GHG EMISSION REPORT 2025

GREEN GROWTH & SUSTAINABLE FUTURE

www.iolcp.com

Table of Contents

1.Introduction

The voluntary Greenhouse Gas (GHG) Emissions Report describes the emissions and details the verification of the inventory of greenhouse gas (GHG) for IOL Chemicals and Pharmaceuticals Limited.

Purpose of the Report:

The company publishes GHG report in order to transparently disclose to its stakeholders its GHG emissions in accordance with the commitments made in the Company's EHS & S policy and strategy. Further, the report supports in measuring, monitoring, and managing the ESG performance of IOL Chemicals and Pharmaceuticals Limited. The information contained in this report discloses the inventory of GHGs and associated emissions during FY 2025-26 (April 1,2025 to Mar 31, 2026). The report covers all activities which are performed under the scope of Operational boundaries.

Objective:
IOL Chemicals and Pharmaceuticals Limited commit to become carbon neutral by FY 2050.

Targets:
IOL Chemicals and Pharmaceuticals commit to reduce Scope1 + Scope2 carbon absolute emissions by 58.8% and Scope3 by 35% by FY 2033 from baseline year 2022-23. To reduce GHG intensity tCO2e/Ton of Production (S1+S2+S3) by 5% against FY 25-26.

The GHG emissions report has been prepared in accordance with the requirements described in ISO 14064-1:2018 "Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals". It includes all required information, except those details that the standard does not consider mandatory and has not been considered relevant following the principle of relevance. This report is carried out in accordance with the GHG Accounting and Reporting Principles found within the GHG Protocol Corporate Accounting and Reporting Standard.

Frequency of the Report Publication

This report shall be reviewed in annual general meeting and published annually on the IOLCP site on the web link https://www.iolcp.com/ under the investors section.

Our Company is a leading API-based pharmaceutical company with a remarkable presence in the Specialty Chemicals market. Perceived essentially as an Ibuprofen company, we have been working towards diversifying our product portfolio. Delivering the best quality specialty chemicals and API, we have demonstrated a consistent track record of performance. Regulatory approvals from USFDA, EDQM, Korean FDA, and Russian regulatory authorities, have helped us in market penetration in the export market. We believe investing in people is significant to building a capable workforce aligned with our vision and mission. We are committed to implementing policies and devising solutions to improve our environmental performance and empower our communities. Our focus has been on progressing consistently through product diversification, developing our manufacturing capabilities and investing in R&D, showing credible performance.

IOL Chemicals and Pharmaceuticals Limited is ISO 9001:2008 QMS Standard, ISO 14001: 2015 EMS standard, ISO 45001:2018 OHS Standard, ISO 50001 :2018 ENMS Standard and SA8000:2014 Social accountability , ISO 27001:2022 ISMS, ISO22000:2018 Food Safety management System, ISO 37001:2016 ABMS certified company along with Responsible care logo holder and Science Base Target initiatives are approved and published on SBTi official website. IOLCP has also obtained **Supplier Membership with PSCI** and is diligently following PSCI principles**.** Sustainability is integrated in our Supply Chain Management in line with ISO 20400:2017 Sustainable procurement guidance document. Procurement is a powerful instrument for organizations wishing to behave in a responsible way and contribute to sustainable development and for achievement of United Nations Sustainable Development Goals. By integrating sustainability in our procurement policies and practices, including supply chains, IOLCP can manage risks (including opportunities) for sustainable environmental, social and economic development.

Table No.1: List of Key products being manufactured at IOLCP is given below:

List of Key Products at IOLCP	
Active Pharmaceutical Ingredients (API)	**Chemicals**
Product Name	**Product Name**
Ibuprofen	Ethyl acetate
Metformin Hydrochloride	Acetyl chloride
Clopidogrel Bi sulphate	Mono chloroacetic acid
Fenofibrate	Isobutyl benzene
Pantoprazole Sodium	Acetic Anhydride
Lamotrigine	
Losartan Potassium	
Gabapentin	
Levetiracetam	
Quetiapine Fumarate	
Paracetamol	
Minoxidil	

Intended User:

1. Investors & Customers
2. Nearby Society
3. Regulatory and Government authorities

It is considered that the Report of IOL Chemicals and Pharmaceuticals Limited, ratified by the management of the organization is substantially correct and corresponds to a faithful representation of the emissions of the activities for the scope defined by the company in conformity requirements of standard ISO 14064-1:2018 for a limited level of assurance.

