



BIRLA CARBON
SUSTAINABILITY REPORT 2026

SUSTAINABLE WORK IN **PROGRESS**

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Sustainability is an ever-evolving journey, shaped by new challenges, increasing expectations and emerging opportunities.

Our Sustainable Work in Progress is focused on turning ambition into action across our business. Developing greener products, improving resource efficiency, advancing circular solutions, reducing emissions, strengthening safety and inclusion, enabling customers to achieve their sustainability goals and working symbiotically with communities to help them thrive.

This report brings together the sustainable progress made during the reporting period in a crisp lucid document, reflecting the actions, advances and learnings that are helping us build a more resilient and responsible business.

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Our 2026 Sustainability Report, covering **April 2025 to March 2026**, has been approved by Birla Carbon's Senior Management Team (SMT) and prepared with reference to the GRI 2021 Standards.

Sustainability at a Glance

A Message From Our President and CEO



We have simplified our vision to 'be the clear leader in our industry' where leadership is not defined by scale alone, but by the choices we make, the discipline with which we execute, and the positive impact we have on society, leveraging sustainability, innovation, and operational excellence.

Dear Reader,

As Birla Carbon presents our 14th Sustainability Report, '**Sustainable – Work in Progress**,' I am happy to reflect on a year of progress that has both sharpened our focus and strengthened our resolve as a company.

In a world of rapid change driven by technology, politics, and uncertainty, Birla Carbon is evolving to be more agile, decisive, and effective. We have simplified our vision to '**be the clear leader in our industry**' where leadership is not defined by scale alone, but by the choices we make, the discipline with which we execute, and the positive impact we have on society, leveraging sustainability, innovation, and operational excellence.

As a key pillar of our strategy, sustainability remains at the heart of our business. Driving our net zero aspirations, providing supply chain resilience for our customers, reducing emissions from our factories, and supporting the communities where we

operate are all critical aspects of industry leadership and embedded in our sustainability strategy, '**Share the Future**.'

In this report, you will see examples of how Birla Carbon is navigating the changing business environment while maintaining our focus on sustainability. Key themes include:

Collaboration – how we work across our organization, with customers, partners, and neighbors to drive progress.

Global and local – as a global leader operating as One Birla Carbon, it is critical that we empower our organization to act locally, tailoring our approach to meet unique needs wherever we do business.

Operational excellence – world class manufacturing that ensures a safe environment for our people and maximizes yield, energy efficiency, quality, and consistency.

People – invest in our talent to be future ready.

As we look to the future, aligned with our vision of industry leadership, our priorities are clearly defined: **Accelerate innovation** in specialty and sustainable materials, **Strengthen** the efficiency of our operations while expanding to support industry growth, **Reduce** our carbon footprint, and **Deepen** collaboration with our stakeholders.

I invite you to read '**Sustainable – Work in Progress**' as a reflection on our achievements through FY2026 and a statement of our intent for the future. Together, we can make a brighter tomorrow for all.

Sincerely,

John Loudermilk

President & CEO
Birla Carbon



Highlights 2026

EcoVadis Platinum



Birla Carbon achieved EcoVadis Platinum, placing us among the top 1% of more than 150,000 companies assessed globally.

The rating recognizes our performance across four key areas: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. This recognition reflects the strength of our sustainability practices and the progress made across our global operations.

CDP Scoring



Birla Carbon achieved the highest possible score for a privately disclosing company, receiving a B in both Climate and Water from CDP.

The recognition reflects our continued focus on climate and water management, transparency, and action. It reinforces our approach to addressing environmental priorities through measurable progress and responsible resource management.

Continua™ Scale-Up



Our aspiration to make circular carbonaceous material available at scale has become a reality.

Continua™ SCM production facilities in Italy and India are now fully operational, supported by a global supply chain, robust quality management, and strong HSE practices.

This marks an important step in Birla Carbon's journey toward Net Zero and gives customers access to consistent-quality circular alternatives to traditional carbon black.

Ethical Supply Chain & Supplier Due Diligence



Responsible sourcing remains central to our procurement strategy.

Launched in 2019, our due diligence program now covers 100% of our 18,171 active vendors, with continuous screening through the NAVEX RiskRate® platform.

In addition, 100% of employees receive policy training and 100% of suppliers acknowledge purchasing terms prohibiting child and forced labor. No labor incidents have been identified to date.

Performance Dashboard

Indicator	Unit	FY2024	FY2025	FY2026
Absolute GHG Emissions				
Scope 1	tCO ₂ e	3,698,154	3,573,988	3,369,431
Scope 2	tCO ₂ e	56,093	52,251	46,678
Scope 3	tCO ₂ e	1,809,748	1,723,314	1,650,422
GHG Emissions Intensity				
Scope 1, 2 and 3 (upstream) Intensity	(tCO ₂ e/t product)	2.98	2.93	2.92
Absolute Air Emissions				
SO _x Emission	t	10,055	10,496	10,547
NO _x Emission	t	3,322	3,426	3,428
Energy				
Energy Consumption Intensity	GJ/t product	12.17	12.10	12.56
Energy Conversion Efficiency	%	72.0	72.8	73.2
Water Withdrawal and Discharge				
Fresh Water Withdrawal	megaliters	191,987	256,202	245,156
Fresh Water Discharge	megaliters	180,625	242,458	231,603
Water Withdrawal Intensity (High-Risk Sites)				
Water Withdrawal Intensity	(m ³ /t product) vs FY2013 baseline	88%	86%	86%
Waste Generation				
Hazardous Waste Generation	t	1,003	1,414	709
Non-Hazardous Waste Generation	t	41,662	39,761	29,531
Total Waste Generation	t	42,665	41,176	30,240
Waste Repurposed	%	65	61	67

Indicator	Unit	FY2024	FY2025	FY2026
Waste Disposal				
Hazardous Waste				
Incineration	t	322	591	328
Landfill	t	635	723	297
Incineration (with recovery)	t	23	2	55
Non-Hazardous Waste				
Incineration	t	1,574	271	235
Landfill	t	14,373	15,486	9,740
Incineration (with recovery)	t	85	591	622
Health & Safety				
Total Recordable Incident Rate (TRIR)	Injuries per 200,000 work hours	0.38	0.31	0.33
Environmental releases	Count	30	24	17
Workforce, Diversity & Labor Practices				
Employees & Contractors covered by an occupational health and safety management system	Percent of employees	100%	100%	100%
Employee-hours worked	Hours	4,736,312	4,828,956	4,815,074
Contractor-hours worked	Hours	5,417,277	6,887,507	12,001,368
Responsible Procurement				
Suppliers screened against sustainability impacts	Percent of employees	100%	100%	100%
Ethics & Compliance				
Hotline calls received	Count	21	15	18
Confirmed Corruption Incidents	Count	0	0	0
Confirmed Child and/or Forced Labor Incidents	Count	0	0	0

On Track

Behind the Schedule

About Birla Carbon

Who We Are

Birla Carbon is one of the world's largest manufacturers of carbon black and carbon nanotubes, and an established carbon materials solutions business of the leading Indian multinational Aditya Birla Group. We develop innovative and sustainable carbon solutions that enhance the performance of products used every day, from tires, plastics and mechanical rubber goods to coatings, inks, adhesives and textile fibers.

Our portfolio includes Raven™, Conductex™, BC grades, and ASTM carbon black, Continua™ Sustainable Carbonaceous Material and Sustainable Carbon Black, and the Nanocyl™ range of Multi-Walled Carbon Nanotubes enabling advanced applications across mobility, infrastructure, energy storage, health, agriculture and industrial manufacturing.

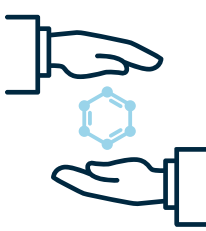
With operations spanning 14 countries, 19 manufacturing facilities and three state-of-the-art technology centers, we combine global scale with deep scientific expertise to deliver solutions that help industries perform better while progressing toward a more sustainable future.

Vision, Purpose & Principles

Our vision is to **'be the clear leader in our industry'**. We believe the true potential of carbon lies not only in enhancing product performance, but also in creating lasting value for society.

Through our sustainability strategy, **Share the Future**, we are accelerating innovation, advancing circularity and supporting the transition to a lower-carbon economy.

Everything we do is guided by our five Purpose Principles.



Familiar Bonds
reflect the trust and enduring relationships we build with our people, customers and communities.



Compound Knowledge
embodies our relentless pursuit of scientific excellence and innovation.



Micro Matters
reminds us that every detail contributes to meaningful progress.



Beyond Durable
inspires us to create solutions that deliver lasting value while reducing environmental impact.



Challenge Tested
defines our resilience, encouraging us to embrace every challenge as an opportunity to improve, innovate and lead.

Share the Future

Our sustainability strategy, Share the Future, guides how we innovate, operate and collaborate to create long-term value. By embedding sustainability into our business decisions, from product development and manufacturing to customer engagement and employee development, we are reducing our environmental footprint while creating solutions that enable sustainable progress across industries.

Our focus is clear — advancing circularity and using carbon resources more efficiently to reduce emissions while operating with the highest standards of environmental, social and governance.

Guided by innovation and collaboration, we are advancing our journey toward net zero carbon emissions by 2050 while working with customers, suppliers and other stakeholders to create shared value and drive meaningful change beyond our own operations.

Cautionary Statement
This sustainability report contains statements regarding Birla Carbon's aspiration to achieve net zero carbon emissions by 2050. While Birla Carbon is committed to advancing sustainability, factors such as future business and financial performance, market conditions, and other items outside of Birla Carbon's control may impact the company's ability to achieve its stated sustainability goals. These factors may include, but are not limited to, the availability of alternative feedstock materials, the impact of such feedstock materials on our manufacturing processes and product performance, the ability to deploy new technologies, and environmental impacts, such as emissions and changes in legal and regulatory requirements.



Materiality Assessments and Governance

Assessing What Matters

Understanding the sustainability issues that matter most to both Birla Carbon and our stakeholders is fundamental to our **Share the Future** strategy. Our materiality assessment helps us identify, evaluate and prioritize the environmental, social and governance topics.

In FY2024, we enhanced our assessment by adopting a double materiality approach, evaluating sustainability issues from two perspectives: the impact of our business on people and the environment, and the financial risks and opportunities these issues present to our business. Drawing on stakeholder engagement, employee feedback, customer insights and health, safety and environmental performance data, the assessment provides a robust foundation for our sustainability priorities and disclosures. The results were reviewed and approved by Birla Carbon's Senior Management Team.

To know more about our sustainability assessment, refer to page 29 of the Appendices section.

Stakeholder Engagement

Active engagement with our stakeholders is fundamental to the way we do business and a key enabler of our Share the Future strategy. It helps us better understand evolving expectations, identify emerging opportunities and challenges, and strengthen our ability to create long-term value. The insights gained through these interactions shape our sustainability priorities, guide decision-making, and reinforce our commitment to delivering innovative carbon solutions responsibly.

By listening, learning, and working together, we strengthen relationships, encourage transparency, and ensure that our sustainability agenda remains aligned with the priorities of our stakeholders while supporting our long-term business objectives.

Stakeholder	Modes of Engagement	Key Topics
Employees	Town halls and leadership interactions; employee surveys and feedback; performance and career development discussions; learning programs; health and safety forums; internal communication platforms; Employee Resource Groups and initiatives	Health, safety and well-being; learning and career growth; employee engagement; diversity, equity and inclusion; business priorities; ethics and compliance
Customers	Regular business interactions; customer surveys; technical collaboration & product development; site visits; industry events; customer service and grievance mechanisms; sustainability discussions	Product quality, performance and safety; customer satisfaction; innovation; supply reliability; product sustainability and circularity; carbon footprint and environmental performance
Suppliers	Supplier meetings and reviews; procurement processes; assessments and audits; due diligence; performance evaluations; policies & codes; ongoing commercial & technical engagement	Quality and reliability; responsible sourcing; health and safety; human rights and labour practices; environmental performance; regulatory compliance; supply-chain resilience
Communities	Community engagement programs; needs assessments; NGO and local partnerships; employee volunteering; feedback and grievance mechanisms	Health and well-being; education and skills; livelihoods; environmental stewardship; local development; operational and environmental impacts
Investors and Lenders	Financial and sustainability reporting; investor and lender meetings; presentations & disclosures; ESG questionnaires & assessments	Financial and operational performance; business strategy; governance and risk management; sustainability performance; climate risks and opportunities; Net Zero transition; long-term value creation
Regulators	Regulatory filings; inspections and audits; consultations; permitting and compliance processes; participation in regulatory forums	Regulatory compliance; occupational health and safety; emissions; water and waste; product safety; evolving environmental regulations
Industry Associations	Industry memberships; working groups and technical committees; conferences and forums; collaborative research; policy and regulatory dialogues	Industry standards and best practices; product stewardship; climate and decarbonization; circularity and LCA; health and safety; regulation, technology and innovation

Customer Loyalty

TARGET: Net Promoter Score to remain above the 35* threshold (score by year)

**Net Promoter Scores range from -100 to +100.*

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2030
62	62	57	55	60	Target met & retained

Thought Leadership

Shaping the Future of Sustainable Carbon Standards

As sustainable carbon materials continue to evolve, the industry requires clear standards that build confidence, ensure consistency and support wider adoption.

Birla Carbon is actively contributing to this evolution through its leadership in the ASTM International Committees D24 on Carbon Black and D36 on recovered Carbon Black (rCB). Since the introduction of Continua™ Sustainable Carbonaceous Material (SCM), Birla Carbon has helped advance technical standards that distinguish SCM from conventional carbon black, enabling greater clarity in product specification, evaluation and communication across the value chain.

Our contributions have also supported the development of interim Product Category Rules that strengthen the credibility and comparability of Life Cycle Assessment and Product Carbon Footprint claims. In recognition of these efforts, Dr. Joseph Hallett, Technical Lead for Continua™, received ASTM International's Standard Development Appreciation Award.



Advancing circularity through innovation, partnerships, and sustainable solutions

At Reuters Events Sustainability Europe 2025, President & CEO, John Loudermilk joined leaders from industry and the World Business Council for Sustainable Development (WBCSD) to discuss how collaboration, innovation and operational excellence can accelerate the transition to a circular economy.

During the event, Birla Carbon highlighted the role of high-quality circular materials such as Continua™ Sustainable Carbonaceous Material (SCM) and the potential of bio-based feedstocks in enabling more sustainable carbon solutions.

These discussions reinforce our belief that achieving net zero will require not only technological innovation, but also collective action, partnerships and knowledge sharing across the value chain.



Powering Progress Through Innovation

At Birla Carbon, innovation is an essential ingredient in shaping the future. We foster a culture that encourages ideas from across functions and geographies, challenges conventional thinking and promotes continuous improvement.

We translate these ideas into better products, processes and practices, by empowering our people to explore possibilities, experiment without fear and collaborate with diverse stakeholders. This culture of innovation advances our sustainability ambitions and helps us create lasting value for our customers and stakeholders.

Research & Development

We continually invest in R&D to stay one step ahead with evolving customer needs, emerging trends and sustainability priorities. Across our technology centers in Belgium, India and the USA, our teams focus on manufacturing technology and process innovation, analytical science and quality, product development and material innovation.

We continue to expand our research into conductive, renewable, recycled and other low-GHG emission carbon solutions, applying our scientific expertise to advance both our sustainability and growth ambitions.

Net Zero Solutions

Achieving a low-carbon future requires new ways of producing carbon materials while continuing to enhance the performance our customers depend on. We are evaluating pathways that can lower GHG emissions and integrating them into our manufacturing processes.

Through these efforts, we are aspiring to achieve net zero by 2050 while helping our customers and value chain progress towards their own decarbonization goals.

Stakeholder Partnerships

We believe in the power of synergies, where complementary strengths come together to expand possibilities and accelerate outcomes. By combining our expertise with that of customers, suppliers and technology partners, we advance sustainable carbon solutions, explore new applications and drive circularity across the value chain.

These partnerships allow us to achieve more together, leveraging shared knowledge and capabilities to develop solutions that create lasting value for our stakeholders and contribute to a more sustainable future.

We support the following SDGs through our work



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



Here are some instances where we reaffirmed our preferred partner status:

Apollo Tyres
Gold Partner Award (2026)



Birla Carbon received the Apollo Tyres Gold Partner Award at the 8th Global Partners' Summit in recognition of its outstanding process, systems, and sustainability capabilities.

The award celebrates supply chain partners who demonstrate excellence in quality, innovation, reliability, and responsible business practices. It reflects our long-standing partnership with Apollo Tyres, built on trust, collaboration, and a shared commitment to sustainable growth.

