



ESG Databook FY 2024-25

Crompton Greaves Consumer Electricals Limited

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1 General Information

1.1 Revenue and Employee Count

Particulars	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenue (in INR)	53,732,000,000	58,093,100,000	63,883,800,000	70,282,900,000
Total Revenue (in USD)	707,838,229.5	706,900,705.8	771,636,671.10	831,061,842
Exchange Rate (as on 31st of March of the fiscal year end)	75.91	81.18	83.46	84.57
Permanent Employees	2,010	1,693	1,779	1,893
Permanent Workers	506	497	459	440

2 Social Dimension

2.1 Diversity Indicator

Diversity Indicator	FY 2023	FY 2024	FY 2025
Share of women in total workforce (as % of total workforce)	8.01%	8.18%	9.52%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	6.45%	7.03%	9.03%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	4.55%	4.84%	7.02%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	7.92%	8.16%	11.32%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	1.47%	1.22%	2.33%
Share of women in STEM-related positions (as % of total STEM positions)	15.75%	17.45%	21.68%

Note: The employee count includes only permanent employees (excludes workers and contractual / temporary employees)

2.2 Gender Pay Breakdown

Employee Level	FY 2024 Average Salary (Women)	FY 2024 Average Salary (Men)	FY 2025 Average Salary (Women)	FY 2025 Average Salary (Men)
Executive level (base salary only)	78,02,000	80,97,000	87,46,556	85,31,783
Executive level (base salary + other cash incentives) -	93,30,000	99,08,000	1,04,87,354	1,09,18,348
Management level (base salary only)	23,46,000	23,14,000	22,92,314	23,87,764
Management level (base salary + other cash incentives)	25,28,000	26,50,000	24,64,780	27,38,923
Non-management level (base salary only)	5,12,000	5,35,000	5,15,482	5,49,698

2.3 New Employee Hires

Particulars	FY 2022	FY 2023	FY 2024	FY 2025
Total number of new employee hires	604	747	591	605

Age-Wise Hiring	FY2024	FY2025
< 30	120	151
30-50	459	452
>50	10	2
Total	589	605

Gender-Wise Hiring	FY2024	FY2025
Males	545	533
Females	44	72
Total	589	605

Management Level Hiring	FY2024	FY2025
Junior	435	428
Middle	133	162
Senior	21	15
Total	589	605

2.3 Performance Management Systems

Crompton conducts both mid-year and annual appraisals for its employees. The appraisal system is designed to drive alignment between individual goals and organizational objectives, encourage continuous feedback, and provide a fair and balanced evaluation process.

Goal Setting and Management by Objectives (MBO)

The goal-setting process is anchored in the principles of Management by Objectives (MBO), ensuring that each employee's performance is linked to the broader business and functional goals. The business and functional objectives

get finalized in each product line and function, and managers are provided with expectations. Employees then finalize their goals in consultation with their managers and matrix managers, with appropriate weightages assigned. Additionally, employees identify and attach two of Crompton's Behavior competencies and one Functional skill as part of their goals for the fiscal year.

Mid-Year Appraisal

At mid-year, employees conduct a self-assessment against the goals set during the beginning of the fiscal year. These self-assessments are submitted through internal portals to both line and matrix managers. A mid-year performance discussion then takes place, where managers provide structured feedback on the employee's self-assessment and share their own evaluation.

As part of Crompton's evolving performance culture, agile conversations are encouraged at this stage—short, frequent, and forward-looking discussions that focus on progress, challenges, and recalibration of goals where needed. This ensures adaptability in a dynamic business environment.

Annual Appraisal

At the end of the fiscal year, employees provide comments on the Goals, Behaviors, and Functional skill selections mapped at the start of the year. The manager and matrix manager then provide ratings for each goal and give overall annual feedback. The Performance Management System (PMS) rating is determined jointly by the manager and matrix manager, followed by promotion-related discussions (if applicable). Final ratings and promotions are calibrated at the leadership level.

Multidimensional & Team-based Appraisal

In addition to manager evaluations, Crompton incorporates multidimensional appraisal methods such as 360-degree feedback. Inputs may be collected from peers, subordinates, and cross-functional stakeholders to provide a more holistic view of the employee's performance, collaboration, and leadership qualities.

Where relevant, team-based performance appraisals are also conducted to recognize collective contributions, foster collaboration, and ensure accountability at the group level. This is particularly applied in project-driven and cross-functional teams where success depends on joint outcomes.

Performance Rating Criteria

Rating	Description
Rating 1	Significantly Exceeds Expectation
Rating 2	Exceeds Expectation
Rating 3	Meets Expectation
Rating 4	Below Expectation
Rating 5	Does not meet Expectation

PMS Rating Normalization

Ratings and promotions are subject to normalization to ensure fairness, consistency, and alignment across functions and business units.

2.4 Employee Support Programs

Crompton complies with all applicable laws and regulations for the workforce such as the Companies Act 2013, Factories Act 1948, The Industrial Disputes Act 1947, etc.

Maternity leave:

Eligibility: A female employee will be eligible for ML only if she has worked for a period of 80 days (including weekly offs/holidays) or more, in the 12 months immediately preceding the date of expected delivery. No advance ML is permissible.

Entitlement: Leave of 26 weeks, out of which a maximum of 8 weeks can precede the date of expected delivery. When the mother is going through a tubectomy process– 2 weeks of leave are provided from the date of the tubectomy operation (only if it is not during the 12 weeks of ML). Women having 2 or more surviving children will be entitled to 12 weeks of Maternity Leave. 12 weeks leave for women legally adopting a child below the age of 3 months and commissioning mothers. 12 weeks will kick-off from the date the child is handed over to the adopting/commissioning mother.

Miscarriage Leave: Female employees can avail to 6 weeks of leave post miscarriage/medical termination of pregnancy. If miscarriage/medical termination of pregnancy occurs during prenatal period or during their ML, then Maternity Leave (prenatal) will be up till the day of miscarriage/medical termination of pregnancy and Miscarriage Leave will be up till 6 weeks thereafter.

Accident Leave:

Eligibility: All employees not covered under the Employee State Insurance Act, who meet with an accident whilst on duty, resulting in absence from duty.

Entitlement: Leave with full salary for actual days of absence from the date following the day of the accident, till resumption of duty.

Paternity Leave: Male employees can avail of up to 5 days of Paternity Leave. The employee must apply for their paternity leave in the system and have it pre-approved by their manager.

Exigency Leave (EL): 25 days per calendar year, to be availed only on a need basis. An EL can be availed by an employee in case of sickness or personal work or any other exigencies due to which an employee is not able to attend work. An employee can avail an EL even during the first 12 months of service. The EL will be credited to the employee's account in advance on the date of joining for the first calendar year, on a *pro-rata* basis. It is expected that all employees view EL as a privilege (and not as a right) and utilize their EL only on a need basis. At the time of separation, if any excess EL's have been claimed, the same will be recovered on a *pro rata* basis from the employee's salary.