Intended Use : This report is published on IOLCP's official website for shareholders and non-shareholders.

Third Party Assurance

This GHG report is being verified by third party certification body BSI – British standards institution. The reporting period FY 2025-26 (April 1,2025 to Mar 31, 2026) is being verified as per **Reasonable level of assurance**, and the opinion statement is published in this report on Page No. 31-34.

Responsibilities Matrix

Name	Designation	Responsibility
Mr. Kushal Kumar Rana	Director Works	Representation in board meeting and publishing on-site
Mr. Devender Singh	AVP - EHS & S	Review and submission to Management
Mr. Gursharan Singh	Sr. Manager EHS & S	Stakeholder coordination, Inventory management, Emissions calculation & GHG report preparation
Sustainability Leaders (CII Certified Professionals on Resource efficiency and Environment sustainability and Green Supply chain)	• Respective department GHG emission data collection, updating and submission in prescribed format. • Sustainability promotional activities initiation at site. • GHG emission reduction initiatives implementation at site. • Department level meetings & compliances.	
Email - Id	contact@iolcp.com	
Contact No.	0161222553135 (Head Office) 0167928528586 (Works)	

Table No.2: Responsibility Matrix

1.1 Policies, Strategies and Collaborations

The company's commitment to its shareholders and the financial community is to provide transparent, accurate and comprehensive information that adequately reflects its current situation. The main tools used to engage with this stakeholder group include direct contact via the Management Review Meetings Monthly and Annual Report of the organization which is published publicly.

IOL Chemicals and Pharmaceuticals Limited commitment to sustainability has begun with widely recognized significant ratings and rankings, Carbon Disclosure Project (CDP), Ecovadis and signing commitment letter with Science Based Target Initiatives (SBTi) to keep us aligned in the journey of keeping down the emissions of the world below 1.5 degree Celsius in line with global goal (Paris Agreement).

The IOLCP's EHS & S Policy provides clear direction and specific objectives with regards to Environment, Health, Safety and Sustainability. It combines eight strategic EHS & S elements and applies to the whole organization's activities.

CDP is not -for-profit organization which aims to study the implications of climate change for the world's principal publicity traded companies. Continuous Improvement in CDP rating is a testament for our unwavering commitment towards ESG excellence. IOLCP is striving to strengthen ESG at the site continuously which results in:

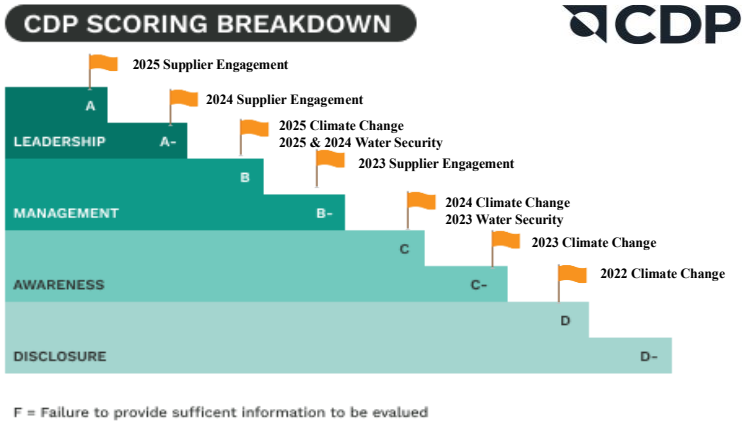


Figure No. 1: Carbon Disclosure Project

- **Supplier Engagement Level** increased from Level "A-" to Level "A" in FY 2025-26
- **Climate assessment** Level increased from Level "C" to Level "B" in FY 2025-26
- **Water Security assessment** Level remained constant at Level "B**"** in FY 2025-26

