



Sustainable Procurement Data Book

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About Godrej Industries Limited Chemicals

Godrej Industries (Chemicals) is one of the leading businesses of the Godrej Industries Group. We started our journey in year 1990, we set up our flagship manufacturing facility at Valia in Gujarat and in year 2014, we added another manufacturing facility at Ambernath in Maharashtra. Our global presence in more than 80 countries vouch for our quality standards & exemplary services. Today, we are one of India's leading providers of oleochemicals, surfactants, specialty chemicals, and biotech products, all produced largely with renewable feedstocks from vegetable oils, demineralising the applications. Our products have application varied segments like home and personal care, oil and gas, agrochemicals, pharmaceuticals, rubber, chemical & polymer intermediaries, lubricants & metalworking fluids, food & beverages, paints & coatings, etc. Our dedication to responsible practices has earned us prestigious awards and certifications, while earning trust & respect from global suppliers and customers equally time & again.

Our **Chemicals capabilities** involve continuous technologies and batch processes to manufacture performance driven chemicals that cater to diverse industry requirements. Both the manufacturing plants drive a relentless focus on increasing productivity and energy efficiency.

At GIL Chemicals, we have cultivated an environmentally responsible business by integrating environmental management principles into our growth strategy and manufacturing processes. We maintain an unwavering commitment to enhancing productivity, ensuring safety, and sustainability at our facilities through the implementation of cutting-edge technologies and practices. Our systems enable us to continuously monitor and assess our environmental impact across all manufacturing sites.

Report Boundary

We are guided by our Group's Sustainability vision "of building an inclusive and greener world". At GIL chemicals, we believe that transparency is Fundamental component of our organisation to gain the trust of its stakeholders is transparency.

Every year, we disclose our Sustainability initiatives and ESG performance in our Annual report, Sustainability report and Business Responsibility and Sustainability Reporting (BRSR), which is aligned as per GRI (Global Reporting Initiative).

In FY 2025-26, we are launching our first data book highlights our Supply chain Sustainability across key operational areas, focusing mainly on two manufacturing plants: **Valia in Gujarat and Ambernath in Maharashtra for FY 2024-25.**

Message from Supply Chain Head



**SANJIVA KUMAR
RAYAVARAPU**
Head - Supply Chain

“Sustainability isn’t just a goal for us. It’s a fundamental responsibility shared by every team, every day. Our manufacturing teams strive for excellence by exploring ways to be more energy efficient while increasing productivity. By incorporating innovative technologies and smarter operational practices, our teams ensure optimal use of resources, significantly reducing our environmental footprint without compromising output. Safety is the cornerstone of our operational excellence. Our dedicated safety team cultivates a robust culture where safety is a way of life. They identify, evaluate, and mitigate risks, ensuring that comprehensive measures safeguard our people and communities. Our proactive approach to safety empowers everyone in our organisation and reinforces our commitment to a secure, responsible workplace.

Sustainability is deeply integrated into our supply chain. We collaborate closely with our vendors to uphold and exceed stringent sustainability standards aligned with our vision. Through active engagement, knowledge sharing, and capacity building, we are cultivating a resilient and ethical supply network that is equipped to navigate both current and future challenges. Though voluntary, this year we went a step further in aligning with SEBI’s expectations by actively engaging with our suppliers—raising awareness, training them and reporting on their behalf against the BRSR Core Indicators. Our sustainability ambitions are translated into measurable KPIs embedded in our annual operating plans. To manage and drive progress, we leverage advanced software platforms for accurate data tracking, monitoring, and reporting. Site-based green champions lead data collection, ensuring that each site meets its sustainability targets through meaningful, actionable initiatives. Monthly and quarterly reviews by management, complemented by biannual oversight from board-level ESG committee reinforce our accountability. In embedding sustainability across manufacturing, safety, and supply chain, we are confidently advancing toward being a resilient and responsible organisation that creates value for all our stakeholders.”

