISK

Water stress is a recurring risk for sites located in regions with high competition for industrial and domestic water. This affects CIL's ability to maintain stable production, manage costs and meet supply commitments, making it a core operational and business concern.

Sites with elevated exposure: **14 sites (Ennore SSP, Thyagavalli, Pali, Ranipet SSP, Ankleshwar, Dahej, Ennore, Jammu, Kota, Nandesari, Nimrani, Ranipet, Sarigam, Udaipur)**

Impact of Risk:

- Potential production slowdowns when water availability drops below minimum thresholds for utilities and process units.
- Higher operational expenditure, due to reliance on treated water, pumping costs and additional treatment chemicals.
- Lower utility efficiency, as cooling towers, boilers and scrubbers perform sub-optimally under reduced intake or fluctuating water quality.

CIL's Resilience Measures:

- Multi-source water procurement, from borewell, third party reservoirs, tertiary-treated, industrial pipeline water to avoid single-source dependency, water tankers.

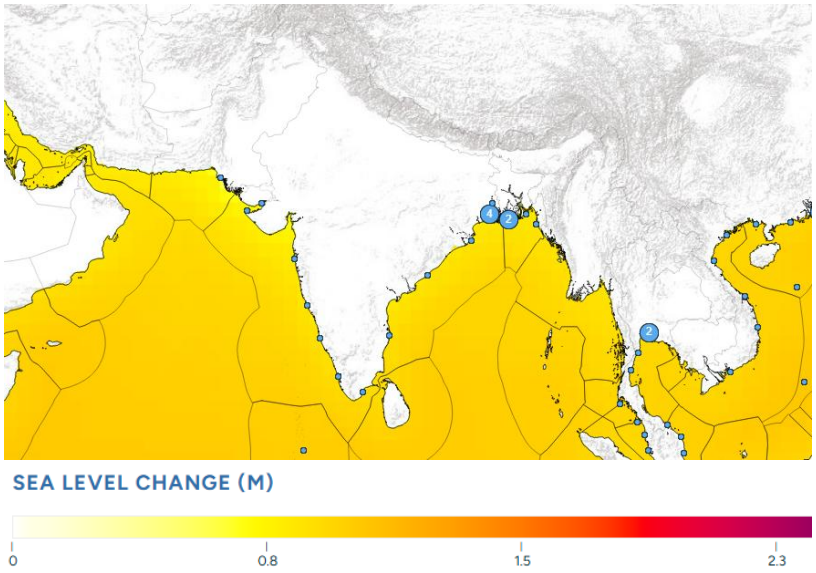
- Increasing storage buffers, building larger raw-water storage capacities to ensure operational continuity during scarcity periods.
- Upgrading utility efficiency, through high-efficiency cooling towers and selective closed-loop systems.

Overall financial impact

- The Company incurred a financial impact of INR 31,55,625 because of water stress in the FY 2024-25

Plants located in water-stressed regions may face production constraints, necessitating higher investment in recycling, storage and efficiency technologies.

Rising Sea-Level



Projected Sea Level Change – India

Rising sea levels pose a growing risk to Coromandel's coastal-linked supply chain and logistics infrastructure. While most manufacturing plants are inland, the Company relies heavily on ports, coastal transport corridors and low-lying logistics hubs for import and movement of key raw materials. Gradual sea-level rise, combined with storm surges and tidal flooding, can disrupt inbound shipments, increase handling costs and affect delivery reliability.

Sites with elevated exposure: **4 sites (Visakhapatnam, Kakinada, Chennai & Cuddalore)**

Impact of Risk

- Disruption of raw material imports, especially during high-tide flooding and cyclonic storm surges, affecting phosphatic rock, ammonia and sulphur shipments.
- Higher logistics and demurrage costs, due to port congestion, vessel delays and additional handling requirements.
- Damage to coastal storage and handling infrastructure, increasing maintenance and safeguarding costs.
- Potential delays in dispatches, impacting timely supply to agricultural markets during peak seasons.
- Long-term need for enhanced flood-proofing, embankment protection and relocation of vulnerable storage/transfer assets.

CIL's Resilience Measures

- Diversified port usage, enabling flexibility between multiple east-coast ports to reduce dependency on any single vulnerable location.
- Buffer inventory planning, including higher safety stocks at inland warehouses to mitigate temporary supply interruptions.
- Strengthening port-side infrastructure, in collaboration with port authorities, through improved drainage, elevated storage zones and cyclone-resistant structures.
- Assessment of alternative logistics routes, ensuring redundancy in case of inundation-prone segments.
- Continuous monitoring of coastal risk maps, sea-level rise projections and port vulnerability assessments to refine long-term adaptation planning.

Overall Financial Impact

- No material direct financial impact was recorded in FY 2024–25 specifically attributable to sea-level rise

Why Physical Climate Shifts Matter for Coromandel?

The physical climate changes outlined above influence Coromandel through multiple intertwined pathways:

a. **On agricultural markets:**
   - Crop yields and sowing decisions change with rainfall and temperature patterns.
   - Farmer income variability affects fertiliser consumption behaviour.
   - Droughts reduce cropping intensity and shrink nutrient demand.

b. **On manufacturing operations:**
   - Water stress affects plant reliability and capacity utilisation.
   - Heat stress increases cooling requirements and utility loads.
   - Flooding or storm damage affects asset availability and maintenance cycles.

c. **On supply chain and logistics:**
   - Delays in import shipments due to cyclones or port disruptions.
   - Road inaccessibility in monsoon-heavy districts.
   - Increased warehousing risks during extreme rainfall events.

d. **On long-term strategic positioning:**
   - Growing need for climate-resilient product offerings.
   - Opportunity to expand weather advisory and risk mitigation services to farmers.
   - Greater emphasis on efficiency, resource circularity and resilient infrastructure.