CEAT WeConnect
Award (2026)



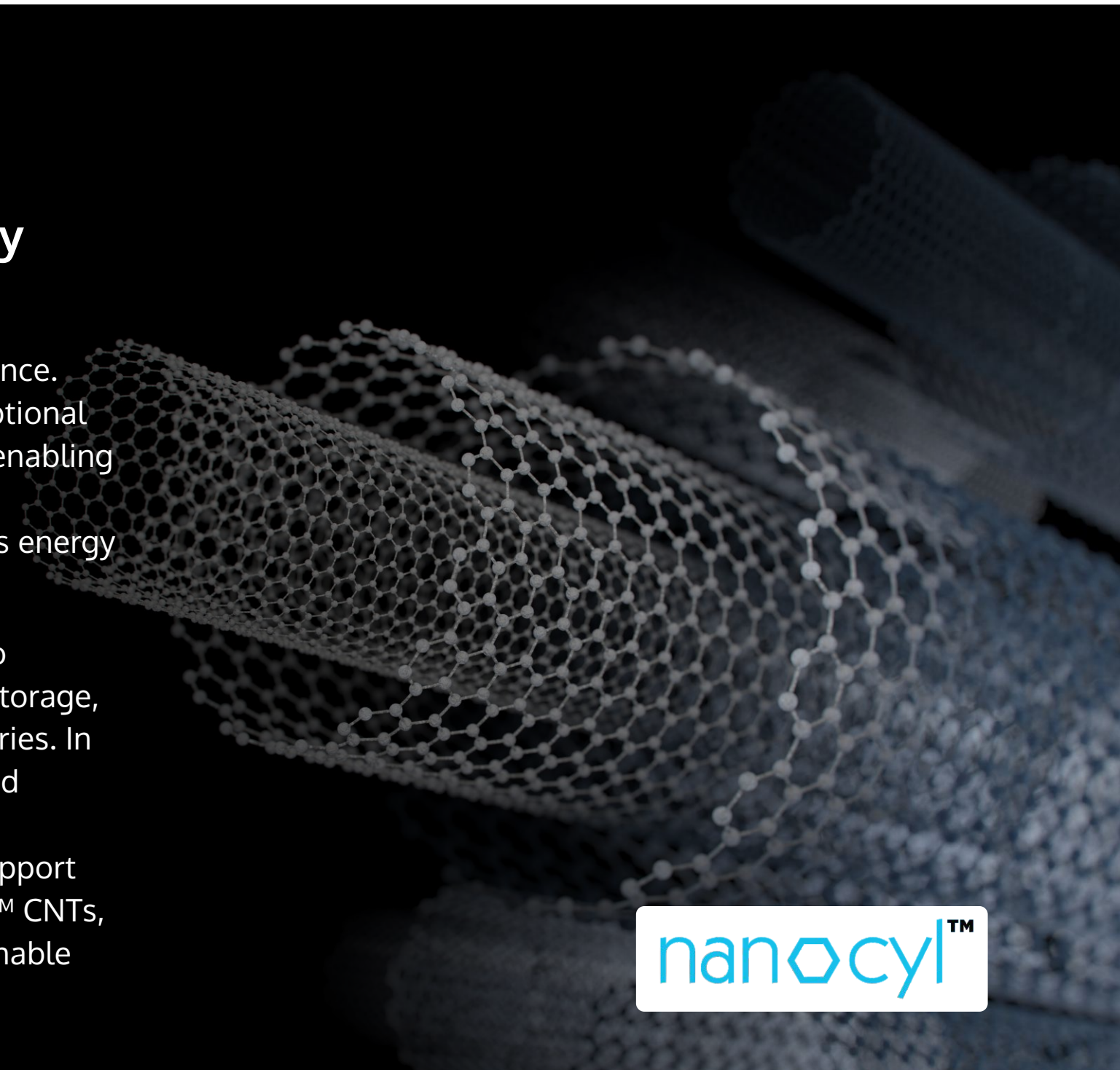
Birla Carbon received the CEAT WeConnect Award for Outstanding Performance in Technical Collaboration, recognizing excellence in innovation, problem-solving, and customer-focused partnership.

The award celebrates the successful collaboration between Birla Carbon and CEAT, highlighting our technical expertise, agility, and ability to deliver impactful solutions through strong teamwork and shared commitment to innovation.

Nanocyl™ CNT
Harnessing Nanotechnology for Sustainability

As industries seek materials that can deliver more with less, carbon nanotechnology is opening new possibilities for sustainable performance. Nanocyl™ Multi-Walled Carbon Nanotubes (MWCNTs) combine exceptional conductivity and mechanical performance at very low loading levels, enabling lighter, more efficient and higher-performing material solutions. This advanced material capability addresses emerging requirements across energy systems, mobility and other next-generation applications.

Our innovation efforts are focused on translating these properties into practical solutions across a growing range of applications. In energy storage, CNTs enhance performance, lifespan and capacity of lithium-ion batteries. In automotive and transportation, they enable lightweight conductive and structural composites, while solutions such as Aquacyl™ water-based conductive dispersions and halogen-free flame-retardant materials support the development of more sustainable formulations. Through Nanocyl™ CNTs, we continue to expand the potential of carbon-based materials and enable technologies that support more efficient, low-impact solutions.



Recognizing Ideas That Drive Impact

In 2026, Birla Carbon launched its first internal Sustainability Awards to recognize projects implemented over the previous 24 months that delivered measurable environmental impact. Awards spanned three categories - emissions, water and waste, reinforcing the company's focus on innovation and continuous improvement.

The program saw strong participation across sites, with employees sharing innovative approaches and sustainability achievements. Winners were recognized through a company-wide announcement, site trophies and individual awards, celebrating the teams and individuals advancing sustainability across Birla Carbon.



Environmental Stewardship



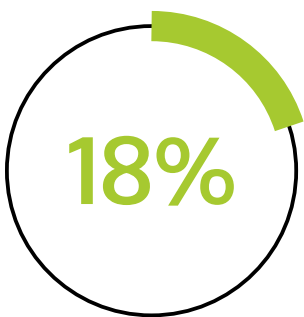
Environmental stewardship is integral to how we operate and grow. We focus on understanding and managing our environmental impacts across our operations and value chain, while seeking opportunities to use resources more efficiently and create lasting environmental value.

Emissions

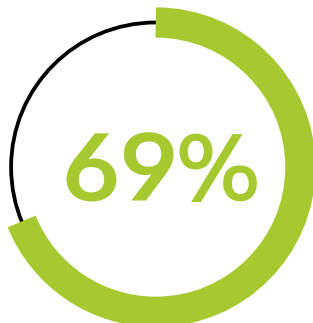
Total Emissions
(Scope 1, 2 and 3)

5.07
million tCO₂e

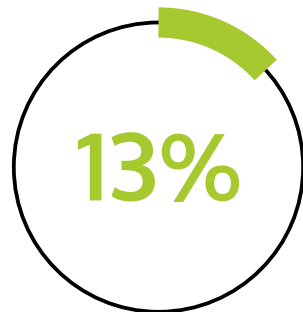
We are addressing emissions through a combination of operational efficiency, energy optimization, technology investments and lower-carbon alternatives. By improving how we use energy and feedstocks today while preparing for tomorrow's technologies, we are working to reduce the emissions intensity of our operations.



Upstream



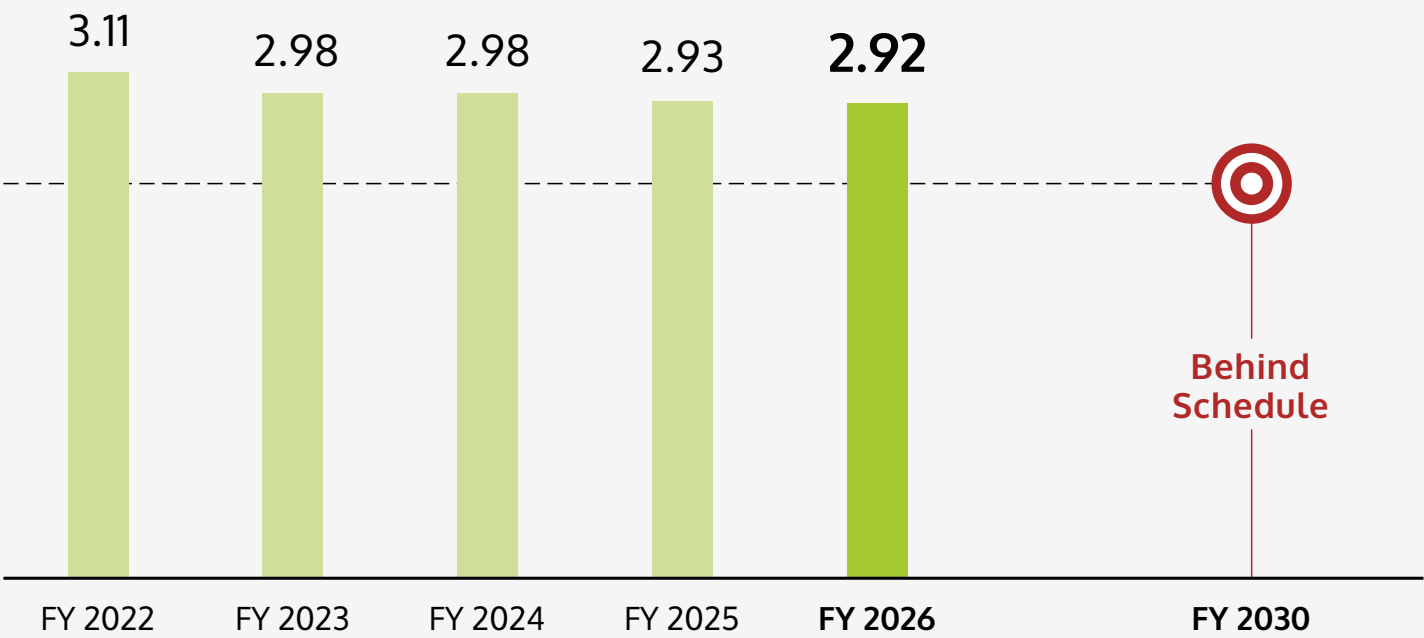
Our Operations



Downstream

Emissions Intensity

TARGET: Reduction of our Scope 1, 2, and 3 (upstream) emissions intensity (tCO₂e/t product) by 22% from our FY2022 baseline by FY2030

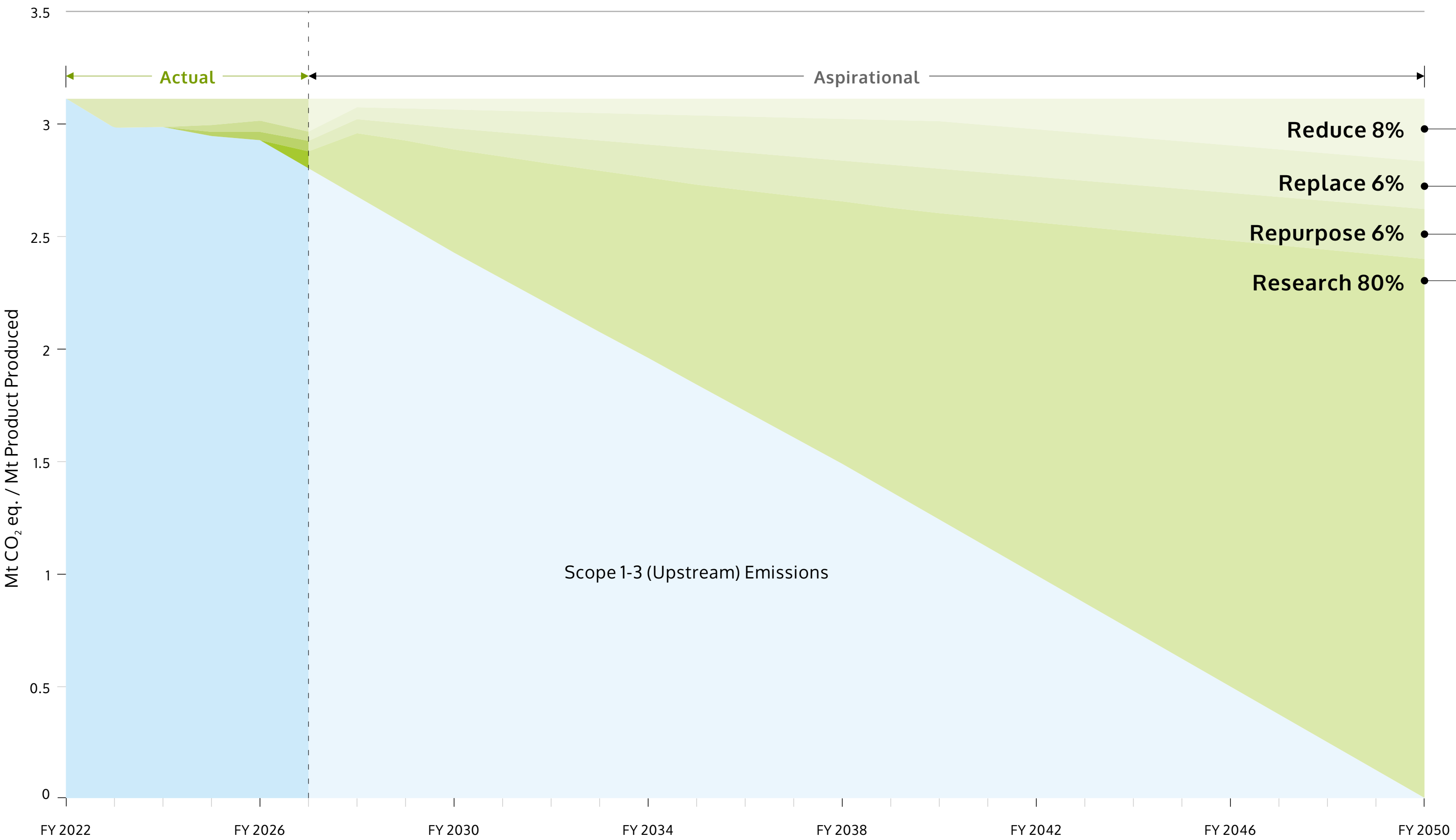


0.80	Scope 3: Purchased goods and services (includes raw materials and feedstocks, packaging materials and purchased services)	3.37	Scope 1: Direct emissions from sources we own or control such as on-site combustion	0.18	Scope 3: Emissions from combustion of the tail gas that we sell
0.03	Scope 3: Transportation of purchased materials to Birla Carbon	0.05	Scope 2: Indirect emissions from the generation of purchased energy such as electricity	< 0.01	Scope 3: Emissions from assets owned by Birla Carbon and leased to other entities (i.e. warehousing and storage)
< 0.01	Scope 3: Operation of assets leased by Birla Carbon (i.e. offices and vehicles)	0.05	Scope 3: Emissions related to the production of fuels and energy purchased and consumed by Birla Carbon	0.30	Scope 3: Expected end-of-life emissions from all products sold
0.07	Scope 3: Emissions associated with capital purchases (equipment, machinery and construction services)	< 0.01	Scope 3: Waste generated in operations	0.20	Scope 3: Investments
		0.01	Scope 3: Transportation of employees between their homes and Birla Carbon sites		
		< 0.01	Scope 3: Employee travel for business purposes		

(in tCO₂e/t of product)

Our Net-Zero Roadmap

Our net-zero pathway is anchored in four complementary levers: Reduce, Replace, Repurpose and Research. Together, they span near-term operational improvements, the transition to lower-carbon inputs, circular solutions and the development of technologies that can transform carbon manufacturing over the longer term. Enabled by collaboration with industry partners and experts, our aspiration is to achieve net-zero carbon emissions by 2050.



Reduce

Lower emissions from our existing operations. We focus on improving yield, process and energy efficiency, optimizing production and reducing the footprint of our products. Company-wide initiatives are complemented by site-level improvements tailored to local operating priorities.

Replace

Shift toward lower-carbon energy and feedstocks. We are increasing the use of renewable energy where viable and exploring recycled, bio-derived and other lower-carbon alternatives to conventional energy and feedstocks.

Repurpose

Create value through circular carbon solutions. Through our Continua™ portfolio, we are developing circular carbon materials that can replace virgin materials and help customers reduce the environmental footprint of their products.

Research

Develop technologies that can transform carbon manufacturing. We are constantly investing in research & technologies and are evaluating emerging technologies to reduce reliance on fossil based processes.

CASE STUDY

Waste Heat, Real Impact

At our Weifang plant in China, optimizing an existing waste-heat recovery system has helped address the challenge of maintaining production during heavy-pollution periods while improving energy efficiency.

During FY2026, the site worked with local partners to optimize steam export and completed targeted equipment upgrades, including a new co-gen boiler, soot blower, variable-frequency drive and air-compressor waste-heat recovery system.

The improvements delivered measurable results: energy efficiency increased from 60.3% in FY2023 to 65.5% in FY2026, while recovered heat supplied for residential heating avoided an estimated 20,809 tCO₂e in FY2026, up from 18,758 in FY2025.

The project also enabled zero shutdowns during heavy-pollution days since November 2023, demonstrating how waste-heat recovery can simultaneously support decarbonization, operational resilience and resource efficiency.

Leveraging Technology to Manage Air Emissions

We are also focused on reducing non-GHG air emissions through improved processes and technologies. We closely monitor emissions to maintain compliance with local regulations.