From the Desk of Sourcing Lead- Swetha Rane



At Godrej Industries Ltd. (Chemicals) we believe procurement is not just about sourcing goods and services — it is about shaping a sustainable future. Every decision we make in our supply chain has the potential to reduce environmental impact, strengthen ethical practices, and create long-term value for our stakeholders.

Embedding sustainability into procurement ensures resilience, transparency, and accountability across our supply chain. By aligning procurement with environmental, social, and governance (ESG) principles, we safeguard both business continuity and community well-being.

Our vision is to empower suppliers to adopt ESG practices and set net zero targets, ensuring collective progress toward a greener future. We actively engage with suppliers to build awareness and capability around ESG standards. Our goal is to support partners in integrating sustainability into their operations, enabling them to meet global benchmarks and contribute to shared climate goals.

Our Recent ESG Supplier Meet hosted a dedicated forum to share best practices, foster collaboration, and encourage suppliers to commit to sustainability targets. We have introduced Supplier Code of Conduct- a comprehensive framework outlining ethical, environmental, and social expectations for all partners. GChem has ESG Clauses in Contracts- Incorporating sustainability requirements into supplier agreements, ensuring accountability and measurable progress.

I am proud to say that we went beyond the compliance and conducted Business Responsibility and Sustainability Reporting (BRSR) training for 25 suppliers and published a consolidated Supplier BRSR report for FY24-25. Our team lead extensive efforts in social assessments for all critical suppliers to ensure compliance on 8 aspects of Social pillar including wages, working hours and child labour.

Our Commitment

Sustainable procurement is central to our corporate responsibility. By working hand-in-hand with our suppliers, we are building a supply chain that is ethical, resilient, and aligned with our vision of achieving net zero. Together, we can drive meaningful change for our business, our communities, and the planet.

Supply Chain Sustainability

To achieve our goals and ensure ethical conduct, it is empirical that our suppliers share our values and vision; and raise the sustainability standards in our supply chain. We acknowledge that long-term sustainable development of our suppliers is critical to our joint success and we value our relationship with suppliers who share the same approach and vision towards doing business.

Our Targets

- At GIL Chemicals, We aim to train and maintain 90% of employees from our procurement team on Environmental, Social and Governance year on year.
- By 2030, reduce supply chain scope 3 emissions by 20%
- Get the supplier code of conduct signed by 100 % of critical vegetable oil suppliers by 2026.
- Conduct 100 % due diligence of critical vegetable oil suppliers for Environment and Social Aspects by 2030.
- Have the 20% of supplier by procurement spent set Net Zero Targets aligned to the GChem Net Zero Goal for 2050.

Actions to Ensure Inclusive sourcing in the Supply Chain

At GIL chemicals, we understand that our operations not only affect our own communities but also of those who are in contact of our suppliers. Therefore, we encourage our suppliers to undertake steps to collaborate and ensure inclusive sourcing for economic and social development.

We maintain direct relationships with our suppliers, while we are also engaging with upstream partners where critical sustainability risks exist. Our suppliers are categorized based on materiality and risk such as raw materials, packaging, logistics, and service providers allowing us to implement targeted procurement strategies.

We encourage our suppliers to take initiatives to have a diverse and inclusive workforce in terms of age, gender, experience and ethnicity.

We strive to ensure and promote inclusive growth and equitable development, and we always emphasize on supporting the domestic producers and boosting the local economy. In the reporting year, we have sourced **72 % of our procurement includes suppliers primarily from India and 36 % from MSME (Medium Small micro enterprise) suppliers**. Breakup of our spent-on procurement is demonstrated in table below:

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	36 %	30 %
Directly sourced from within India	72 %	64 %

Actions to prevent Discrimination and Harassment in the workforce of suppliers

We are committed towards supporting sustainable development and business practices. Sustainable practices now have grown to encompass social performance criteria as well. We believe that an organisation should play a significant and beneficial role within the local community and society in general.