Scenario Analysis – Opportunities Created

Scenario	Overall Physical Impact on CIL	Opportunities (What Coromandel is already Doing to Build Resilience)
SSP1 – 2.6 (Low Emissions / Sustainability)	• Moderate rise in heatwaves resulting in higher cooling and energy loads. • Seasonal water stress affecting utilities and ETP performance. • Heavy rainfall causing drainage and access issues.	❖ Coromandel's response to evolving climate risks has created significant opportunities to strengthen operational efficiency, reduce environmental impact, and build long-term business resilience. The Company has embedded sustainability across its manufacturing processes, energy systems, water management and product portfolio, enabling it to

	Moderate increase in maintenance and operating costs.	operate more efficiently even under climate-stressed conditions.
SSP2 – 4.5 (Intermediate Emissions / Middle-of-the-Road)	• Frequent heatwaves - elevated utility load and equipment stress. • High water scarcity - production curtailment risk. • Cyclones/floods - power failures, waterlogging, storage risks, logistics delay. • Highest increase in operating costs and contingency measures.	❖ A major opportunity area is energy transformation. All fertiliser sites are ISO 50001 certified, reflecting a systematic approach to energy governance and continual performance improvement. During FY 2024–25, total energy consumption reduced by 6%, supported by the adoption of Variable Frequency Drives (VFDs), high-efficiency motors, upgraded HVAC systems, LED lighting, power factor correction, and expanded SCADA-based energy monitoring. These initiatives resulted in electrical energy savings of 17.6 lakh kWh. This led to a financial saving of INR 70,57,420. ❖ Coromandel has also increased renewable energy use, with hybrid power contracts for the Sarigam and Ankleshwar units, 19,701 GJ of renewable electricity consumed, and a 400% increase in renewable fuels. Waste Heat Recovery Systems (WHRS), particularly the 16 MW plant at Vizag, have significantly increased the share of energy from waste heat to 23%, reducing dependence on conventional power and lowering Scope 1 & 2 emissions. ❖ Coromandel also sees significant opportunity in water stewardship and resource circularity. With Zero Liquid Discharge (ZLD) achieved at 12 units, extensive recycling through ETPs and STPs, rainwater harvesting, submeters, and rigorous pipeline maintenance, the Company has strengthened its ability to operate even during severe water stress or drought. Treated water is reused in cooling towers, dust suppression and greenbelt irrigation, reducing dependence on freshwater sources and improving long-term water security. ❖ Another major opportunity lies in the Sustainable Product Portfolio and Resource-Efficient Solutions. Coromandel has expanded its Green Triangle and biological offerings to over 8 million acres, including trusted brands such as Jatayu, Hexastop, Kapeni and Endurer. The Company's neem-based biopesticides, plant-extract growth enhancers, and natural formulations support climate-resilient agriculture. Complementing these are water-soluble fertilizers, micronutrients, liquid fertilizers, organic and bio-based products, and patented nano formulations that improve resource efficiency, nutrient uptake, and soil health. These products not only address emerging climate challenges but expand Coromandel's presence in low-impact, future-ready agriculture. ❖ Across operations, Coromandel continues to integrate climate-resilient infrastructure, including reinforced sheds, protected storage, improved
SSP5 – 8.5 (Very High Emissions / Fossil-Fuel Intensive)	• Extreme and persistent heatwaves - severe load on utilities, cooling systems and plant equipment. • Acute water scarcity - frequent production disruptions and high-cost water sourcing. • Intensified cyclones, storm surges and coastal flooding - major delays at ports and higher logistics and storage risks. • Substantial rise in operating and contingency costs due to infrastructure reinforcement, backup utilities and emergency responses.	

		drainage networks, dewatering pumps, and cyclone/monsoon preparedness plans. Worker safety is strengthened through heat-stress protocols, hydration measures and adjusted shift patterns. ❖ During the year, Company's R&D spend was Rs 41 Crores. It focused on developing sustainable technologies, advancing green chemistries and improving process efficiencies. Major areas of R&D spend during the year included work towards slow release, nano products, technicals, speciality chemicals, formulation, microbial research. Further, Company has partnered with technology providers to carry out trials in phosphate-based chemistries.

RISK MANAGEMENT

Key Focus Areas:

1. **Organization's processes for identifying and assessing climate-related risks.**
2. **Organization's processes for managing climate- related risks.**
3. **Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management**

Introduction

Coromandel operates in a complex and evolving business environment marked by regulatory changes, climate variability, market fluctuations, geopolitical developments, and technology-driven disruptions. These factors influence the Company's ability to maintain stable operations, protect assets, and achieve its strategic and financial objectives. Recognising these challenges, the Company has established a comprehensive Enterprise Risk Management (ERM) framework that provides a disciplined and consistent approach to identifying, assessing, prioritising, mitigating, and monitoring risks across all levels of the organisation.

Key Highlights: Risk Management

- **Adoption of ISO 31000:** Risk management framework aligned with international standards.
- **Integrated with Strategy:** ERM embedded in strategic planning and business decision-making.
- **Independent Oversight:** Risk Management Committee chaired by an Independent Director.
- **Biannual Risk Reviews:** Conducted across corporate, divisional, and plant levels.
- **Capacity Building:** Regular ERM training for plant teams and non-executive directors.
- **Audit-Backed Assurance:** Risk processes reviewed periodically by the Internal Audit team.
- **Culture of Risk Awareness:** Organization-wide efforts to foster a risk-intelligent culture.

The ERM framework enables Coromandel to evaluate both current and emerging risks, including climate-related physical risks such as extreme weather events, water scarcity, and supply chain disruptions, as well as transition risks arising from policy shifts, regulatory requirements, technology changes, and stakeholder expectations. This approach supports informed decision-making and ensures that climate considerations are reviewed alongside strategic, operational, financial, regulatory, and environmental risks.

The framework is supported by clear policies, defined roles and responsibilities, and structured review mechanisms overseen by the Board and senior leadership. Regular assessments are conducted at corporate, divisional, and plant levels, with risk owners responsible for implementing mitigation plans and reporting progress.

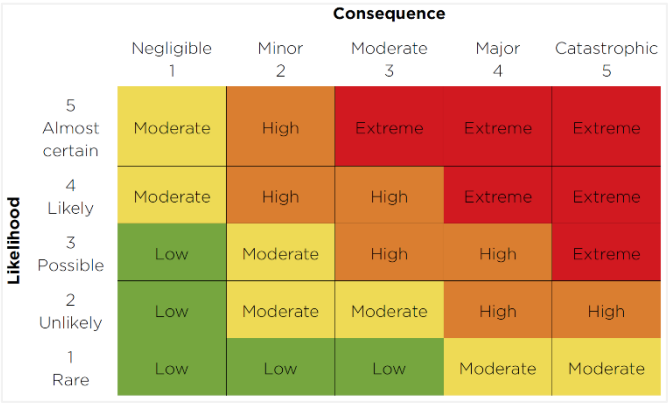
Processes for Identifying and Assessing Climate-Related Risks

Coromandel identifies and assesses climate-related risks through its established Enterprise Risk Management (ERM) process. Climate risks are reviewed along with other business risks at corporate, divisional, and plant levels.