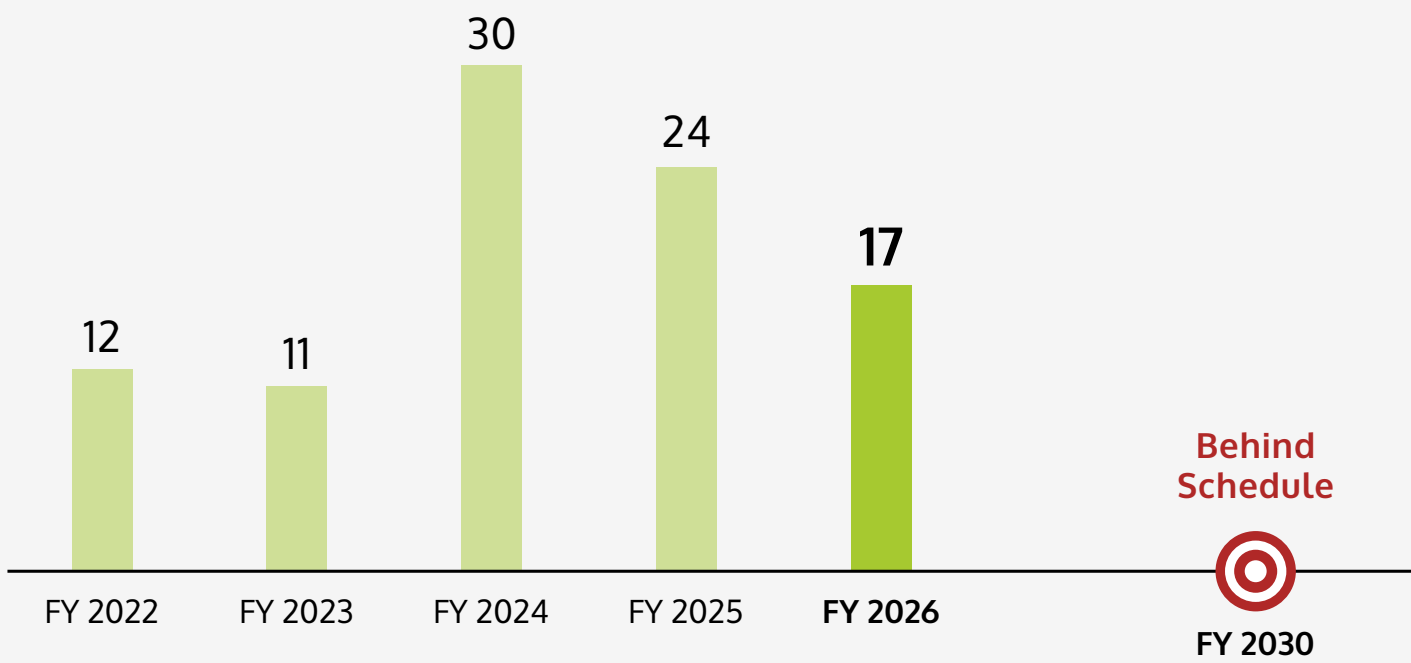
We continue to invest in advanced technologies to reduce air emissions, including state-of-the-art filtration systems for effective containment and recovery of carbon black dust.

At our Thailand facility, we installed emissions control equipment to significantly reduce SO_x and NO_x emissions. At our Hamilton facility in Canada, a new main baghouse filter is improving the efficiency and reliability of the main production unit. This reduces downtime, enables more efficient use of utilities, and limits the release of particulate matter. In addition, the installation of a more efficient air compressor is reducing dependence on grid electricity and other fossil-based resources. Since FY2022, our seawater scrubber in Louisiana, USA, has also delivered significant SO_x reductions.

We recognize that some emissions-control technologies can increase waste generation and we continue to address this as part of our environmental management efforts.

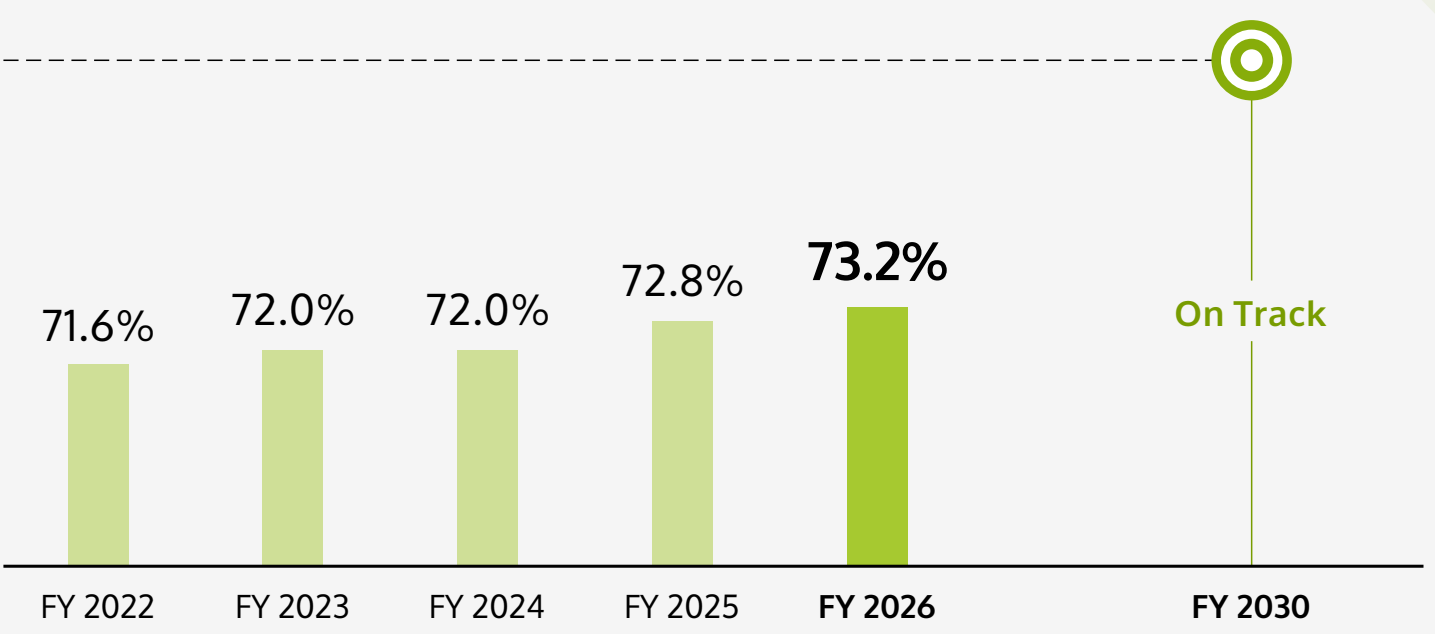
Environmental Releases

TARGET: Record zero environmental releases year on year



Energy Efficiency

TARGET: Increase our absolute energy conversion efficiency to 80% by FY2030



Circularity

Circularity is central to our approach to reducing reliance on virgin resources and keeping valuable materials in use. Through Continua™ Sustainable Carbonaceous Material (SCM) and Continua™ Sustainable Carbon Black (SCB), we are expanding the use of circular materials and creating alternatives that can be integrated into products across tires, mechanical rubber goods, plastics and other applications.

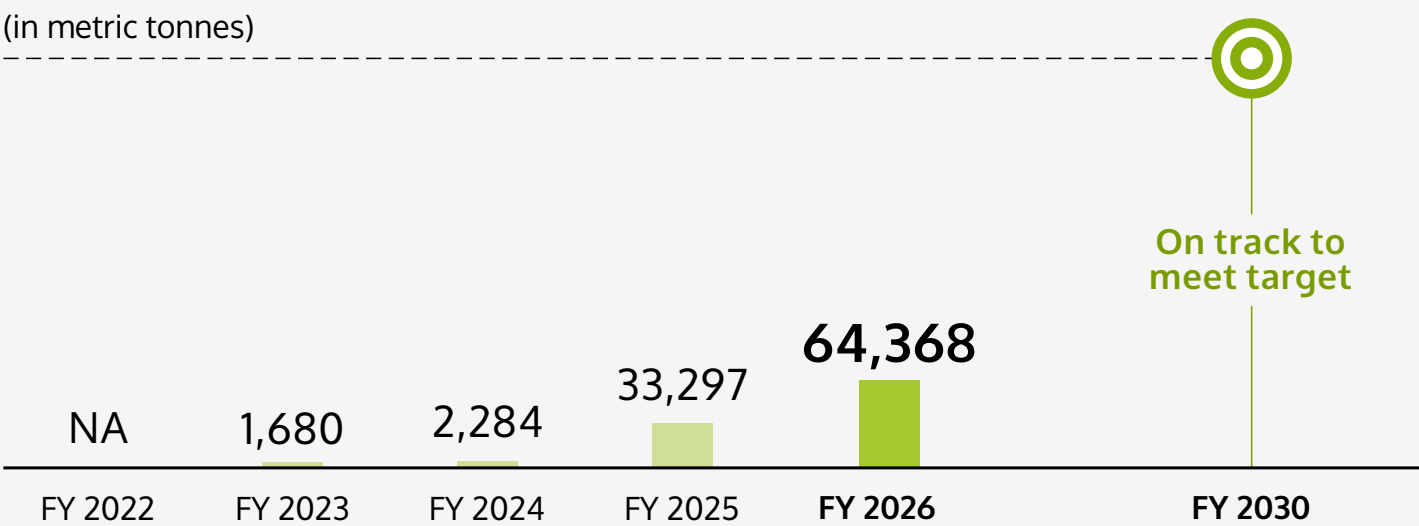
With production established in Italy and India, we are scaling Continua™ SCM and are on track to make more than 100,000 tonnes

annually by FY2030. Produced from end-of-life tires, Continua™ SCM helps divert tire waste from landfills while reducing the need for virgin materials.

Our circularity efforts also extend to material already within the value chain. Customers are encouraged to return unused carbon black for reprocessing, while off-grade material is segregated and reprocessed until it meets our quality standards. These practices help maximize resource use and minimize waste.

TARGET: 300,000 metric tonnes of end-of-life tires repurposed through Continua™ SCM per year by FY2030

(in metric tonnes)



Water

We are proud to report that 100% of our manufacturing sites use recycled process water and/or harvested rainwater in their operations.

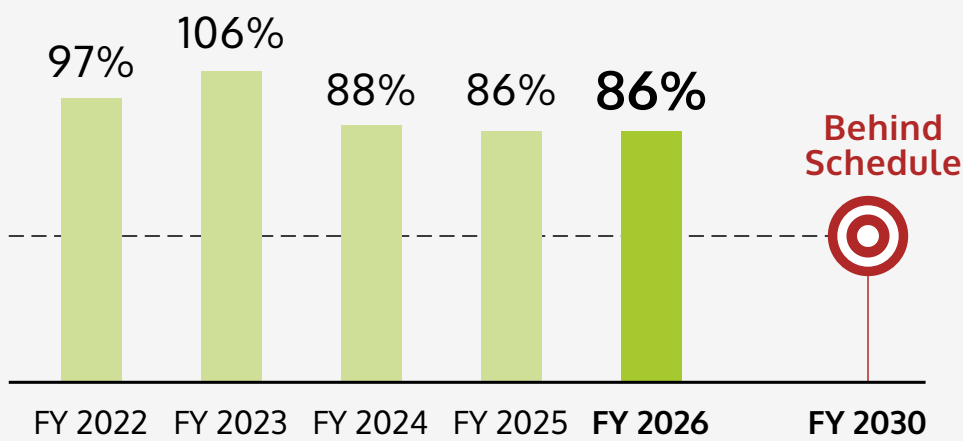
Our approach to water combines conservation, risk assessment and preparedness. We assess water-related risks across our operations, with particular attention to sites exposed to higher levels of water stress or resource constraints.

Water risk management forms part of our broader Enterprise Risk Management (ERM) framework, with higher-risk sites incorporating Water Resource Management Plans (WRMPs) into their business continuity planning. These plans address both immediate and potential future risks, with mitigation measures reviewed regularly. We also use external tools and partnerships to strengthen our understanding of water risks.

In collaboration with the World Business Council for Sustainable Development (WBCSD), and World Resources Institute (WRI), we assess water stress across our manufacturing footprint using the WRI Aqueduct tool and share water-conservation practices across our locations.

Our **Water Stewardship Policy** sets the governance framework for protecting and conserving water resources. Its six-step methodology draws on the European Water Stewardship (EWS) Standard, Alliance for Water Stewardship (AWS) Standard and ABG Technical Standard on water management.

TARGET: Reduce our water withdrawal intensity (m³/t carbon black) by 50% versus FY2013 baseline at our high and medium-risk sites (water withdrawal intensity by year)



Water Withdrawal by Source FY2026 (in megaliters)

247,781

Total Water Discharge by Quality and Destination FY2026 (in megaliters)

235,129

CASE STUDIES

Rethinking Water Use Through the 3Rs



Water scarcity posed growing operational risks at our Gummidipoondi plant, which is located in a water-stressed region in India. Birla Carbon responded with an integrated Reduce, Reuse and Recycle (3R) approach, treating and reusing water from filter backwash, RO reject, equipment and road washing, cooling-tower blowdown, sewage and other streams.

These measures **reduced the water consumption intensity by 0.414 m³ per tonne of carbon black and the freshwater intake by 173,000 m³ over the last two years**. The approach also strengthened resilience to seasonal water shortages and provides a practical model that can be replicated across other facilities.

Modernizing Water Efficiency



At our Hickok plant in the USA, the aging reverse osmosis (RO) system had become increasingly inefficient. It operated at 78% efficiency with an 18.2% rejection rate, resulting in significant water loss and higher operating costs. We replaced the system with a higher-efficiency RO unit and variable-frequency drive (VFD) pumps. The upgrade also included modifications to the supporting infrastructure to maintain production during installation.

The project is **expected to save approximately 2 million gallons of water annually and 257 thousand kWh of electricity**, while reducing wastewater sent to evaporation ponds. The closed-circuit RO configuration can be scaled across other facilities.

Water-free Cooling



At the Thailand and India greenfield facilities, Birla Carbon designed the plants to utilize the air-cooled condenser (ACC) technology instead of conventional water-cooled condensation incorporating water efficiency into plant design from the outset. The solution virtually eliminates freshwater use for steam condensation, removes cooling-tower blowdown and associated chemical use, strengthening resilience in water-stressed regions.

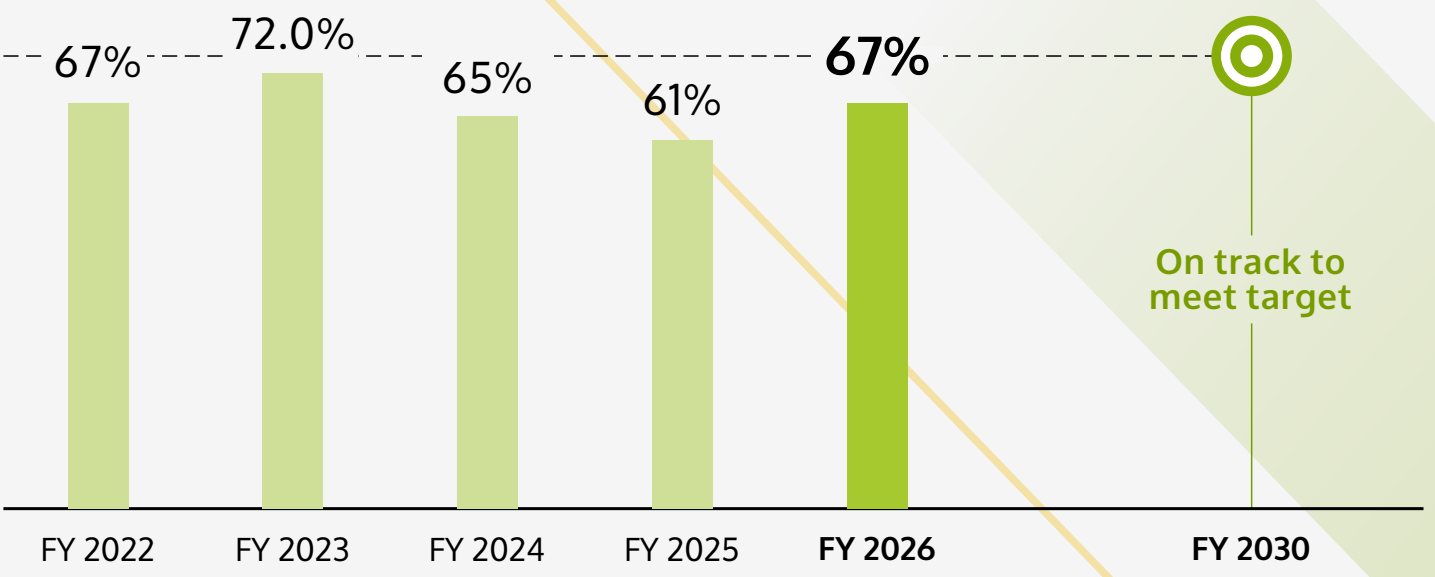
Based on design data, the projects are expected to **avoid roughly 3 million m³ of freshwater use annually**. The approach also provides a scalable model for integrating water-efficient cooling into future facilities.

Waste

Management and minimization of waste is a priority for all Birla Carbon manufacturing sites and offices.