Flexible Working Hours: The employees can login to their official system anytime between 8:30 am to 10:00 am and complete the minimum number of working hours.

Nationality: All employees engaged with Crompton are Indian nationals.

Training and Development: In FY 2025, the Company invested approx. ₹4.06 crores in comprehensive training and development programs, dedicated to enhancing employee health and safety standards as well as facilitating skill advancement across the workforce. Additionally, the Company invests in various training programs designed for talent management to facilitate upskilling and reskilling, ensuring our workforce remains adaptable and well-equipped for future challenges such as industrial or climate transition changes.

2.5 Employee Turnover Rate

Particulars	FY2022	FY2023	FY2024	FY2025
Total employee turnover rate (%)	20	38	29	28
Voluntary employee turnover rate (%)	NA	35	24	19
Coverage (% of all FTEs globally)	100	100	100	100

Note: NA signifies Not Available

Age-Wise Turnover	FY2024	FY2025
< 30	56	50
30-50	342	282
>50	8	9
Total	406	341

Gender-Wise Turnover	FY2024	FY2025
Males	381	319
Females	25	22
Total	406	341

Management Level Turnover	FY2024	FY2025
Junior	279	243
Middle	113	87
Senior	14	11
Total	406	341

2.6 Health and Safety Indicators

Indicator	FY 2022	FY 2023	FY 2024	FY 2025
Fatalities - Employees	0	0	0	0

Fatalities - Contractors	0	0	0	0
LTIFR - Employees	0	0	0	0.07
LTIFR - Contractors	0	0.14	0	0

2.7 Human Rights

Respect for human rights, ethical and environmentally responsible business practices, fair and safe working conditions, and employee well-being are the cornerstones of our culture and identity. We embed human rights principles directly into our policies, procedures, and ethics training, ensuring continuous awareness and proactive prevention of any related concerns. Crompton recognizes its responsibility with respect to Diverse & Inclusive workplace, Equal Opportunity and Non-Discrimination, Human Dignity, Harassment Free Workplace, Freedom of Association, Safe & Healthy Workplace, Workplace Security, Data Privacy, Prohibits Child Labor & Forced Labor. The Company's employees and workers are eligible for collective bargaining and freedom of association.

3 Governance & Economic Dimension

3.1 Corporate Governance

3.1.1 Target Share of Independent Directors

The Company targets to maintain at least one-third of its Board as independent directors and has surpassed this requirement, with 77.78% of the Board currently comprising independent members.

3.1.2 ESG Governance Oversight

The Company's ESG Committee monitors the Company's ongoing commitment to environment, health and safety, social responsibility, governance, sustainability concerns, and other public policy matters. It has 3 (Three) Members.

3.1.3 Climate Related Management Incentives

The Company provides incentives for the management of climate related issues to our senior management, environment team, Global Head of Projects & Engineering and plant/ site heads. They are responsible for implementing various climate related initiatives and are required to contribute towards achieving GHG Emissions/Energy efficiency targets. They have performance-linked incentives as one of the components of their overall compensation.

3.1.4 CEO-to-Employee Pay Ratio

Particulars	Remuneration (FY 2025)
CEO Remuneration	16,80,18,224
Median Remuneration of all employees except CEO	10,18,848
CEO-to Employee Pay Ratio	164.91

3.1.5 Proportion of Senior Management hired from local community

Employee Level	Percentage of senior management at significant locations of operation that are hired from the local community.
Senior Management	100%

3.2 Materiality Analysis

Our materiality assessment is a vital tool for understanding both our internal operations and the external environment to ensure that our priorities are aligned for optimal value creation. We employ a rigorous, closed-loop process

of identification, prioritisation, strategising, feedback, and integration to identify topics material to our stakeholders and our value-creation journey. This systematic approach, conducted annually, allows us to authenticate our business model and make informed decisions.

At Crompton, materiality assessments are conducted every 2 - 3 years and the results are integrated in the company's ERM framework.

Materiality Assessment: Issues & Metrics for Enterprise Value Creation

1. Material Issue 1: Product Responsibility & Safety

Business case: For a consumer goods company, being proactively responsible throughout the lifecycle of a product is a determining factor for its reputational capital and hence continued business growth. Lack of a structured approach towards responsibility and safety may lead to significant compliance gap, reputation and revenue loss. The company operates in a competitive ecosystem and being a market leader, we hold ourselves responsible for setting benchmarks for others.

Business impact: Revenue

Business strategies: This aspect has been integrated throughout the lifecycle of our products by implementing various good practices and is continuously enhanced through a robust quality assurance program. Some of these are highlighted below:

- Environmental sustainability: through a transition to BEE (Bureau of Energy Efficiency) BEE rated appliances, developing efficient motors with longer life, efficiencies through robotic automation, performance-based energy management plan, use of renewable energy, water, and waste management. We also run campaigns to educate our consumers on the importance of star rated appliances
- Quality Assurance: implementing key quality improvement programs such as 5S, Quality Circles, Daily work management, Glass Wall, adoption of Six Sigma approach towards problem solving.
- Integrated systems towards safety, environment, and quality in alignment to international standards, such as ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and ISO 45001 (Occupational Health and Safety Management).
- Service quality: through a PAN India network of trained and authorized service centers to address customer complaints on a priority basis and a dedicated grievance portal (<https://www.crompton.co.in/contact-us/complaints/>). We have a customer relationship management system for effectively managing feedback.
- Supply chain sustainability through vendor assessments (VQP) and training
- Extended Producer Responsibility: Crompton has obtained EPR Authorization from the Central Pollution Control Board ("CPCB") for plastic waste and e-waste management

Progress tracking mechanism: Related to the above strategies, the key metrics that we track are:

- Implementation of BIS Safety Norms (IS 302) Across All Non-Ceiling Fans.
- Launched India's Highest Air Delivery Fan in Highspeed Category (Superflo)
- Ceiling Fan range is 100% complied as per BEE star
- Implemented Zero Accident Plan to prioritise workplace safety
- Goa - Bethora Plant won National Safety Award under Large Enterprises - Electrical Consumer Durables Section in 12th Global Safety Summit, New Delhi.
- Under workplace safety excellence, Fan — Bethora has won the award the from GreenTech Foundation.

- Initiatives such as ‘KAVACH 3.0’, have helped to improve hazard recognition and reduce workplace risks. Regular safety training, risk assessments and an EHS dashboard ensured ongoing monitoring and improvement of our safety performance.

2. Material Issue 2: Innovation and Research

Business case: To sustain its leadership in the electrical consumer durables and appliances market, Crompton must continuously innovate and invest in research. This enables the development of energy-efficient, smart, and customer-centric products that meet evolving market demands and regulatory standards.