Risk identification follows a combined top-down and bottom-up approach.

- At the corporate level, external factors such as regulatory changes, climate-related policy developments, market conditions, and industry trends are monitored.
- At the plant and business-unit level, operational teams identify site-specific exposures such as extreme weather events, monsoon variability, water scarcity, emissions requirements, supply chain disruptions, and soil or environmental conditions.

Each identified risk is assessed using the Company's standard likelihood and impact criteria. Impact assessment considers operational disruption, safety, compliance requirements, supply chain continuity, and financial exposure. Physical climate risks are evaluated using historical weather patterns, past incident data, and location-based sensitivities. Transition risks are evaluated based on evolving regulations, environmental standards, and changes in market or subsidy structures.



Risks identified across units are consolidated into divisional and corporate risk registers. Ratings assigned at the unit level are reviewed at the corporate level for consistency. Emerging risks, including those linked to climate variability, are separately monitored to ensure early identification.

This process ensures that climate-related risks are recognised, assessed, and prioritised using the same structured methodology applied to all business risks.

Coromandel - Indicative Climate Risk Rating

Transition Risks

Risk	Suggested Time Horizon	Overall Risk Level
Regulatory & Policy Shifts (emissions norms, EPR, subsidy changes)	**Medium Term**	**High**
Market Risks (raw-material volatility, farmer preference shifts)	**Short Term**	**Medium**
Technology Risks (new molecule restrictions, greener chemistries)	**Medium Term**	**Medium**
Reputational Risks (expectations on responsible agriculture)	**Long Term**	**Medium**

Physical Risks

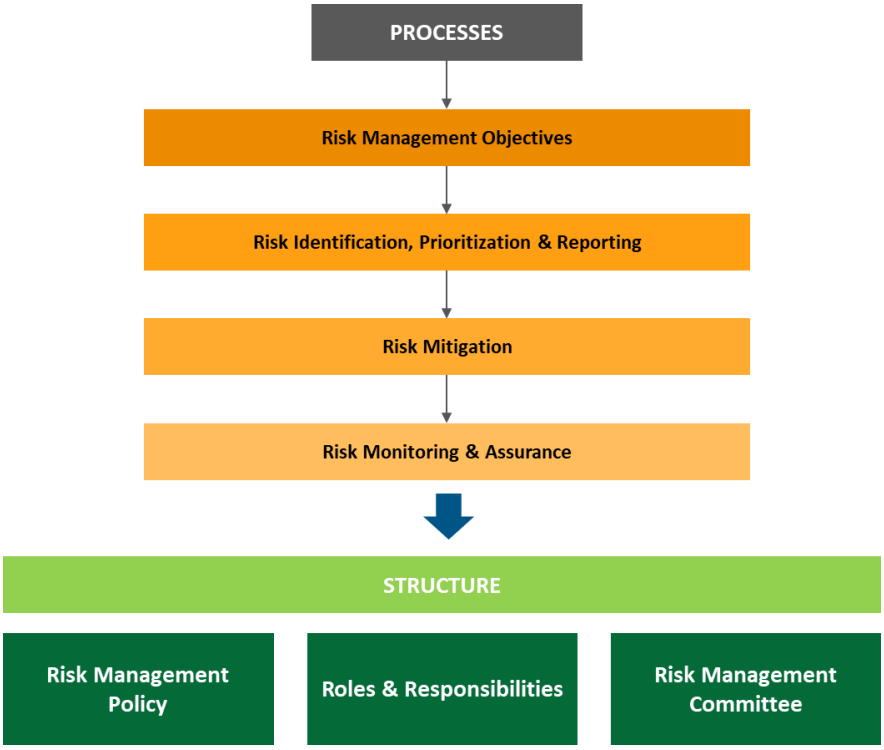
Risk	Suggested Time Horizon	Overall Risk Level
Acute Physical Risks (cyclones, flooding, heavy rainfall)	**Short Term**	**Medium**
Chronic Physical Risks – Droughts & Monsoon Variability	**Medium Term**	**High**
Chronic Physical Risks – Water Scarcity	**Medium Term**	**High**
Chronic Physical Risks – Rising Sea Level	**Long Term**	**Medium**

Processes for Managing Climate-Related Risks

Coromandel manages climate-related risks through its established risk treatment and control mechanisms within the ERM framework. Each identified climate-related risk is assigned to a defined risk owner at the plant or business-unit level, who is responsible for implementing mitigation actions and reporting progress.

Mitigation plans are developed based on the nature of the risk. For physical risks, actions include strengthening site infrastructure, improving water management, ensuring safe storage and handling of materials, maintaining equipment, and implementing emergency response measures. For transition risks, actions include compliance with environmental regulations, effluent and emission control measures, adherence to quality and safety standards, and responding to changes in subsidy, product, or regulatory requirements.

Risk owners review the effectiveness of controls through periodic monitoring, inspections, and audits. Plant-level reviews feed into divisional and corporate reviews, ensuring alignment across the organisation. The Risk Management Committee oversees the implementation of mitigation plans, reviews compliance with regulatory requirements, and tracks corrective actions. Internal audit conducts periodic evaluations of risk management processes and control effectiveness.



Overall, climate-related risks are managed through defined action plans, continuous monitoring of controls, and periodic review by senior management and oversight committees.

Integration of Climate-Related Risks into Overall Risk Management

Climate-related risks are integrated into Coromandel's overall risk management through the Company's structured Enterprise Risk Management (ERM) framework. Climate risks form part of the same assessment, escalation, and review processes applied to all enterprise-level risks.

Integration is supported by existing Company policies and management systems, which guide how climate-related risks are identified, mitigated, and monitored. These include:

Climate-related risks identified at the plant and business-unit levels are included in unit risk registers along with operational, safety, environmental, and compliance risks. These risks follow the standard review cycle, where unit-level assessments are consolidated at the divisional level and subsequently reviewed at the corporate level. This ensures that climate risks whether physical or transition are evaluated in the broader context of operational continuity, regulatory compliance, and business performance.