Our approach focuses first on preventing waste, followed by reuse and recycling wherever it is feasible. We continue to strengthen waste identification and accounting, while encouraging sites to adopt new approaches and practices that reduce waste generation. Our Waste Management Standard sets requirements for the accounting, handling, storage, transportation and safe disposal of solid and hazardous waste, in line with applicable HSE requirements.

TARGET: 75% waste repurposed, including recycling, reuse, and recovery, by FY2030



CASE STUDIES

Waste to Resource



Routine combustor refractory replacement typically results in some material leftover after installation. Under the existing practice, these leftovers were routinely discarded. A reuse process was introduced at our Korean plant within the existing maintenance workflow, with materials inspected and sorted against defined technical and safety criteria and then redeployed where suitable.

Across five combustors, the initiative **reused 2,315 refractory units, avoided 5,560 kg of refractory waste and generated significant cost saving**, with no additional capital investment. The defined reuse criteria provides a practical model that can be adapted across facilities with similar high-temperature equipment.

Closing the Loop on Packaging



At Birla Carbon, three manufacturing facilities—Cubatão in Brazil, Jining in China, and Gummidipoondi in India—have adopted practices to recover and reuse big bags used to store carbon black. Instead of discarding bags after a single use, the facilities work with licensed suppliers to clean, inspect, and prepare suitable bags for reuse. Bags that cannot be reused are sent for appropriate disposal.

This approach **reduces packaging waste, extends the useful life of big bags, and reduces the need for replacement packaging**. Across the three facilities, 39,517 big bags were recovered, avoiding approximately 150 tonnes of waste in 2025. The model demonstrates how changes in packaging practices can support resource efficiency and circularity across our operations.

Product Sustainability Portfolio

Birla Carbon's portfolio spans conventional carbon black, circular carbon materials and advanced carbon-based solutions. Together, these products support performance across tires, rubber, plastics, coatings, inks, adhesives and energy systems.

Life Cycle Assessment (LCA) of our products provides a science-based understanding of their environmental footprint, informing product and process decisions and providing customers with credible data to support their sustainability and decarbonization efforts.

Carbon Black

Carbon black remains the core of our product portfolio. Its reinforcing, conductive, pigmentation and other functional properties support a wide range of applications, including tires, mechanical rubber goods, plastics, coatings and inks.

Life Cycle Assessment: Our FY2024 cradle-to-gate LCA, conducted in accordance with ISO 14040 and ISO 14044 and independently verified, places Birla Carbon's global carbon black footprint at 2.77 kg CO₂e per kg of carbon black. The assessment provides a science-based basis for identifying reduction opportunities and supporting customers in understanding their value-chain emissions.

[Carbon Black-Carbon Footprint Statement](#) | 

Continua™ Sustainable Carbonaceous Material (SCM)

Continua™ SCM is a circular material derived from the pyrolysis of end-of-life tires. It provides an alternative to conventional carbon black across applications including tires, mechanical rubber goods, plastics and coatings, enabling customers to incorporate recycled content while reducing product carbon footprints.

Life Cycle Assessment: Our LCA indicates that Continua™ 8000 SCM offsets approximately 0.73 kg CO₂e for every kg produced, based on a system expansion approach. At full capacity, it has the potential to eliminate more than 220,000 tonnes of CO₂ emissions annually compared with conventional carbon black.



[Continua™ SCM-Carbon Footprint Statement](#) | 

Continua™ Sustainable Carbon Black (sCB)

We continue to conduct production trials utilizing recycled and bio-derived feedstocks to produce Sustainable Carbon Blacks (SCB). These trials proved our ability to produce high-quality ASTM and non-ASTM grades of carbon black with these alternative feedstocks. As we increase SCB production capabilities over the coming year, we will conduct an LCA to understand the carbon footprint of SCBs, and will focus on the safe and sustainable procurement of these innovative raw materials.

Life Cycle Assessment: As we conduct trials with innovative feedstocks at different locations, the emissions factors for these feedstocks are not consistent. Since we are not vertically integrated, significant effort is required to bridge the gaps of lack of primary data and inclusion of spatial variabilities. Since the origin of these sustainable feedstocks may cross different types of supply chains, it also incorporates different LCA rules on allocation and assigned emission factor values. In addition to that, these categorizations also vary based on geographical locations.

As we progress and have more data available and to minimize the data gap, we will have more accurate representation of our carbon footprint for these products.



Nanocyl™ Carbon Nanotubes

Nanocyl™ CNT expands our portfolio into multi-walled carbon nanotubes (MWCNTs), with applications across energy storage, automotive, electronics and industrial markets. Their electrical conductivity and mechanical properties enable material solutions that use lower loadings and support applications such as lithium-ion batteries, conductive polymers and lightweight composites.

Life Cycle Assessment: Our FY2026 cradle-to-gate LCA indicates a carbon footprint of 20.13 kg CO₂e per kg of CNT. A first in the industry, the LCA was conducted in accordance with ISO 14067 and is conformant with ISO 14071 meaning the methodology and the results were independently verified by a third-party. Primary data for the assessment was obtained directly from the Nanocyl manufacturing plant.

[NC7000 CNT-Carbon Footprint Statement](#) | 

CASE STUDY

Advancing Industry Standards

Birla Carbon is an active member of the International Carbon Black Association (ICBA), contributing to industry efforts to strengthen the consistency and credibility of carbon black environmental data.

In 2024, we joined the collaborative effort to develop a Product Category Rule (PCR) for carbon black, bringing our experience and expertise to the development of a more consistent approach to LCA and product carbon footprint assessment. This work is intended to improve the credibility and comparability of carbon black PCF data across the value chain.



People Practices

At Birla Carbon, our HR strategy focuses on building a skilled, engaged, and future-ready workforce through continuous learning, development, and career growth opportunities.

We foster safe, inclusive workplaces that support employee well-being, encourage innovation, and enable our people to realize their potential and contribute to our shared success.

Our commitment to people extends beyond our workforce to the communities where we operate. Through community engagement programs and strategic collaborations, we address local priorities while aligning our efforts with the United Nations Sustainable Development Goals (UN SDGs), helping build stronger, more resilient communities.

We support the following SDGs through our work

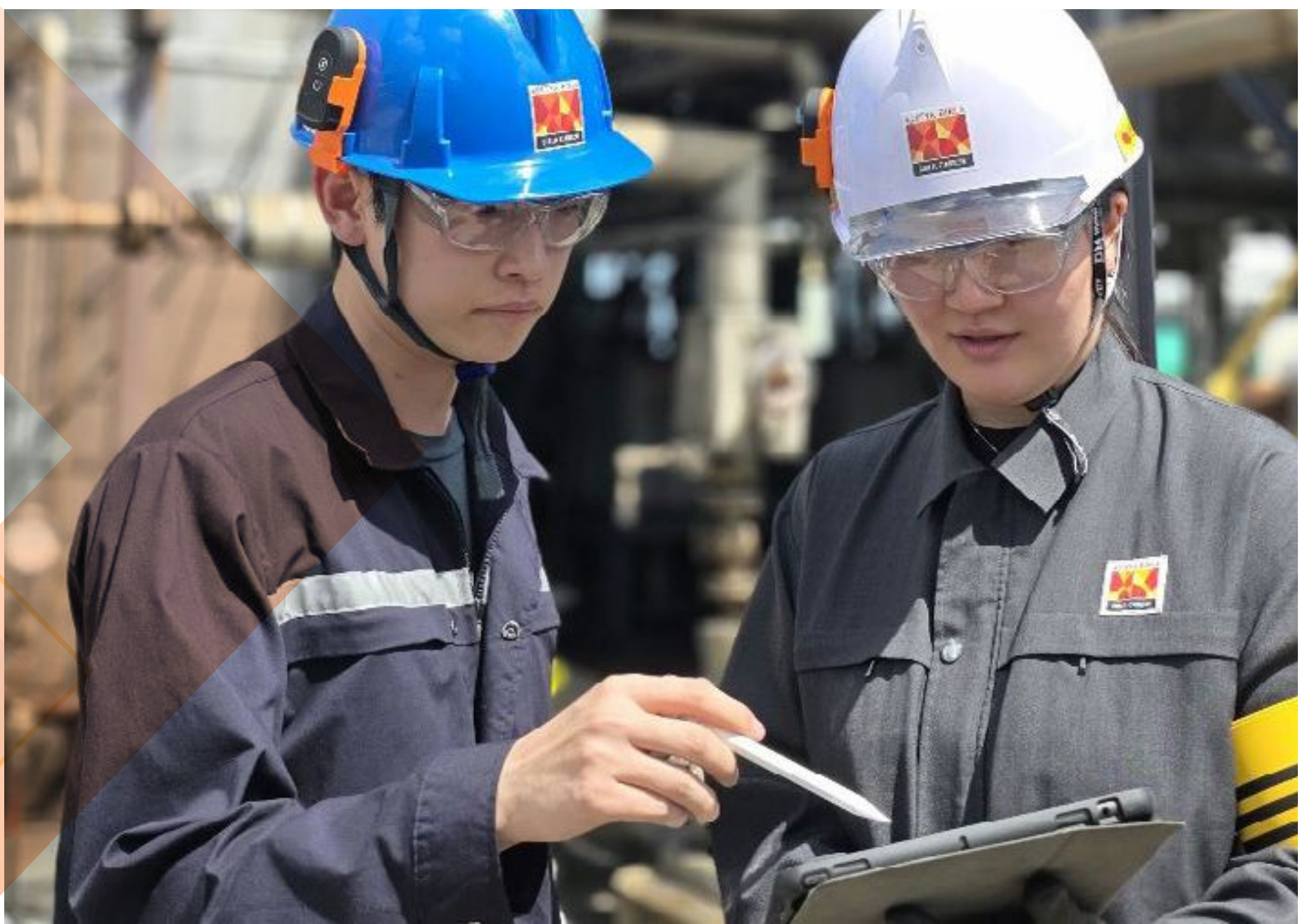


Health & Safety

Building a Proactive Safety Culture

At Birla Carbon, a safe workplace is fundamental to sustainable business performance and operational excellence. Our approach is increasingly focused on leading indicators, which are the activities and behaviors that help prevent incidents, alongside traditional safety metrics.

This includes strengthening hazard identification, risk controls, workforce competency, compliance, and learning from incidents and near misses. By focusing on the conditions and behaviors that prevent harm, we continue to work toward our vision of zero incidents ensuring that every employee returns home safely every day.



Safety Risk Management

Every Birla Carbon site has implemented a three-year safety improvement plan to strengthen critical risk management processes. The plan focuses on improving hazard identification, verifying control effectiveness, enhancing training and competency, and root cause analysis. Regular audits and field engagement help assess how these processes are applied, identify gaps, and develop targeted corrective actions. This approach helps ensure that safety practices are consistently understood, applied, and sustained at each Birla Carbon facility.

Global Safety Week

During FY2026, Birla Carbon held its Global Safety Week under the theme “Do It Safely or Not At All.” Employees participated in hazard identification exercises, discussed ‘Stop Work Authority’, and ‘This Could Happen to You’ sessions that used personal experiences to share lessons from incidents and injuries.



During the Global Safety Week 2026, John Loudermilk, President and CEO, in his video message to all locations, highlighted the empowerment of every employee to use 'Stop Work Authority' if they felt they were in an unsafe situation.

The week concluded with recognition of Safety Stars at each facility, where employees who demonstrate a strong commitment to their own safety and the safety of their coworkers were recognized.

Digital Safety

Birla Carbon completed the global adoption of electronic work permitting during FY2026, strengthening permit quality, visibility, and oversight across operations. To support the transition, sites conducted focused training on Control of Hazardous Energies (Lockout/Tagout) for authorized employees at multiple locations. Together, these measures improve procedural discipline and employee capability while creating a more consistent approach to managing critical risks.

HSE Support

Birla Carbon expanded its corporate HSE organization with the addition of a Regional HSE Manager for Asia. With dedicated regional HSE resources supporting all areas of the business, sites will have greater access to coaching, technical expertise, and direct support. The expanded network also strengthens knowledge sharing and alignment in the implementation of health and safety programs across manufacturing locations.

Safety Excellence Recognized (2025) | Spain

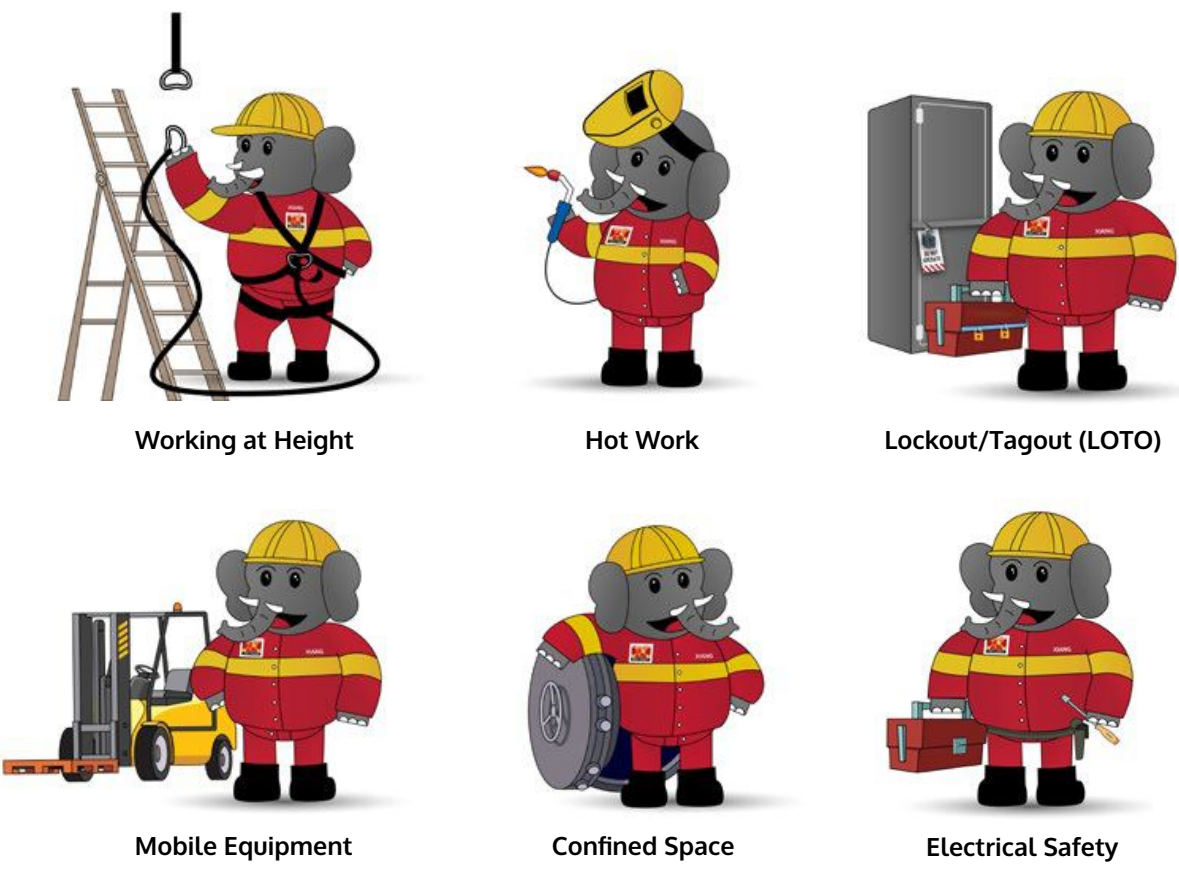


Birla Carbon Spain's unwavering commitment to workplace safety was acknowledged through multiple industry honors in 2025. COASHIQ (Business Association for Safety, Hygiene, and the Environment in the Chemical Industry) awarded the site with its highest distinction, the Plaque of Honor, for maintaining zero workplace accidents for three consecutive years, while FEIQUE (Business Federation of the Spanish Chemical Industry) presented the Safety Award 2025 for achieving a zero-accident frequency index during the year.

Together, these recognitions reflect the strength of Birla Carbon's safety culture and its continued focus on protecting people through proactive safety management and continuous improvement.