Business impact: Revenue

Business strategies:

- Increase investment in R&D focused on smart, energy-efficient technologies.
- Partner with technology providers and academic institutions for collaborative innovation.
- Foster an innovation-driven culture across teams.
- Leverage emerging technologies like IoT and AI to enhance product offerings.
- Protect innovations through patents to secure competitive advantage

Progress tracking mechanism:

Crompton has received several innovation-related awards, including the Red Dot Award for the SilentPro Blossom fans, the National Energy Conservation Award for energy-efficient products, recognition as a National Safety Award winner, and the National ESG Awards in the Green category. Crompton partners with startups to foster innovation by providing mentoring and financial support for developing new prototypes.

3. Material Issue 3: Energy Efficiency

Business case: As a leading player in electrical appliances, Crompton recognizes energy efficiency as a material priority to comply with evolving regulations, meet growing consumer demand for sustainable products, and reduce its environmental footprint. Beyond regulatory and market benefits, energy efficiency initiatives directly lower operating expenses by reducing power consumption in manufacturing and supply chain operations, while also generating long-term savings through process optimization and technology upgrades. These combined outcomes not only strengthen Crompton’s competitiveness and market position but also enhance resilience against rising energy costs and future regulatory pressures.

Business impact: Opportunity

Business strategies:

- Invest in developing energy-efficient technologies across product lines.
- Adopt best practices and standards to minimize energy usage in manufacturing.
- Educate customers on energy savings and environmental benefits.
- Collaborate with regulatory bodies to stay ahead of compliance requirements.
- Continuously monitor and optimize energy consumption within operations.

Progress tracking mechanism:

- 50% GHG Scope 1 & 2 Emission Reduction by 2035
- 60% Emission Intensity Reduction Per Unit Sales by 2035
- Secured a **2.3 MWp Solar Power System** through Group Captive Open Access at Butterfly (Crompton subsidiary) Pudupakkam-Chennai Plant. The system was commissioned in June 2025 and will contribute an average of **60% renewable power** towards the plant's total demand.
- Installed a **5 KWp Solar System** for emergency lighting load at Ahmednagar and Bethora.
- Implemented **auto on-off control mechanisms** for lighting and ventilation (fans) in the canteen and process areas.
- Commissioned **internal material transfer conveyors** to optimize operations.
- Installed **rooftop skylights** to reduce daytime lighting load.
- **Avoided gas-based process heating** and captive power generation at the Vadodara manufacturing facility.
- Transitioned from conventional gas-based lighting product manufacturing to **energy-efficient LED lighting manufacturing**. The heating process for conventional gas-based lighting was eliminated, and the gas generator was decommissioned, resulting in reduced non-renewable energy consumption and Scope 1 greenhouse gas emissions.
- Installed **energy-efficient BLDC fans** across facilities.
- Implemented **auto cutoff mechanisms** for water distribution pumps at the Baroda Plant to optimize water and electricity consumption.

3.3 Risk Management

3.3.1 Enterprise Risk Management (ERM) Process

1. Control Assessment

Existing internal controls, policies and procedures are reviewed to check their adequacy and effectiveness in managing risks. This establishes the baseline for risk evaluation.

2. Risk Identification

Key business, operational, financial, compliance and ESG risks are systematically identified through inputs from management, business functions, and external factors.

3. Risk Assessment

Identified risks are evaluated through a structured assessment of their likelihood of occurrence (probability of the risk materializing) and impact (the extent of adverse effect on business objectives such as strategic, financial, operational, compliance, or reputational outcomes). Alongside these, the severity of potential consequences is considered to distinguish between risks that could cause minor disruption versus those that may result in significant business losses or regulatory breaches. The effectiveness of existing controls is also factored in understanding residual risk levels. Risks are then prioritized using a risk matrix, where likelihood and impact are rated on a defined scale (e.g., low, medium, high). This enables the organization to rank risks objectively and focus mitigation efforts on those posing the greatest threat.

4. Risk Mitigation

Appropriate strategies are defined—avoidance, reduction, transfer, or acceptance. Action plans and ownership are assigned to mitigate priority risks.

5. Monitoring & Reporting

Risks and mitigation measures are continuously tracked, with periodic reporting to senior management and the Board/Audit Committee to ensure accountability and updates. The company has an Internal Audit function that operates independently and reports directly to the Audit Committee/Board. This function provides assurance on the effectiveness of risk management, internal controls, and compliance processes by conducting periodic reviews and audits across business units. The findings and recommendations from these audits help management strengthen controls, close compliance gaps, and continuously improve the overall risk governance framework.

Crompton conducts both internal and third-party external audits of its Risk Management Process on an annual basis. Internal audits are carried out to evaluate the effectiveness of controls, adherence to established frameworks, and alignment with business objectives. In parallel, independent external audits provide an additional layer of assurance by benchmarking practices against industry standards and identifying areas for improvement. Together, these assessments ensure that the company's risk management framework remains robust, transparent and continuously enhanced. In addition, the company formally reviews its overall risk exposure on an annual basis as part of the Enterprise Risk Management (ERM) framework, ensuring alignment with business objectives and emerging risk trends.



Risk Management Framework

3.3.2 Risk Governance Framework at Crompton

- **Board and Committee Oversight (Ultimate Authority)**
Risk Management Committee and Audit Committee, comprising Independent/Non-Executive Directors, oversee risk policies, exposures, and accountability.
- **Operational Risk Ownership (First Line)**
Frontline employees and SBU heads own and manage risks in daily operations, integrating risk considerations into business decisions.
- **Risk Management and Compliance Oversight (Second Line)**
The Chief Risk Officer leads the ERM process, sets control standards, and oversees compliance. Reports regularly to the Risk Management and Audit Committees for independent oversight.
- **Independent Audit Unit (Third Line)**
Internal Audit, reporting directly to the Audit Committee, provides independent assurance on controls and compliance. Supplemented by external audits conducted every two years for benchmarking and added assurance.

3.3.3 Proactive Risk Management Strategies

- Executive and Non-Executive Directors participate in sessions conducted semi-annually, that cover risk management principles, emerging risks, identification processes, and mitigation strategies. Their perspectives are actively integrated to strengthen the overall robustness of the company's risk framework.
- Risk management awareness and process training is delivered across the organization on an ongoing basis. In addition, focused and structured training courses are conducted biannually for all employees to ensure a consistent understanding and application of risk management principles in day-to-day operations.
- All SBU heads, including the R&D division actively participate in biannual risk review meetings where risks relevant to their functions are identified, discussed, and mitigation measures are integrated into business decisions. Product development is closely aligned with these risk considerations, ensuring that evolving customer expectations, regulatory changes, and market shifts are factored into innovation strategy. (For instance, the company's strategic foray into BLDC energy-efficient fans was driven by identified risks around increasing customer demand for sustainable solutions and government policies promoting energy efficiency. This approach demonstrates how risk criteria are embedded into the development of products and services, enabling the company to anticipate challenges and proactively innovate.)
- The risk management is embedded into leadership accountability. All SBU heads are required to comply with the established risk management framework, including identification, mitigation, and monitoring of risks relevant to their functions. Performance against these responsibilities forms part of the overall management evaluation process, which in turn influences variable incentive structures. This ensures that adherence to risk processes and effective mitigation actions are recognized within the company's performance and reward framework.

