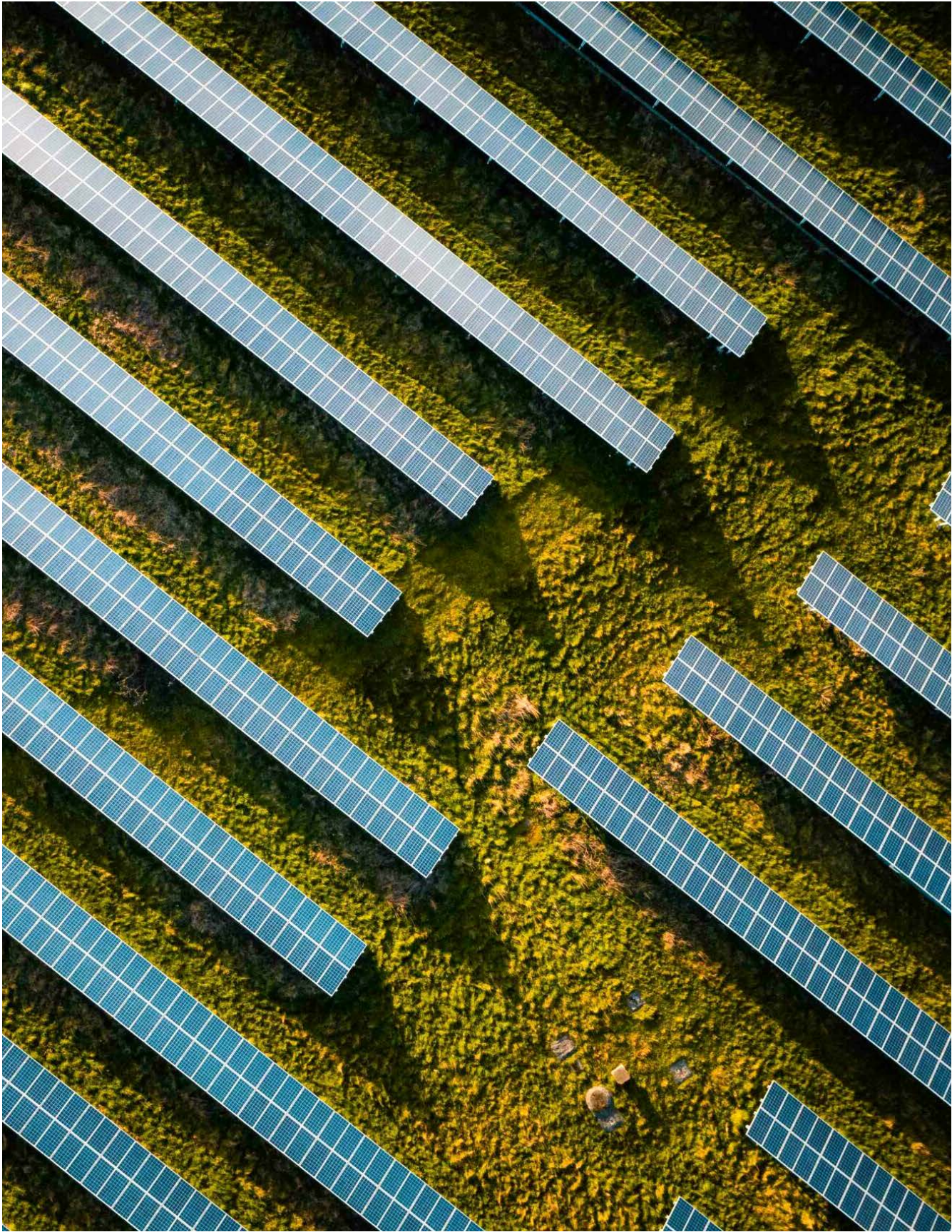




Sustainability Report 2025



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Message from our CEO



Our commitment to achieving Net Zero by 2050 remains unchanged

Dear Stakeholders,

As I present our first Sustainability Report, I reflect on the progress we have made and the journey that lies ahead. Sustainability at Avid Organics is not an initiative that exists alongside our business; it is central to how we operate and how we create long-term value for our customers, partners, employees, and stakeholders.

Over the past year, we have taken important steps to strengthen our position as a responsible and future-focused specialty chemicals company. In 2025, over 20% of the electricity used across our manufacturing operations came from renewable sources, while we continued to maintain Zero Liquid Discharge at our facility. We also advanced our bio-based chemistry portfolio significantly, with AviGa™ Bio HP70 and AviGly™ Bio HP progressing toward commercial readiness. These developments reflect our commitment to delivering high-performance solutions while reducing environmental impact and supporting a more sustainable value chain.

During the year, we also introduced a refreshed brand identity for Avid Organics. The green accent integrated within our new logo represents more than a visual evolution; it reflects our belief that sustainability is embedded in our values, decision-making, and long-term direction as an organisation.

As we continue to strengthen our business globally, we expanded our commercial presence through the establishment of direct operations in the United States and Europe. At the same time, evolving market dynamics and global trade conditions reinforce the importance of building a more diversified and resilient business model. Expanding our presence across Europe and Asia-Pacific remains an important strategic focus as we continue to broaden our reach and strengthen long-term growth opportunities.

We have also begun investing in digitalisation and Industry 4.0 capabilities across our operations. These initiatives represent

an important step toward building a more efficient, transparent, and agile organisation while strengthening our ability to create value across the business.

Our commitment to achieving Net Zero by 2050 remains unchanged. Through this report, we aim to provide a transparent view of our progress while reinforcing the standards and responsibilities we hold ourselves accountable to.

As we look ahead, we remain committed to advancing sustainable innovation, strengthening operational excellence, and contributing positively across the industries and communities we serve. The journey toward sustainability is continuous, and we believe meaningful progress is achieved through commitment, collaboration, and long-term thinking.

I am pleased to share with you the progress we have made and the steps we are taking toward building a more sustainable future.

Dheeraj Jain
CEO & MD
Avid Organics

Company in brief

OVERVIEW

Avid Organics Pvt Ltd has, for over 18 years, contributed to the advancement of specialty chemistry through a strong focus on purity, consistency, and responsible innovation. The company is a leading Indian manufacturer of glycine, glycolic acid, and a range of high-purity specialty chemicals, serving regulated applications across nutrition, personal care & cosmetics, pharmaceutical and industrial sectors.

Our operations are anchored by a state-of-the-art manufacturing facility in Vadodara, Gujarat, with an annual

production capacity of 4,000+ MT, supported by integrated research and development, quality control, and supply chain capabilities.

Over the years, we have built strong relationships with customers and partners, supported by a skilled team of over 100 full-time employees across manufacturing, R&D, quality, supply chain, and commercial functions. This integrated approach enables Avid Organics to deliver reliable, high-purity solutions while supporting customers in efficiently developing and commercialising their products.



Glycolic Acid Capacity

2000+

Metric Tons per annum



Glycine Capacity

2,400

Metric Tons per annum



Manufacturing Excellence

18+

years



Active Suppliers

250+

suppliers



Site Locations

4



Average Workforce

100+

FTE



Board of Directors

3



Women Representation on Board

33.33%



AREAS OF EXPERTISE

Our integrated operating model is built on six core areas of expertise



Manufacturing Services



Research & Development Support



Supply Chain and Global Distribution



Sustainability & Responsible Manufacturing



Technical & Customer Support



Quality and Regulatory Support

FIVE DIVISIONS

Our portfolio is strategically aligned across five key industry verticals



Animal Nutrition



Personal Care and Cosmetics



Food and Beverages



Home Care, Institutional & Industrial Cleaning



Pharmaceuticals



1.1 GENERAL INFORMATION ABOUT THE COMPANY

Name of the organization

AVID ORGANICS PVT LTD

Location of headquarters

Registered office: Vadodara, Gujarat, India

Postal address: 409/410 Sears Towers, Sevasi, Vadodara - 391 101, Gujarat, India

Telephone: +91-265-2370829

Website: www.avidorganics.net

Avid Organics Pvt Ltd operates as a specialty chemicals manufacturer serving regulated industries across global markets. The company's operations integrate manufacturing, quality systems, and supply chain functions aligned with international standards. This ensures compliance, traceability, and reliability across diverse regulatory environments.

1.2 A HISTORY OF DYNAMIC GROWTH

Avid Organics was established in 2007 in Vadodara, Gujarat, with a focus on glycolic acid production for international markets and has since evolved into a growing specialty chemicals manufacturer serving regulated industries globally.

Ongoing focus on capacity enhancement, global partnerships, and sustainable manufacturing practices, reflecting a growing alignment between business expansion and sustainability priorities.

2007

Foundation

Founded in Vadodara with a focus on glycolic acid production for international markets.

Our Journey in Numbers

50,000 sq. ft.

Integrated Facility in Vadodara, Gujarat

2,400 MT

Glycine Production Capacity (Annual)

2,000 MT

Glycolic Acid Production Capacity (Annual)

2012

Expansion through Partnerships

Expanded glycine production through contract manufacturing partnerships.

2014

Infrastructure Development

Commissioned a 50,000 sq ft integrated manufacturing facility in Vadodara, Gujarat.

2017

Entry into Regulated Markets

Obtained FSSAI certification, opening access to regulated food and nutrition applications in domestic and export markets.

2019

Food Safety Leadership

Achieved FSSC 22000 certification for food safety management systems. This marked Avid Organics' entry into highly regulated and quality-sensitive segments.

2020–2021

Compliance and Sustainability Advancements

Implemented ISO 14001 and ISO 45001 management systems.

Secured HALAL, KOSHER, and SMETA certifications.

Strengthening compliance frameworks and expanding access to global markets.

2023

Operational Growth and Capacity Expansion

Expanded production capacity to 2,400 MT glycine and 2,000 MT glycolic acid annually. Supporting increased demand and improving supply reliability.

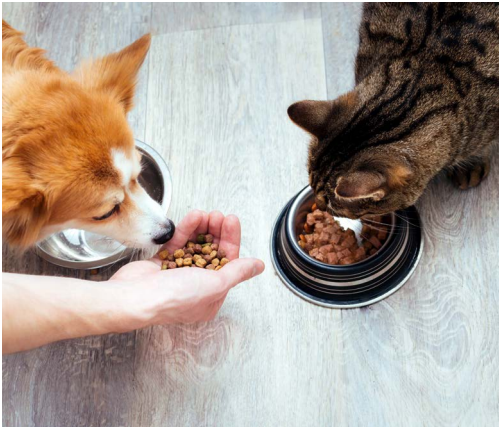
2025

Global Expansion & Continued Growth, Strategic Focus and ESG

Established a subsidiary in the United States. Enhancing proximity to customers and improving market responsiveness. Ongoing focus on capacity enhancement, global partnerships, and sustainable manufacturing practices reflecting a growing alignment between business expansion and sustainability priorities.

1.3 ACTIVITIES, BRANDS, PRODUCTS, AND SERVICES

1.3.1 PRODUCT MARKETS



Animal Nutrition

In animal nutrition, product performance is closely linked to bioavailability and metabolic efficiency. Avid Organics' amino acids and functional ingredients are developed to support optimal absorption and nutritional effectiveness.

Our approach includes

- Enhanced bioavailability through controlled molecular integrity
- Stability across storage, processing, and digestion
- Efficient production through sustainable manufacturing practices



Personal Care and Cosmetics

In personal care applications, ingredient performance must be balanced with safety, stability, and formulation compatibility. Avid Organics' portfolio supports a wide range of cosmetics and skincare formulations.