The Safe Six: Focusing on Critical Safety Risks

The 'Safe Six' identifies six critical risk areas where rigorous controls are essential to preventing Serious Injuries and Fatalities (SIF): **Working at Height, Hot Work, Lockout/Tagout (LOTO), Mobile Equipment, Confined Space and Electrical Safety.**



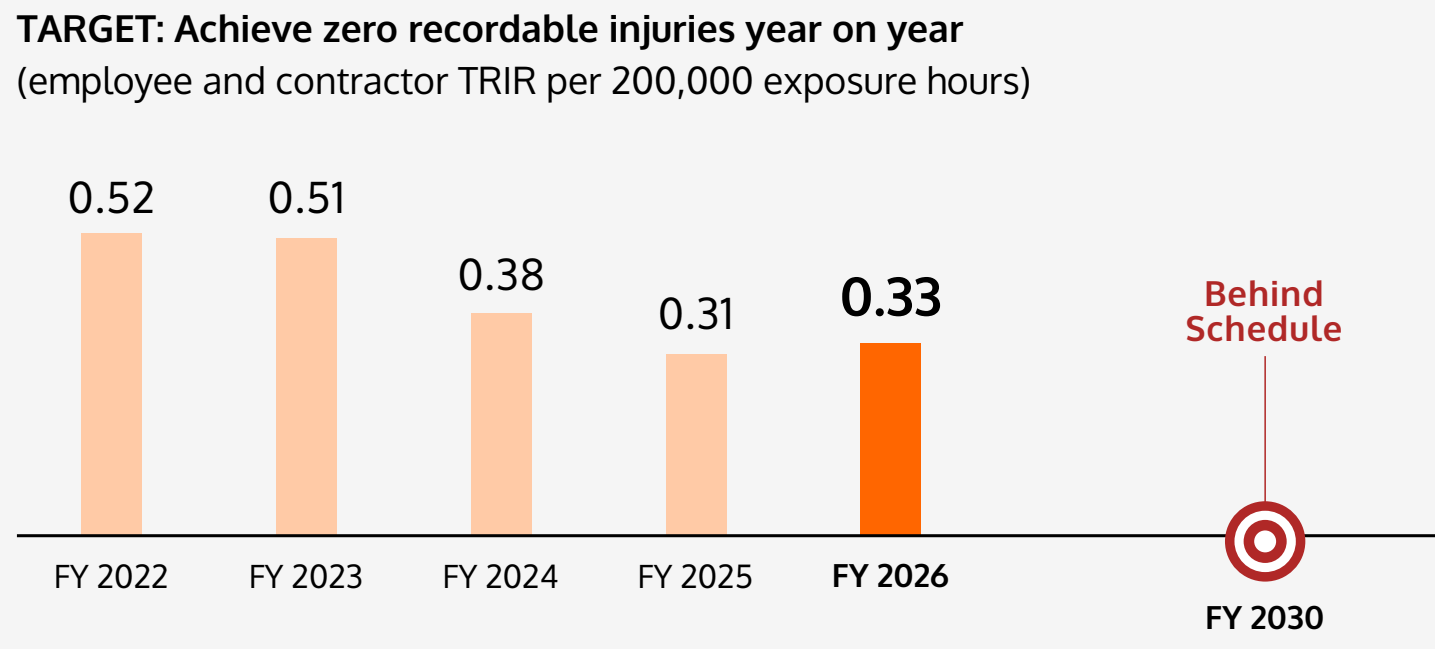
Employees receive regular training across these areas through online sessions, the Gyanodaya Virtual Campus Learning App, and micro-learning modules. This is reinforced by Stop Work Authority (SWA), which empowers every employee and contractor to stop work when they identify unsafe conditions or behaviors.

The expanded network also strengthens knowledge sharing, focus on SIF potential reduction and alignment in the implementation of health and safety programs across the manufacturing locations.

Learn more about the Safe Six and our approach to critical risk management on page 29 of the Appendices section.

Safety Performance

In FY2026, Birla Carbon experienced a Total Recordable Incident Rate (TRIR) of 0.33 per 200,000 exposure hours, covering employees and contractors. While slightly higher than the record-low rate of 0.31 in FY2025, performance remained strong and was significantly better than industry benchmarks.

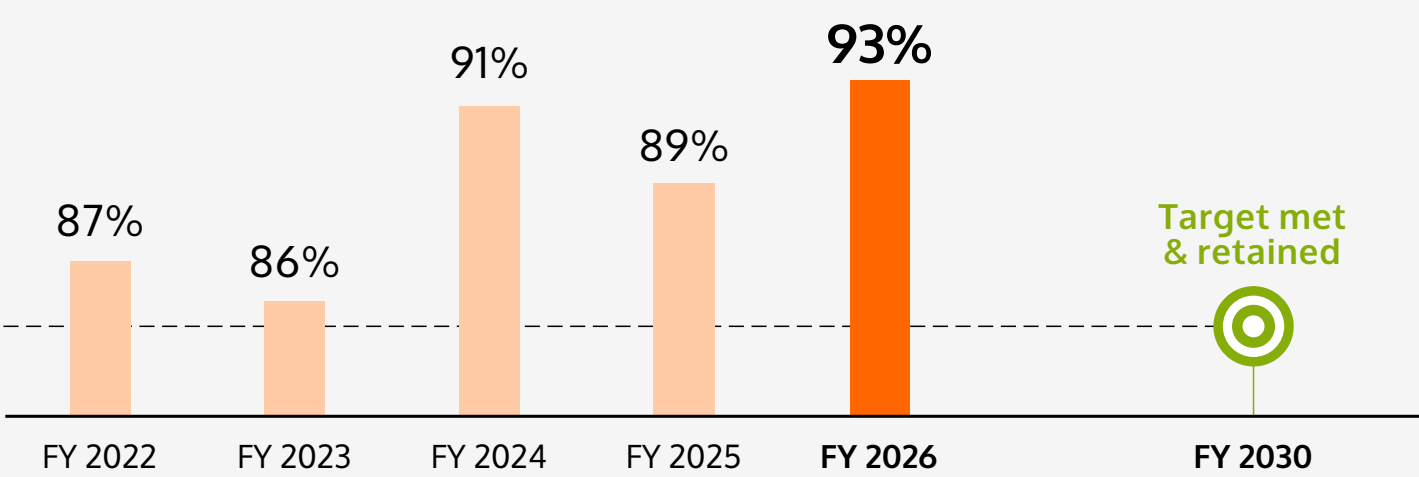


Employee Engagement

We engage our diverse, global workforce through regular feedback and targeted action. Every two years, the Vibes survey collects employee feedback, helping the management identify priorities and develop action plans at the local, regional and global levels.

The FY2026 vibes survey recorded a 93% response rate. Results continued to meet or exceed industry benchmarks, with employees reporting pride in working at Birla Carbon, respect in the workplace and approachable leadership. Action plans have been developed across regions and units, with progress tracked over the following year.

TARGET: Remain above the chemical industry annual benchmark for employee engagement* (%)



** This KPI was amended in FY2020 to exclude the results of the Team Vibes survey. It has also been modified to show results for calendar year rather than financial year, in line with Vibes survey timings within the organization.*

Diversity, Equity, and Inclusion

Birla Carbon's DEI strategy focuses on building an inclusive workforce, with particular emphasis on gender and generational diversity. It is built around five priorities:

- 1 Diversity in Hiring**

Expand access to diverse talent pools and promote greater diversity across the workforce.
- 2 Employee Engagement**

Create platforms and opportunities that encourage participation, dialogue, and connection across the organization.
- 3 Capability Building**

Strengthen the capabilities of managers and employees to foster an inclusive and equitable workplace.
- 4 Flexible Rewards**

Address the evolving needs of employees across different life stages through relevant and flexible rewards.
- 5 Connected Workplace**

Foster a workplace culture where employees feel valued, supported, and able to contribute.



Employee Resource Groups

Two Women-led Employee Resource Groups (ERGs) across Birla Carbon provide support networks and opportunities for professional development. Women in Safety & Environment (WISE) and Leading and Inspiring Female Talent (LIFT), support shared learning, professional development and contributions to business success.

Building Confidence, Capability and Connection

Through a series of initiatives, these ERGs provided opportunities for employees to build confidence, strengthen professional capabilities and explore emerging areas such as artificial intelligence.

Galentine's Day Panel: The Confidence and Empowerment from Within panel explored how women across roles and backgrounds build confidence, navigate challenges and develop personal empowerment for career and personal growth.

AI Launchpad Series: The two-part series explored AI capabilities and responsible use, including ethical considerations, the future of AI at Birla Carbon, and applications of AI in materials science to develop materials and analyze data more efficiently.

Creating Effective SMART Goals: An interactive session helped employees develop clear, measurable and achievable goals aligned with personal development and business priorities, while providing practical tools for

performance planning and knowledge sharing.

BCPRoD Mentorship Program: Through this program, interested colleagues were paired with mentors. This encouraged both the participants to exchange perspectives, identify opportunities for growth and build greater visibility across the organisation.

Tech Talk Series: The Tech Talk Series combined periodic newsletters and training sessions covering day-to-day topics related to engineering, processes, products, and other technical areas. The series provided employees with opportunities to build technical knowledge, share insights, and stay informed on developments relevant to their work.

International Women's Day Luncheon

To mark International Women's Day 2025, Birla Carbon's Marietta Corporate office hosted a luncheon recognizing women employees across the organization.

The event opened with remarks from the senior management team, followed by live music and entertainment, creating an opportunity for employees to come together and celebrate the contributions of women.

Other ERG Activities

In EMEA, ERG activities focus on work-life balance through open dialogue, coaching and planned speaker sessions. In Asia, Women in Networking (WIN) supports women through networking, mentorship and collaboration, including fireside chats with senior women leaders and sessions on building strong workplace relationships.



WellVerse

This wellness program supports employee well-being across physical, emotional, social and financial dimensions. Its Wellness Wednesday initiative provides weekly resources such as articles, podcasts, videos, assessments and toolkits, complemented by monthly activities. Employees also have 24/7 access to digital self-help tools and professional counseling in local languages, with support extended to their families through the Care Now program.



HRoot Outstanding Employer Award (2025) China

Birla Carbon China (Jining and Weifang) was recognized as an Outstanding Employer at the HRoot Awards 2025, one of China's most respected HR recognitions.

Selected from over 200 participating companies, the award acknowledges excellence in areas including corporate culture, talent development, inclusion, ESG, and HR practices. It reflects Birla Carbon's commitment to fostering an inclusive workplace where people are empowered to grow, contribute and succeed.



Human Rights

Birla Carbon is committed to respecting and promoting human rights across its business activities. Our approach is guided by applicable laws, industry standards and the UN Global Compact (UNGC) Ten Principles, of which Birla Carbon is a signatory.



This commitment is embedded in our [Code of Global Business Ethics and Compliance Standards \(COE\)](#) and [Supply Chain and Procurement Policy](#), and are supported by policies and procedures covering employees, contractors, vendors, suppliers and other business partners.

These include the [Human Rights Policy](#), [Prohibition of Forced Labor and Child Labor](#) and policies addressing [Equal Opportunity and Freedom from Discrimination, Harassment, and Other Abusive Situations](#).

We maintain due diligence processes to identify and address potential human rights risks and take action where infringements are identified.

Confirmed Child and/or Forced Labor Incidents

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	0	0	0

Third-party due diligence screening has not identified any suppliers with incidents of child labor or forced or compulsory labor. Our COE and Supplier Terms and Conditions prohibit child labor in any form.

To learn more about our grievance measures, please refer to page 31 of the Appendices section.

Thailand Ministry of Labor Recognition (2025)



Birla Carbon Thailand was recognized by the Thailand Ministry of Labor with awards for Outstanding Enterprises for Labor Relations and Welfare under the Sufficiency Economy Philosophy. The recognition honors organizations that demonstrate excellence in employee welfare, responsible workplace practices, and sustainable business principles.

It reflects Birla Carbon Thailand's commitment to fostering a resilient workplace while creating long-term value for its people, communities and business.

Antitrust and Anti-corruption

We comply with antitrust and anti-corruption laws across the locations where we operate and are committed to fair competition. We prohibit payments or promise of anything of value intended to obtain or retain business.

Confirmed Corruption Incidents

TARGET: Zero confirmed corruption incidents.

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	0	0	0

Collective Bargaining Agreements

We support fair and consistent employment practices covering wages, working hours, benefits and conflict-resolution processes. At unionized sites, legally binding collective bargaining agreements establish the terms governing employee relations. Employees can raise concerns through established communication and conflict-resolution mechanisms.

Sites Unionized/Covered by a Collective Bargaining Agreement (%)

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
59%	59%	59%	59%	39%*

*Our employee base increased by almost 150 employees which pulled down the overall average

Community Engagement

Strong communities are a strategic pillar on which our Share the Future strategy stands. Birla Carbon works closely with the communities where it operates to understand local priorities and create lasting impact.

Guided by local needs and aligned with the United Nations Sustainable Development Goals (UNSDGs), our community engagement programs focus on four key areas:

Sustainable Livelihoods



Access to Healthcare



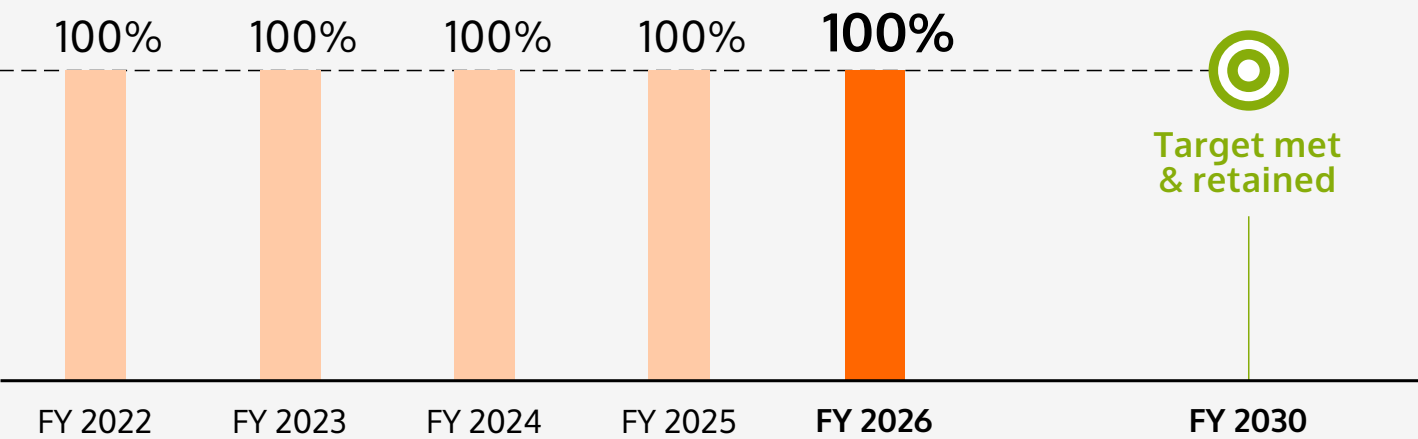
Quality Education



Community Infrastructure



TARGET: 100% of our facilities participate in community engagement



All our manufacturing sites undertake community needs assessments, maintain regular dialogue with stakeholders and adopt a collaborative approach to program development. This ensures that Community Engagement initiatives remain relevant and responsive to local needs. Community engagement is led by dedicated community officers at each site and governed by plant managers, ensuring consistent oversight while allowing flexibility to address regional priorities.

Our **Stakeholder Engagement Policy** provides a common framework for engaging local stakeholders. It embeds the principles of inclusiveness, transparency, materiality, completeness and cultural appropriateness across all engagement activities.

Creating Value for Communities | Egypt

Birla Carbon Egypt continues to advance community programs that address local priorities across key areas. Working closely with local partners, the unit expands access to opportunities and essential services while contributing to the well-being of neighboring communities.

Sustainable Livelihoods Provided vocational training to 154 unemployed men and women to develop their employability and economic opportunities.

Access to Healthcare Facilitated the rehabilitation and development of more than 268 differently abled children between the ages of 2 and 12, while medical convoys delivered essential healthcare services to more than 1,160 people across neighboring villages.

Quality Education Supported school children and orphanage residents through tutoring, life skills development, and summer learning activities. The annual Towards a Sustainable Tomorrow competition also encouraged university students to develop innovative solutions to sustainability challenges.

Community Infrastructure Restored nine deteriorated homes, improving living conditions and creating safer homes for vulnerable families.

Community Programs Around the World

Sustainable Livelihoods

Canada

Birla Carbon Hamilton partnered with Ronald McDonald House® South Central Ontario to help families remain close to children receiving treatment at McMaster Children's Hospital. The House provides accommodation, family support services, and dedicated spaces that offer comfort during extended hospital stays, while family rooms within the hospital ensure caregivers have access to essential support without leaving their child's bedside.



To read more about this initiative, [click here](#)

China

Birla Carbon Weifang strengthened community safety through its "Warmth and Protection" initiative in Zhang Cheng Village. Employees installed and calibrated carbon monoxide detectors in 17 households with residents aged 80 years and above, helping reduce safety risks during the winter months. The team also collaborated with village electricians to inspect and restore the community's outdoor lighting system, enhancing safety during nighttime travel.

