

PRISM **JOHNSON** LIMITED: ESG DATABOOK FY24

GOVERNANCE AND ECONOMIC DIMENSION

Contributions & Other Spending

During FY24, Prism Johnson Limited did not make any contributions to local, regional or national political campaigns/candidates.

	Currency	FY23	FY24
Total contributions and other spending towards Trade Associations	INR	3,962,400	3,835,226
Data coverage	As a % of Revenues	100	100

Largest Contributions and Expenditure

Name of organization	Type of Organization	Total Amount Paid in FY24 (INR)
Ready Mixed Concrete Manufacturers Association	Trade Association	1,434,240
Cement Manufacturers' Association	Trade Association	1,176,000
Confederation of Indian Industry	Trade Association	524,186

KPIs for Supplier Screening & Supplier Assessment

Supplier Screening	FY24
Total number of Tier-1 suppliers	1,428
Total number of significant suppliers in Tier-1	85
% of total spend on significant suppliers in Tier-1	51
Total number of significant suppliers in non-Tier-1	0
Total number of significant suppliers (Tier-1 and non-Tier-1)	85
Supplier Assessment	
Total number of suppliers assessed via desk assessments/on-site assessments	40 ¹
% of unique significant suppliers assessed	47.1

The Company's procurement team undergoes relevant trainings to understand their roles in facilitating supplier sustainability.

¹ Number of desk assessments completed as of December 31, 2024

ENVIRONMENTAL DIMENSION

Return on Environmental Investments

Currency (INR)	FY23	FY24
Capital Investments	225,100,000	1,026,100,000
Operating Expenses	260,500,000	252,400,000
Savings, cost avoidance, income, tax incentives*	881,570,085	923,295,584
% of operations covered	100	100

* Cost savings due to WHRS & Solar installed at Cement Plant

Water Consumption in Water-Stressed Areas

	Unit	FY23	FY24
Total net freshwater consumption in water-stressed areas	Million Cubic Meters	0.253	0.377
Data coverage (as a % of)	Production	100	100

Scope 3 GHG Emissions

Category	Emissions (tCO ₂ e)	Methodology Used for Calculation
Purchased Goods and Services	415,637	Spend based method
Capital Goods	2,132	Spend based method
Fuel-and-energy-related-activities (Not included in Scope 1 or 2)	285,749	Average data method
Business travel	390	Average data method
Employee commuting	2,573	Average data method
Downstream transportation and distribution	81,163	Average data method
Processing of sold products	2,918	Average data method
Franchises	13,318	Volume based * Average emission factors
Investments	42,578	Value based

Climate Risk Management Incentives

The Company provides performance-linked incentives to senior management personnel across the three business divisions. For select employees, these incentives include a range of sustainability KPIs and attainment of relevant targets, including GHG emissions or energy efficiency, water consumption, and many more.

Low Carbon Products

The Company's revenue from low carbon products during FY24 was around 59% of the total revenue. 79.8% of the total volume of production from the cement division is Portland Pozzolana Cement (PPC). The estimated avoided emissions because of utilising blended cement are 956,910 tCO₂e. Additionally, the consumption of fly ash and GGBS for the RMC division in FY24 was 198,741 MT and 92,540 MT respectively.

Revenues from Sustainable Construction

During FY24, the Company earned 6.9% of revenue from GreenPro certified products.

Co-Processing Rate

Total fuel and raw materials	% in FY24
% alternative fuel used to replace the fossil fuel (as % of total heat consumption)	4.7
Clinker-to-Cement ratio	69.3
% alternative raw materials contained in cement (Excluding natural raw materials e.g. gypsum, pozzolan)	18.9
% alternative raw materials contained in concrete (Excluding natural raw materials e.g. gypsum, pozzolan)	2.3

Biodiversity Assessment

The Company recognises the critical role of biodiversity in maintaining a healthy natural ecosystem and strives to minimise/mitigate any negative impact. To strengthen this commitment, Prism Johnson Limited has adopted the framework of the Taskforce on Nature-related Financial Disclosures (TNFD), an initiative that aligns financial systems with natural sustainability. Similar to the Task Force on Climate-related Financial Disclosures (TCFD), TNFD enhances transparency and accountability in managing impacts and dependencies on nature. This framework guides the Company in identifying its impact on and dependencies on biodiversity, as well as assessing, managing and mitigating associated risks.

Following the TNFD recommendations, Prism Johnson Limited followed the LEAP (Locate, Evaluate, Assess and Prepare) framework to evaluate and assess the business level as well as site-level nature-related issues. To identify the dependencies and impacts of the Company's operations on biodiversity, the Biodiversity Risk Filter (BRF) by WWF and ENCORE have been used. These have helped in further identifying potential physical and transitional risks for the Company. Further, the use of IBAT helped in identification of key biodiversity areas. To further understand and get a customized list of the specific impact & dependency, a site level assessment has also been conducted through the BRF.

Scope of Biodiversity Risk Assessment

The Company conducted Biodiversity Risk Assessment for its Cement and HRJ divisions' plants. Prism RMC plants, given the nature and small size of operations at a plant level were excluded from the scope of Biodiversity Risk Assessment. Furthermore, the Company has a put in place biodiversity management plan (BMP) in place for the cement business that includes its purpose, the approach towards biodiversity risks & opportunities assessment, the strategy of the business unit towards biodiversity and the relevant corrective measures, and lastly, monitoring and reporting protocols to effectively implement the BMP.