Our approach includes

- Controlled activity for consistent formulation performance
- Stability across pH, solubility, and formulation systems
- High purity aligned with safety expectations



Food and Beverages

Food and beverage ingredients must deliver consistent functionality while maintaining safety and regulatory compliance. Avid Organics' products are designed to perform reliably across complex formulations and processing conditions.

Our approach includes

- Consistent performance in pH control, flavour enhancement, and texture stability
- Food safety assurance through FSSC 22000 certified processes
- Responsible manufacturing practices



Home Care, Institutional & Industrial Cleaning

Industrial applications require materials that perform reliably under demanding conditions. Avid Organics' technical-grade ingredients are designed for predictable reactivity and process compatibility.

Our approach includes

- Controlled reactivity for improved process efficiency
- Compatibility across diverse industrial systems
- Energy-efficient and waste-conscious manufacturing



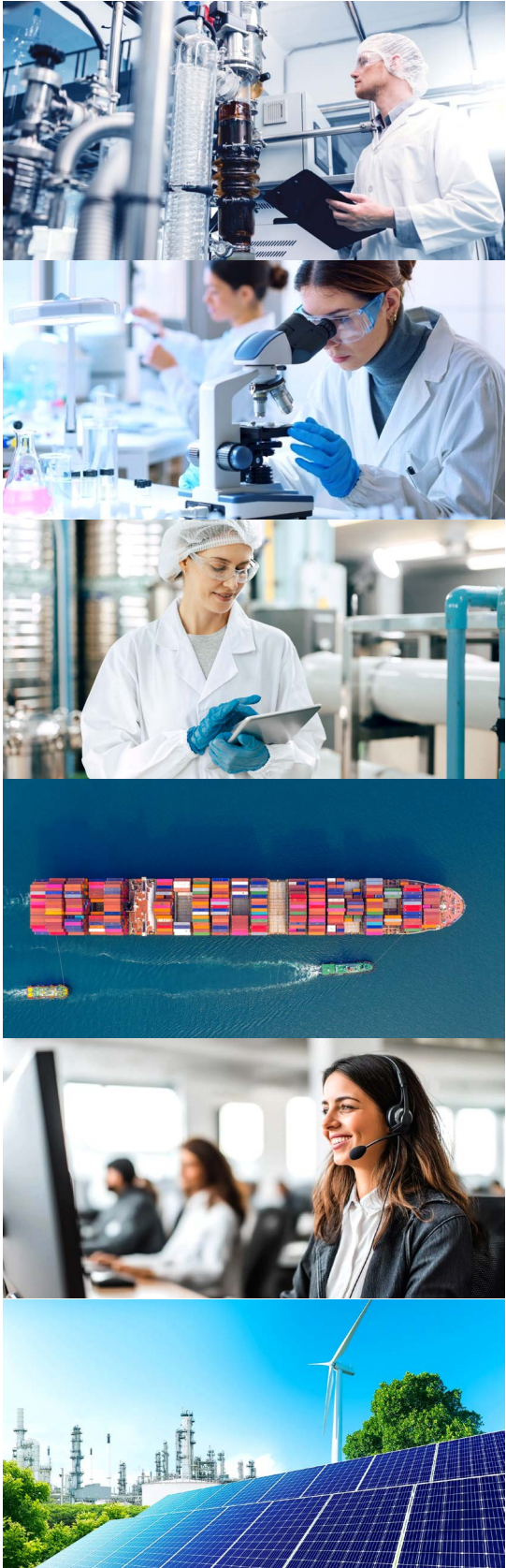
Pharmaceuticals

The pharmaceutical sector requires the highest standards of purity, reproducibility, and regulatory compliance. Avid Organics' ingredients are manufactured in certified environments and serve as critical building blocks for APIs, excipients, and nutraceuticals.

Our approach includes

- Alignment with USP and global pharmacopeia standards
- Consistent formulation stability and molecular precision
- High-purity solutions for regulated healthcare markets

1.3.2 SERVICES



Manufacturing Services

Production of high-purity specialty chemicals and intermediates with a strong focus on consistency, purity, and global compliance, ensuring reliable performance across regulated applications.



Research & Development

Process optimization, product development, and technical support for formulation and application requirements, supporting innovation and efficient product development.



Quality & Regulatory

Adherence to FSSC 22000, ISO 14001, ISO 45001, and other applicable standards, supported by comprehensive documentation for regulated markets, enabling compliance and market access across global industries.



Supply Chain & Distribution

Integrated global supply chain supported by reliable sourcing, logistics, and customer engagement through international offices, ensuring timely delivery and supply reliability.



Technical & Customer Support

Responsive service supporting product selection, application requirements, and long-term customer relationships, strengthening customer collaboration and solution effectiveness



Sustainable Manufacturing

Focus on energy-efficient processes, waste reduction, and responsible production aligned with environmental and safety standards, contributing to improved resource efficiency and responsible operations.

1.3.3 BUSINESS ADMINISTRATION

Avid Organics’ operations are supported by a structured set of core functions that enable efficient execution, compliance, and continuous improvement across the organization:

Manufacturing Operations	Research & Development (R&D)	Quality & Regulatory Compliance	Supply Chain & Logistics
Sales & Commercial Operations	Human Resources	Sustainability & ESG (Environmental, Social, Governance)	Governance & Product Stewardship

1.3.4 BUSINESS MODEL

Avid Organics is a manufacturer of glycine, glycolic acid, and high-purity specialty chemicals, serving regulated applications across pharmaceutical, animal nutrition, food & beverages, personal care & cosmetics, and industrial sectors.

We manufacture high-purity amino acids, glycolic acid, and specialty intermediates designed for optimal absorption, stability, and performance. Our products are produced in certified facilities and supported by quality systems to meet international safety and regulatory standards.

We serve global customers through our manufacturing facility in Vadodara, India, supported by Avid Organics America Inc. in the United States, and our regional sales office in Maastricht, Netherlands enabling distribution, customer support, and engagement across international markets.

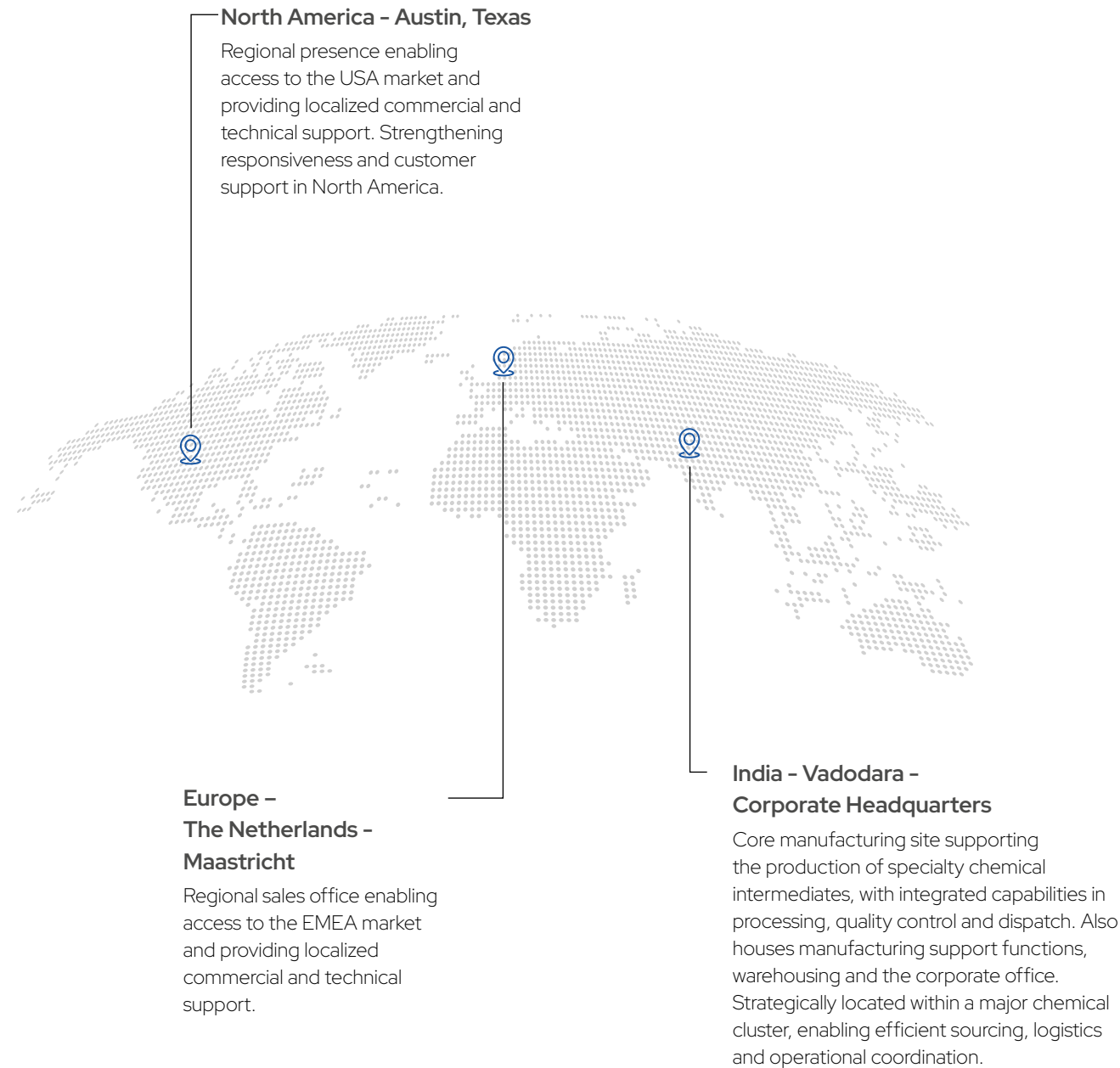
INPUTS →	OPERATIONS →	OUTPUTS →	VALUE CREATED
Raw Materials Sourced responsibly from trusted and qualified suppliers.	Manufacturing State-of-the-art facilities ensuring safe, efficient and compliant production.	Specialty Chemicals Glycine, glycolic acid and other specialty chemical solutions	Customer Trust Strong relationships built on quality, reliability and responsiveness.
Energy Powering operations through efficient and responsible energy use.	Quality Control (QC) Rigorous quality systems ensuring high purity, consistency and safety.	High Purity Products Consistent, high-quality products meeting global standards.	Regulatory Compliance Adherence to global regulations and certifications ensuring product safety.
Logistics Reliable logistics and infrastructure enabling seamless operations.	Research & Development Continuous innovation to develop advanced solutions for evolving customer needs.	Global Distribution Serving customers across multiple industries and geographies.	Product Reliability High purity, consistency and performance that customers can depend on.
	Supply Chain Management Integrated planning and execution for reliability, traceability and efficiency.		Sustainable Growth Responsible operations driving long-term value for all stakeholders.

1.4 LOCATION OF OPERATIONS & MARKETS SERVED

1.4.1 LOCATION OF OPERATIONS

Avid Organics operates through a strategically focused footprint, combining strong manufacturing capabilities in India with an expanding international commercial presence. This enables the Company to deliver high-quality specialty chemical solutions while maintaining proximity to customers across key global markets.

This footprint supports efficient operations, responsive customer engagement, and reliable global supply.



1.5 COMPANY’S VALUE PLATFORM

1.5.1 VISION

To become the preferred specialty chemicals partner for formulators in regulated industries worldwide, recognised for sustainable innovation and manufacturing excellence.

This vision defines our long-term direction, combining global ambition with a focus on quality and responsible manufacturing.

1.5.3 CORE VALUES



Agility

We prioritize people, solutions, and collaboration. Our agile approach helps us adapt to complex regulatory environments and evolving customer needs that enables responsiveness in a dynamic and regulated operating environment.