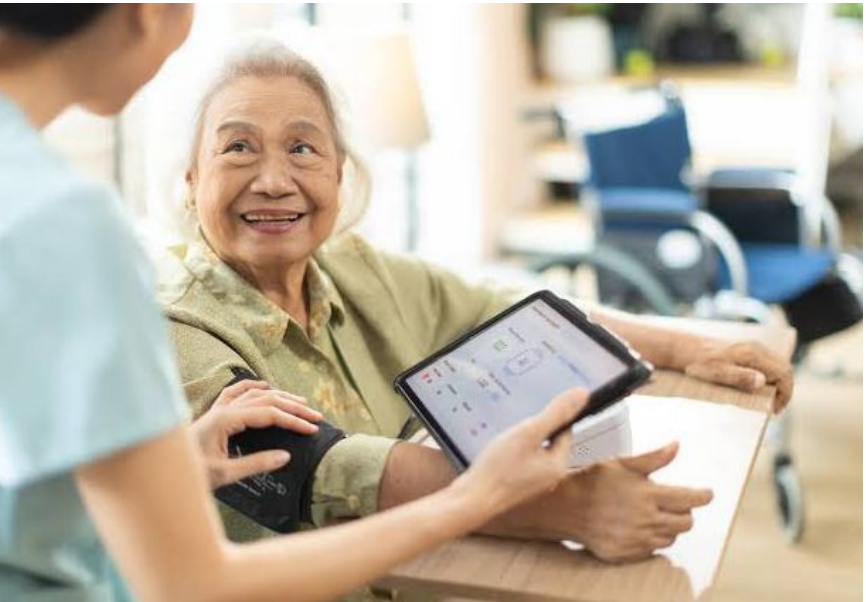


To read more about this initiative, [click here](#)

Access to Healthcare

Thailand

Birla Carbon Thailand joined hands with Angthong Hospital and Ban Yang Health Promoting Hospital to bring essential healthcare services closer to communities across Angthong province. Through the initiative, more than 150 residents received free general health check-ups, dental examinations, and X-ray services. By improving access to preventive healthcare through partnerships with local healthcare providers, the program contributed to healthier communities.



To read more about this initiative, [click here](#)

USA

As part of Breast Cancer Awareness Month, Birla Carbon North Bend worked alongside Miles Perret Cancer Services to raise awareness about breast cancer prevention and support. The initiative connected community members with educational resources and support services for individuals and families affected by cancer. While encouraging greater awareness of early detection and access to available care.



To read more about this initiative, [click here](#)

Quality Education

India

Birla Carbon Patalganga established an Artificial Intelligence (AI) laboratory at Sar Nobat Netaji Palkar High School in Raigad, Maharashtra, expanding access to emerging technologies for students in rural communities. Developed in partnership with AIR Guruji International, the facility provides hands-on learning in AI and robotics through online and classroom-based instruction. The initiative helps bridge the digital divide, promotes inter-school collaboration, and equips young learners for the future.

To read more about this initiative, [click here](#)

China

Birla Carbon Jining supported Ershilipu Middle School to establish a scholarship program that recognizes and supports academically outstanding students from economically disadvantaged backgrounds. During the year, 12 students received scholarships and honorary certificates, helping reduce financial barriers while encouraging them to pursue their educational aspirations.

To read more about this initiative, [click here](#)

Community Infrastructure

Brazil

Across our Brazil operations, we provided community support for children and the elderly through employee-led initiatives.

At the Camaçari plant, employees organized a donation drive to support Lar do Carmo, a residential care home serving 54 elderly residents. The initiative collected essential food supplies, helping improve residents' well-being while encouraging employees to contribute to their local community.

Employees from the Cubatão and Santos locations also came together to support Casa Crescer e Brilhar, an organization that provides shelter and care for children. The team collected approximately 400 food and hygiene items and donated gifts for the children.



To read more about this initiative, [click here](#)

Spain

Birla Carbon Spain partnered with the Campoo de Yuso Town Council, a local engineering firm, and the University of Cantabria to deliver the first full-scale application of a sustainable asphalt road made using carbon black production by-products.

The project paved a municipal road and a 520-square-meter parking area, using 550 kilograms of carbon black by-product as a direct replacement for conventional materials.

By diverting material from landfill and transforming them into a valuable construction material, the initiative strengthened local infrastructure while demonstrating collaborative innovation.

To read more about this initiative, [click here](#)

Sustainable Development Award (2025) | Egypt



In recognition of its continued commitment to creating lasting social and environmental impact through responsible business practices and meaningful community engagement, Birla Carbon Egypt was honored with the Sustainable Development Award by the General Authority for Investment and Free Zones (GAFI) for the second consecutive term.

Governance

Strong governance provides the foundation for how we operate, grow and create long-term value. At Birla Carbon, our governance framework brings together cross-functional expertise, enabling responsive decision-making, operational excellence and a culture of innovation across our global business.

Guided by our **Share the Future** strategy, we work collaboratively to drive consistency, share best practices and strengthen our ability to respond to evolving business and sustainability priorities.

We support the following SDGs through our work



Governance Mechanisms

Birla Carbon's global operations are overseen by a Board of Directors and led by our Senior Management Team (SMT), which provides strategic directions while upholding the highest standards of governance, integrity and accountability. Working across functions, the SMT oversees enterprise risk management, sustainability performance and business priorities, ensuring that responsible decision-making is embedded throughout the organization.

The SMT also provides oversight of the policies and frameworks that guide our business activities. These cover areas including health and safety, supply chain and procurement, product stewardship, and risk management processes. This integrated approach helps us strengthen operational resilience, reinforce ethical business practices and deliver long-term value for our stakeholders.

Further information on our governance structure, Senior Management Team, committee oversight and leadership responsibilities is provided in the Appendices section on page 32.

Enterprise Risk Management

Our Enterprise Risk Management Committee (ERMC) provides strategic oversight of risk across the business, ensuring that enterprise-wide risks are proactively identified, assessed and managed. Comprising Birla Carbon's leadership team and Enterprise Risk Management functional heads, the ERMC works closely with Regional Risk Officers, site subject matter experts and cross-functional teams to drive a consistent and integrated approach to risk management that strengthens operational resilience and supports our business strategy.

Further details on our governance committees, sustainability governance, carbon stewardship and internal audit are provided in the Appendices section on page 32-33.

Throughout FY2026, we invested approximately USD 3.3 million in capital improvements to strengthen our risk management capabilities. These investments supported upgrades to critical fire detection systems, structural improvements, cybersecurity measures,



spill containment infrastructure, and emergency interlock systems, among other initiatives.

Specialized risk engineers visit each site twice annually to identify risks to property and ongoing operations. One visit focuses on fire and natural hazards, while the other focuses on critical equipment and machinery. We also work closely with our process technology and corporate engineering functions to coordinate recommendations related to protection of our electrical equipment and machinery to ensure safety and continuous operation.

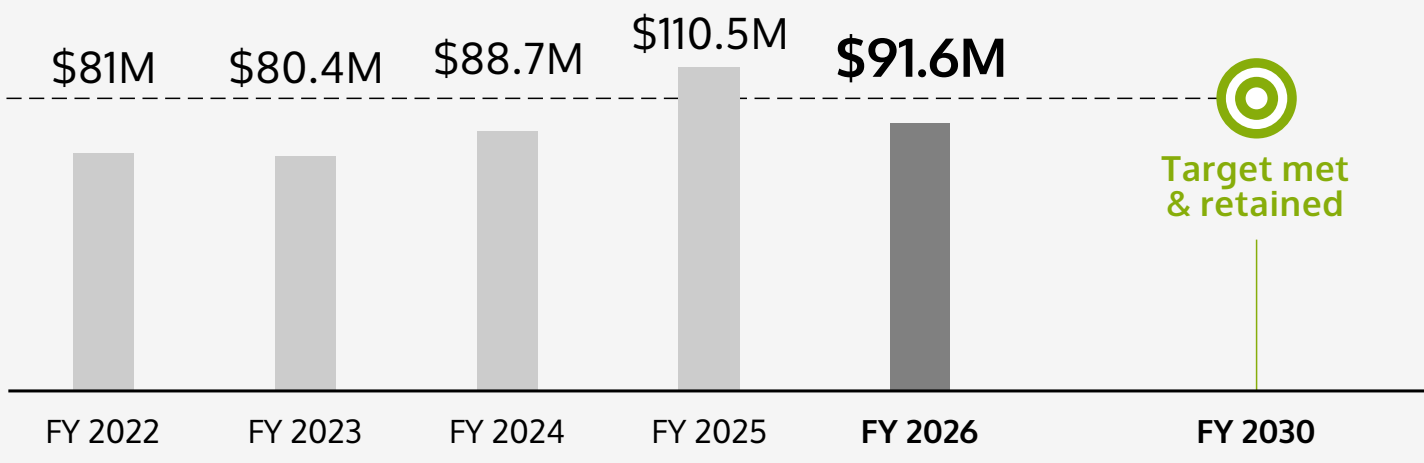
We track the completion of identified risk controls through our risk management information system. All sites are required to review and update their risks annually. The

findings help identify and address site-specific risks and inform our Business Continuity Management process. In FY2025, we upgraded our risk management software to fully digitize the Business Continuity Management process. Information on risks, associated controls, and business continuity plans are all managed through a single platform.

Employees are encouraged to report identified risks including near-miss safety incidents, unethical activities, or other observed risky behaviors. These risks are documented and prioritized through a Risk Register based on the likelihood, volatility, and potential financial impacts. Regional Risk Officers manage the risk registers, with information displayed through heat maps and dashboards for ease of access.

Business Continuity

TARGET: Our annual capital spending to reach at least \$100M by FY 2030



Sites required to assess & update risks*

FY 2023	FY 2024	FY 2025	FY 2026
100%	100%	100%	100%

**Risks cover all areas of ESG, including business ethics, safety, human rights, and environmental*

Information Security

Information security is embedded throughout Birla Carbon's digital transformation journey. Guided by our "Security with Simplicity" philosophy, we integrate cybersecurity into our technologies and processes from the earliest stages, helping protect critical information assets, reduce cyber risks and ensure the resilience and reliability of our global operations.

Further details on our cybersecurity framework, digital governance, sustainability data management and digital transformation initiatives are provided in the Appendices section on page 34.

Business Ethics and Compliance

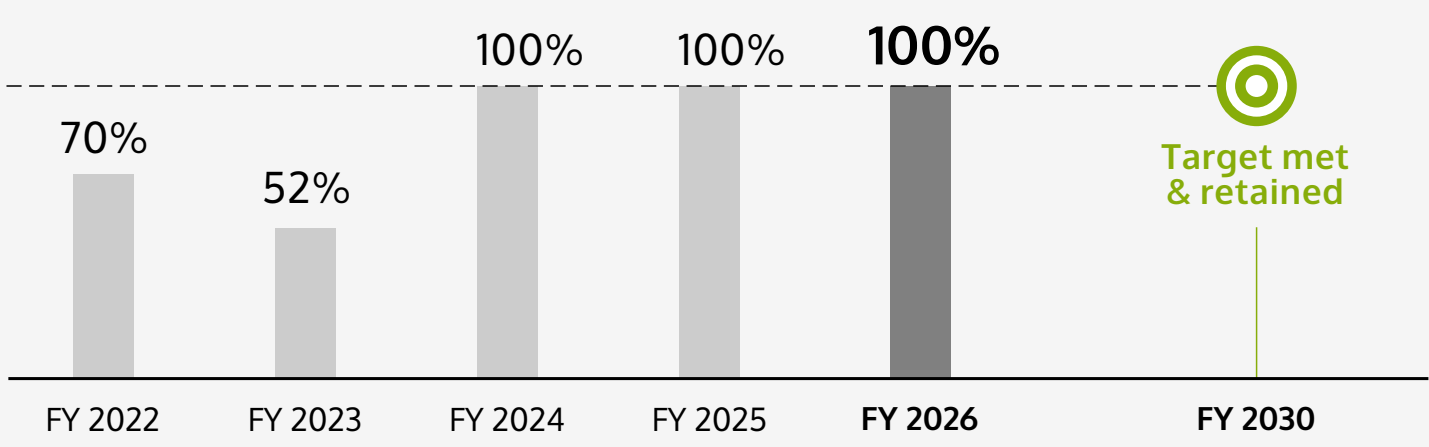
Operating with integrity is fundamental to how we conduct business. Our Code of Ethics provides the framework for ethical decision-making across the organization, covering areas such as human rights, fair competition, anti-corruption, workplace conduct and grievance mechanisms.

All employees, including members of the Senior Management Team, are required to sign the Code of Ethics and participate in regular ethics and compliance training.

To strengthen accountability, members of the Senior Management Team are required to disclose any actual or potential conflicts of interest and recuse themselves from related discussions where appropriate. This governance framework helps reinforce a culture of transparency, responsibility and ethical conduct across our global operations.

Ethics

TARGET: 100% of active employees to receive Code of Ethics training

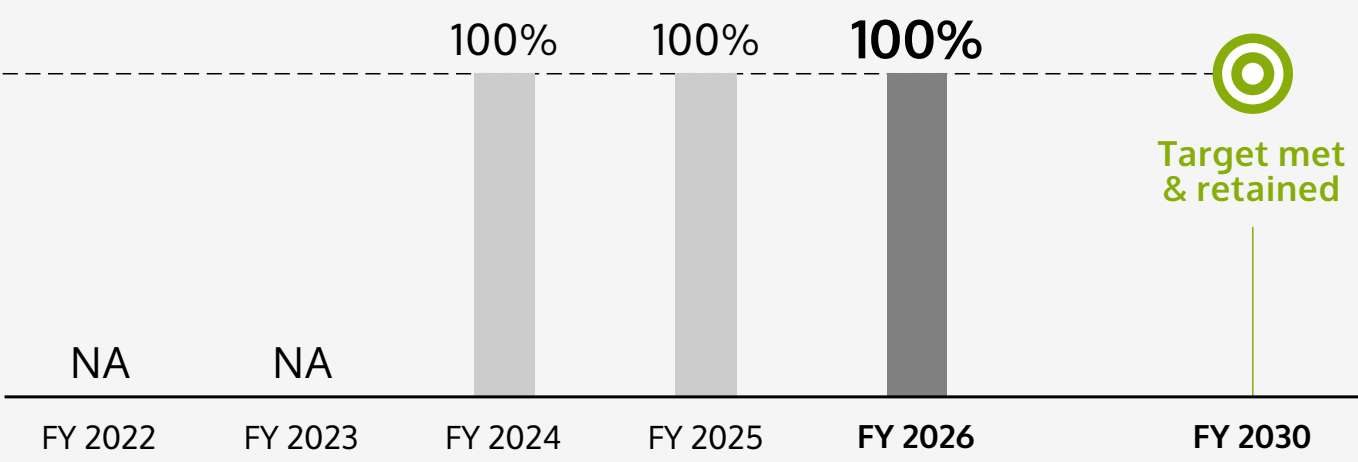


Sustainable Procurement and Supplier Due Diligence

Responsible sourcing is central to our procurement approach. Through our Supply Chain and Procurement Policy, Code of Ethics and Standard Operating Procedures, we establish clear expectations for ethical, compliant and sustainable business practices across our supply chain.

Our supplier due diligence program was launched in 2019 and **100% of our 18,171 active vendors** have been screened and continue to be monitored, reinforcing transparency, accountability and responsible sourcing across our global operations.

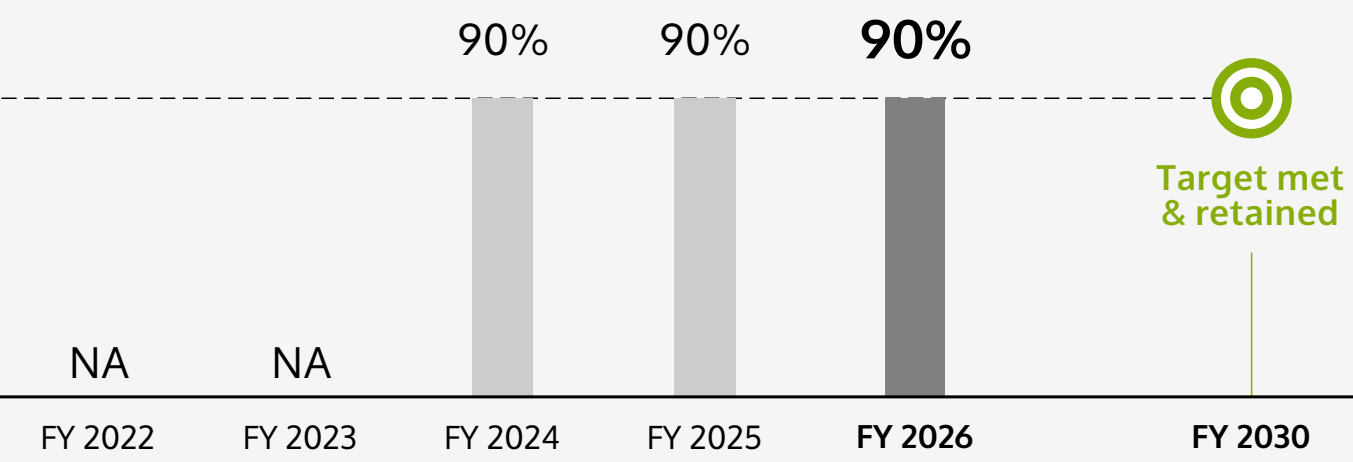
Critical Suppliers Screened on Environmental Criteria* (%)



*per International Automotive Task Force (IATF 16949)