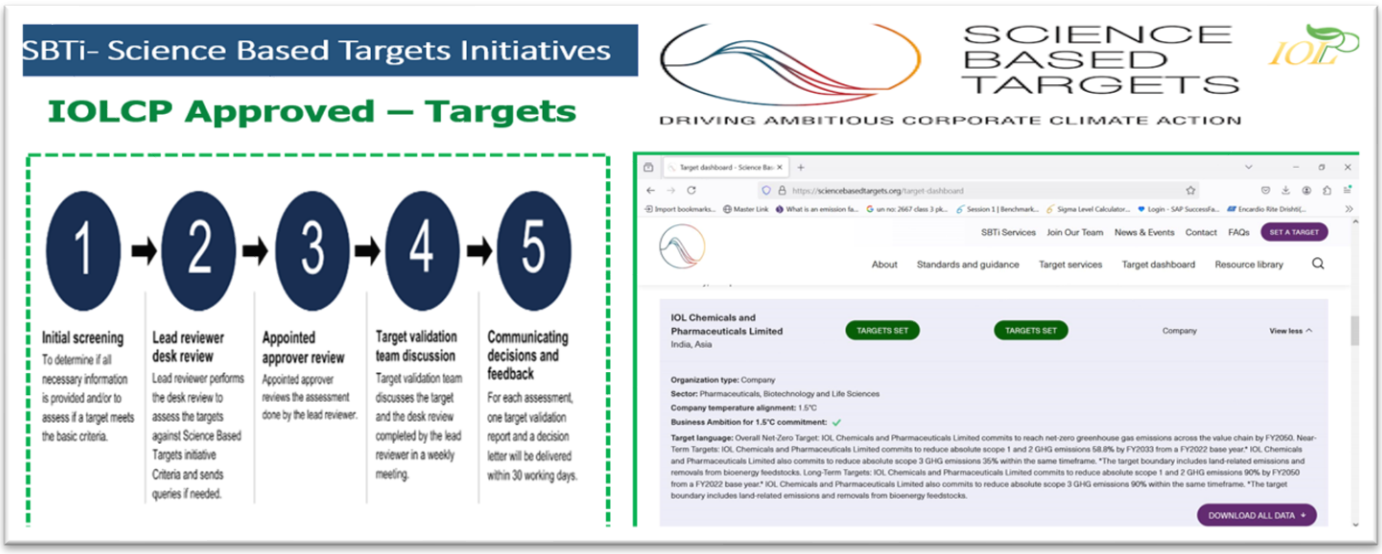


Figure No. 2: IOLCP Approved & Published Science Based Target Initiatives

Science Based Targets

The Science Based Targets Initiative (SBTi) is an initiative between the Carbon Disclosure Project, the United Nations Global Compact, World Resources Institute, the World Wildlife Fund for Nature and we mean business Coalition. The SBTi encourages companies to set carbon emissions reduction targets at a level necessary to meet the 1.5/2°C compared with preindustrial temperatures set in the Paris Climate Agreement. IOLCP targets are published and approved by SBTi.

2. Inventory Boundaries

Organizational Boundary

IOL Chemicals and Pharmaceuticals Limited is a leading manufacturer of APIs and Specialty Chemicals and is a single operating site consisting of all the plants for manufacturing worldwide supply of the products.

All the operations of IOL Chemicals and Pharmaceutical Limited takes place at Barnala location situated in Punjab Village Fatehgarh Channa, Mansa Road Barnala -148101 and the corporate office 85 Industrial Area "A" Ludhiana 141003 Punjab. On both locations the company has full financial and operational control, hence these two locations accounts for the emissions and falls under the operational control approach for the Green House Gas emission reporting.

Table No. 1: Organizational Boundary of IOL Chemicals & Pharmaceuticals Limited (Operational site and corporate office)

List of all legal entities or facilities over which reporting company has equity share, financial control, or operational control	Does reporting company have financial control? (yes/no)	Does reporting company have operational control? (yes/no)
IOL Chemicals & Pharmaceuticals Limited (Operational plant, Barnala, Punjab) Latitude: N 30°,17.8892 Longitude: E 75°, 30.0554	Yes	Yes
IOL Chemicals & Pharmaceuticals Limited (Corporate Office, Ludhiana, Punjab) Latitude: N 30°,89.15610 Longitude: E 75°, 85.99009	Yes	Yes

Reporting Boundaries

Defining the operational boundary involves identifying emissions associated with its operation categorizing them as direct and indirect emissions and choosing the scope of accounting and reporting for indirect emissions.