At GIL chemicals, we conduct our business activities in a fair and transparent manner with honesty, integrity, high ethical & moral standards and respect for human rights. We strongly believe that high ethical standards are essential for sound business relationships.

There is no place for discrimination at Godrej. Diversity is the philosophy of who we are as a company. It's not just in our DNA and nice to do. Being more diverse - especially having our team members reflect the diversity of our businesses and communities - helps us innovate better and grow faster.

We take pride in being an equal opportunities employer. We recognize merit and encourage diversity. We do not tolerate any form of discrimination on the basis of nationality, race, color, religion, gender identity or expression, sexual orientation, disability, age, or marital status and ensure equal opportunities for all our team members.

"Our Supplier Onboarding" process is completely based on business requirements and Quality of its products. Our goal is to maintain the highest standard of Social, Safety, Quality, Delivery and Environmental and Compliance.

We prefer having our supplier onboard the sustainability journey by setting specific goals, developing roadmap and performing on each of the goals.

We expect our suppliers must also ensure there is no discrimination in their hiring and employment practices on the basis of race, colour, gender, age, nationality, religion, sexual orientation, marital status, citizenship, disability, veteran status, medical condition etc.

Capacity building of Suppliers

We conducted a supplier engagement program in Mar-25. A central component of the program was a detailed training session. The session brought together cross-functional participants from various supplier organizations and covered a wide range of topics including:

- Introduction to ESG fundamentals and their relevance to business resilience.
- Overview of key global and regional ESG regulations, including those impacting operations in India.
- Detailed walkthrough of BRSR Core attributes such as emissions, energy, water, waste, workforce wellbeing, diversity, business ethics, and transparency.
- Engaging with critical vegetable oil suppliers for capacity building on Environment, social and Governance. We launched a structured training initiative to build ESG awareness and reporting readiness across our supplier base. As part of our commitment to responsible sourcing and supply chain transparency, the initiative was designed to equip suppliers with the knowledge and tools required for high quality ESG data disclosure.

Supplier Engagement Highlights for FY 2024-25

Particulars	Valia	Ambernath
Mega supplier meet held	2 Nos	2 Nos
Suppliers trained on Environment, Social and Governance	100%	100%
Suppliers signed code of conduct	100 % critical vegetable oil suppliers	100 % critical vegetable oil suppliers
Percentage of targeted suppliers (by procurement spent) with contracts that include clauses on environmental, labor, and human rights requirements	100 % critical vegetable oil suppliers	100 % critical vegetable oil suppliers
Percentage or number of targeted suppliers covered by a sustainability assessment	100%	100%
Percentage or number of targeted suppliers covered by a sustainability on-site audit	100%	100%
Percentage of buyers who received training on sustainable procurement	90 %	90 %
Percentage of assessed suppliers engaged in capacity building for corrective actions*	75%	75%

Details of assessment of Value chain partners for FY 2024-25

Particulars	% of value chain partners that were assessed	
	Valia	Ambernath
Sexual Harassment	32 %	32 %
Discrimination at Workplace	32 %	32 %
Child Labour	32 %	32 %
Forced Labour	32 %	32 %

Sustainable Procurement Objectives in Employee Performance Reviews

Company Commitment

Our company has embedded sustainable procurement directly into the performance evaluation of every buyer in the Purchasing Department. Achieving measurable progress on ESG (Environmental, Social, Governance) criteria is now a formal part of each buyer's annual objectives and contributes to overall performance ratings, career development, and variable compensation.

Mandatory ESG Objectives for All Buyers

Each buyer is accountable for the following five objectives across their supplier portfolio.