The Risk Management Committee (RMC) reviews climate-related risks as part of the overall corporate risk profile. This includes tracking mitigation progress, monitoring changes to regulatory requirements, and ensuring alignment with organisational priorities. Climate considerations are therefore embedded into operational planning, infrastructure resilience, resource management, and long-term decision-making.

By embedding climate-related risks within these existing policies and governance processes, Coromandel ensures consistent treatment of climate issues across functions and levels. This integrated structure enables the organisation to manage climate risks as part of overall business resilience, regulatory compliance, and sustainability performance.

METRICS & TARGETS

Key Focus Areas:

1. **Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process**
2. **Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks**
3. **Targets used by the organisation to manage climate-related risks and opportunities and performance against targets**

Introduction

Coromandel International adopts a structured and data-driven approach to monitoring its environmental performance through a clearly defined set of metrics and medium- to long-term targets. These indicators enable the Company to evaluate progress on energy efficiency, emissions reduction, and water stewardship, and support informed decision-making across its operations.

The metrics and targets presented in this section reflect Coromandel's commitment to transparent disclosure, responsible resource management, and continuous operational improvement. Performance data is captured through internal monitoring systems and reviewed periodically to ensure alignment with the Company's sustainability pathway and evolving regulatory expectations. As part of the Company's dedication to transparency and accountability, it conducts third-party assurance for its sustainability parameters, including Energy, GHG emissions and Water withdrawal on a yearly basis. This approach ensures that the Company presents accurate and credible information to all its stakeholders.

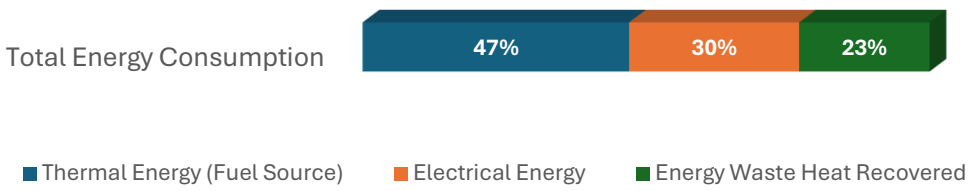
Through a disciplined focus on measurement and accountability, Coromandel seeks to strengthen its environmental performance year on year and advance its long-term ambition of operating in a more efficient, resilient, and sustainable manner.

Energy Management

Energy management remains a critical focus area for Coromandel, given the energy-intensive nature of its manufacturing operations. The Company follows a systematic approach to optimise thermal and electrical energy consumption, enhance process efficiency, and progressively increase the share of renewable and waste-heat-based energy in its overall energy mix. These efforts align with Coromandel's broader goal of improving resource productivity and reducing operational emissions.

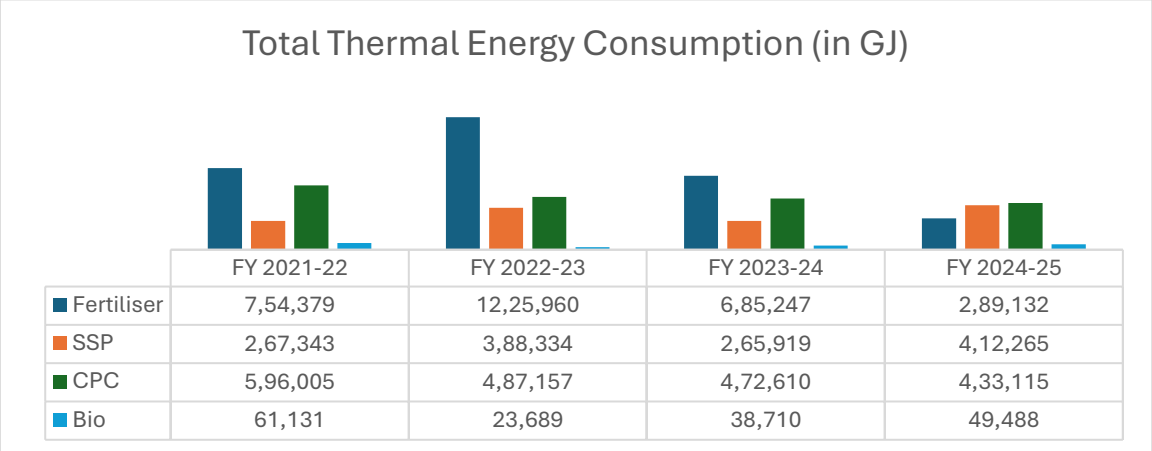
1. ***Energy Consumption Performance***

   During FY 2024–25, total energy consumption increased across business units due to higher production volumes of finished and intermediate products. Thermal energy continued to represent the largest component of overall energy use, followed by electrical energy and energy recovered through waste heat recovery (WHR) systems.



2. *Thermal Energy Consumption*

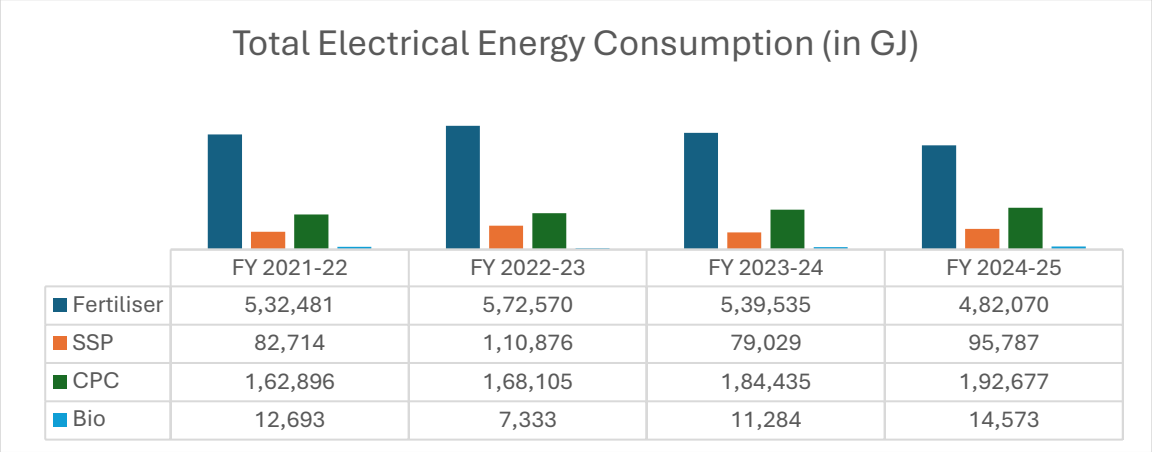
Thermal energy demand rose in FY 2024 - 25, consistent with increased operational throughput. Fertiliser operations accounted for the majority of thermal energy consumption, with SSP, CPC, and Bio Products contributing to the remaining share.