3.3.4 Overview of Key Identified Risks and Risk Management Approach

Particulars	EHS	Data privacy and Cybersecurity
Description and Details	Crompton has initiated a Zero Accident Plan across all manufacturing locations, supported by strong safety systems, employee training, and regular monitoring. The company's dedication to safety and well-being has yielded exceptional results, with only one reportable injury and no fatalities in the reporting period. The company maintains a zero to low-risk appetite for health and safety incidents and considers workforce safety to be of paramount importance. <i>Likelihood: Low (considering robust controls and very few incidents).</i> <i>Magnitude: Medium to High (despite the company's impeccable safety record and strong controls, any significant incident, however unlikely, could still have reputational, regulatory, or operational implications).</i>	Crompton recognizes data privacy and cybersecurity as critical business priorities, given the growing reliance on digital systems, customer data, and interconnected operations. The company has implemented robust IT security infrastructure, regular system audits, and employee awareness training to safeguard sensitive information and prevent cyber threats. A dedicated team monitors cybersecurity risks, while data protection protocols are aligned with applicable laws and industry best practices. The company maintains a low-risk appetite in this area, treating data privacy and system integrity as essential to maintaining stakeholder trust and operational continuity. <i>Likelihood: Low (considering strong preventive measures, though evolving cyber threats remain a potential exposure).</i> <i>Magnitude: Medium to High (as a material breach, while unlikely, could still have significant reputational, regulatory, and financial consequences).</i>
Mitigative action plan	EHS policy adherence is rigorously monitored through audits at both in-house and vendor locations. Regular safety campaigns are conducted across plants and corporate offices to enhance awareness and reinforce zero incident safety culture.	Crompton has established robust Data Centre and Disaster Recovery (DR) sites to ensure business continuity. The Company's security framework includes Data Protection Assessment, Mobile Device Management with AzureAD Premium, and deployment of DLP and CASB solutions. SAP and Active Directory are hosted with DR capabilities, and annual DR drills are conducted to test system resilience. Strong access controls are maintained through regular User Access Reviews. The Company also conducts ongoing user awareness sessions and phishing simulations to strengthen its cyber defense.

3.3.5 Emerging Risks

Particulars	Description	Mitigative Actions
Sustainability	The Innovation Head is spearheading the company's ESG initiatives to prioritize sustainability. A sustainability policy has been prepared and published, though there remains a short focus on the sustainability agenda. To address this, the company will publish a vision statement for ESG with clear targets and long-term aspirations, supported by a dedicated team driving sustainability efforts across the organization. Within the Integrated Product Development (IPD) process, a sustainable design checklist has been integrated, and the company is currently mapping the product carbon footprint for all product lines. Additionally, a comprehensive greenhouse gas (GHG) inventory, including Scope 1, 2, and 3 emissions, is being established at the company level, along with preparations for compliance with BEE 2.0 regulations for ceiling fans. Impact: Adhering to evolving and varying ESG regulations (across geographies) may lead to higher cost and efforts for compliance due to necessary process changes in the supply chain. Failure to comply with the regulations might attract penalties and would lead to reputation loss. Sustainability risks are complex and difficult to quantify, and they can have a ripple effect on other risks.	We have a dedicated team in place which tracks the compliance changes in a timely manner. We have an established procedure in place to include such insights into our production and supply chain related processes. This also leads to a greater integration of sustainability principle with product design. Our teams actively look out to collaborate with reputable and scientific waste handlers. We constantly strategize and invest in strengthening & expanding quality after sales and support services to enhance customer satisfaction. This also leads to a greater integration sustainability principle with product design. Our teams actively look out to collaborate with reputable and scientific waste handlers. We constantly strategize and invest in strengthening & expanding quality after sales and support services to enhance customer satisfaction. Currently, Crompton's waste collection plan is made in accordance with the EPR action plan filed with the (Central Pollution Control Board, India) CPCB. The use of plastic in the product is determined by the standards established by the Pollution Control Board. In addition, a procedure for the receipt and disposal of plastic is in place and complies with current statutory regulations. Also, the EPR plans for e-waste and plastic waste are submitted to the CPCB. We have initiated Life Cycle Assessment (LCA) for our products to take a product specific EPR stance and go beyond compliance requirements. Crompton is developing an ESG dashboard for environmental and social performance, publishing company-level GHG data, completing and publishing the product carbon footprint assessment, and formalizing the ESG vision statement. The company also aims to commercialize the BEE 2.0 platform for energy-efficient fan motors, incorporate sustainability requirements into vendor selection, and actively

		drive initiatives to reduce or eliminate hazardous materials, including plastics, in products, packaging, and processes. We have taken significant steps towards sustainability, beginning with an enterprise-level gap assessment to pinpoint areas for enhancement. In our commitment to sustainability, we now embed sustainability related KPIs into every stage of new product development.
Protecting data systems from sophisticated attacks and integrating emerging regulations on personal data protection.	Protection of a data system has always been a top priority for any company. However, with the latest advancements in AI, cyber threats have become sophisticated and possibly severe. These tools leverage machine learning algorithms to rapidly evolve and adapt to security systems, rendering their detection, mitigation, and attribution difficult. The personal data protection landscape also has been changing globally with the aim of giving more control and ownership of personal data to the data owner broadly, and at the same time requiring an enhanced protection mechanism to be implemented by the data handler (the company). Impact: An event of data loss due to a breach / theft might result in penalties and reputation loss and discontinuity in business processes.	We have a dedicated team in place to look into matters of IT / cybersecurity. We keep refreshing our internal policies and processes to ensure compliance to best data handling practices. Role and rights-based training sessions for employees are ensured. Some of our specific actions include: ● Disaster Recovery (DR) drill for SAP being conducted annually. ● Internal and external data protection assessments ● Mobile Device Management and Azure Ad Prem. implementation ● Frequent user access reviews ● Maintenance of Data Centre and Disaster Recovery (“DR”) at different locations (Mumbai and Bangalore respectively), co-located with third party. We plan to explore and implement AI-driven cybersecurity tools capable of detecting new age threats. Dedicated incident response plans for such attacks can then be planned.