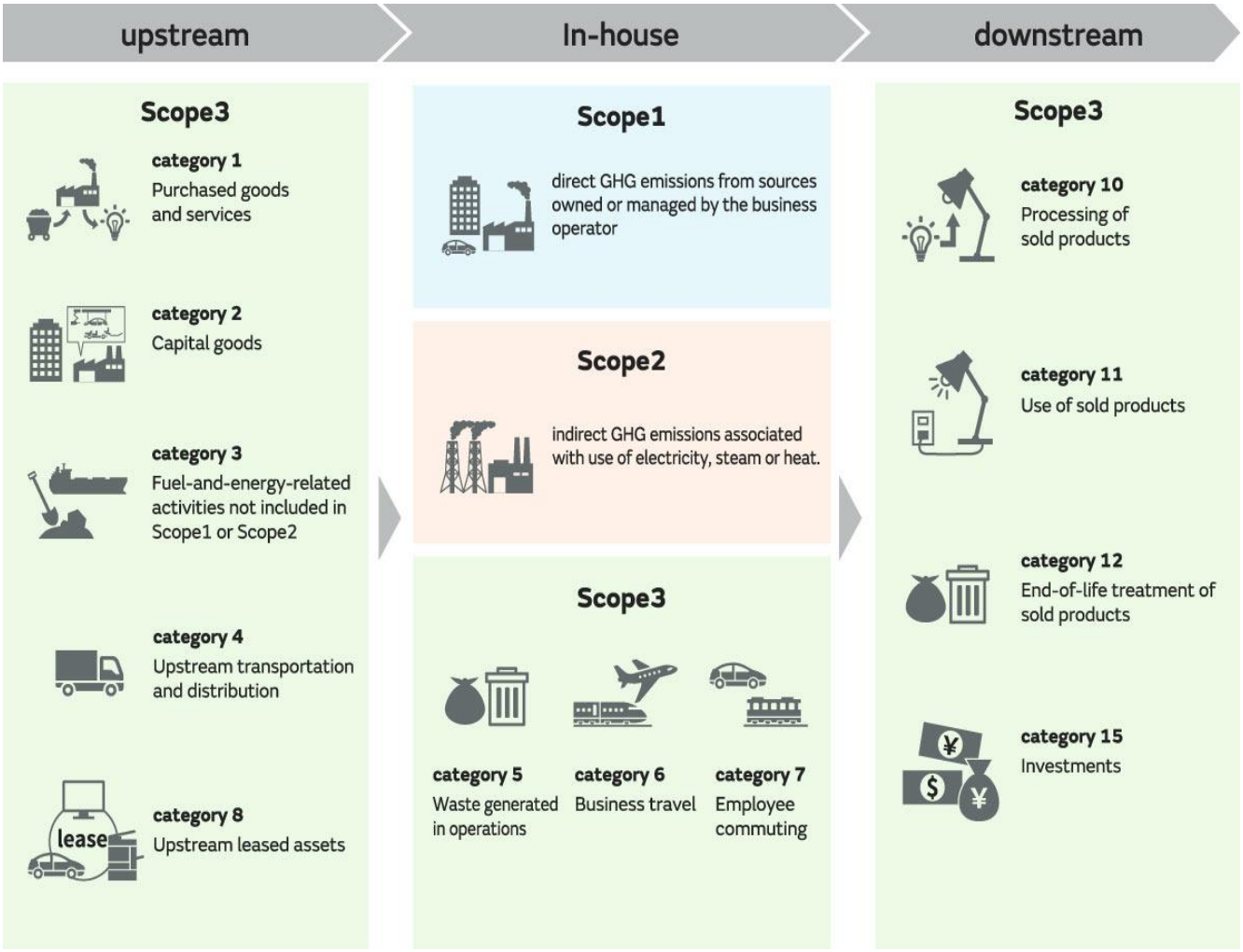
IOLCP has calculated its direct emissions (Scope1/Category1) from sources it owns or controls and indirect emissions (Scope 2/Category 2) resulting from the generation of purchased electricity in its annual non-financial report well as to those ESG indices requiring such information. This report will account and report the six greenhouse gases covered by the Kyoto Protocol and in accordance to ISO 14064-1:2018.