Innovation

We innovate through responsible chemistry. We emphasize practical impact, scientific rigor, and process accountability rather than innovation for its own sake, which aligns innovation with performance, safety, and accountability.

1.5.2 MISSION

Manufacture high-purity specialty chemicals that meet the specifications global brands require. Deliver consistent quality, batch after batch. Build long-term partnerships through technical reliability and responsive service.

The mission reflects Avid Organics’ operational focus on consistency, reliability, and long-term customer engagement.



Value

Every action is measured by its ability to create meaningful impact through dependable chemistry. We focus on outcomes that support long-term success for customers, partners, and stakeholders, which drives a results-oriented approach across business activities.



Development

Progress is iterative. We rely on evaluation and structured execution to ensure consistency and improvement at every stage of operations, which supports continuous improvement and operational discipline.



1.6 SIGNIFICANT EVENTS IN 2025

Governance & Leadership

- Appointed Chief Financial and Operating Officer (CFOO), strengthening financial and operational oversight
- Incorporated Avid Organics America Inc., establishing direct presence in the United States
- Established a European commercial subsidiary, expanding international footprint

Commercial & Market Development

- Strategic hiring across the United States and European Union to strengthen commercial presence
- REACH registration for glycolic acid, enabling compliant access to EU markets
- Progressed commercial readiness of bio-based glycolic acid

Brand & Product Identity

- Brand refresh and introduction of a structured product naming architecture (AviGa™, AviGly™, AviTau™)

Operations & Infrastructure

- Initiated automation and maintenance improvements at Vadodara facility
- Implemented ERP system across core functions
- Initiated capacity expansion at Vadodara facility targeting 3,000 MT glycine production

Sustainability & ESG

- Initiated EcoVadis sustainability rating process.

1.7 COMPANY’S APPROACH TO ESG

1.7.1 ESG & COMPLIANCE GOVERNANCE

At Avid Organics, sustainable governance is integrated into core business leadership and operations. Oversight begins at the executive level, with the **CEO** setting strategic direction and the **CFOO** ensuring alignment with operational priorities.

Execution is supported by a dedicated **Sustainability Team**, working closely with cross-functional departments including **HR, EHS, Finance, and other functions** to embed sustainability across all business activities. This structure ensures that ESG strategy, risks, and actions are embedded across all levels and regularly reported to senior leadership.



1.7.2 ESG STRATEGY



Environment, Health & Safety (EHS)

We are committed to:

- Minimizing environmental impact while ensuring safe and responsible operations
- Enhancing energy and resource efficiency across manufacturing processes
- Strengthening waste management, emissions control, and spill prevention practices
- Maintaining high standards of occupational health and safety across all facilities
- Driving continuous improvement in environmental and safety performance through monitoring and compliance systems



Supply Chain

We aim to:

- Build a resilient and responsible supply chain.
- Strengthen supplier due diligence and onboarding processes
- Promote responsible sourcing and compliance with environmental and social standards
- Enhance supply chain transparency and traceability where feasible
- Collaborate with key suppliers to improve sustainability performance



Ethics & Governance

We are committed to:

- Upholding strong ethical standards across all business activities.
- Promoting a culture of integrity, transparency, and accountability
- Implementing policies on anti-corruption, anti-bribery, and fair business practices
- Putting 100% of employees through anti-corruption and anti-bribery training every year
- Encouraging 100% of our suppliers to align with the Company's Code of Conduct



Sustainability

We aim to:

- Monitor and reduce greenhouse gas emissions through energy efficiency and renewable energy adoption
- Achieve 65% reduction in absolute Scope 1 & 2 emissions by 2036 from the base year of 2025
- Transition to 100% renewable electricity, eliminating Scope 2 emissions
- Achieve Net Zero emissions by 2050, aligned with global climate goals



1.7.3 SUPPORTING INTERNATIONAL GUIDELINES AND STANDARDS

At Avid Organics, we recognize that long-term business resilience is closely linked to responsible environmental, social, and governance practices. As a manufacturer serving global and regulated industries, we align our operations and sustainability approach with internationally recognized frameworks that support transparency, accountability, and continuous improvement.

The Company aims to align its sustainability disclosures and operational practices with the following globally recognized standards and frameworks:



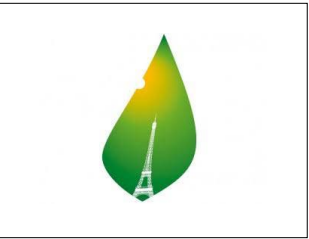
Global Reporting Initiative (GRI)

Avid Organics aligns its sustainability reporting with GRI standards to support transparent, consistent, and comparable ESG disclosures for the stakeholders.



Sustainability Accounting Standards Board (SASB)

SASB principles are considered within Avid Organics’ ESG approach to strengthen the focus on industry-relevant and financially material sustainability topics.



Paris Agreement

Avid Organics supports the global transition towards a lower-carbon economy and aligns its climate-related efforts with the broader objectives of the Paris Agreement.



The Climate Registry

The Company follows recognized carbon accounting methodologies to strengthen the accuracy, transparency, and credibility of emissions reporting.

These frameworks support Avid Organics’ ongoing efforts to strengthen governance, improve operational accountability, and advance responsible manufacturing practices across the entire value chain.

1.7.4 CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS (UNSDGS)



Gender Equality

Avid Organics is committed to fostering an inclusive workplace that supports diversity, equal opportunity, and professional growth. The Company continues to strengthen workplace practices that encourage participation, fairness, and employee development across all levels of the organization.



Decent Work and Economic Growth

Avid Organics promotes safe, fair, and responsible working conditions through its focus on employee wellbeing, workforce development, and continuous operational improvement.



Affordable and Clean Energy

The Company continues to improve energy efficiency across operations while evaluating opportunities to reduce environmental impact through cleaner and more responsible energy practices.



Industry, Innovation and Infrastructure

Through process optimization, responsible manufacturing, and ongoing operational development, Avid Organics supports sustainable industrial growth and innovation across its business operations.



Responsible Consumption and Production

Responsible sourcing, waste reduction, and product stewardship remain integral to Avid Organics’ operational approach, supported by supplier oversight, product traceability, and compliance-driven manufacturing practices.



Climate Action

The Company continues to strengthen its environmental management practices through ongoing efforts focused on emissions monitoring, operational efficiency, and sustainability performance improvement.

1.7.5 STANDARDS AND CERTIFICATIONS

Avid Organics aligns with globally recognized standards and compliance frameworks that support responsible manufacturing, operational transparency, product quality, and continuous improvement.

The Company follows and maintains the following standards and certifications:



SMETA (SEDEX Members Ethical Trade Audit)

SMETA supports responsible business practices through the assessment of labour standards, health & safety, environmental performance, and business ethics. Avid Organics aligns with SMETA principles to strengthen operational accountability and supply chain transparency.



REACH

REACH regulations support the safe management and responsible use of chemical substances through registration, evaluation, authorisation, and restriction processes designed to protect human health and the environment.



FSSC 22000 (Food Safety System Certification)

FSSC 22000 supports robust food safety management systems, enabling Avid Organics to serve regulated food and nutrition markets while maintaining internationally recognized quality and safety standards.



ISO 14001 & ISO 45001

Avid Organics follows ISO-certified systems for environmental management and occupational health & safety, supporting regulatory compliance, workplace safety, operational discipline, and continuous improvement.

1.7.6 ESG STAKEHOLDERS

1.7.6.1 Mapping main ESG stakeholders

We engage stakeholders across our value chain to understand evolving expectations and embed them in how we operate.

Our Key Stakeholders		
Stakeholder	What matters to them	How We Engage
Customers	Quality, regulatory documentation, responsible sourcing	Technical support, audits and documentation, sustainability disclosures
Suppliers & partners	Ethical practices, long-term collaboration	Supplier Code of Conduct, questionnaires and site audits
Employees	A safe, inclusive, growth-oriented workplace	Training, engagement programmes, health & safety systems
Financial institutions	Transparent governance, resilient performance	Regular reporting, disciplined operations
Regulators & authorities	Full compliance	ISO 14001/45001, FSSC 22000, SMETA and REACH alignment

1.7.6.2 Management of the supply chain

Top Suppliers Signed Our Supplier Code of Conduct

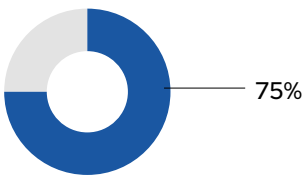
27+

Manufacturing Suppliers Assessed Via Questionnaire and Site Audit

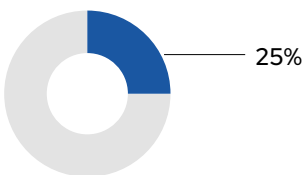
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Assessment results feed supplier risk profiles and targeted supplier education, supporting decarbonisation across our supply chain.

Ocean Freight



Air & ground transport



Share of transport GHG emissions (Scope 3, Cat 4 & 9), 2025





1.8 MATERIALITY ANALYSIS

Understanding the sustainability topics that matter most to our business and stakeholders is central to Avid Organics' ESG approach. Our materiality assessment helps identify and prioritize the environmental, social, and governance topics that have the greatest relevance to our operations, long-term strategy, and stakeholder expectations.

The assessment supports the development of our sustainability strategy, strengthens risk management practices, and guides ESG reporting and decision-making across the organization.

How we assess material topics

Avid Organics' materiality assessment considers both internal business priorities and external stakeholder expectations and maps them to key ESG topics.

Assessment areas include:

- a. Internal Perspectives: Management & all relevant departments.
- b. External Perspectives: Customers, Suppliers, Government, Statutory bodies and Local communities.
- c. Key Sustainability topics on: Supply chain, Planet, Product, Governance and people

Our Materiality Process	
Step	Approach
Identify	Review key ESG topics through stakeholder inputs, peer benchmarking, industry trends, and regulatory developments
Assess	Evaluate topics based on business impact and stakeholder relevance
Prioritize	Develop a materiality matrix to identify strategic ESG focus areas
Integrate	Align material topics with sustainability strategy, governance, KPIs, and reporting
Communicate	Support stakeholder engagement and internal awareness through ESG disclosures and communication initiatives

Materiality Matrix

Avid Organics materiality matrix maps ESG topics according to:

- Importance to Stakeholders
- Importance to Business Success

The matrix identified 22 key material topics to prioritise the sustainability areas and enabled a more focused and structured ESG approach across the organization.