3.4 Contributions & Other Spending

Type of spending (in INR)	FY 2022	FY 2023	FY 2024	FY 2025
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	19,07,395	62,19,880	50,07,612	44,77,366
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total contributions and other spending	19,07,395	62,19,880	50,07,612	44,77,366

3.4.1 Donations and political contributions

In alignment with the Code of Conduct's commitment to political neutrality, Crompton maintains a strict policy against political donations and involvement in political campaigns. Furthermore, we discourage employees from engaging in any political promotions

3.5 Supplier Screening

Identification of Tier 1 and critical (significant) suppliers

Crompton has a publicly available **Business Partner Code of Conduct** that applies to all suppliers, outlining expectations on ESG factors such as human rights, energy, water, waste and compliance. Oversight of implementation is defined by the Executive Management as the highest accountable decision-making body. Procurement practices are reviewed to align with the Code. Suppliers unable to meet minimum ESG requirements are initially provided with capacity-building and training sessions to help them attain maturity on ESG parameters, after which corrective actions are recommended. Exclusion criteria are applied if repeated non-compliance occurs within a defined timeframe. **In FY 2025, Crompton worked with 452 tier 1 suppliers, including 38 critical suppliers (75% of spend). Preference is given to suppliers with stronger ESG performance, and training is provided to buyers and stakeholders to ensure effective implementation of the program.**

Crompton follows a structured and weighted supplier assessment methodology, evaluating suppliers on Quality, Vendor Quality Performance (VQP), Delivery, Cost, Financials, Innovation & Responsiveness, QMS, Product Audit, Process Audit, EHS Audit, ESG Audit, and Legal & Statutory Compliances. Here, under ESG and EHS Audit we have parameters which include:

- **ESG Audit:** ESG reporting, regulatory compliance, carbon emissions, energy and water management, packaging, customer privacy, ESG systems and processes, and anti-corruption/business ethics.
- **EHS Audit:** EHS policy, PPE matrix and adherence, safety equipment availability, equipment testing, emergency exits, fire safety, MSDS, electrical safety, noise and lux levels, drinking water analysis, hygiene, resource usage, GHG emissions, and certifications.

KPI for Supplier Screening

Supplier Screening	FY 2023	FY 2024	FY 2025
Total number of Tier-1 suppliers	666	490	452
Total number of significant suppliers in Tier-1	70	52	38
% of total spend on significant suppliers in Tier-1	75%	75%	75%

KPI for Supplier Assessments

Supplier Assessment	FY 2023	FY 2024	FY 2025
Total number of significant suppliers assessed via desk assessments/ on-site assessments	11	20	27
% of significant suppliers assessed	15% (11 out of 70 critical / significant suppliers assessed)	38% (20 out of 52 critical / significant suppliers assessed)	71% (27 out of 38 critical / significant suppliers assessed)

3.6 Innovation and Digitalisation

Pioneering sustainable technologies

Artificial Intelligence (AI) is being used by Crompton Greaves Consumer Electricals Limited to improve organizational performance against sustainability parameters, primarily through its product innovation and development efforts:

- **AI-Powered Smart Homes and Eco-Friendly Solutions:** The organization prioritizes its Research and Development (R&D) efforts in eco-friendly solutions, explicitly including AI-powered smart homes. The goal is to empower consumers to contribute to a positive environmental impact through these products. This indicates that AI is integrated into product design to enhance their sustainability features.
- **Energy-Efficient Products via AI and Connected Tech:** The company recognizes the proliferation of IoT, AI, and connected technologies as a significant trend transforming the Electrical Consumer Durables (ECD) sector. These technologies are leading to the development of innovative products that are smarter and energy-efficient, directly contributing to improved sustainability performance by reducing energy consumption during the product use phase.
- **Boosting Smart Appliance Adoption:** The sources specifically state that "Energy-efficient and AI-integrated technologies" boost the adoption of smart appliances. This establishes a clear link between AI and a key sustainability parameter: energy efficiency.
- **Automation and Digitalization:**
 - Streamlined key business processes through end-to-end digital automation like Sales Incentive tool, retailer connect app.
 - Implemented AI-driven analytics for real-time insights and smarter decision-making.
 - Enhanced digital capabilities for service operations to enhance speed, accuracy, transparency, and consumer delight.

- **Quality Management Implementation:** The integration of SAP quality management digitises and captures quality parameters across all manufacturing processes, underscoring our dedication to maintaining high standards.
- **Cloud-based Data Lake Transition:** Our transition to a cloud-based data lake has bolstered our data analytics capabilities, supporting a strategic shift towards data-driven decision-making.
- **Generative AI environment:** We have established a secure generative AI environment that enables employees to explore internal resources while maintaining compliance with cybersecurity standards, fostering innovation and experimentation

3.7 Information Security

The Company employs a web-based tool, certified under ISO 9001 and ISO/IEC 27001, to meticulously monitor statutory compliance deadlines. Any deviations are promptly identified and escalated for corrective action, with designated functional owners accountable for ensuring full compliance. An annual information security vulnerability assessment is conducted to proactively address potential risks. Furthermore, the Company undertakes both internal and external audits of its Information Security Management System (ISMS) to maintain and improve security standards. To strengthen cybersecurity awareness, the Company regularly organizes user awareness programs, including simulated phishing exercises, to enhance defenses against evolving threats. Additionally, a formal escalation procedure is established for the workforce to report IT-related incidents, vulnerabilities, or suspicious activities promptly.

3.8 Transparency

As per the Companies Act, 2013: Any amendment to the Articles of Association or bylaws requires shareholders' approval through a special resolution.

4 Environment Dimension

4.1 Path to Sustainability

4.1.1 Sustainability and ESG Framework

At Crompton, our **Sustainability Policy** is deeply embedded in our core business purpose: *“Enriching life for generations with smart and responsible solutions.”* We are committed to creating long-term value by balancing economic growth with environmental stewardship and social responsibility.