	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fertiliser	7,54,379	12,25,960	6,85,247	2,89,132
SSP	2,67,343	3,88,334	2,65,919	4,12,265
CPC	5,96,005	4,87,157	4,72,610	4,33,115
Bio	61,131	23,689	38,710	49,488

3. *Electrical Energy Consumption*

Electrical energy consumption also increased during the year, though the impact was moderated by several efficiency initiatives implemented across units. Renewable electricity integration progressed through hybrid renewable energy contracts and ongoing solar projects.

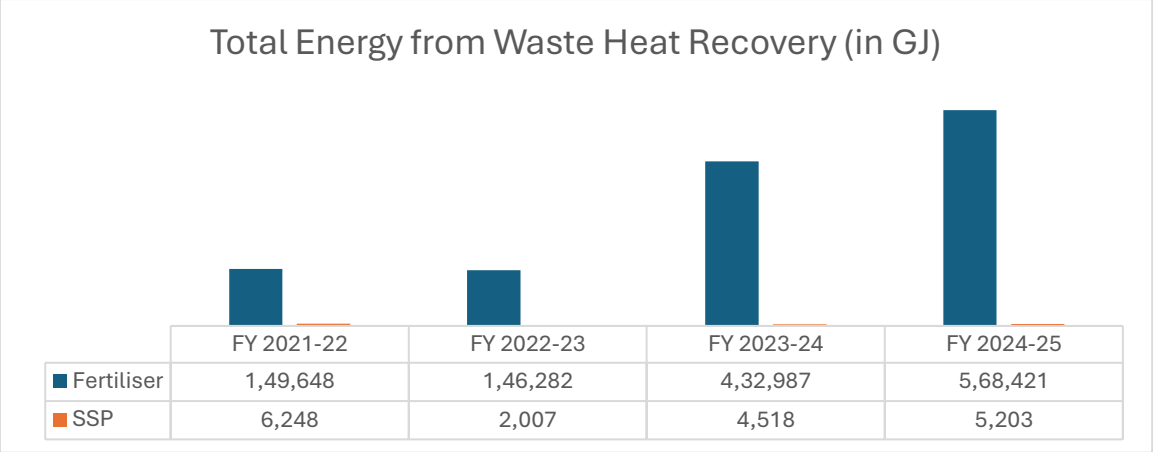


	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fertiliser	5,32,481	5,72,570	5,39,535	4,82,070
SSP	82,714	1,10,876	79,029	95,787
CPC	1,62,896	1,68,105	1,84,435	1,92,677
Bio	12,693	7,333	11,284	14,573

As part of its renewable energy and carbon reduction strategy, Coromandel's Crop Protection business finalized the Hybrid energy contracts for its Sarigam & Ankleshwar units. With this, these units are expected to meet ~20% of their energy requirement through renewable energy. The total renewable electricity consumption for FY 2024-25 stood at 19,701 GJ.

4. *Total Energy Consumed from Waste Heat Recovery (in GJ)*

The Company continued to strengthen its waste heat recovery capabilities, particularly through the sulphuric acid plant at Vizag. Power generated from WHR contributed significantly to reducing dependence on grid electricity and supported overall energy optimisation efforts.

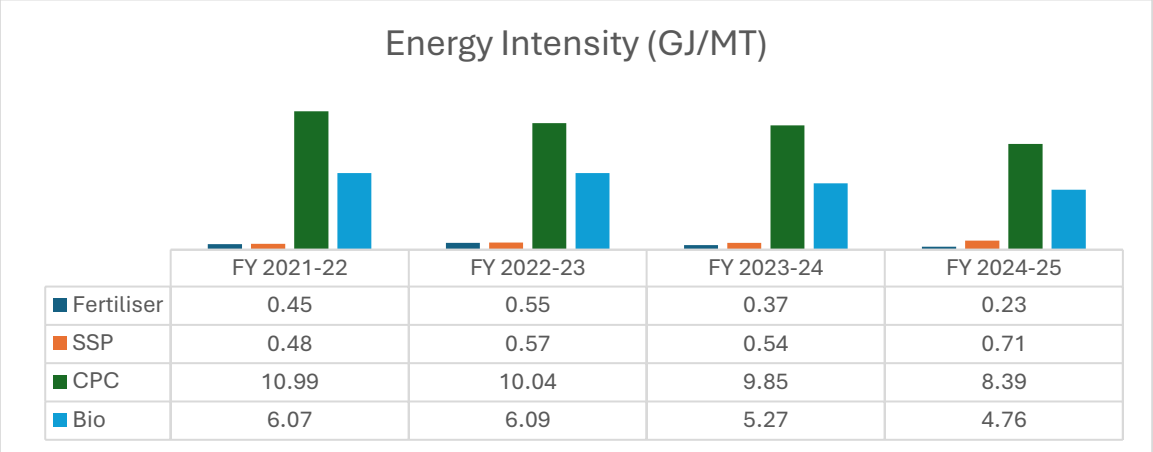


	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fertiliser	1,49,648	1,46,282	4,32,987	5,68,421
SSP	6,248	2,007	4,518	5,203

With the commissioning of sulphuric acid plant at Vizag, the fertiliser business significantly increased generation of power from waste steam. This has resulted in increased share of energy mix from waste heat process to 23% from 16% last year.

5. *Energy Intensity*

Energy intensity, measured as energy consumed per tonne of production output, remained a key performance indicator for operational efficiency. Variations across businesses were primarily attributable to product mix changes and process requirements, particularly in SSP operations where the share of granulated fertilisers increased.



	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fertiliser	0.45	0.55	0.37	0.23
SSP	0.48	0.57	0.54	0.71
CPC	10.99	10.04	9.85	8.39
Bio	6.07	6.09	5.27	4.76

6. *Key Energy Efficiency Initiatives undertaken*

Coromandel implemented several targeted initiatives to enhance energy efficiency across facilities, including:

- Installation of Variable Frequency Drives (VFDs) to reduce motor and compressor loads.
- Upgrading to high-efficiency motors, air compressors, and cooling systems.
- Expansion of waste heat recovery systems for power and process steam generation.
- Replacement of conventional lighting with energy-efficient LED systems.
- Increased adoption of bio-briquettes in SSP operations as a lower-emission fuel alternative.
- Deployment of SCADA-based energy monitoring to improve data accuracy and operational insights.