The GHG Protocol splits (Scope 3/Category 3,4,5) emissions in 15 distinct categories that occur in the company's value chain. It is the intention of IOLCP to report (Scope 3/Category 3,4,5) emission categories as

reliable and transparent data becomes available and in future reports in accordance with the verified science-based target.

The following (Scope 3/Category 3,4,5) emissions from both upstream and downstream sources were accounted for and included in this report based on the availability of the data within the organization.

The following definitions are used:



(*https://article.murata.com/en-sg/article/what-is-the-ghg-protocol*)

Figure No. 3 GHG Emission Scope Definitions

Scope I (Category 1) refers to direct emissions.

Scope II (Category 2) refers to indirect emissions.

Scope III (Category 3,4,5) refers to other indirect emissions.

Table No. 2: Scope/Category of GHG Emissions are subdivided into further categories which are considered:

Scope 1 /Category 1	Scope 2 /Category 2	Scope 3 /Category 3,4,5
➢ Stationary Combustion (Coal, HSD) ➢ Refrigerants ➢ Fire Extinguisher (CO2) ➢ LPG Cylinder (LPG) – HO ➢ Mobile Combustion (Diesel) ➢ PNG	➢ Purchased Electricity	➢ Upstream transportation and distribution o Capital Goods – Transportation. o HW Transportation o Fuel and Energy Transportation o Electricity Transportation o LPG Consumption at Site ➢ Purchased Goods and Services ➢ Waste generated in operations (Hazardous & Non-Hazardous) ➢ Downstream Transportation and distribution ➢ Business travel ➢ Fuel and Energy ➢ Employee Commute (Site & HO) ➢ Processing of Sold Products ➢ End of Life treatment of Sold Products

Significance Criteria:

Criteria for significance of Emissions is derived considering the following factors:

1. Size/magnitude/volume of emissions.
2. Challenges to gather data.
3. IOLCP level of influence on sources/sinks.

Criteria that would mandate disclosure of emissions sources as significant is:

a) Wherever the full-fledged primary and secondary data are available, IOLCP deep dive into more detailed carbon emissions calculation for instance, we have full control over our business travel activities and all the emission factors are available so we can provide the GHG emissions with utmost accuracy.

b) The emission sources excluding the activities that are not contributing more than 5% of the total emissions are considered non-significant.

3. Inclusion/Exclusion

IOLCP recognizes the need to identify the significant emissions and thus included and excluded emission sources from the inventory with valid reason mentioned. The exclusion sources are not considered significant to the stakeholders, the context of the inventory and/ or are not feasible or practical to calculate at the current point of time.

Remarks on Scope 1,2 & 3/ Category 1,2,3,4 &5 Emission Calculation (Inclusion/Exclusions)

a) PSCI (Pharmaceutical Supply chain Initiative) scope 3 greenhouse gas emissions calculations guidance for the pharmaceutical industry document referred during calculations along with GHG protocol.

b) No purchased steam or cooling from outside, therefore no emissions from these sources are included.

c) The company do not have any leased assets or franchise currently so these two categories will not be contributing to the company's emissions currently.

d) IOLCP APIs (Active Pharmaceutical Ingredient) are the B2B products whose emissions are covered under Processing of Sold Products category, Hence use of sold products emissions is considered as zero for FY 25-26.

e) Purchased goods and Services emission are derived only for raw materials whose emission factors are calculated based on LCA database available on IPCC, Research Papers and other available sources. Other raw material emissions are calculated basis average emission factors. Spent base approach is not being used for calculations.

f) As per PSCI Scope 3 GHG emission calculation document : Processing of Sold products calculated based on LCA Emissions from processing of intermediate products by third parties (e.g., manufacturers) after sale by the reporting company FY 25-26 basis Scope-1 & Scope-2 emissions of top Customers**.**

g) Processing of Sold products emission also calculated basis LCA data methodology using gate to gate emission factor available for certain key products.

h) The end-of-life treatment of sold product emissions is included in the GHG emission calculations for FY 25-26. This includes recycling 95% of drums and 50% of corrugated boxes, with the remaining 5% being accounted for in landfills.

i) Production intensity **Scope 1+2** combined per metric tonne of product and **Scope 1+2+3** combined per metric tonne is included in GHG report.

j) Report includes the carbon sequestration details and methodology adopted for offset by tree plantation.

k) Emission contribution of refrigerant van is significantly very less comparing GHG inventory hence excluded from GHG inventory.

l) Business Travel (Scope 3 /Category 3): Emissions from local travel and hotel stays have been excluded from the total calculations as their contribution is non-significant.

m) Employee Commuting (Scope 3/ Category 3): Emissions associated with employees participating in car or bike pooling have been excluded from the total calculation for this category to avoid double accounting.