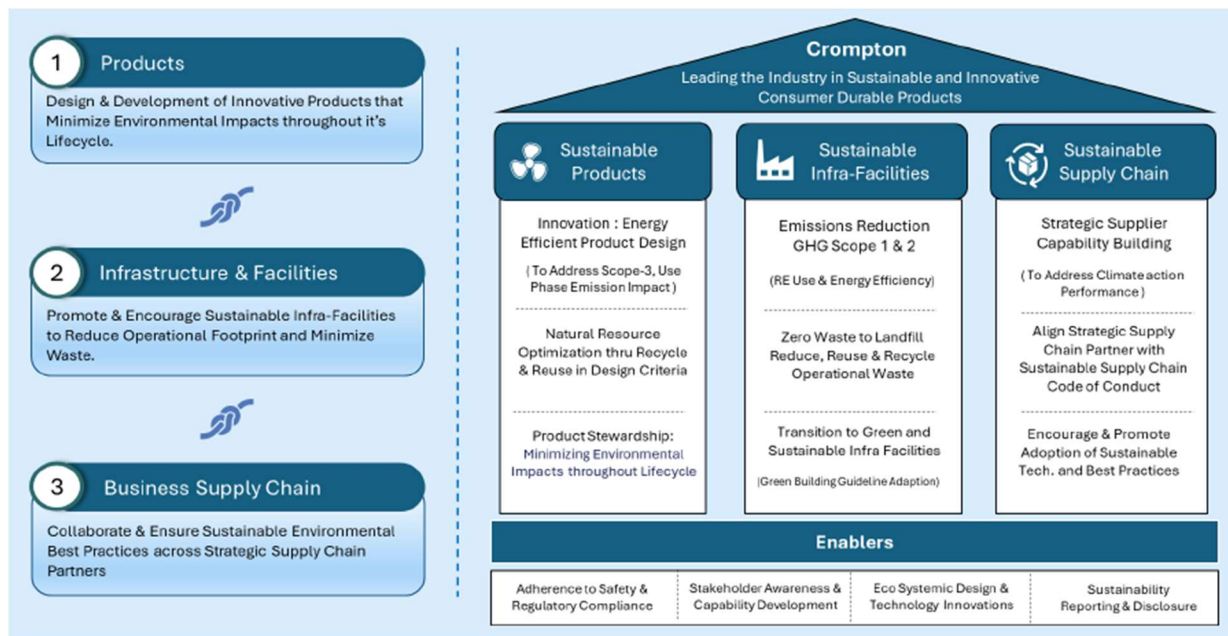
Key Focus Areas

- **Environmental Impact** – Driving continuous improvement to minimize our environmental footprint, with clear priorities on achieving carbon neutrality, conserving water, and promoting a circular economy that targets zero waste.
- **Product Life Cycle** – Embedding sustainability across every stage of the product life cycle, from *cradle to grave*, while ensuring best-in-class quality and adherence to Integrated Management System (IMS) standards.
- **Supply Chain & Resources** – Promoting responsible sourcing and efficient use of resources, while building both social and environmental capital across our extended ecosystem.
- **Work Environment & Social Responsibility** – Providing a safe, inclusive, and motivating workplace with access to essential facilities, while fostering fair and transparent talent practices.
- **Compliance & Governance** – Maintaining strong governance standards through strict adherence to regulatory requirements and transparent reporting aligned with global sustainability frameworks.

Our Environmental Sustainability Framework

Our approach to environmental sustainability is built on three key pillars: **Products, Infrastructure & Facilities**, and **Business Supply Chain**. This framework spans our entire value chain—from factories and operations to supply chain and end-use of products.

By adopting this structured approach, Crompton takes a decisive step toward building a **low-carbon, future-ready consumer durables business**, ensuring that sustainability is not an adjunct but an integral driver of our growth and resilience.



4.1.2 Sustainability Targets



4.1.3 Sustainability Initiatives in FY 2024-25

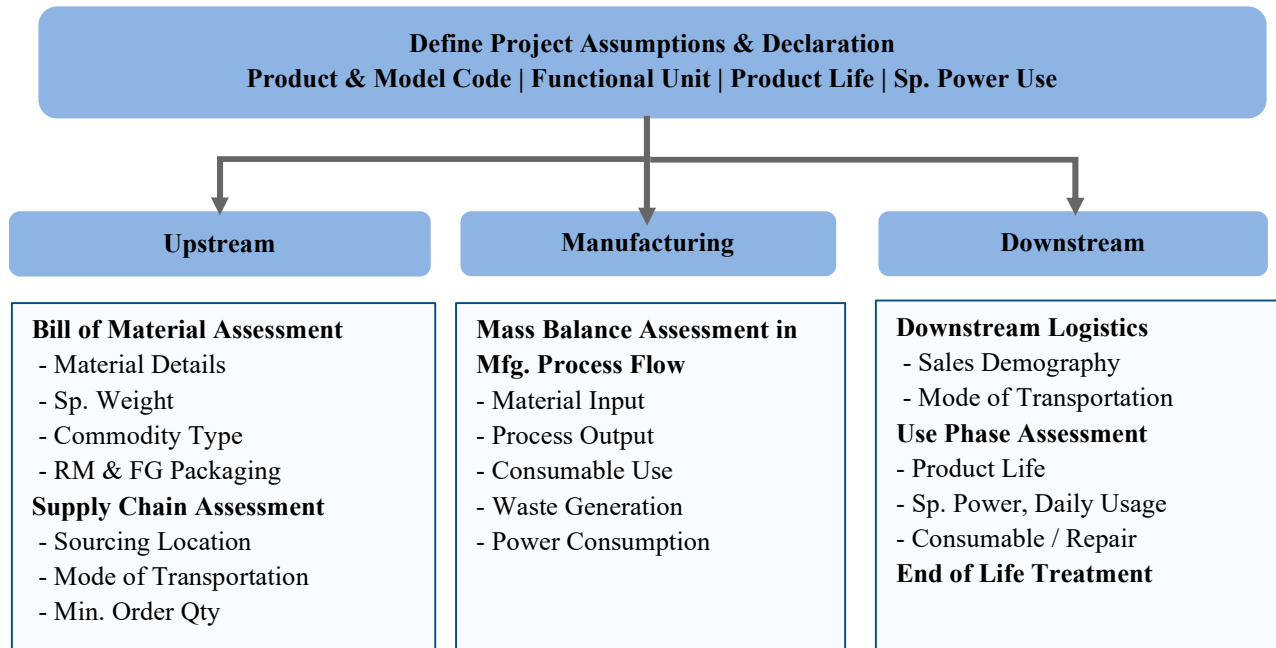
Parameter	Initiatives undertaken
Energy	- Secured a 2.3 MWp Solar Power System through Group Captive Open Access at Butterfly (Crompton subsidiary) Pudupakkam-Chennai Plant. The system was commissioned in June 2025 and will contribute an average of 60% renewable power towards the plant's total demand. - Installed a 5 KWp Solar System for emergency lighting load at Ahmednagar and Bethora. - Implemented auto on-off control mechanisms for lighting and ventilation (fans) in the canteen and process areas. - Commissioned internal material transfer conveyors to optimize operations. - Installed rooftop skylights to reduce daytime lighting load. Avoided gas-based process heating and captive power generation at the Vadodara manufacturing facility. - Transitioned from conventional gas-based lighting product manufacturing to energy-efficient LED lighting manufacturing. The heating process for conventional gas-based lighting was eliminated, and the gas generator was decommissioned, resulting in reduced non-renewable energy consumption and Scope 1 greenhouse gas emissions. - Installed energy-efficient BLDC fans across facilities. - Implemented auto cutoff mechanisms for water distribution pumps at the Baroda Plant to optimize water and electricity consumption.
Water	- Implemented low-flow fixtures and water-saving aerators in wash manufacturing facilities and office facilities. - Installed pressure regulators to control flow and optimize water consumption. - Introduced waterless urinals in washrooms. - Established a water distribution piping network to reuse STP-treated water for landscaping. - Carried out process improvement kaizens to optimize water consumption.
Waste	- Adopted reusable polypropylene boxes to reduce cardboard packaging waste. - Implemented a raw material packaging take-back and reuse initiative, improving recovery and enabling multiple uses of packaging material.