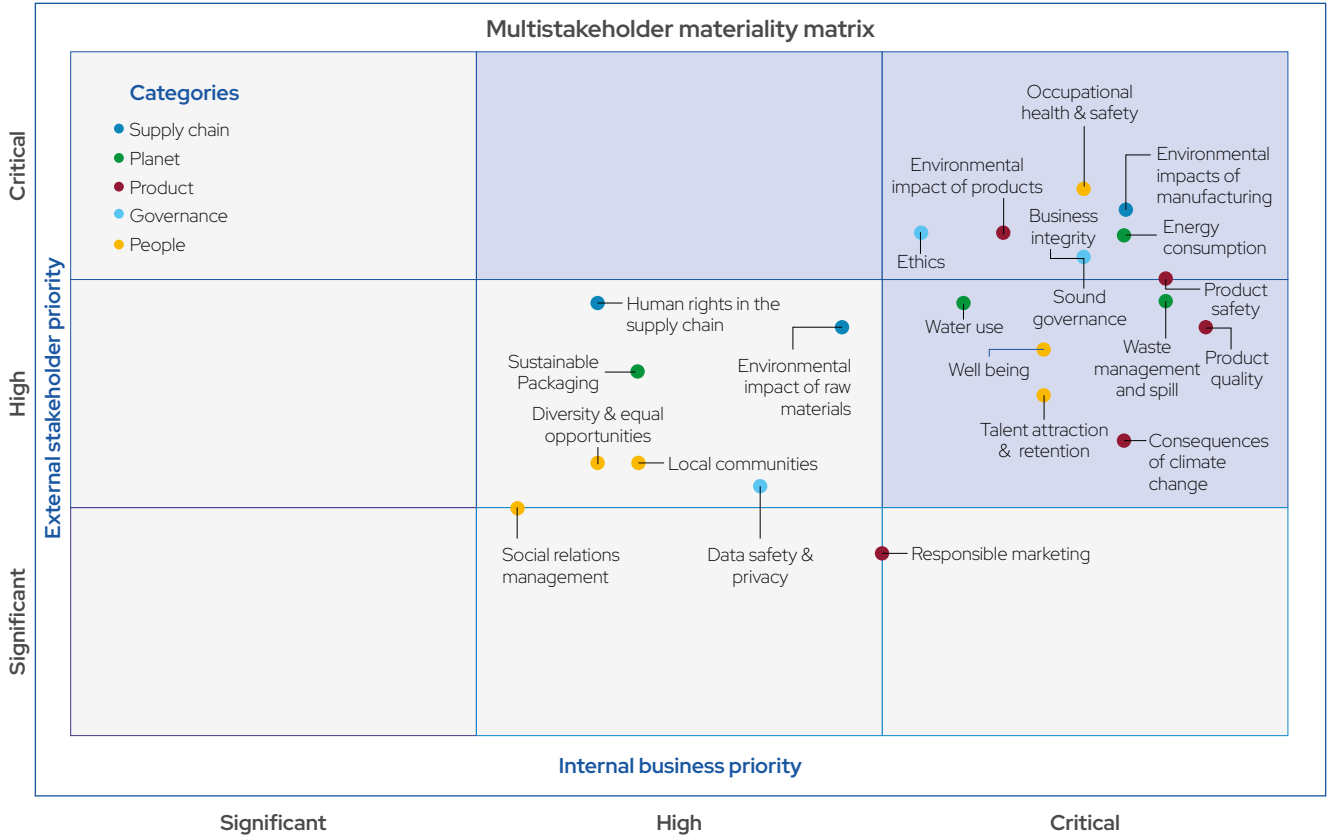
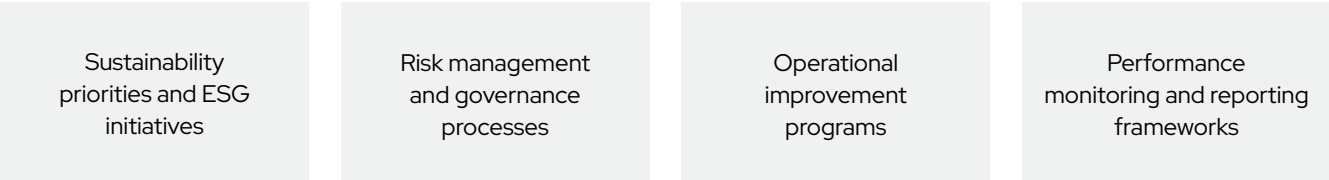


Figure 1: Avid Organics ESG Materiality Matrix (2025)

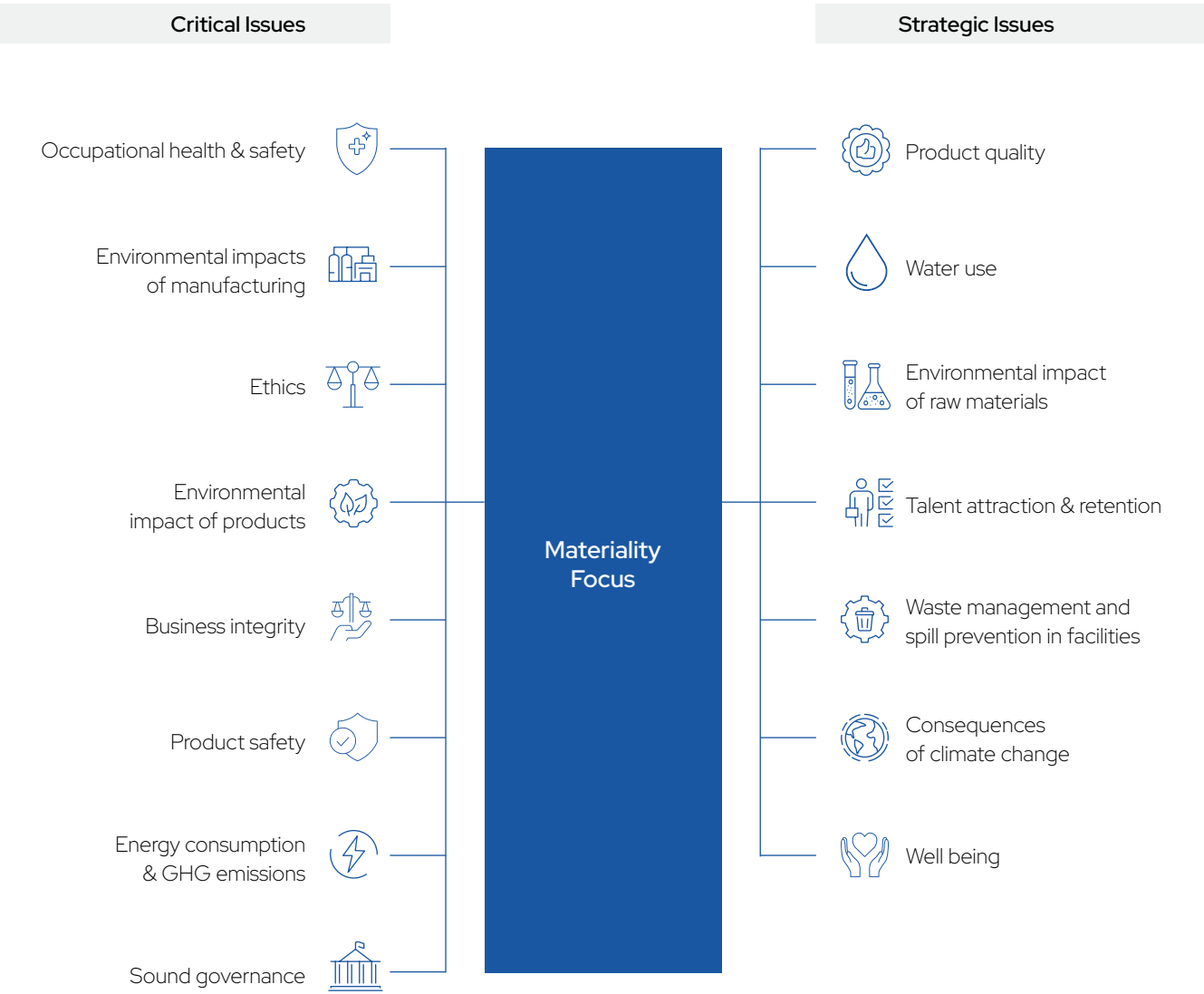
X-Axis: Business Priority (Internal Impact)
Y-Axis: External Stakeholder Priority

Embedding Materiality into Strategy

The outcomes of the materiality assessment are integrated into:



This process supports Avid Organics’ commitment to responsible growth, operational resilience, and long-term value creation.



1.9 RISK FACTORS AND MANAGEMENT APPROACH

Effective risk management is an integral part of Avid Organics’ operational and sustainability strategy. As a manufacturer serving regulated industries, the Company adopts a proactive approach to identifying, assessing, and managing risks that may impact business continuity, operational performance, stakeholder confidence, and long-term growth. Avid Organics’ risk management approach supports informed decision-making, operational resilience, and continuous improvement across business functions.

1.9.1 RISK MANAGEMENT PROCESS

Avid Organics follows a structured process to identify and manage risks across its operations and value chain.

Stage	Approach
Risk Identification & Assessment	Risks are identified and evaluated across manufacturing, logistics, administration, and supporting functions, considering both operational and external factors
Internal Reporting & Review	Significant risks are communicated internally to support evaluation, prioritization, and management oversight
Mitigation & Implementation	Functional teams are responsible for implementing mitigation measures, supported by corporate oversight and cross-functional coordination
Monitoring & Continuous Improvement	Risk management measures are regularly reviewed to strengthen operational resilience and address evolving business and sustainability risks

1.9.2 RISK MANAGEMENT FOCUS AREAS

Avid Organics approach to risk management supports:

- Operational continuity and process reliability
 - Regulatory compliance and governance
- Environmental, health & safety management
 - Supply chain stability and stakeholder confidence
 - Continuous improvement across business operations



1.9.3 RISK MANAGEMENT ACROSS OPERATIONS

Risk management considerations are integrated into operational planning, compliance systems, and business decision-making processes across the organization.