Table No. 3: Inclusion and Exclusion of categories for emission calculation of IOLCP with reasons is given in the table below:

Category as per ISO-14064-1:2018	Emission Source	Inclusion/Exclusion	Remarks	FY 25-26 HO	FY 25-26 Site
Scope 1/Category 1	Stationary Combustion	Included and reported	Boiler fuel (Coal and Husk), HSD Fuel by DG sets are considered	Yes	Yes
	Fugitive Combustion	Included and reported	LPG Cylinders used in the in-house Kitchen of the industry; Fire Extinguisher (CO2) are included	Yes	NO
	Fugitive Combustion	Included and reported	PNG used in the in-house Kitchen of the industry	NO	Yes
	Mobile Combustion	Included and reported	Company owned vehicles moving in the organization's premises are included in this category	Yes	Yes
Scope 2/Category 2	Purchased Electricity	Included and reported	The purchased electricity from the grid is considered	Yes	Yes
	Purchased Steam & Cooling	Not Applicable	IOLCP produces its own Steam & cooling and hence do not require purchase from the outside	NA	NA
Scope 3/Caegory3	Line item: 01 Upstream transportation and distribution	Included and reported	RM purchase/ Electricity /HW & Non Haz Transportation included in Scope 3	Yes	Yes
	Line item: 02 Business travel	Included and reported	Air travel. Road travel. Train travel.	Yes	Yes
	Line item: 03 Employee commuting	Included and reported	Employee commute using Vehicle Based Approach calculated	Yes	Yes
	Line item: 04 Downstream transportation and distribution	Included and reported	Domestic and International outbounds are calculated	Yes	Yes
	Line item: 05 LPG transportation	Included and reported	Considered	Yes	Yes
Scope 3/Category4	Line item: 06 Purchased goods and services: this refers to the	Included and reported	Emission Factor taken from Research papers	Yes	Yes

	emissions occurred for product manufacturing.				
	Line item: 07 Capital goods: ex: equipment, machinery, buildings, facilities, vehicles: emission related to manuf. of these.	Included and reported	Emission Factor taken from Research papers	Yes	Yes
	Line item: 08 Fuel- and energy-purchased related activities	Included and reported	Considered	Yes	Yes
	Line item: 09 Waste generated in operations	Included and reported	Landfill disposal. Recycling. Incineration. Composting.	Yes	Yes
	Line item: 10: Upstream leased assets: emission generated from leased assets.	Not Applicable	IOLCP does not own and leased assets	NA	NA
Scope 3/Category5	Line item: 11: Processing of sold products	Included and reported	Calculated on the basis of Emissions from processing of intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company and using LCA methodology	Yes	Yes
	Line item: 12: Use of sold products	Included and reported	IOLCP APIs (Active Pharmaceutical Ingredient) are the B2B products whose emissions are covered under Category 10 (Processing of Sold Products) Hence this Category Emissions considered as zero	Yes	Yes
	Line item: 13: End-of-life treatment of sold products	Included and reported	Includes recycling 95% of drums and 50% of corrugated boxes, with the remaining 5% being accounted for in landfills	Yes	Yes
	Line item: 14: Downstream leased assets	Not Applicable	IOLCP does not own and leased assets	NA	NA
	Line item: 15: Franchises	Not Applicable	IOLCP does not have any franchise, it is a single operating site situated in Barnala with head office in Ludhiana	NA	NA
	Line item: 16: Investments	Not Applicable	Not Applicable	NA	NA

4. Emission Calculations

4.1 Reporting period and methodology

Base year
The base year is IOLCP's financial year 2022-23,
or the period between April 1, 2022, to March 31, 2023.