These measures collectively contributed to lower energy losses, improved process optimisation, and reductions in indirect emissions.

7. ***Energy-related Targets and Progress***

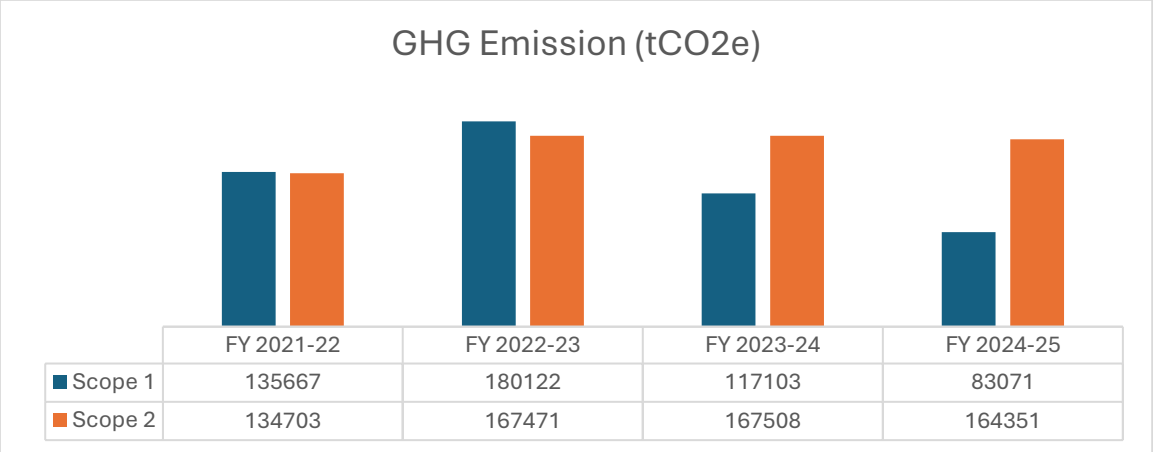
Focus Area	Target	Target Status (FY 2024–25)
Increase renewable electricity share	Increase share to 20% by 2030 (Baseline year 2022-23)	Achieved 2.6%; hybrid RE contracts finalised for Sarlanga and Ankleshwar units

Greenhouse Gas (GHG) Emissions

Coromandel tracks its greenhouse gas (GHG) emissions across g Scope 1 (Stationery and Process emissions), Scope 2 (purchased electricity) and Scope 3 (indirect emissions) following – The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). The Company focuses on strengthening its decarbonisation efforts through energy optimisation, process improvements, and increased deployment of cleaner energy sources. Emissions performance remains closely linked to the Company's energy mix and operational efficiency.

1. ***Total GHG Emissions (Scope 1 and Scope 2)***

In FY 2024 - 25, Coromandel's total Scope 1 and Scope 2 emissions stood at 2,47,612 tCO_2e, reflecting a 13% reduction compared to the previous year. This improvement was driven by enhanced waste-heat recovery utilisation, lower grid electricity consumption, and targeted energy efficiency measures.



2. ***GHG Emissions Intensity (Scope 1 & 2)***

GHG intensity continued to decline, improving from 0.070 tCO_2e/MT in FY 2023–24 to 0.060 tCO_2e/MT in FY 2024–25. By closely tracking GHG intensity, Coromandel identifies areas for further improvement and aligns its operational strategies with broader climate action goals.

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
GHG Emission Intensity (Scope 1 + Scope 2)	**0.073**	**0.082**	**0.070**	**0.060**

3. ***Scope 3 emissions***

Scope 3 emissions represent indirect greenhouse gas emissions occurring across the Company's value chain that are not captured under Scope 1 or Scope 2. These emissions arise from upstream and downstream activities such as procurement of raw materials and capital goods, transportation and distribution, waste generated in operations, business travel, employee commuting, and other value-chain-related activities. Although Scope 3 emissions are not directly controlled by the Company, they form an important component

of the overall emissions profile and are increasingly relevant for understanding transition risks, supplier dependencies, and long-term decarbonisation pathways. As part of its metrics and targets framework, the Company has initiated the identification and quantification of material Scope 3 categories in line with the GHG Protocol, with ongoing efforts to improve data completeness, methodological consistency, and reliability to support future target-setting and enhanced disclosures.

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Category 1: Purchased Goods and Services				**0.19**
Category 2: Capital Goods				**92.28**
Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2				**16,839.7**
Category 4: Upstream Transportation and Distribution				**8,380.9**
Category 5: Waste Generated in Operations				**13,551.6**
Category 6: Business Travel				**61.39**
Category 7: Employee Commuting				**84506.1**
Category 8: Upstream Leased Assets				**2135.0**
Category 9: Downstream Transportation and Distribution				**4777.5**
Category 10: Processing of Sold Products				**NA**
Category 11: Use of Sold Products				**315218.3**
Category 12: End-of-Life Treatment of Sold Products				**-871.7**
Category 13: Downstream Leased Assets				**NA**
Category 14: Franchises				**NA**
Category 15: Investments				**NA**
Total Emissions (tCO2e)				**444691.28**

4. *GHG Reduction initiatives*

Coromandel implemented a focused set of initiatives to reduce both direct and indirect emissions during the year. Key measures included:

- **Strengthening waste heat recovery (WHR):** Improved utilisation of the WHR system at the Vizag sulphuric acid plant enabled greater in-house power generation, reducing dependence on grid electricity and thereby lowering Scope 2 emissions.
- **Adoption of bio-briquettes in SSP units:** SSP plants increased the use of bio-based briquettes as a partial replacement for conventional fossil fuels. This supported lower combustion-related emissions while maintaining process efficiency.
- **Upgrading to higher-efficiency equipment:** Several units replaced older motors, pumps, and compressors with energy-efficient alternatives, contributing to reductions in electrical energy consumption and associated emissions.
- **Optimised electrical load management:** Plants strengthened real-time monitoring of power demand and optimised equipment scheduling to reduce peak load and avoid unnecessary grid-based electricity consumption.
- **Enhancing process automation and controls:** Upgrades to automation and SCADA-based control systems improved process stability, enabling more consistent fuel utilisation and reducing thermal inefficiencies.
- **Transition to LED lighting across locations:** Continued replacement of conventional lighting with LED systems helped reduce auxiliary power consumption across manufacturing, utility, and administrative areas.