1.9.4 UNCERTAIN GLOBAL ECONOMIC ENVIRONMENT

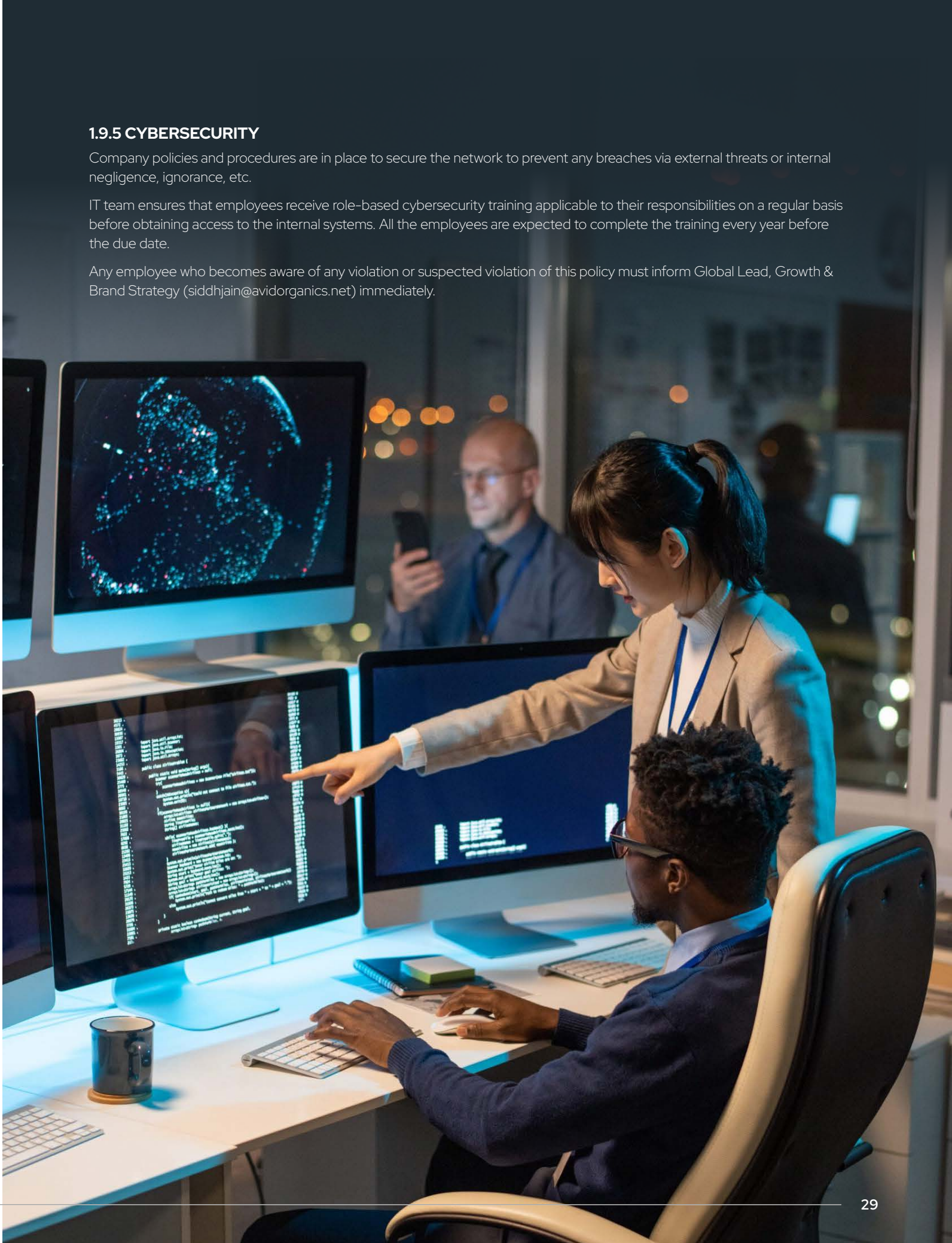
Risk Area	Description & Potential Impact on Avid Organics
 Global Demand Variability	Changes in global demand across regulated industries such as pharmaceuticals, personal care, nutrition, and specialty chemicals may impact order volumes, production planning, and revenue stability.
 Raw Material Price Volatility	Prices of petrochemical derivatives and other key inputs are highly sensitive to crude oil price movements, geopolitical tensions, and supply-demand imbalances. Volatility can lead to increased production costs and margin pressures.
 Supply Chain Disruptions	Global events such as geopolitical conflicts, trade restrictions, pandemics, or logistics bottlenecks (e.g., port congestion, shipping delays) can disrupt the availability and timely delivery of raw materials and finished goods.
 Currency Exchange Risk	With significant international export sales mix, fluctuations in foreign exchange rates can impact procurement costs, export competitiveness, and overall profitability.
 Geopolitical Risks	Political instability, trade wars, sanctions, and changes in international trade policies can affect market access, sourcing strategies, and cost structures.
 Innovation and Product Evolution	The shift towards environmentally safer and bio-based chemicals (e.g., bio-based glycolic acid) may require continuous investment in R&D to remain competitive in global markets.
 Energy Price Volatility	Manufacturing operations are energy intensive. Fluctuations in electricity and fuel prices (due to global tension) can significantly impact operating costs and overall cost competitiveness.
 Competitive Pressure	Increasing competition from domestic and international players, particularly low-cost manufacturers, can exert pressure on pricing, margins, and market share.
 Regulatory & Trade Barriers	Tariffs, import/export restrictions, and non-tariff barriers in international markets may impact Avid Organics' ability to compete globally and access key markets efficiently.
 Sustainability & ESG Expectations	Increasing global focus on sustainability may shift customer preferences toward environmentally responsible suppliers. Companies that fail to align with ESG expectations risk losing business opportunities, especially with multinational clients.

1.9.5 CYBERSECURITY

Company policies and procedures are in place to secure the network to prevent any breaches via external threats or internal negligence, ignorance, etc.

IT team ensures that employees receive role-based cybersecurity training applicable to their responsibilities on a regular basis before obtaining access to the internal systems. All the employees are expected to complete the training every year before the due date.

Any employee who becomes aware of any violation or suspected violation of this policy must inform Global Lead, Growth & Brand Strategy (siddhjain@avidorganics.net) immediately.





1.9.6 ABILITY TO ATTRACT AND RETAIN TALENT

The continued success of Avid Organics depends on the skills, knowledge, and commitment of its workforce across manufacturing, quality, research & development, supply chain, and business support functions. The Company's ability to attract, retain, and develop capable employees is important for maintaining operational excellence, supporting growth, and achieving long-term business objectives.

Avid Organics follows a structured people-management approach - defined recruitment, induction, training, appraisal and career-progression processes.

1.9.7 COMPLEX REGULATORY AND COMPLIANCE ENVIRONMENT

Risks and Opportunities

Avid Organics operates in the global specialty chemicals sector, supplying products to regulated industries such as

pharmaceuticals, personal care, and nutrition. This requires compliance with a complex regulatory landscape covering product quality, environmental standards, occupational safety, and international chemical regulations, including REACH for European markets.

Key risks and opportunities include:

- Increasing compliance costs due to stricter environmental, safety, and product-quality regulations
- Potential market access risks linked to regulatory approvals (e.g., REACH or customer-specific certifications)
- Supply chain and reputational risks in case of non-compliance.
- Opportunities to strengthen market position through certified, high-quality, and sustainable products, including bio-based innovations.

→ [Read more in Section 3.1](#)



1.10 BUSINESS ETHICS AND COMPLIANCE

1.10.1 ETHICS AND COMPLIANCE FRAMEWORK

Avid Organics maintains ethics and integrity at the core of doing business and establishes clear expectations for responsible behaviour across the organization. It reinforces detailed policies and directives covering critical areas such as:

- Anti-bribery and anti-corruption practices
- Data privacy and cybersecurity
- Conflict of interest and trade compliance
- Whistleblower protections and procedures

1.10.2 ETHICS AND COMPLIANCE TRAINING AND COMMUNICATION

At Avid Organics, a strong culture of ethics and regulatory compliance is a fundamental priority. To support this, all relevant employees are required to complete mandatory

Ethics and Compliance training on an annual basis. This training is essential for employees in key operational and functional areas, systematically tracked and reviewed through internal management reporting structures.

1.10.3 MONITORING ACTIVITIES

- Anti-corruption policy, business code of conduct, and procedures
- Anti-corruption training for all the relevant employees
- Whistleblower procedure
- Annual anti-corruption audits
- Overall risk including policies, procedures, controls, and management oversight
- GHE (Gifts, Hospitality, and Entertainment) transactions and tracking

1.10.4 WHISTLEBLOWING MECHANISM

At Avid Organics, we promote a transparent and accountable work environment where employees and stakeholders are encouraged to report concerns in good faith without fear of retaliation. Our whistleblowing mechanism provides confidential and accessible reporting channels, with all concerns reviewed and investigated under the oversight of the Compliance function and the Audit Committee to ensure adherence to legal and ethical standards.

Our Ethics & Compliance Framework is designed to:

- Promote ethical conduct, integrity, and transparency across all operations
- Encourage early identification and reporting of unethical practices or violations

- Enable timely and structured investigation of reported concerns
- Protect confidentiality and safeguard whistleblowers from retaliation
- Prevent misconduct and strengthen accountability across the organization

Any employee who becomes aware of any violation or suspected violation of this policy must inform HR at hr@avidorganics.net or siddhjain@avidorganics.net immediately.





2.1 BOARD OF DIRECTORS / MANAGEMENT TEAM

Dheeraj Jain
Chief Executive Officer and
Managing Director

Nationality  Gender 

Dheeraj Jain is the Founder, Chief Executive Officer, and Managing Director of Avid Organics, established in 2007. A chemical engineering graduate from Manipal Institute of Technology, he brings over two decades of industry experience and has led the company’s evolution into a global specialty chemicals manufacturer with strong capabilities in glycine and related products, driven by a focus on quality, operational excellence, and export-led growth.

Shivani Jain
Director

Nationality  Gender 

Shivani Jain, Director at Avid Organics, plays a pivotal role in shaping the organization’s culture and people practices. She focuses on building high-performing teams, enhancing employee engagement, and fostering a collaborative, growth-oriented environment. Her leadership has strengthened internal alignment and contributed significantly to the company’s sustainable growth and operational excellence.

Bhaskar Banerjee
Chief Financial and
Operating Officer

Nationality  Gender 

Bhaskar Banerjee, Chief Financial and Operating Officer (CFOO), brings over two decades of global experience in financial leadership and operational transformation. Prior to joining Avid, he held a leadership role at EY, managing large-scale accounting, compliance, and transformation initiatives across global regions. At Avid Organics, he oversees financial strategy, operational optimization, ESG initiatives, and technology integration, supporting the company’s global expansion and long-term value creation.

2.2 DELEGATION OF AUTHORITY

Avid Organics maintains formal delegations of authority to ensure clear accountability, effective risk management, and strong internal controls that help prevent fraud and errors.



3 SOCIAL ASPECTS

3.1 COMPANY'S WORKFORCE

3.1.1 MANAGEMENT APPROACH

We consider our people our most important asset - they are what make Avid Organics what it is. We are committed to their security and safety and will implement several initiatives that will target the social, mental, societal and developmental aspects of their wellbeing.

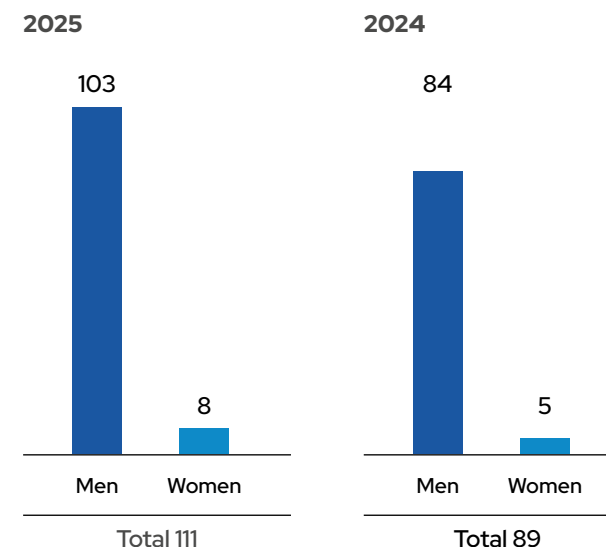
3.1.2. GENERAL INFORMATION: WORKFORCE DATA

- A total of 111 individuals were employed by Avid Organics in 2025, increasing from 89 employees in 2024.
- The workforce is primarily based at the Vadodara Plant, which employed 105 employees in 2025 and 83

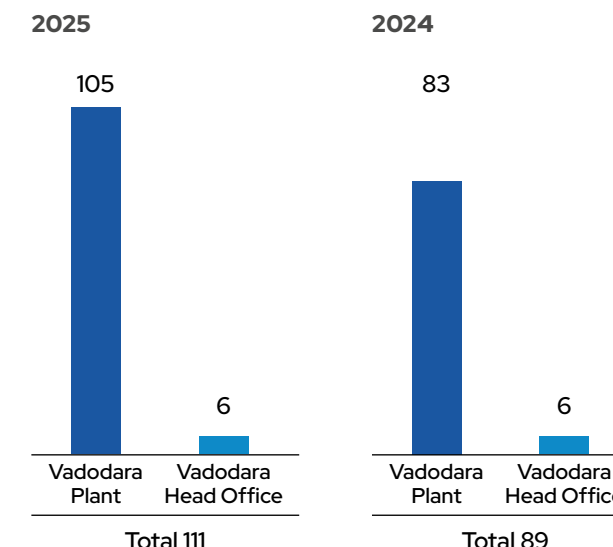
employees in 2024, while the Vadodara Head Office maintained 6 employees in both years.

- Women represented 5.6% of the total workforce in 2024, increasing to 7.2% in 2025, reflecting progress in workforce diversity.
- Women represented 33.3% of Top Management and Board positions in both 2024 and 2025.
- Permanent employee turnover rate reduced from 14.1% in 2024 to 13.7% in 2025, showing improved workforce stability and retention.