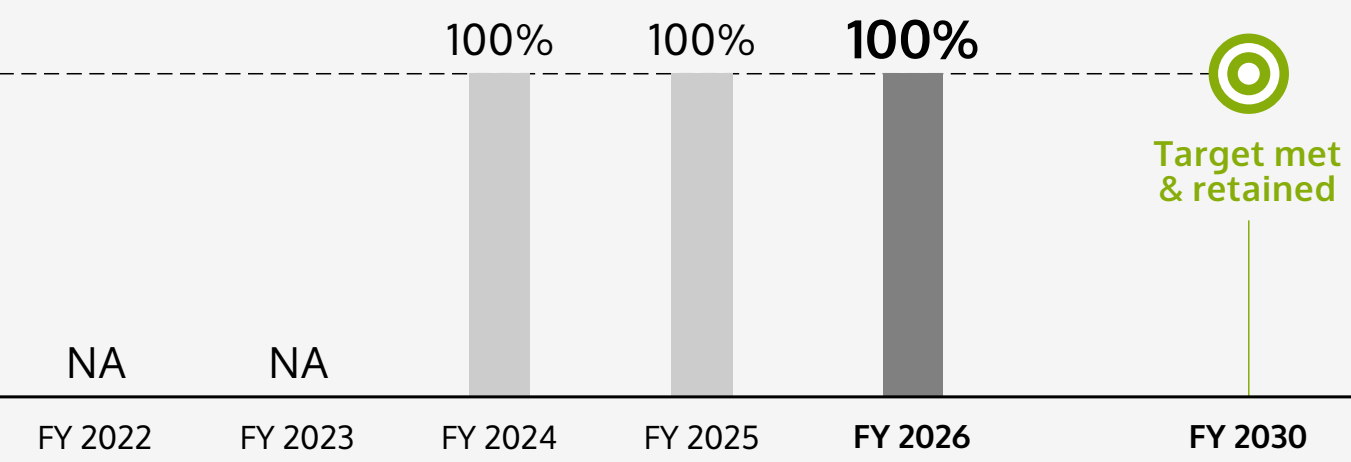
Sustainable Procurement

TARGET: 100% of Birla Carbon suppliers having formally acknowledged Birla Carbon's purchasing terms & conditions which include detailed code of conduct and compliance guidelines



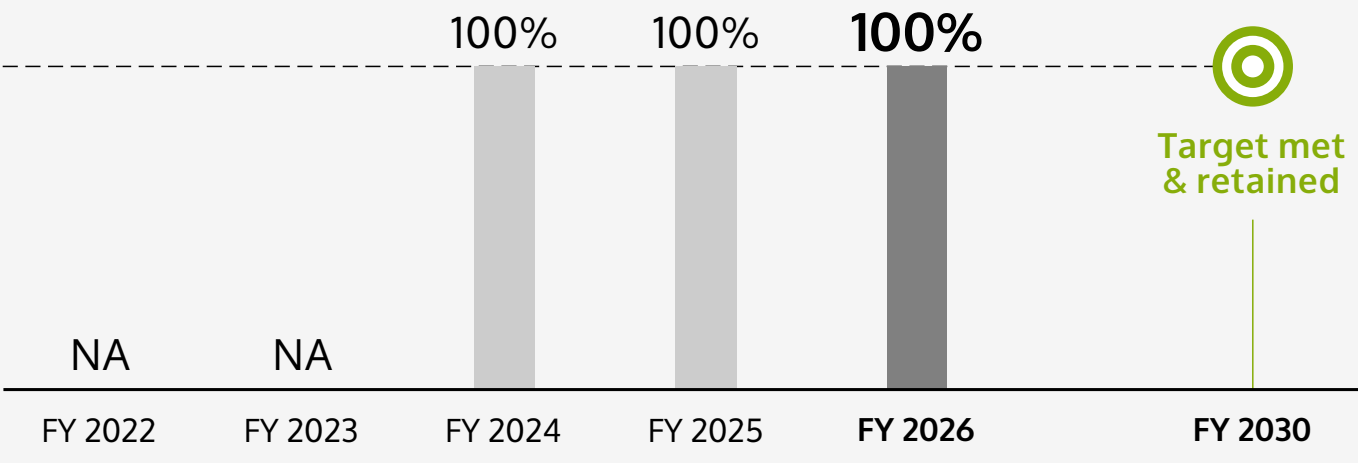
Supplier Screening

TARGET: 100% of Birla Carbon suppliers screened through our NAVEX system against pre-determined ethics, compliance, and risk parameters



Supplier Monitoring

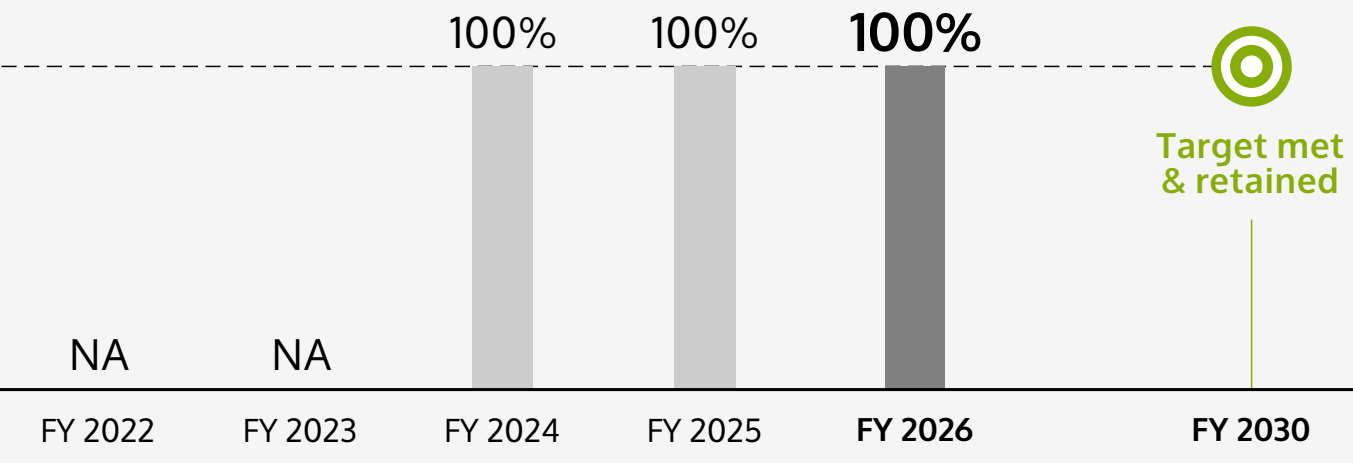
TARGET: 100% of existing suppliers actively monitored through our NAVEX platform on an ongoing basis for red flags



Further details on our supplier governance framework, including ESG screening, supplier due diligence, EcoVadis assessments and compliance monitoring, are provided in the Appendices section on page 33-34.

Procurement Training

TARGET: 100% of Birla Carbon employees receive training on procurement policies and practices



Product Responsibility

Product safety, quality and stewardship are fundamental to our approach to responsible manufacturing. Through robust product stewardship standards, rigorous testing protocols and structured quality management systems, we ensure our carbon materials consistently meet customer expectations while supporting their safe and responsible use throughout the value chain.

Our governance framework includes comprehensive testing, product traceability, change management and continuous oversight to maintain product integrity across our global operations.

Our **Product Stewardship Policy** is publicly available on our website.

Further information on our product stewardship framework, quality assurance systems, testing standards and product consistency processes is available in the Appendices section on page 34-35.

Appendices



Sustainability Assessment

How We are Preparing for Tomorrow

As sustainability reporting continues to evolve globally, we are strengthening our governance and reporting processes to align with emerging international requirements, including the EU Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). These efforts will further enhance the transparency, consistency and quality of our sustainability disclosures.

Environment

Our assessment reaffirmed climate action and resource efficiency as key priorities, while reinforcing the importance of managing emissions, pollutants and emerging regulatory developments. It also highlighted the environmental and business value of circularity and efficient resource use.

Material topics

- Climate Change
- Pollution
- Water and Marine Resources
- Resource Use
- Circular Economy
- Ecosystems

Social

Protecting the health, safety and well-being of people across our value chain remains fundamental to our business. The assessment also emphasized the importance of attracting, developing and retaining talent while fostering an inclusive workplace and maintaining meaningful engagement with communities and customers.

Material topics

- Health and Safety
- Human Rights
- Employee Engagement
- Diversity and Inclusion
- Community and Customer Engagement

Governance

Strong governance underpins our sustainability ambitions. Ethical business practices, transparency and responsible leadership remain fundamental to how we operate, supported by a resilient governance framework and regular assessments that strengthen accountability and enable long-term value creation.

Material topics

- Ethics
- Governance
- Business Conduct
- Business Continuity

The Safe Six: Managing Critical Safety Risks

The 'Safe Six' is a core component of Birla Carbon's Serious Injury and Fatality (SIF) initiative, focusing attention on six high-risk areas where strict adherence to safety controls is critical.



Working at Height

Requires prescribed PPE and appropriate fall protection when working at heights above two metres.



Hot Work

Requires a hot work permit and adherence to defined precautions for spark-producing activities, including grinding and welding.



Lockout/Tagout (LOTO)

Requires the isolation and verification of electrical, hydraulic, pneumatic and stored energy before equipment maintenance, along with appropriate line-breaking procedures where hazardous materials may be present.



Mobile Equipment

Reinforces safe practices when operating or working around mobile equipment, including forklifts, with defined requirements such as the one-metre rule.



Confined Space

Requires risks to be identified and controlled before and during entry to ensure conditions remain safe.



Electrical Safety

Builds awareness of electrical hazards and establishes controls, procedures and specialised protective equipment to minimise arc-flash and electrical-shock risks.

Building Awareness Through Continuous Learning

Employees receive regular Safe Six training through online sessions, the Gyanodaya Virtual Campus Learning App, and mobile-friendly micro-learning modules designed to reinforce critical safety practices in accessible, bite-sized formats.

Empowering People to Stop Unsafe Work

Our Stop Work Authority (SWA) empowers employees and contractors, regardless of role, to immediately stop work when unsafe conditions or behaviours could result in serious injury. By giving everyone the authority to act, SWA strengthens individual accountability and reinforces a proactive safety culture.

Talent Management

We believe we achieve the best results when we are open to different perspectives and work together to make a difference.

We emphasize targeted internal mobility and ongoing employee engagement. Our progress is driven by the expertise of experienced carbon black professionals and the exchange of ideas with the next generation of engineers and scientists. We also build partnerships with local colleges and universities and offer interns opportunities to gain practical work experience.

Our talent philosophy is integrated into our HR strategy and aligned with our broader business strategy. Our talent management framework includes talent identification, segmentation, and development.

High-potential employees are identified and developed through programs such as Skills Enhancement and Accelerated Learning (SEAL), Development Assessment Centre (DAC), Development Pitstop, and Coaching and Mentoring initiatives. Development opportunities also extend to all employees, supporting career growth through job rotations and participation in Management Development Programs.

We strengthen our talent pipeline through partnerships with colleges and universities. Through the ABG Leadership Program (ABGLP), participants gain opportunities to work on global projects across functions

such as Operations, Marketing, Finance, and HR. We also partner with engineering colleges globally to recruit talent through the Engineering Leadership Program (ELP).

Percentage of Employees with Personal Development Plans

Biannually, all our employees update their personal development plans

FY 2023	FY 2024	FY 2025	FY 2026
100%	100%	100%	100%

Our HR Vision and Strategy

Birla Carbon's HR strategy focuses on creating a workplace that attracts and supports diverse groups of people. It is guided by five pillars, each supported by action plans designed to advance our HR priorities:

- Employer of Choice** Recognized for our Diversity, Equity, and Inclusion (DEI) practices and as a workplace of choice for diverse talent in the industry.
- Culture and Engagement** Creating a culture where employees are empowered, engaged, and able to contribute.

- Career and Talent** Providing opportunities for career growth while developing a talent pipeline to support business needs.
- Capability Building** Developing business-critical capabilities for a future-ready organization.
- Consumer-Grade Experience** Delivering differentiated and personalized employee experiences through the digital enablement of HR processes.

Birla Carbon Kaleidoscope

Our story is best told through the experiences and perspectives of our people.

Through Birla Carbon Kaleidoscope – A Palette of Infinite Possibilities, we share the firsthand experiences of employees and colleagues who reflect the values of the Aditya Birla Group and Birla Carbon. Their stories offer insights into our organizational culture, diverse workforce, and the opportunities for growth and development across Birla Carbon.



Diversity, Equity, and Inclusion also play an important role in this narrative. By representing diverse employee groups, promoting equal opportunities, and creating space for different voices and experiences, Kaleidoscope reflects the many perspectives that shape our organization.

The name Kaleidoscope represents the coming together of diverse experiences and opportunities to create a broad palette of possibilities. This is expressed through three themes: Inclusivity Prism, Career Kaleidoscope, and Lens of an Engineer.

Each month, we feature employee stories from different countries under these themes, offering a view into career experiences across Birla Carbon while highlighting our geographical reach and workforce diversity. Through our social media channels, including [LinkedIn Affiliated Pages](#), we also engage prospective talent, grow our audience, and build awareness of Birla Carbon as an employer.

Learning

At Birla Carbon, our learning strategy is designed to provide employees with access to a range of development opportunities and encourage them to take ownership of their growth. The Learning & Development team supports this through planned learning programs and on-demand resources that build knowledge and capabilities aligned with individual development and business needs.

Classroom learning opportunities are offered through Gyanodaya and Gyanodaya-West. Our in-house learning platform, Fuel for Future, complements these programs by providing curated content through the AI-powered Gyanodaya Virtual Campus (GVC). Employees receive

weekly learning resources, including leader videos, articles, and eLearning modules, enabling them to explore skills relevant to their development and the business. Quizzes, trivia, and gamified modules add variety to the learning experience, while local-language learning channels help make content more accessible to employees across our global operations.

We continue to build technical capabilities through BuildTech – Birla Carbon's Technical Academy. BuildTech serves as a hub for technical training and enables collaborative learning through Communities of Practice across technical groups. It provides a structured approach to technical development, supports knowledge sharing, contributes to the development of our technical talent pipeline, and advances our Share the Strength mission.

For emerging professionals, the Skills Enhancement and Accelerated Learning (SEAL) program provides an immersive development journey during the early stages of their careers at Birla Carbon. The program focuses on functional, behavioral, and contemporary skills through a 70:20:10 development methodology. Participants build personal leadership capabilities, gain exposure to different business functions, and develop interpersonal skills through a combination of learning, experience, feedback, and interactions with peers and mentors. The journey concludes with a capstone project and job-shadowing opportunities that allow participants to apply and build on their learning.

Our enterprise Learning Management System provides a centralized platform for managing learning activities across the organization. It records employee learning and provides access to an online library of more than 12,000 courses in multiple languages, available to all employees at no cost. By combining local learning opportunities with resources from across our global network, we enable employees to access knowledge and resources relevant to their roles and career paths.

Through this approach, we support continuous learning across the organization, from foundational and functional capabilities to leadership and technical development. Our learning programs are designed to help employees build the skills needed to contribute to the business and prepare for changing needs over time.

Employee Benefits and Well-Being

In addition to our focus on health, safety, and workplace culture, Birla Carbon provides benefits and well-being resources that support employees and their families. Depending on location, these include health insurance covering medical, dental, and

vision care; retirement benefits with company contributions; life and disability insurance; paid time off; and wellness resources. These offerings support employees' physical, mental, and financial well-being at different stages of life, both at work and beyond.

Number of Employees Enrolled in Medical Insurance (USA only)

FY 2023	FY 2024	FY 2025	FY 2026
317	318	325	334

Global and Local Employee Recognition

Birla Carbon recognizes individuals and teams across units, regions, and the business for contributions beyond their defined roles.

APPLAUSE, our real-time global recognition platform, enables employees to recognize colleagues across locations, functions, and levels. Recognition categories are linked to our Purpose and Values, creating a common framework across the organization. Employees can choose from a range of online gift options sourced from local vendors.

Exceptional individual and team contributions are also recognized through the Performance Recognition in Delivering Excellence (PRIDE) program, which includes monetary rewards for outstanding contributions to the business.

Grievance Measures

Birla Carbon's Code of Global Business Ethics and Compliance Standards

Birla Carbon's Code of Global Business Ethics and Compliance Standards sets out the values and responsibilities that guide our business conduct. It reflects our commitment to conducting business ethically and in compliance with applicable laws, maintaining standards of safety and care for employees, the public, and the environment, and promoting these principles through education, supervision, and regular reviews.

The Code also promotes open and honest communication and encourages employees to raise concerns relating to compliance, ethics, legal matters, or other issues.

Hotline Program

Birla Carbon maintains an ethics and compliance Hotline and an associated online reporting resource as part of its whistleblower program. These channels enable employees and other stakeholders to report concerns anonymously and confidentially. Allegations of policy breaches, non-compliance, and unethical activities are taken seriously and investigated as appropriate.

The Hotline is available to employees, suppliers, contractors, consultants, and other stakeholders through online reporting, toll-free numbers, text, or email. Retaliation against anyone who raises a concern in good faith is strictly prohibited under our Code of Conduct. Reporting channels are also available in local languages across our offices and manufacturing sites.

The Hotline is operated by an independent third party, 24 hours a day, 365 days a year. Reported issues are escalated to our Deputy General Counsel/Compliance Director. Depending on the nature of the concern, reports may be investigated by auditors and/or HR professionals, with appropriate follow-up.