4.1.4 R&D and CAPEX for Environment Indicators

Particulars (₹ in Crore)	FY 2022	FY 2023	FY 2024	FY 2025	Details of improvements in environmental and social impacts
R&D	39.12	29.20	38.14	60.42	- Employing reusable polypropylene boxes to optimize cardboard packaging waste. - Implementation of raw material (RM) packaging take-back & reuse initiative to improve recovery and multiple use of packaging material.
CAPEX	13.35	48.52	33.23	24.24	Key initiative implemented are as, - Auto On-Off control mechanism for lighting & ventilation systems (fans) at canteen & process area, - Energy efficient BLDC fans installed at process area, - Internal material transfer conveyor implementation, - Rooftop skylight implementation to reduce daytime lighting load - Energy saving kaizen implementation to optimize machine operational running hrs., - Auto On-Off operational control system for water distribution pumping system. - Avoided gas-based process heating & captive power generation at our Vadodara Mfg. Facility, 5 KWp Solar System for Emergency Lighting Load @ Ahmednagar & Bethora Mfg. Facility.

4.1.5 Life Cycle Assessment

Crompton conducted a Product Carbon Footprint (PCF) assessment using the Life Cycle Assessment (LCA) methodology, in alignment with the ISO 14067 guidelines. This assessment was carried out for seven representative products, with full LCAs performed by an external, independent subject matter expert to ensure credibility and rigor. The primary objective of the study was to evaluate the Global Warming Potential (GWP) impact category, providing insights into the greenhouse gas emissions associated with each product. To capture the complete environmental profile, the system boundary adopted was Cradle to Grave, encompassing every stage of the product's life cycle—from raw material extraction through production, use, and end-of-life management.



Product Carbon Footprint Assessment (PCF) -

➤ 7 Nos of Representative Products

Products	Fan – (Induction Motor)	Fan – (BLDC Motor)	LED Bulb	LED Tile	Pump	Water Heater	Mixer Grinder
Model / Variant	HS Highspeed 48	Groove Regmote	9W	36W	1 HP – Nile Plus I	Versa 15 L	Nigella Pro
Function Unit	1 Nos						
Assessment Boundary	Cradle to Grave						
Reference Standard	ISO 14067						

4.1.6 Low-Carbon Products

Our portfolio reflects a strong focus on **low-carbon, energy-efficient products**. A significant share of our business is driven by offerings that minimize environmental impact. In fact, **41.84% of our revenue** is derived from products rated with **BEE star labels**.

Revenue from sales of BEE Rated Products/Energy Saving Products –

Product unit	Type & Description of product(s)	FY 23 Sales in Crores	FY 24 Sales in Crores	FY 25 Sales in Crores
Fans	The Ceiling Fan range is 100% compliant with the Bureau of Energy Efficiency (BEE) star rating criteria as well as the Bureau of Indian Standards (BIS) guidelines.	741.2	2,278	2,351.28
Pumps	Solar pumps - a renewable energy solution with 8,000+ units in operation, helping reduce grid electricity impacts and avoiding 4,053 tCO ₂ e emissions during the use phase.	82.08	129.75	140.07
Lighting B2C	Achieved an average of 42% energy savings by shifting from conventional HPSV to LED lamps and a further 28% saving through LED efficacy improvements.	196	121.32	88.23
Large Domestic Appliances (LDA)	79% of water heaters are certified for 5 star by Bureau of Energy Efficiency (BEE). The water heaters feature improved insulation, resulting in an average of 9% reduction in standing loss, aligning with the latest BEE Star rating upgrades.	307.3	331	360.89
Total		1,326.58	2,860.07	2,940.47

4.2 Energy & Emissions

Crompton regularly undertakes comprehensive energy audits to identify opportunities for improving energy performance throughout its operations and has set quantified targets to drive measurable energy savings. The company has implemented specific actions to reduce overall energy use, while also evaluating progress on an ongoing basis to ensure continuous improvement in consumption reduction. In parallel, Crompton is increasing the use of clean and green energy sources, i.e. solar power, to lower its carbon footprint and has made strategic investments in innovation and research & development aimed at enhancing energy efficiency. To embed these initiatives across the organization, the company also conducts regular energy efficiency training programs for employees, raising awareness and building a culture of responsible energy consumption.

Crompton carries out regular waste audits to identify opportunities for improving waste performance and has developed key focus areas to reduce waste generation across its operations. The company has established goals to minimize waste and support these through investments in innovation and research & development focused on sustainable materials and processes. To build organizational awareness, Crompton conducts waste reduction training for employees and integrates structured recycling programs to reduce the volume of waste sent to landfill. Further, the company ensures that its waste reporting metrics are validated by independent accredited bodies, reinforcing transparency and credibility in its approach to responsible waste management.

The Company holds valid authorizations for Extended Producer Responsibility (EPR) concerning both electronic waste (e-waste) and plastic waste management. Crompton tracks WEEE (Waste Electrical and Electronic Equipment) generated from products sold and operates structured take-back programs to enable reuse and recycling. These programs are supported by action plans and quantifiable targets to increase the volume of WEEE collected and processed responsibly. The company ensures that all recipients of WEEE adhere to recognized e-waste management standards, while also conducting awareness and educational programs for customers to promote participation in WEEE take-back and recycling initiatives.

Crompton conducts regular water use assessments and water kaizens to identify opportunities for improving efficiency and implement targeted actions to reduce overall water consumption. The company also undertakes measures to enhance wastewater quality, with progress driven by clearly defined objectives to lower water usage. Recycling practices are increasingly applied to maximize resource recovery, while employees are engaged through awareness and training programs on water efficiency management. Together, these efforts reinforce Crompton's commitment to responsible and sustainable water stewardship across its operations.

Further, as a responsible corporate 100% compliance to applicable statutory rules and regulations is ensured.