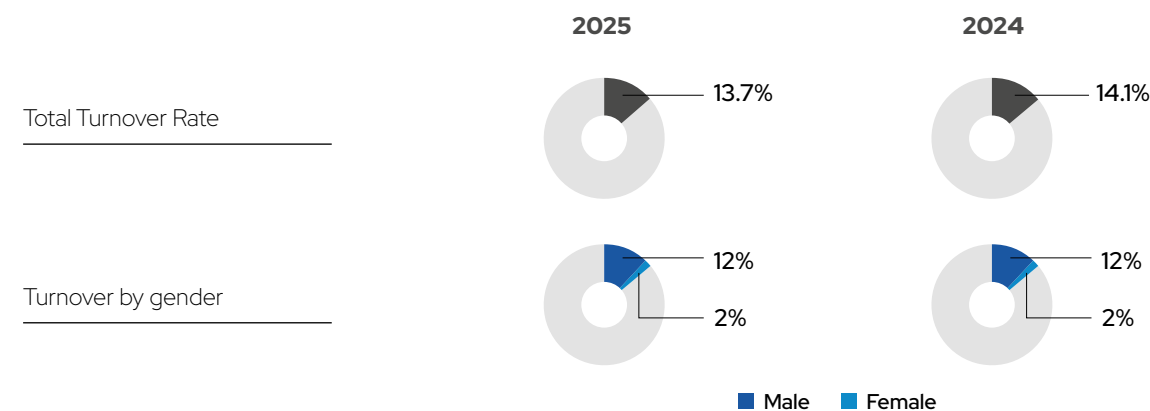
Employees by gender



Employees by location



Employee (permanent) turnover (%)





3.1.3. TRAINING AND PERFORMANCE

One of the fundamental aspects of talent management within Avid Organics is training. Training plays an important role in supporting employees' professional development.

Training	2025	2024
Employee Training on Anti-Corruption (% Complete)	100%	NA
Employee Training on Cybersecurity (% Complete)	100%	NA
Career development program (Avg. hours of training per employee)	10	8

Programs for Employee Development and Capability Building

At Avid Organics employee development is considered an important part of building long-term organizational capability and operational excellence. The Company follows structured people management practices designed to support workforce development, employee engagement, and continuous learning across all functions.

Employee-related processes are governed through defined policies and procedures outlined in the Employee Handbook, including:

- Induction and onboarding
- Probation and confirmation
- Performance appraisal
- Career progression and promotion
- Employee development initiatives

All new employees complete a structured induction covering our operations, product portfolio, HR policies and operating procedures.

Performance Management and Career Growth:

Avid Organics maintains structured performance appraisal systems to evaluate employee performance, support capability enhancement, and identify development opportunities.

Structured appraisal, confirmation and promotion processes support professional development and long-term career progression.



3.1.4 OCCUPATIONAL HEALTH AND SAFETY

Protecting the health, safety, and wellbeing of employees remains a key priority across Avid Organics' operations. The Company maintains structured Environment, Health & Safety (EHS) systems supported by internal policies, operational procedures, employee awareness initiatives, and internationally recognized management systems.

Avid Organics is certified to:

- ISO 14001 – Environmental Management System
- ISO 45001 – Occupational Health & Safety Management System

These certifications reinforce the Company's commitment to workplace safety, environmental responsibility, and continuous improvement.

Our Safety Approach

Avid Organics follows a preventive and risk-based approach to occupational health and safety, focused on:

- Hazard identification and risk awareness
- Employee protection and workplace safety
- Emergency preparedness and response

- Safe operational practices
- Continuous improvement across operations

Employees are supported through

- Safety induction programs
- Personal protective equipment (PPE)
- First-aid facilities
- Periodic medical examinations
- Ongoing health monitoring initiatives

Health & Safety Initiatives During the Reporting Period

During the reporting period, the Company conducted several health and safety initiatives, including:

- Mock emergency drills
- Fire safety training programs
- Fire drill and evacuation preparedness exercises
- First aid training and awareness sessions
- Annual and half-yearly medical check-ups
- Mental wellness and workplace stress awareness sessions for management employees



Occupational health and safety - KPIs	2025	2024
Lost Time Incident Rate (LTIR)	3.3	5.6
Total Recordable Incident Rate (TRIR)	1.1	2.3
Fatality rate	0	0
Employee Training on Health & Safety	85%	80%

Through these efforts, Avid Organics remains focused on building a safe, compliant, and health-conscious workplace culture while supporting long-term operational sustainability.

3.1.5. DIVERSITY AND EQUAL OPPORTUNITY

At Avid Organics, we follow a Non-Discrimination Policy to ensure equal opportunity in employment. As outlined in our Labor & Human Rights Policy, we are an equal opportunity employer and do not tolerate any form of discrimination, harassment, or retaliation. Employment decisions are based on merit and ability, and no discrimination is made in hiring, compensation, training, promotion, or termination.

The Company does not tolerate discrimination against any employee on the basis of:

Race and colour	Age and sex
Religion	Disability
Nationality	Marital status
Sexual orientation	Any other category protected by applicable law or ILO

This policy applies to all employees of the Company. Any violation of this policy may result in disciplinary action as per Company rules.

3.1.6. LABOUR/MANAGEMENT RELATIONS

At Avid Organics, we are committed to fostering a respectful, transparent, and collaborative workplace culture that supports positive employee relations across all levels of the organization. Employee relations are guided by the Company’s Employee Handbook, Business Code of Conduct, internal HR policies, and applicable labour laws, which together establish clear expectations regarding workplace behaviour, fair treatment, employee communication, and ethical conduct.

We encourage open and constructive dialogue between employees and management on matters related to working conditions, compensation, workplace practices, and employee well-being. Employees are provided with accessible channels to raise concerns, seek clarification, or report workplace issues through reporting managers, the Human Resources department, or designated management representatives.

Avid Organics maintains a zero-tolerance approach toward harassment, discrimination, intimidation, retaliation, or any form of inappropriate workplace behaviour. All employee concerns are reviewed and addressed in accordance with established internal procedures and applicable policies to ensure fairness, confidentiality, and accountability.

Key Labour Relations Practices

- Open and transparent communication channels between employees and management
- Structured grievance reporting and resolution mechanisms
- Equal opportunity and fair treatment across employment practices
- Compliance with applicable labour laws and internal policies
- Promotion of a respectful, inclusive, and safe workplace culture

Through these practices, Avid Organics aims to maintain a stable, compliant, and employee-focused working environment that supports long-term engagement, trust, and organizational growth.

Prevention of Child Labour

Avid Organics follows strict age verification procedures prior to employment and does not employ individuals below the age of 18 years.

3.1.7. REMUNERATION PRINCIPLES AND PROCESS

At Avid Organics, we are committed to maintaining fair, transparent, and competitive remuneration practices that support employee wellbeing, professional development, and long-term organizational growth. Our compensation framework is guided by internal HR policies, market practices, and applicable labour laws to ensure equitable and compliant employment practices across the organization.

We believe that responsible remuneration practices contribute to employee engagement, retention, and overall workplace satisfaction. Compensation structures are designed to reflect employee capability, experience, performance, and role responsibilities while maintaining alignment with industry benchmarks and statutory requirements.

Our Remuneration Approach

The Company's remuneration philosophy is based on the following principles:

- Fair and equitable compensation practices
- Compliance with applicable labour laws and statutory requirements
- Equal pay practices aligned with the Company's non-discrimination principles
- Competitive compensation aligned with local market conditions and industry standards to provide a fair living wage.
- Performance-linked growth and recognition opportunities
- Support for employee wellbeing through benefits and welfare provisions

Avid Organics recognizes the importance of providing fair wages to all employees, including direct and contract employees, while maintaining responsible and sustainable compensation practices.

Compensation Structure

Employee remuneration is structured through a combination of fixed compensation, statutory benefits, and performance-linked components. Depending on role, location, and employment structure, compensation may include:

Fixed Compensation

- Basic salary
- House Rent Allowance (HRA)
- Medical allowance
- Transport allowance

- Other applicable allowances

Variable Compensation

- Monthly or annual performance incentives
- Bonus and recognition-based rewards
- Productivity-linked compensation, where applicable

Employee Benefits & Welfare

- Provident Fund contributions
- ESIC benefits
- Gratuity provisions
- Paid leave and statutory employee benefits
- Employee welfare and wellbeing support initiatives

All eligible employees are covered under gratuity provisions in accordance with applicable regulations and company policy. Salary payments are processed through formal banking systems to ensure transparency, consistency, and compliance.

Performance & Reward Framework

Avid Organics follows a performance-oriented remuneration framework that supports employee development and recognizes individual contributions to business performance.

Pay structures and salary bands are generally aligned with job roles, responsibilities, experience, and seniority levels.

Governance & Compliance

The Company ensures that remuneration practices comply with applicable employment regulations, including:

- Minimum wage requirements
- Working hours and overtime provisions
- Leave and statutory benefit obligations
- Equal opportunity and non-discrimination principles
- Applicable taxation and payroll regulations

Continuous Review & Improvement

To maintain competitiveness and fairness, Avid Organics periodically reviews and updates its remuneration framework through:

- Monitoring of industry compensation trends
- Consideration of employee feedback
- Review of cost-of-living and market conditions
- Alignment with evolving legal and regulatory requirements



3.2 CONTRIBUTION TO LOCAL COMMUNITIES

At Avid Organics, we recognize our responsibility to positively impact the communities where we operate. Guided by our Labor & Human Rights Policy, we engage in local initiatives that promote environmental sustainability, education, and community well-being.

Some examples include:

1. Avid Miyawaki Forest:

Avid Organics undertook a Corporate Social Responsibility (CSR) initiative focused on environmental sustainability through the development of an Avid Miyawaki Forest, aimed at increasing green cover, enhancing biodiversity, and promoting ecological balance in the local area.

Key Highlights

- Land prepared using the Miyawaki plantation method
- Native species selected based on local conditions
- Plantation carried out with employees, community members, and volunteers
- Ongoing maintenance through watering, mulching, and monitoring

Impact

- Over 1,000 native saplings planted
- 90%+ survival rate achieved
- Positive community feedback received
- Follow-up visits planned for long-term sustainability



2. CSR Initiative – Uniform Kit Distribution

To support education and community welfare, the Company distributed school uniforms and student kits to underprivileged students. Items included uniforms, notebooks, stationery, school bags, and hygiene kits.

Impact:

- Encouraged continued education
- Supported local families and students
- Strengthened community goodwill

3. Solar Energy Project

Avid Organics implemented a solar energy project to promote renewable energy use and reduce dependence on conventional power sources. The initiative supports environmental sustainability and clean energy generation in the local area.

4. Employee and Community Engagement

Employees actively participate in community and sustainability initiatives, strengthening local relationships and encouraging a culture of shared responsibility.





4.1 MANAGEMENT APPROACH

Our sustainability strategy and related corporate targets are focused around three key priorities:



Strengthening environmental and social standards across our supply chain



Monitoring carbon emissions and reducing our climate impact



Managing and improving the environmental footprint of our products

4.2 ENERGY CONSUMPTION

Energy consumption includes electricity, natural gas, propane, gasoline and diesel and other sources of energy.

Particulars	2025	2024
Total Electricity (kWh)	3,437,627	2,266,932
Electricity	2,730,225	2,266,932
Renewable Electricity	707,402	-
Diesel (Liters)	12,730	174,656
Petrol (Liters)	272	388
Wood and Wood Residuals and Briquettes (Tonnes)	8,661	2,842
Fugitive Refrigerants (tCO2e)	0.42	0.51

Note: At Avid Organics, in 2025, over 20% of the electricity consumed came from the renewable (green) sources.