Commitment to Human Rights

Through our policies, codes of conduct for employees and suppliers, compliance and monitoring processes, and grievance mechanisms, Birla Carbon supports healthy, safe, and respectful working conditions across our operations and supply chain.

Governance Structure

Senior Management Team & Committees

The Senior Management Team (SMT) provides strategic leadership across Birla Carbon's global operations, integrating governance, sustainability, risk management and business performance into decision-making. Led by the President and Chief Executive Officer, the SMT works collaboratively to ensure responsible growth, operational excellence and long-term value creation across the organization.

The Chief Manufacturing Excellence Officer serves as the link between the Sustainability Steering Committee (SSC) and the SMT, communicating the Committee's recommendations while championing the integration of sustainability principles across the business. SMT members are selected based on their leadership experience and expertise, including their understanding of the environmental, social and governance issues relevant to Birla Carbon. Any actual or potential conflicts of interest are required to be declared and managed in accordance with our governance framework.

Senior Management Team: Consists of 12 executives

John Loudermilk
President & CEO

Shashank Awasthi
President, Specialty Materials

Amit Kumar
President, Asia

John Davidson
President, America & EMEA

Surendra Goyal
Chief Financial Officer

Dale Clark
Chief Manufacturing Excellence Officer

Dr. Zachary Combs
Head, Global Technology

Dr. Kevin Hatchcok
Global Head, Legal & Communications

Venkatachalam Kadayam
Chief Human Resource Officer

Vineet Maloo
Global Head, Supply Chain

Jeff Hanson
Senior Vice President, Corporate Controller

Amitabha Tripathi
Chief Digital & Information Officer

	Decisions Made	Impact on Business
Reporting	Agreed to take a proactive approach to CSRD related compliance and other reporting related disclosures; Formally added CSRD obligations into our Enterprise Risk Register	Aligned with sustainability disclosure best practices, stakeholder expectations, and commitment to transparency
Re-evaluation of Sustainability KPIs	Re-evaluated KPIs and updated to include new targets for sustainable procurement; Reconstructed Sustainability Steering Committee (SSC) to include new members and reassess objectives	Routinely monitored performance indicators to help us advance our sustainability goals; Expanded reach of SSC across the business
Sustainability Engagement	Increased internal employee engagement on sustainability topics to better integrate sustainability in all functions	Empowered employees to drive change and raised employee voices; Developed a sustainability communications and employee engagement strategy to address these issues
Water Stewardship	Established a Water Stewardship Committee to develop a strategy and actionable roadmap aimed at reducing our overall water footprint and strengthening resilience across all operations	Engaged three pilot sites that are advancing water measurement methodologies and technologies
Digital and IT	Azure Data Lake cloud-based platform enabling centralized reporting and analytics	Improved data availability and internal reporting capabilities and auditability of data
Net Zero	Formally associated our Net Zero ambition within our Enterprise Risk Register	Enabled us to monitor potential physical and transition climate risks (i.e., policy, legal, market, technology, reputational risks)

Sustainability Steering Committee

Established in 2012, the Sustainability Steering Committee (SSC) has played a pivotal role in shaping and advancing Birla Carbon's sustainability journey. Today, it guides the implementation of our sustainability strategy, ensuring alignment with the Aditya Birla Group's sustainability vision while integrating sustainability into strategic business decisions.

Comprising representatives from across key business functions, the SSC works through dedicated working groups to identify priorities, develop action plans and drive implementation. Recommendations are reviewed with the Senior Management Team, ensuring sustainability remains embedded in business planning, performance and decision-making.

Carbon Stewardship Committee

The Carbon Stewardship Committee (CSC) provides strategic direction for Birla Carbon's decarbonization journey. The committee develops carbon reduction pathways, establishes interim targets and oversees the implementation of annual roadmaps that support our Net Zero ambition while helping customers advance their own sustainability goals.

Drawing on expertise from across the business, the CSC works closely with internal teams, customers and external stakeholders to monitor emerging regulations, evaluate climate-related risks and identify opportunities that strengthen our long-term carbon stewardship strategy.

Water Stewardship Committee

Water is critical to our manufacturing operations and an increasingly important priority for our stakeholders. In FY2025, we established the Water Stewardship Committee (WSC) to advance our water reduction ambitions and embed water stewardship across business decisions and operations. Bringing together subject matter experts from across the business, the WSC drives strategy implementation, tracks performance, communicates progress, and monitors evolving water-related regulations.

Its short-term focus is to develop a practical water reduction pathway guided by the **4Rs**: **Reduce** dependence on water through process efficiencies; **Recycle** water by creating circular solutions; **Remove** the need for water in processes through non-liquid solutions or safe alternative liquids; and **Research** new technologies and methods to lower water dependency.

Internal Audit Committee

The Internal Audit function provides independent assurance that strengthens governance, risk management and internal controls across Birla Carbon. Using a risk-based approach, the team conducts financial, operational and compliance audits to evaluate business processes, identify improvement opportunities and reinforce accountability.

Audit findings and recommendations support continuous improvement, strengthen operational resilience and help ensure our governance practices remain aligned with evolving business priorities and strategic objectives.

In FY2026, 21 audits were conducted, focusing on areas such as:

- **Inventory Management**
- **Inbound and Outbound Logistics**
- **Plant Maintenance**
- **Procurement of Spare Parts**
- **Project Execution**
- **HR Payroll**

All on-site audits were conducted at Birla Carbon's Angthong (Thailand), Tiszaújváros (Hungary), Jining & Weifang (China), Hamilton (Canada), Gummidipoondi, Patalganga, Naidupeta, and Renukoot (India), North Bend & Marietta (USA). The outcomes of these audits were shared with the SMT.

Regular updates are provided to the Risk Committee on key audit findings and the progress of action plan implementation.

Business Ethics & Compliance

Conducting Business with Ethics

Our Code of Global Business Ethics and Compliance Standards guides us to how we conduct business across our global operations. It establishes clear expectations on issues including fair competition, anti-corruption, human rights, workplace conduct, anti-money laundering and responsible business practices. All employees are required to complete ethics training, acknowledge the Code and reaffirm their commitment to upholding these standards.

These policies are publicly available and are reviewed periodically to ensure they remain aligned with evolving regulatory and business requirements.

To strengthen awareness across our global workforce, our online ethics training programme is available in 14 local languages and includes dedicated modules on:

- **Competition Law**
- **Data Privacy**
- **Workplace Harassment**
- **Prevention of Human Trafficking & Modern Slavery**
- **Working with Third Parties**
- **Sustainable Procurement Module**

Regular training and internal reporting help reinforce compliance while embedding ethical decision-making into day-to-day operations.

We encourage employees, contractors, suppliers and other stakeholders to raise concerns or seek guidance whenever they observe or suspect unethical or non-compliant behavior. Our independently managed Hotline, available 24 hours a day in local languages across our global operations, enables confidential reporting through telephone and online channels. All reported matters are reviewed and investigated through established governance processes, reinforcing accountability, transparency and trust.

Our commitment to ethics is underpinned by the Aditya Birla Group Values of Integrity, Commitment, Passion, Seamlessness and Speed. These values guide how we work, how we engage with stakeholders and how we uphold fair, transparent and responsible business practices wherever we operate.

Responsible Sourcing Framework and Supplier Due Diligence

Our responsible sourcing framework integrates environmental, social, governance and compliance considerations into supplier selection, evaluation and ongoing engagement. Guided by our Supply Chain and Procurement Policy, Code of Ethics and Standard Operating Procedures, we establish clear expectations across areas including environmental compliance, human rights, employee welfare, resource conservation, renewable energy, water stewardship and responsible labor practices. These requirements are reviewed regularly to remain aligned with evolving regulations and stakeholder expectations.

Our supplier due diligence program combines ESG performance assessment with continuous compliance monitoring. More than 75% of our feedstock suppliers publicly disclose sustainability KPIs, while an ESG supplier questionnaire is being rolled out across 100% of our critical suppliers to strengthen transparency and generate supplier sustainability scorecards. We also partner with EcoVadis to assess key suppliers against environmental and

social performance criteria, helping us evaluate and strengthen responsible business relationships.

To strengthen compliance oversight, we use the NAVEX RiskRate® platform to continuously screen suppliers against sanctions, politically exposed persons lists and adverse media. Suppliers are assigned Green, Yellow or Red risk ratings, with any red flag triggering an internal review and, where required, enhanced due diligence.

Currently, 18,691 **active suppliers (90%)** are Green rated, while **368 suppliers (1%)** have been Red flagged, of which 13 have since been cleared or approved and the remainder are either under review or have been denied or disengaged. This integrated approach enables rigorous oversight of legal, ethical and sustainability risks across our global supply chain.

Enterprise Risk Management

Information Security

Our information security framework is built on globally recognized standards and a proactive approach to risk management. **100% of our core digital infrastructure**, including SAP, email and other business-critical applications, is **ISO 27001 certified**, while all Birla Carbon manufacturing sites are certified according to the **International**

Automotive Task Force (IATF) quality management standard. Since FY2021, we have aligned our cybersecurity program with the **NIST 800-53** framework, strengthening our ability to identify, manage and respond to evolving cyber risks through regular assessments and continuous improvement.

Our cybersecurity program focuses on securing manufacturing systems, strengthening user awareness, preventing data leakage and enhancing incident preparedness through regular security exercises. By embedding cybersecurity into technology deployment and continuously strengthening our digital capabilities, we improve operational resilience while safeguarding our information assets and business continuity.

Digitalization

Digitalization is enabling greater operational efficiency, connectivity and data-driven decision-making across Birla Carbon. Our digital transformation initiatives continue to simplify and integrate business processes while strengthening visibility across our global operations. A dedicated sustainability data lake enables more accurate monitoring of greenhouse gas emissions, water consumption and waste, improving both reporting quality and performance management.

We are also expanding the use of digital analytics and generative AI to improve access to information, enhance decision-making and support continuous

improvement across the business. Together, these investments are helping us build a more connected, resilient and future-ready organization.

Product Responsibility

Product Safety

Birla Carbon invests in technology, research, and development to improve the technical and environmental performance of its products. These efforts support customers in meeting their production standards and the regulatory requirements of the markets in which they operate. Our approach is supported by advanced facilities and engagement with industry peers, with a focus on process innovation, product development, product safety, and stewardship.

Carbon black is used in several food and human-contact applications, making product safety an important part of our manufacturing and product stewardship approach. We generate scientific evidence to demonstrate that finished articles containing carbon black do not release toxic or carcinogenic compounds associated with polycyclic aromatic hydrocarbons (PAHs) and heavy metals. We conduct PAH and metals testing to verify that these substances remain below

prescribed limits. Birla Carbon has also contributed to advancing PAH measurement standards, including the development of ASTM standards for the carbon black industry.

Birla Carbon is an active member of the International Carbon Black Association (ICBA), which sponsors, conducts, and participates in research and analysis related to the health, safety, and environmental aspects of carbon black production and use. We hold leadership roles on the ICBA Board of Directors and regional Product Stewardship and Regulatory Committees. Through the ICBA, we engage with regulators worldwide on developments related to our products.

Investing in Health and Safety

We provide internal and external customers with information on product characteristics, approved uses, and potential health and environmental risks. Our testing programs help identify and address information gaps. Business functions across the organization contribute to product stewardship by supporting consistency, compliance, and continuous improvement.

Birla Carbon has been an active member of the **CB4REACH** consortium since its inception more than 15 years ago. The consortium addresses regulatory matters related to carbon black under the REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) framework.

We are also preparing for the substance evaluation process to be carried out by the French Agency for Food, Environmental, and Occupational Health & Safety (ANSES) in the coming years. This forms part of the European Chemicals Agency's Community Rolling Action Plan (CoRAP) to determine whether any health or safety risks exist with carbon black.

Other countries, including Korea, Taiwan, Turkey, the UK, and Brazil, have introduced regulations similar to REACH. We continue to work toward meeting the requirements and timelines of these evolving regulatory frameworks.

Product Quality

We work to ensure that our carbon black and carbon-based products deliver consistent quality and performance across applications, including tires, plastics, inks, and coatings. Our innovation and technology teams work with regional technical service teams to meet customer and regulatory requirements. These teams engage with customers to understand and address their quality and performance needs.

We monitor quality-related KPIs, including Net Promoter Score (NPS), complaints, and process reliability, through regional and global quarterly reports. These KPIs support improvements in quality assurance processes and information sharing on quality-related issues.

Our commitment to quality is supported by certifications across our global operations. All Birla Carbon manufacturing plants, including Birla Carbon SCM India, hold ISCC PLUS certification. Every plant is also IATF 16949 certified for automotive quality management. In addition, Nanocyl™ and Birla Carbon SCM India are ISO 9001 certified.

These certifications support consistent product quality through structured risk assessment and process controls. Our adoption of the International Automotive Task Force Core Tools further supports proactive risk management, process reliability, and continual improvement.

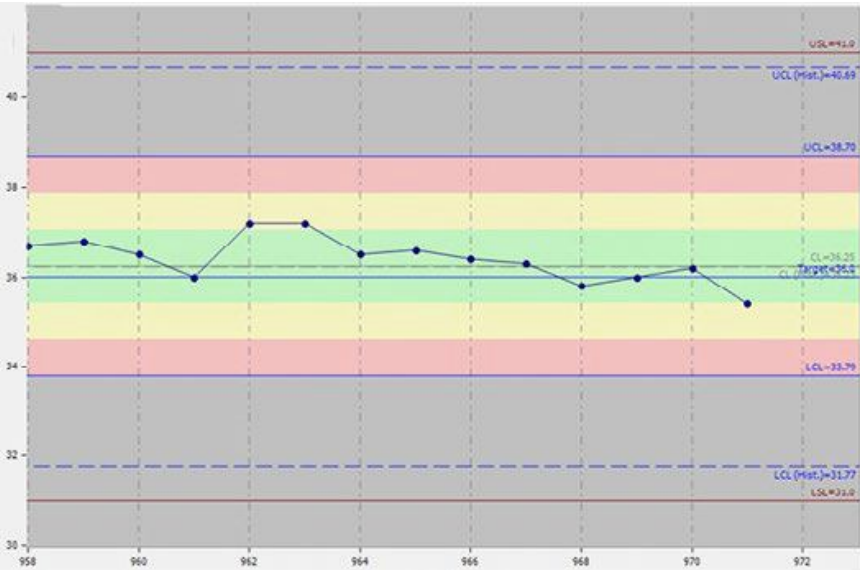
Plant laboratories are regularly audited by our Global Quality group and assessed twice a year through the Laboratory Proficiency Rating System (LPRS), an international proficiency testing program organized by ASTM International. The program enables us to benchmark our laboratories against nearly 100 industry laboratories worldwide. Where anomalies or deviations are identified, internal investigations are initiated with support from our three central laboratories in Marietta, Georgia, USA; Taloja, India; and Sambreville, Belgium. This process helps maintain consistent laboratory practices across our global operations.

Focus on Product Consistency

Delivering consistent product performance is central to our commitment to quality. Our quality management approach focuses on four key dimensions—product characteristics, physical form, cleanliness and service—ensuring our carbon materials consistently meet customer specifications and application requirements.

To maintain this consistency, we employ internationally recognized testing methods, participate in industry proficiency programs and regularly verify the performance of our laboratories. Products are released only after meeting defined customer specifications, while statistical process controls and process capability analysis (Cpk) are used to monitor manufacturing performance and drive continuous improvement across our global operations.

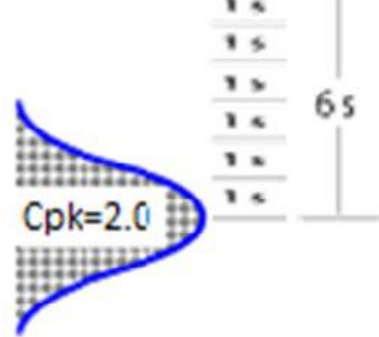
Iodine Number Test



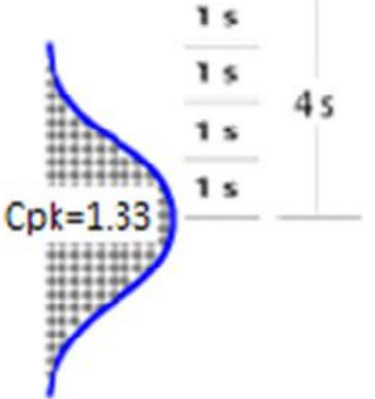
Monthly Cpk



6-Sigma



4-Sigma



Number of Global Product Recalls

FY 2023	FY 2024	FY 2025	FY 2026
0	1	1	0

BIRLA CARBON MARK OF EXCELLENCE



The Birla Carbon Quality logo represents a 'Mark of Excellence' in Quality.



The 'Q' is divided into two parts, representing 'C' for carbon black on the left and Birla Carbon on the right.



The tick mark which converts to a leaf, provides for two aspects of quality - the mark of excellence through innovation and the drive towards sustainability and circularity.





Feedback

Feedback on our report is an essential component of our commitment to our strategy. Comments are reviewed by our Sustainability Steering Committee and will, in many cases, be incorporated into future reports.

Please send your feedback to:

birlacarbon.sustainability@adityabirla.com