4.2.1 Energy Consumption

Total energy consumption	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025?
Total non-renewable energy consumption	MWh	62,367.38	16,194.12	10,875.73	9,758.86	9,758.86
Total renewable energy consumption	MWh	14.74	19.66	9.21	9.41	9.21
Data coverage (as % of denominator)	%	100	100	100	100	100

4.2.2 Product Energy Efficiency

Ceiling Fans	Storage Water Heater																		
53% Energy Intensity Reduction & GHG Avoidance Achieved in BEE 5 Star Rated Induction Motor Type Ceiling Fan against Non-Star Ceiling Fan. 63% Energy Intensity Reduction & GHG Avoidance Achieved in BEE 5 Star Rated BLDC Ceiling Fan against Non-Star Ceiling Fan Ceiling Fan : Energy Intensity Reduction & GHG Avoidance <table border="1"><thead><tr><th>Star Rating</th><th>Sp. Power in Watt</th><th>Reduction (%)</th></tr></thead><tbody><tr><td>Non-Star</td><td>75</td><td>-</td></tr><tr><td>1 Star</td><td>55</td><td>27%</td></tr><tr><td>3 Star</td><td>45</td><td>40%</td></tr><tr><td>5 Star</td><td>35</td><td>53%</td></tr><tr><td>5 Star</td><td>28</td><td>63%</td></tr></tbody></table>	Star Rating	Sp. Power in Watt	Reduction (%)	Non-Star	75	-	1 Star	55	27%	3 Star	45	40%	5 Star	35	53%	5 Star	28	63%	Average 9% Standing loss reduction in storage water heaters aligning with the latest BEE Star rating upgrades Energy Efficiency : Storage Water Heater - BEE Star Rating Upgraded Effective from Jan-2023, - Avg. 9% Standing Loss Reduced through Insulation Improvement,
Star Rating	Sp. Power in Watt	Reduction (%)																	
Non-Star	75	-																	
1 Star	55	27%																	
3 Star	45	40%																	
5 Star	35	53%																	
5 Star	28	63%																	
Lighting	Introduction of Renewable Energy Based Products																		
Avg 28% energy efficiency improvement in LED Lighting through efficacy improvement from 100lm/W to 130lm/W, efficient lens design, high efficiency driver and light loss reduction	We are dedicated to design, develop, and promote products that harness renewable energy sources, contributing to a cleaner and more sustainable energy landscape. Solar Water Pump & Solar Lighting are the key renewable based products in our product portfolio																		
Product Ecolabel Certification																			
We successfully achieved Type-I Ecolabel certification, namely CII Green-Pro (a Global Ecolabelling Network accredited program), for our HS Highspeed 48 ceiling fan, as part of our product sustainability initiative. This assessment follows a stringent evaluation of the product's environmental performance across various criteria. We have achieved Type-I Ecolabel certification for a range of our lighting products	CII-Green Products and Services Council hereby certifies that Ceiling Fan - HS High Speed 48 (GPCGS05003) Manufactured by Crompton Greaves Consumer Electronics Ltd at Bathina, Goa meets the requirements of GreenPro Ecolabel and qualifies as Green Product This certification is valid till December 2026																		

4.2.2 Emissions Management

The Scope 1 and 2 Greenhouse Gas Emissions have been accounted in line with the following standards:

- IPCC Guidelines for National Greenhouse Gas Inventories 2006
- The Greenhouse Gas Protocol: Public Sector Standard
- The Greenhouse Gas Protocol: Scope 2 Guidance
- Grid Emission Factor as per V19 of Central Electricity Authority Report

Parameters	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025?
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Total direct GHG emissions (Scope 1)	tCO ₂ e	14,907.80	4,752	3,660	767.69	767.69
Data coverage (as % of denominator)	%	100	100	100	100	100

Direct Greenhouse Gas Emissions (Scope 1)

Indirect Greenhouse Gas Emissions (Scope 2)

Parameters	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025?
Total indirect GHG emissions (Scope 2) (Location-based)	tCO ₂ e	3,963.5	4,053.50	3,927.02	6,595.17	4,053.50
Data coverage (as % of denominator)	%	100	100	100	100	100

Indirect Greenhouse Gas Emissions (Scope 3)

Parameters	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025
Total indirect GHG emissions (Scope 3)	tCO ₂ e	Not Calculated	Not Calculated	Not Calculated	5,550	5,550
Data coverage (as % of denominator)	%	100	100	100	100	100

Scope 3 Categories

Parameters	Category Name	Emission Accounting Methodology	Emissions in FY 2025 (tCO ₂ e)	Reference Emission Factor Database
Category 3	Fuel and energy related activities (not included in Scope 1 or 2)	Activity Based	2,953	- India Specific Grid Emission Factor - DEFRA 2024
Category 5	Waste generated in operations	Activity Based	36	- EPA-WARM 2024 - DEFRA 2024,
Category 6	Business Travel	Hybrid Method (Air Travel – Activity Based) (Rail & Road Travel – Spend Based)	2,561	- DEFRA 2024, - USPEA

4.3 Waste Management

Parameters	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025?
Total waste generated	metric tonnes	1,515.36	3,136.37	2,634.55	1,945.75	1,945.75
Total waste recycled/ reused	metric tonnes	1134.48	2,652.37	1,700.5	1683.53	1683.53
Total waste disposed	metric tonnes	380	484	934.05	245.56	245.56

4.4 Water Management

Parameters	Unit	FY 2022	FY 2023	FY 2024	FY 2025	Target for FY 2025?
A. Withdrawal: Total municipal water supplies (or from other water utilities)	Million cubic meters	0.021043	0.024742	0.028561	0.049211	0.028561
B. Withdrawal: Fresh surface water (lakes, rivers, etc.)	Million cubic meters	-	-	-	-	-
C. Withdrawal: Fresh groundwater	Million cubic meters	0.046	0.044	0.039	0.034	0.039
D. Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to B and C)	Million cubic meters	0.034	0.038	0.033	0.029	0.038
E. Total Net Fresh Water Consumption (A+B+C-D)	Million cubic meters	0.031	0.033	0.035	0.055	0.033
Data Coverage (as % of denominator)	percentage of	100	100	100	100	100

4.5 Biodiversity

Biodiversity Commitment	No Deforestation Commitment
• Avoiding the construction of new infrastructure in areas with rich biodiversity is imperative. Instead, we should institute protocols to safeguard and conserve biodiversity in regions where our business operations are conducted, particularly in fragile natural environments. • Our focus should be on developing strategies and technologies that contribute to biodiversity preservation by optimizing resource utilization throughout their entire lifecycle.	Our emphasis is on embracing recycling and reuse strategies, eliminating the need for wooden packing. The exclusion of wooden packaging from our practices has significantly diminished our environmental footprint and contributed to the reduction of deforestation.

- | | |
|---|--|
| <ul style="list-style-type: none"> ● To reinforce our commitment to biodiversity protection, we will actively promote communication channels and collaborations with stakeholders. We aim to enhance the development of shared value while prioritizing the conservation of biodiversity. ● We will actively engage with non-governmental organizations (NGOs) and involve our employees and partners in local projects. Our goal is to ensure that all our sites implement biodiversity conservation and restoration programs. For sites located in water-stressed areas, we will implement water conservation strategies. ● Furthermore, we will advocate for biodiversity conservation programs in our supply chains, including resource extraction. This approach underscores our dedication to sustainable practices and environmental stewardship. | |
|---|--|

Hazardous Substances Commitment

Crompton has phased out CFL bulbs containing hazardous mercury. As of April 1st, 2025, all our products will adhere to ROHS compliance standards. We've transitioned to using ROHS-compliant raw materials. Our company diligently implements product recalls upon their expiration and ensures recycling and safe disposal in accordance with our Extended Producer Responsibility (EPR) plan.