4.3 WATER

At Avid Organics, responsible water management is an important component of our environmental sustainability approach. Water is primarily sourced through approved groundwater and borewell systems, supplemented by internally recovered water to support operational requirements across manufacturing processes, cooling towers, boilers, and domestic usage.

We focus on improving water efficiency through continuous monitoring, recycling, reuse, and recovery initiatives aimed at reducing freshwater dependency and supporting sustainable operations.

4.3.1 WATER MANAGEMENT APPROACH

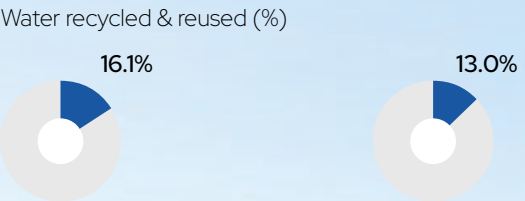
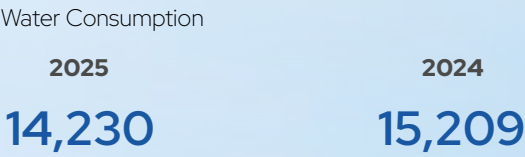
Our water stewardship efforts are guided by the following priorities:

- Efficient utilization of water resources across operations

- Reduction of freshwater dependency through recovery and reuse systems
- Responsible wastewater treatment and management
- Protection of soil and groundwater resources
- Continuous monitoring and improvement of water efficiency practices

Wastewater generated from manufacturing operations is treated through dedicated treatment systems and further processed through a Mechanical Vapor Recompression (MVR)-based recovery system that supports Zero Liquid Discharge (ZLD) operations. Recovered condensate water is reused internally for cooling tower makeup and boiler feed applications following appropriate treatment and polishing processes.

Water consumption (Cubic Meter)



Note: Water consumption reduced during the reporting period, supported by the Company's water recovery, reuse and conservation initiatives.

4.3.2 KEY WATER STEWARDSHIP INITIATIVES

1. Wastewater Recovery & Reuse

- Operates a 20 KLD MVR-based wastewater recovery system for treatment and recovery of process wastewater
- Recovered condensate water is reused within the facility for cooling tower makeup and boiler feed water after polishing treatment
- Internal reuse systems contribute to reduced freshwater consumption and improved resource efficiency

2. Zero Liquid Discharge (ZLD)

- The facility follows a Zero Liquid Discharge approach
- No treated or untreated wastewater is discharged outside the premises
- Wastewater is recovered, reused, or responsibly managed within the facility

3. Groundwater & Soil Protection

- RCC flooring across plant areas helps minimize the risk of seepage into soil and groundwater
- Stormwater drainage systems connected to emergency collection tanks support containment of accidental spills and operational leakages

4. Water Efficiency & Conservation

- Continuous monitoring of water consumption and recycling practices supports efficient resource utilization
- Operational controls and process improvements are regularly reviewed to strengthen water conservation efforts across the facility

4.3.3 SUPPORTING ENVIRONMENTAL CONTROLS

In addition to water management initiatives, the facility maintains operational controls that support broader environmental protection measures.

Boiler systems are equipped with bag filters to manage particulate matter and dust emissions

Preventive maintenance and housekeeping practices help maintain workplace air quality and operational efficiency

Integrated environmental management systems support continuous improvement across water, air, and waste management practices



4.4 CLIMATE & GREENHOUSE GAS EMISSIONS

At Avid Organics, we recognize the importance of addressing climate-related impacts and reducing greenhouse gas (GHG) emissions across our operations. Our climate strategy focuses on improving operational efficiency, enhancing energy management practices, and supporting long-term emissions reduction initiatives aligned with global climate goals.

GHG emissions are reported in accordance with the principles and methodologies of the Greenhouse Gas Protocol. Our emission reduction ambitions are aligned with the objectives of the Paris Agreement and the global 1.5°C climate pathway.

4.4.1 EMISSIONS MANAGEMENT APPROACH

Avid Organics monitors emissions across operational activities to better understand environmental impacts and identify opportunities for efficiency improvements and decarbonization. We monitor operational emissions, improve process efficiency and expand renewable energy use to reduce impact across the value chain.

4.4.2 GREENHOUSE GAS EMISSIONS BOUNDARY

SCOPE 1	Direct: fuels and refrigerants at our sites
SCOPE 2	Indirect: purchased electricity
SCOPE 3	Value chain: purchased goods, transport and waste

Emissions Intensity

tCO2e per Metric Ton	2025	2024	
Scope 1 & 2 intensity	1.57	1.28	↑
Scope 3 intensity*	5.04	4.99	↑

The Company monitors emissions intensity metrics to assess environmental performance relative to operational growth and business activity.

Greenhouse Gas Emissions Performance

AVID ORGANICS PVT LTD - GREENHOUSE GAS (GHG) EMISSIONS INVENTORY			
All figures are in tonnes of CO2 equivalent (tCO2e)			
GHG Inventory Breakdown	Description of Business Activities	2025	2024
Scope 1	Emissions from owned or controlled sources	1,075	811
Stationary combustion fuels and equipment	Process and facility heating - Diesel, Biofuel, Wood residue etc	1,072	808
Mobile combustion fuels and vehicle emissions	Company owned trucks, buses and forklifts	2	2
Fugitive emissions	Air conditioning infrastructure	1	1
Scope 2	Emissions from purchased or generated electricity	2,457	2,040
Location-based	Purchased plus generated electricity	2,457	2,040
Market-based	Same as Location-based, not measured separately.	2,457	2,040
Scope 3	Emissions from entire value chain	11,297	11,098
1. Purchased goods and services	Key raw materials (MCAA, Ammonia etc.) and other operational goods & services.	6,091	6,149
2. Capital goods	CAPEX related to expansion activities.	502	208
3. Fuel and energy-related activities	Small footprint since over 20% of electricity comes from renewable sources.	738	613
4. Upstream transportation and distribution	Only ground transportation (truck) since all input goods are purchased locally.	39	83
5. Waste generated in operations	Various Streams - solid, liquid, hazardous and non-hazardous (landfill, incineration etc.).	2,847	2,683
6. Business travel	Business travel footprint - local and international.	17	8
7. Employee commuting	Commute to office and factory.	158	126
8. Upstream leased assets	Immaterial and non-relevant to organizational boundary.	na	na
9. Downstream transportation and distribution	Ocean transportation (90%) and Ground transportation (10%).	652	978
10. Processing of sold products	Not applicable - no visibility into the processing of sold products.	na	na
11. Use of sold products	Not applicable since the sold products do not consume any electricity during usage.	na	na
12. End-of-life treatment of sold products	No visibility into EOL treatment of sold products. Only packaging EOL considered.	251	249
13. Downstream leased assets	Immaterial and non-relevant to organizational boundary.	na	na
14. Franchises	Immaterial and non-relevant to organizational boundary.	na	na
15. Investments	Immaterial and non-relevant to organizational boundary.	na	na
Total Emissions	Emissions from entire operations (Scopes 1, 2, & 3)	14,829	13,950

Note: The increase in emissions during the reporting period was primarily associated with higher operational activity and increased production levels. The Company continues to focus on operational efficiency, energy optimization, and renewable energy initiatives to support long-term emissions reduction objectives.

Climate Commitments & Future Focus

Avid Organics remains committed to strengthening its climate management practices through:

- Improving energy efficiency across operations
- Increasing the use of renewable energy sources
- Supporting sustainable manufacturing practices
- Enhancing environmental monitoring and reporting systems
- Evaluating opportunities for long-term emissions reduction and decarbonization

4.5 WASTE MANAGEMENT & CIRCULARITY

Avid Organics is committed to managing waste responsibly and minimizing the environmental impact of its operations through structured waste handling, segregation, recycling, and disposal practices. Waste generated from manufacturing and operational activities is managed in accordance

with applicable environmental regulations and internal environmental management procedures.

- Safe handling and disposal of hazardous waste
- Segregation of hazardous and non-hazardous waste streams
- Use of authorized waste management and recycling agencies
- Maintenance of documentation and traceability records
- Continuous monitoring of waste generation and disposal practices

Hazardous and non-hazardous waste generated at the facility is handled through approved recovery, recycling, co-processing, or disposal channels in compliance with regulatory requirements.

Waste Generation Performance

Waste (Metric Ton)	2025	2024
Hazardous Waste	1,988	1,858
Non-Hazardous Waste	20	37
Total Waste Generated Intensity	0.90	0.85

The increase in hazardous waste generation during the reporting period was primarily linked to higher operational and production activity. At the same time, non-hazardous waste generation decreased, reflecting ongoing waste segregation and waste management improvements.

Waste Management Initiatives

Avid Organics continues to strengthen waste management practices through:

- Responsible disposal and recovery of hazardous waste through authorized agencies
- Improved waste segregation and handling practices across operations
- Monitoring and tracking of waste generation trends
- Process improvements aimed at reducing waste generation and improving operational efficiency
- Integration of environmental controls and sustainable operational practices within manufacturing activities





5 INFORMATION ABOUT THIS REPORT

5.1 METHODOLOGY

This Sustainability Report has been prepared based on the "GRI Sustainability Reporting Standards" of the Global Reporting Initiative, using the "in reference" reporting option. The reporting period for the information provided in this Report is January 1, 2025, to December 31, 2025. Avid Organics plans to publish the Sustainability Report annually.



Social

Workforce-related data presented in this report (Section 3) was collected through Avid Organics' HR representatives. Unless otherwise noted, the data covers the entire workforce and is reported in headcount as of December 31, 2025.



Environmental

Environmental data disclosed in this report is primarily based on a dedicated 2025 reporting campaign covering all Avid Organics' sites. Energy, Greenhouse gas emissions (tCO₂e) and water consumption figures (Sections 4.2, 4.3 and 4.4) were derived from utility invoices and verified by the respective department heads.



5.2 GRI CONTENT INDEX

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
	Universal Standards				
GRI 1	Foundation		Section 5.1		55
GRI 2	General Disclosures	1	The organization and its reporting practices		
		2.1	Organizational details	*Company in brief	4-5
				*Section 1.1	7
				*Section 1.2	7-9
		2.2	Entities included in the organization's sustainability reporting	*Section 5.1	55
		2.3	Reporting period, frequency, and contact point	*Section 5.1	55
		2.4	Restatements of information	Not applicable.	
		2.5	External assurance	Not applicable.	
		2	Activities and workers		
		2.6	Activities, value chain, and other business relationships	*Company in brief	4-5
				*Section 1.3	10-13
				*Section 1.7.6	22-23
		2.7	Employees	*Company in brief	4-5
				*Section 3.1.2	37
		2.8	Workers who are not employees	This information is not available for 2025.	Currently we do not have a global repository of the data. Planned to be available in 2026
		3	Governance		
		2.9	Governance structure and composition	*Section 2	34-35
		2.10	Nomination and selection of the highest governance body	*Section 2	34-35
		2.11	Chair of the highest governance body	*Section 2	34-35
		2.12	Role of the highest governance body in overseeing the management of impacts	*Section 1.7.1	16
				*Section 1.7.2	18-19
				*Section 1.9.1	27
				*Section 2	34-35

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		2.13	Delegation of responsibility for managing impacts	*Section 1.7.1	16
				*Section 2.2	35
		2.14	Role of the highest governance body in sustainability reporting	*Section 2.1	35
		2.15	Conflicts of interest	*Section 2.1	35
		2.16	Communication of critical concerns	*Section 1.9	27-31
				*Section 1.10.4	33
				*Section 2.1	35
		2.17	Collective knowledge of the highest governance body	*Section 2.1	35
		2.18	Evaluation of the performance of the highest governance body	*Section 2.1	35
		2.19	Remuneration policies	*Section 3.1.7	42-43
		2.20	Process to determine remuneration	*Section 3.1.7	42-43
		2.21	Annual total compensation ratio	This information is not available for 2025.	
		4	Strategy, policies and practices		
		2.22	Statement on sustainable development strategy	*Message from CEO	2-3
				*Section 1.7.2	18-19
		2.23	Policy commitments	*Section 1.7.3	20
				*Section 1.10.1	32
		2.24	Embedding policy commitments	*Section 1.9	27-31
				*Section 1.10	32-33
		2.25	Processes to remediate negative impacts	*Section 1.10.4	33
		2.26	Mechanisms for seeking advice and raising concerns	*Section 1.10.4	33
		2.27	Compliance with laws and regulations	*Section 1.9.7	30-31
				*Section 1.10	32-33
		2.28	Membership associations	Not applicable. Avid Organics is not currently a member of any industry association.	