5. *GHG Emissions-related Targets and Progress*

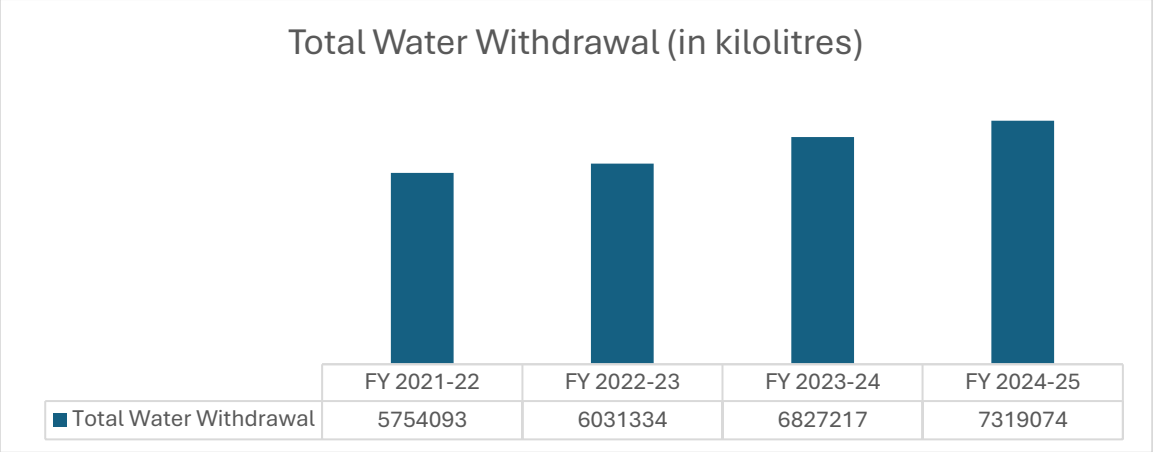
Focus Area	Target	Target Status (FY 2024–25)
Reduction in Scope 1 & 2 emissions	25% reduction by 2030 (Baseline year 2022-23)	31% reduction achieved; emissions at 2.47 lakh tCO_2e compared to 3.48 lakh tCO_2e (FY 2022–23)

Water Management

Water is a critical resource for Coromandel's manufacturing operations, and the Company remains focused on reducing freshwater dependence, enhancing recycling and reuse, and improving discharge performance across all facilities. A structured approach to metering, monitoring, and efficiency improvements enables sustained progress in water stewardship.

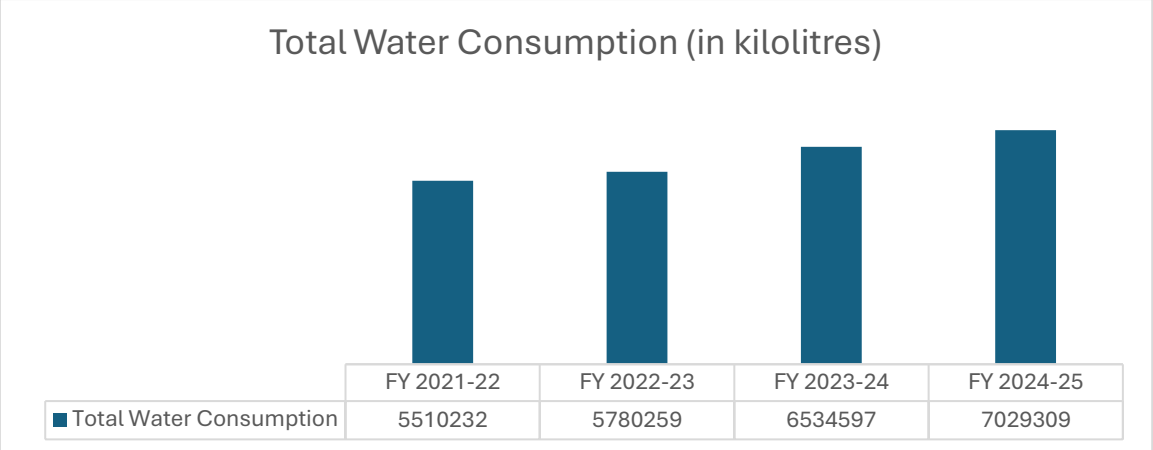
1. *Water Withdrawal*

Total water withdrawal increased during FY 2024-25, primarily due to higher production volumes across fertilisers, intermediates, and related products. The Company continues to prioritise the use of alternate water sources wherever feasible to ease pressure on freshwater availability.



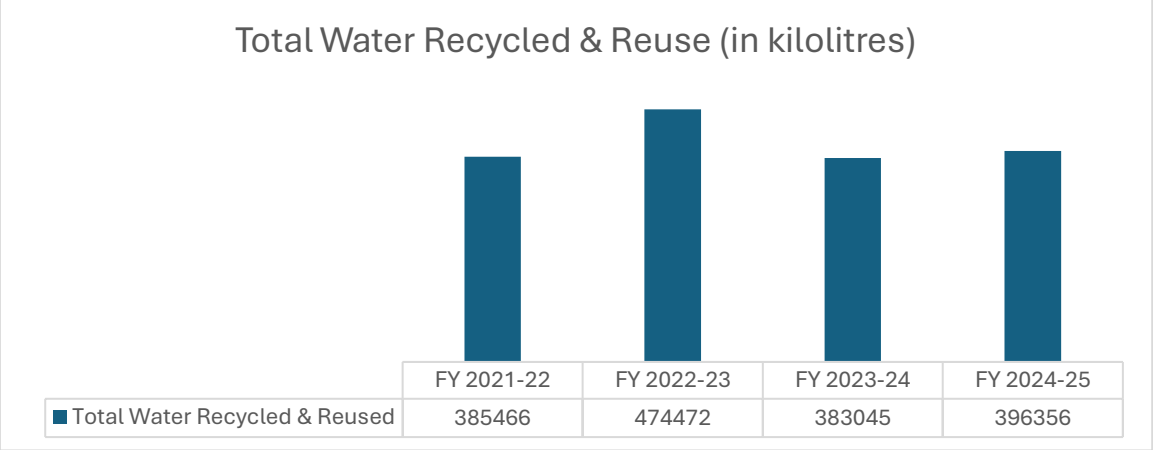
2. *Water Consumption*

Water consumption closely mirrored operational activity during the year. Increased utilisation of recycled water and process water recovery systems helped moderate the overall rise.