	Objective	Description & Key Deliverables
1	Supplier Code of Conduct Signing	Ensure all active suppliers sign and return the updated Supplier Code of Conduct (including human rights, anti-corruption, environmental protection, and health & safety commitments).
2	Integration of ESG Clauses in Purchase Orders & Contracts	Include mandatory ESG clauses in all new or renewed purchase orders and framework agreements. Clauses cover right to audit, continuous improvement expectations, and compliance with local environmental and labor laws.
3	Structured ESG Discussions with Suppliers	Conduct at least one dedicated ESG review meeting (physical or virtual) with key suppliers. Document outcomes, improvement areas, and agreed action plans in the supplier relationship management system.
4	Timely Reporting of ESG Parameters from Suppliers	Collect annual ESG performance data (carbon emissions, water usage, waste, diversity metrics, certifications, etc.) from suppliers. Follow up on missing or late submissions.

Measurement & Support

- ESG team receive a dedicated support from Buyers in meeting ESG targets of GChem.
- Buyers receive dedicated ESG support from the ESG team on setting standards, training, capacity building and engaging with suppliers.
- Exceptional performance (exceeding targets) qualifies for the annual "Sustainable Buyer of the Year" recognition.

By linking these objectives directly to individual performance reviews, we ensure that sustainability is not an add-on but a core driver of daily procurement decisions, delivering long-term value for the company, our suppliers, and society.

Snap of Godrej Industries Limited Chemicals -Annual Supplier Meet 2025

Godrej CHEMICALS

Suppliers Meet

Building Tomorrow Together, Today

Godrej Industries Limited recently hosted its Annual Suppliers Meet 2025, which brought together a diverse group of vendors from various categories, including oil, capex, packaging, MRO, and chemicals. The event, held on 20th March at Mumbai was a testament to our company's commitment to fostering strong partnerships and promoting a culture of excellence.

The meet was attended by a full house of esteemed suppliers, who engaged in meaningful discussions and networking sessions. The agenda was packed with insightful presentations, including three key sessions on Safety, Sustainability, and Regulatory Compliance. These presentations effectively conveyed our organization's dedication to upholding the highest standards in these critical areas. Furthermore, four of our suppliers took the stage to share their best practices, showcasing innovative solutions and expertise that have made a significant impact on their businesses. These presentations sparked interesting discussions and provided valuable insights to the audience too.

The Q&A session that followed was highly engaging, with suppliers and Godrej Industries Limited representatives exchanging thoughts and feedback. This open dialogue reinforced our company's commitment to collaboration and mutual growth.

This event reaffirms our company's dedication to building strong relationships with our suppliers, who play a vital role in our success. We are committed to working together to drive innovation, sustainability, and excellence in all aspects of our business.

The Annual Suppliers Meet 2025 was a memorable success, thanks to the active participation and enthusiasm of our Senior Members, Suppliers and Speakers. We extend our heartfelt gratitude to all involved and look forward to continued collaboration and growth with our valued suppliers.



At Godrej we believe sustainability isn't just a policy, it's a mindset woven into how we source, design, and collaborate. While the big steps matter, it's often the small, consistent actions that create lasting impact.

Here's how we strive to make a difference:

- **Responsible Partnerships** – Working with suppliers who share our vision for ethical and environmentally conscious practices.
- **Material Awareness** – Exploring opportunities for recycled, renewable, and low-impact materials wherever possible.
- **Packaging Innovation** – Looking for ways to reduce plastic consumption through design changes and creative packaging solutions that balance functionality with sustainability.
- **Digitalization** – Moving toward paperless processes with e-tendering and automated workflows.
- **Local Sourcing** – Supporting regional suppliers to reduce transportation emissions and strengthen local ecosystems.

Every vendor meeting begins with two non-negotiables: Safety and Sustainability.

We take time to:

- Understand the steps our partners are taking toward these critical goals
- Guide them on best practices and share insights
- Recognize and showcase exceptional efforts within our organization

By celebrating these achievements, we aim to inspire continuous improvement and strengthen our shared commitment to building a safer, greener supply chain.

Together, we can make sustainability a habit, not just a headline.