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		5	Stakeholder engagement		
		2.29	Approach to stakeholder engagement	*Section 1.7.6	22-23
		2.30	Collective bargaining agreements	*Section 3.1.6	41
GRI 3	Material Topics 2021	1	Disclosures on material topics		
		3.1	Process to determine material topics	*Section 1.8	24-26
		3.2	List of material topics	*Section 1.8	24-26
		3.3	Management of material topics	*Section 1.8 *Section 1.9	24-26 27-31
	Topic disclosures	1	Biodiversity 2025		
	Economic	2	Economic		
GRI 201	Economic Performance 2016	201	Direct economic value generated and distributed	*Section 1.3.4	13
		201	Financial implications and other risks and opportunities due to climate change	This information is not available for 2025.	Financial due diligence of the impact is planned for 2026
		201	Defined benefit plan obligations and other retirement plans	*Section 3.1.7	42-43
		201	Financial assistance received from government	Not Applicable	
GRI 202	Market Presence 2016	202	Ratios of standard entry level wage by gender compared to local minimum wage	This information is not available for 2025.	Assessment currently not available, planned for 2026.
		202	Proportion of senior management hired from the local community	This information is not available for 2025.	Assessment currently not available, planned for 2026.
GRI 203	Indirect Economic Impacts 2016	203	Infrastructure investments and services supported	Not Applicable	
		203	Significant indirect economic impacts	*Section 1.3.4	13
				*Section 1.9.4	28

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
			*Section 1.7.6		
GRI 204	Procurement Practices 2016	204	Proportion of spending on local suppliers	Given the global nature of Avid Organics' business, the proportion of spending on local suppliers is not relevant.	22-23
GRI 205	Anti-corruption 2016	205	Operations assessed for risks related to corruption	*Section 1.10.3	32
		205	Communication and training about anti-corruption policies and procedures	*Section 1.10.2	32
		205	Confirmed incidents of corruption and actions taken	To the best of Avid Organics' knowledge, there was no confirmed incident of corruption in the 2025.	
GRI 206	Anti-competitive Behaviour 2016	206	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	To the best of Avid Organics' knowledge, there were no material legal actions for anti-competitive behaviour, anti-trust, and monopoly practices in the 2025.	
GRI 207	Tax 2019	207	Approach to tax	Confidentiality Constraints	
		207	Tax governance, control, and risk management	Confidentiality Constraints	
		207	Stakeholder engagement and management of concerns related to tax	Confidentiality Constraints	
		207	Country-by-country reporting	Confidentiality Constraints	
	Environment	3	Environment		
GRI 301	Materials 2016	301	Materials used by weight or volume	This information is not available for 2025.	

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		301	Recycled input materials used	Not applicable	
		301	Reclaimed products and their packaging materials	Not applicable	
GRI 302	Energy 2016	302	Energy consumption within the organization	*Section 4.2	47
		302	Energy consumption outside of the organization	*Section 4.2	47
		302	Energy intensity	*Section 4.4.2	50-51
		302	Reduction of energy consumption	*Section 4.2	47
		302	Reductions in energy requirements of products and services	This information is not available for 2025. Bulk of Avid Organics' products are sourced from external manufacturers and hence do not have control over the energy reduction at product level	
GRI 303	Water and Effluents 2018	303	Interactions with water as a shared resource	*Section 4.3	47-49
		303	Management of water discharge-related impacts	This information is not available for 2025. Assessment currently not available, planned for 2026.	
		303	Water withdrawal	This information is not available for 2025. Assessment currently not available, planned for 2026.	
		303	Water discharge	This information is not available for 2025. Assessment currently not available, planned for 2026.	
		303	Water consumption	*Section 4.3.1	48

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
GRI 304	Biodiversity 2016	304	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable.	
		304	Significant impacts of activities, products and services on biodiversity	Not applicable.	
		304	Habitats protected or restored	Not applicable.	
		304	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable.	
GRI 305	Emissions 2016	305	Direct (Scope 1) GHG emissions	*Section 4.4.2	50-51
		305	Energy indirect (Scope 2) GHG emissions	*Section 4.4.2	50-51
		305	Other indirect (Scope 3) GHG emissions	*Section 4.4.2	50-51
		305	GHG emissions intensity	*Section 4.4.2	51
		305	Reduction of GHG emissions	*Section 4.4	50-51
		305	Emissions of ozone-depleting substances (ODS)	This information is not available for 2025 However, this is minuscule portion of the overall emissions.	
		305	Nitrogen oxides (NOx), sulphur oxides (SOX), and other significant air emissions	This information is not available for 2025. However, this is minuscule portion of the overall emissions.	
GRI 306	Waste 2020	306	Waste generation and significant waste-related impacts	*Section 4.5	52-53
		306	Management of significant waste-related impacts	*Section 4.5	52-53
		306	Waste generated	*Section 4.5	52

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		306	Waste diverted from disposal	This information is not available for 2025.	This is managed by third party service providers and hence no visibility into end of the disposal process.
		306	Waste directed to disposal	This information is not available for 2025.	This is managed by third party service providers and hence no visibility into end of the disposal process.
GRI 308	Supplier Environmental Assessment 2016	308	New suppliers that were screened using environmental criteria	*Section 1.7.6.2	23
		308	Negative environmental impacts in the supply chain and actions taken	This information is not available for 2025.	Assessment currently not available, planned for 2026.
Social		4	Social		
GRI 401	Employment 2016	401	New employee hires and employee turnover	*Section 3.1.2	37
		401	Benefits provided to full-time employees that are not provided to temporary or part-time employees	*Section 3.1.7	42-43
		401	Parental leave	This information is not available for 2025.	Currently we do not have a global repository of the data. Planned to be available in 2026

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
GRI 402	Labor/ Management Relations 2016	402	Minimum notice periods regarding operational changes	*Section 3.1.6	41
GRI 403	Occupational Health and Safety 2018	403	Occupational health and safety management system	*Section 3.1.4	39-40
		403	Hazard identification, risk assessment, and incident investigation	*Section 3.1.4	39-40
		403	Occupational health services	*Section 3.1.4	39-40
		403	Worker participation, consultation, and communication on occupational health and safety	*Section 3.1.4	
		403	Worker training on occupational health and safety	*Section 3.1.4	39-40
		403	Promotion of worker health	*Section 3.1.4	39-40
		403	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	*Section 3.1.4	39-40
		403	Workers covered by an occupational health and safety management system	*Section 3.1.4	39-40
		403	Work-related injuries	*Section 3.1.4	39-40
		403	Work-related ill health	*Section 3.1.4	39-40
GRI 404	Training and Education 2016	404	Average hours of training per year per employee	*Section 3.1.3	38
		404	Programs for upgrading employee skills and transition assistance programs	*Section 3.1.3	38
		404	Percentage of employees receiving regular performance and career development reviews	This information is not available for 2025.	Currently we do not have a global repository of the data. Planned to be available in 2026

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
GRI 405	Diversity and Equal Opportunity 2016	405	Diversity of governance bodies and employees	*Section 2	34-35
			*Section 3.1.2		37
		405	Ratio of basic salary and remuneration of women to men	This information is not available for 2025. Currently we do not have a global repository of the data. Planned to be available in 2026	
GRI 406	Non-discrimination 2016	406	Incidents of discrimination and corrective actions taken	To the best of Avid Organics' knowledge, there was no confirmed incident of discrimination in 2025.	
GRI 407	Freedom of Association and Collective Bargaining 2016	407	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There is no risk regarding the right to freedom of association and collective bargaining within Avid Organics' operations. To the best of Avid Organics' knowledge, no risk regarding the right to freedom of association and collective bargaining within suppliers was reported to the Group in 2025.	

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
GRI 408	Child Labor 2016	408	Operations and suppliers at significant risk for incidents of child labour	Avid Organics does not employ child labour globally as a policy. Hence, there is no risk for incidents of child labor within Avid Organics' operations. To the best of Avid Organics' knowledge, no incidents of child labour within operations and suppliers were reported to the Group in 2025.	
GRI 409	Forced or Compulsory Labor 2016	409	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Avid Organics does not employ forced labour globally as a policy. Hence, there is no risk for incidents of forced labor within Avid Organics' operations. To the best of Avid Organics' knowledge, no incidents of child labour within operations and suppliers were reported to the Group in 2025.	
GRI 410	Security Practices 2016	410	Security personnel trained in human rights policies or procedures	Not Applicable	
GRI 411	Rights of Indigenous Peoples 2016	411	Incidents of violations involving rights of indigenous peoples	Not applicable	
GRI 413	Local Communities 2016	413	Operations with local community engagement, impact assessments, and development programs	*Section 3.2	44-45

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		413	Operations with significant actual and potential negative impacts on local communities	Not applicable. Given the nature of Avid Organics' business activities, the Group does not have any direct operations with significant actual and potential negative impacts on local communities.	
GRI 414	Supplier Social Assessment 2016	414	New suppliers that were screened using social criteria	* Section 1.76	22-23
		414	Negative social impacts in the supply chain and actions taken	To the best of Avid Organics' knowledge, there was no confirmed incident of social impact in supply chain in 2025.	
GRI 415	Public Policy 2016	415	Political contributions	Avid Organics has not made any political contribution in the 2025	
GRI 416	Customer Health and Safety 2016	416	Assessment of the health and safety impacts of product and service categories	* Section 1.76	22-23
		416	Incidents of non-compliance concerning the health and safety impacts of products and services	To the best of Avid Organics' knowledge, there was no incident of non-compliance concerning the health and safety impacts of products and services in the 2025.	
GRI 417	Marketing and Labelling 2016	417	Requirements for product and service information and labelling	*Section 1.9	27-31

Sr. No	GRI Standards	Disclosures	Location	Comments	Pg. No.
		417	Incidents of non-compliance concerning product and service information and labelling	To the best of Avid Organics' knowledge, there was no incident of non-compliance concerning product and service information and labelling in the 2025.	
		417	Incidents of non-compliance concerning marketing communications	To the best of Avid Organics' knowledge, there was no incident of non-compliance concerning marketing communications in the 2025.	
GRI 418	Customer Privacy 2016	418	Substantiated complaints concerning breaches of customer privacy and losses of customer data	To the best of Avid Organics' knowledge, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data in the 2025.	



Legal Information

Published in September 2026

Reporting standard

Prepared with reference to the GRI Standards
Not externally assured

Reporting period

01 January 2025 – 31 December 2025

Next report

Covering the 2026 calendar year, scheduled for publication in May 2027

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