3. *Water Recycling and Reuse*

Coromandel continued to strengthen internal water recovery systems, including treated effluent recycling, condensate reuse, and reclaiming blowdown water.



The total water recycled and reused for FY 2024-25 stood at 3,96,356 KL, an increase of ~3.5% compared to 3,83,045 KL last year.

4. Key measures undertaken across locations include:

- **Zero Liquid Discharge (ZLD):** Twelve units continue to operate with ZLD systems, ensuring no untreated effluent is discharged externally.
- **Desalination capacity at Vizag:** The operational 6 MLD desalination plant supported reduced dependence on freshwater sources and enhanced supply resilience.
- **Increased use of alternate water sources:** The share of non-freshwater sources including treated wastewater, desalinated water, and harvested rainwater rose to 32% during the year.
- **Rainwater harvesting and storage:** Multiple sites expanded their rainwater harvesting infrastructure to capture seasonal flows and recharge groundwater.
- **Enhanced metering and leak reduction:** Regular monitoring of pipelines, pumps, and storage systems helped identify inefficiencies and reduce avoidable freshwater losses.
- **Process water optimisation:** Recovery and reuse of condensate, cooling tower blowdown, and treated effluent contributed to improved recycling performance.

6. Water-related Targets and Progress

Focus Area	Target	Target Status (FY 2024–25)
Increase share of alternate water sources	20% by 2025	Achieved 32% compared to 13% (Baseline year FY 2022-23)
Achieve water neutrality in SSP operations	By 2030	Rainwater harvesting initiated at Udaipur; further expansion planned

NEXT STEPS

As this marks Coromandel International Limited's (CIL's) first year of TCFD-aligned reporting, the Company recognises that this is the starting point of a structured, long-term climate readiness journey. The inaugural assessment has enabled CIL to establish a foundational understanding of its climate-related risks, opportunities, and data gaps, providing a baseline for more robust integration of climate considerations into business planning.

Going forward, CIL will focus on strengthening the depth and accuracy of its climate analysis by expanding scenario assessments, improving site-level data capture, and refining the financial impact estimates developed during the first reporting cycle. The Company aims to build on this year's learnings by enhancing cross-functional coordination, upgrading data management systems, and progressively integrating additional Scope 3 categories as methodologies mature.

CIL will also work towards strengthening governance processes around climate oversight and embedding climate criteria into operational and strategic decision-making. Increased emphasis will be placed on process optimisation, renewable energy adoption, and energy efficiency improvements across manufacturing locations to support the Company's medium-term decarbonisation goals.

In line with CIL's commitment to sustainable agriculture, future efforts will include continued advancement of low-carbon solutions such as biologicals, water-efficient agronomic practices, and nutrient-balanced products that support climate-resilient farming.

As expectations around climate disclosures evolve, CIL will refine its targets, broaden its coverage, and enhance transparency in subsequent reporting cycles. The Company remains committed to building a resilient, future-ready organisation and contributing meaningfully to India's broader climate and sustainability ambitions.

TCFD INDEX MAPPING

TCFD Pillar	Description	Disclosure	Section / Reference	Page No.
Governance	Disclosure of the organisation's governance of climate-related risks and opportunities.	Board's oversight of climate-related risks and opportunities.	Governance - Board Oversight	Page 16
		Management's role in assessing and managing climate-related risks and opportunities.	Governance - Management Oversight	Page 18
Strategy	Disclosures of material information pertaining to actual and potential climate risk related impacts and opportunities and how it affects the organisation's businesses, strategy and financial planning.	The organisation's short-, medium- and long-term climate-related risks and opportunities.	Strategy – Transition Risks, Physical Risks, Climate-related Opportunities	Page 22
		The impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning.	Strategy - Transition Risks and Embracing sustainability: A journey towards decarbonization. Physical Risks and Physical Risk Resilience, Climate-related Opportunities and Our Sustainable Products	Page 25
		Resilience of the organisation's strategy, considering various climate related scenarios, including a 2°C or lower scenario.	Strategy - Transition Risk Scenario Analysis, Embracing sustainability: A journey towards decarbonization, Physical Risks Scenario Analysis, Physical Risk Resilience	Page 27
Risk Management	Disclosures on the process of identification, assessment and management of climate-related risks by the Company.	Processes for identifying and assessing climate-related risks.	Risk Management - The approach and process to identify and assess climate-related risks; Strategy- Our Climate-related Risks and Opportunities	Page 38

		Processes for managing climate related risks.	Risk Management – Monitoring and Managing Climate risk	Page 39
		Processes to identify, assess and manage climate-related risks that are integrated into the organisation's overall risk management.	Risk Management – Monitoring and Managing Climate risk	Page 40
Metrics & Targets	Disclosures of the metrics and targets that guide the assessment and management of climate-related risks and opportunities that can be considered material to the Company.	Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and Targets	Page 42
		Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.	Metrics and Targets – Energy Consumption and GHG Emissions	Page 42 & 45
		Organisational targets for managing climate-related risks, and opportunities and performance against targets.	Metrics and Targets	Page 42

ABBREVIATIONS

CBAM: Carbon Border Adjustment Mechanism

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortisation

ESG: Environment, Social and Governance

ETP: Effluent Treatment Plant

EU-BAT: European Union Best Available Technology

EV: Electrical Vehicle

GHG: Greenhouse Gas

IEA: International Energy Agency

IPCC: Intergovernmental Panel on Climate Change (IPCC)

KRA: Key Responsibility Area

MLD: Minimal liquid discharge

NZE: Net-Zero Emissions

PAT: Profit After Tax

R&D: Research & Development

RCP: Representative Concentration Pathways

RCS: Recycled Claimed Standard

RE: Renewable Energy

RMC: Risk Management Committee

RO: Reverse Osmosis

SOP: Standard Operating Procedure

SPOC: Single Point of Contact

SSP: Shared Socioeconomic Pathway

SSP: Single Super Phosphate

TCFD: Task force on Climate-related Financial Disclosures

WBCSD: World Business Council for Sustainable Development

WRI: World Resource Institute

ZLD: Zero Liquid Discharge

SWRO: Seawater Reverse Osmosis

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