Prism Johnson's Commitment to Biodiversity

Prism Johnson Limited recognises the importance of promoting and preserving biodiversity as a crucial part of its corporate responsibility. The Company's biodiversity policy aims to:

- Ensure compliance with biodiversity-related laws and regulations at the local and national levels and ensure company-wide compliance with forest regulations and mandatory standards.
- Pledge to utilise ecological resources efficiently across the business.

- Mitigate adverse impacts on biodiversity and associated natural ecosystems due to its operations at all its sites and be sensitive to the impact of its business on biodiversity and other ecological resources.
- Avoid new projects/operational activities in areas that are already protected for their ecological, biological, cultural or landscape value or areas catalogued as high value for biodiversity as well as areas near World Heritage areas and IUCN category I-IV protected areas.
- Promote awareness of biodiversity and its conservation through training among its employees, local communities, and sensitise value-chain partners on the importance of biodiversity and its conservation.
- Engage, collaborate, and seek feedback from all concerned stakeholders and communities to enhance knowledge and understanding of biodiversity and conservation issues where applicable.

In conclusion, the biodiversity assessment comprises of the following:

	Number of Plants (FY24)	Area (Hectares)
Overall Total number and the total area of own operational sites	76	314*
Assessment Total number and the total area of own operational sites that have undergone a biodiversity assessment	10	282
Exposure Sites that have a significant biodiversity impact, or are in proximity to critical biodiversity	0	0
Management Plans Sites that have a significant biodiversity impact, or are in proximity to critical biodiversity having a biodiversity management plan	1	111

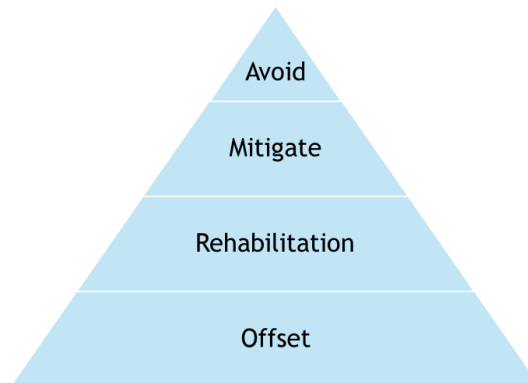
* Excludes mines

Biodiversity Risks and Opportunities Identified

We identified the risks and opportunities post completion of the biodiversity impact assessment. The risks identified include water availability, water condition, air condition, extreme heat and pollution. The opportunities identified are relating to ecosystem condition, erosion control, local communities, media scrutiny and waste treatment management.

Biodiversity Mitigation Hierarchy and Actions

The mitigation hierarchy is a structured approach used to prioritize actions for managing biodiversity impacts. This hierarchy emphasizes a sequential process to ensure that biodiversity management is both effective and sustainable. The steps in the mitigation hierarchy are as follows:



Avoidance of Impacts: The Company strives to avoid any negative impact on biodiversity. This involves careful planning and decision-making to ensure that activities are designed and implemented in a way that prevents harm to biodiversity from the outset. Further, the Company ensures compliance with relevant environmental regulations and guidelines to avoid legal and ecological risks.

Mitigation of Impacts: If avoidance is not possible, the next step is to minimize or mitigate the impacts. This involves implementing measures to reduce the severity and extent of any negative effects on biodiversity.

Rehabilitation: Rehabilitation aims to restore basic ecological functions and/or ecosystem services – such as through planting trees to stabilize bare soil.

Offsets: Offsetting involves compensating for the residual impacts by providing equivalent or greater biodiversity benefits elsewhere. This could involve activities such as habitat restoration or supporting conservation projects that enhance biodiversity in other areas.

SOCIAL DIMENSION

Human Rights Due Diligence Process

The Company has carried out a human rights' due diligence process across all its plants to identify potential human rights impact. In its assessment, the Company covers key human rights issues such as child labour, forced labour, freedom of association and collective bargaining, discrimination and harassment, equal and fair remuneration, and occupational health & safety.

Employee Development Programs

	Young Leaders Development Programme (PATH – Progressive Advance Training for High potential managers)	Maverick Sales Training
Business benefits of the program	Enhance leadership skills, team management, and innovation	Enhance sales capabilities of key senior sales personnel
Quantitative impact of business benefits (monetary or non-monetary)	Enhance employee motivation and improve retention: A Management Development Program conducted through a reputed institute, such as IIM Indore, is of great value to employees and motivate them to perform better. Succession planning: Better equipped to take on leadership roles in future	Higher sales: fostered a cohesive and efficient team, thereby boosting the sales employees' performance leading to customer satisfaction
% of FTEs participating in the program	0.5%	3.5%

Trend of Employee Wellbeing

The Company carries out an employee engagement survey every 2-3 years across each of its three business divisions. The survey takes into consideration various factors while measuring the engagement level of employees, including but not limited to job satisfaction, purpose, happiness, as well as stress. The employee engagement score from the last survey conducted was 89% against our target of over 90%. We strive towards achieving this target in the subsequent years.