Note: As all the 15 categories are reported in SBTi
for Scope 3/Category-3 and validated by SBTi

Reporting period

This GHG emissions report reflects the situation of IOLCP's financial year 2025-26. Methodology Quantifying GHG emissions includes the data collection process and the application of documented emission factors. The quantification is based on two calculation-based methodologies, depending on the type of emission source:

- Emission in which there is a chemical transformation process (combustion, fixed or mobile) and indirect emissions from electricity consumption:

  Emissions of CO2 (t CO2e) = Activity data x Emission factor x GWP

- Emission sources where there is no chemical transformation process (fugitive emissions), or in case the results in GHG are different than CO2 are converted to tones of CO2e using the Global Warming Potential (GWP) values provided by the IPCC (e.g. tones of CH4):

  Emissions of CO2 (t CO2e) = Activity data x Global warming potential

Table No. 4: Emission factor reference and methodology opted for the emission calculation.

Scope /Category	Source of Emission	Emission Factor FY 24-25	Reference	Emission Factor unit
Scope 1/ Category -1	Coal	CO2- 1.7875 CH4- 0.00764 N2O – 0.01693	CEA Appendix -B Version 21 DEFRA 2025	kg CO_2e of CO_2 per Kg of Coal kg CO_2e of CH_4 per Kg of Coal kg CO_2e of N_2O per Kg of Coal
Scope 1/ Category -1	HSD	CO2- 2.62818 CH4- 0.00029 N2O - 0.03308	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per ltr of HSD kg CO_2e of CH_4 per ltr of HSD kg CO_2e of N_2O per ltr of HSD
Scope 1/ Category -1	Refrigerant	R-22 - 1960 R-32 - 771 R-134 - 1260 R-410 -1924	IPCC and DEFRA 2025 full set advance users	kg CO_2 per Kg refrigerant
Scope 1/ Category -1	CO2 FE	1	DEFRA 2025 full set advance users	CO_2 Eq. in tCO_2
Scope 1/ Category -1	PNG	CO2- 2.06270 CH4- 0.00307 N2O - 0.00095	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per cubic meters of PNG
Scope 1 /Category 1	Petrol	CO2- 2.32567 CH4- 0.00820 N2O - 0.00597	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per liter of Petrol
Scope 2/ Category -2	Electricity consumption	0.712	CEA (V-21)	tCO_2e/MWH
Scope 3/ Category -3	Upstream transportation (Waste disposal diesel consumption)	HDV (>12 T) 0.7375 Electricity-0.1266	India GHG Program IEA	kg CO_2e of CO_2 per km
	Upstream transportation Capital Goods	0.7375	India GHG Program	kg CO_2e of CO_2 per km
	Upstream transportation RM Road Domestic	0.7375	India GHG Program	kg CO_2e of CO_2 per km
	Upstream transportation PM -Road	0.7375	India GHG Program	kg CO_2e of CO_2 per km
	Upstream transportation RM Road Import	CO2- 0.93695	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per km

	Upstream transportation RM Rail	CO2- 0.02779	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per km
	Upstream transportation RM Sea	CO2- 0.01266	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per km
Scope 3/ Category - 4	Purchase of Fuel & Energy	WTT Coal - 418.14964 Husk: 68.65 WTT- Biomass	DEFRA 2025 full set advance users	tCO_2e per ton
Scope 3/ Category -3	Business Travel	Rail - 0.007837 Air – ICAO Calculator	Air – ICAO Rail - India GHG Program	Kg passengers' CO_2/journey (KG) Kg CO_2 / Passenger – km
Scope 3/ Category -3	Employee Commute	Road: Car & Bus SUV<2000 CC - 0.186 Bike 125cc -0.0290 Bus - 0.015161	GHG Program Road - India GHG Program	tCO_2e
Scope 3/ Category -4	Waste Generated in operation	Recycling -4.68568 Landfill- 520.335 Co-processing- 4.68568	DEFRA 2025 full set advance users	tCO_2e
Scope 3/ Category -1	LPG consumption by outsourced vendor	CO2- 2935.18 CH4- 2.55360 N2O – 1.63	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per t of LPG kg CO_2e of CH_4 per t of LPG kg CO_2e of N_2O per t of LPG
Scope 3/ Category -3	Downstream transportation Product Sold - Road	0.7375	India GHG Program	kg CO_2e of CO_2 per km
	Downstream transportation Product Sold - Rail	CO2- 0.02779	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per t.km
	Downstream transportation Product Sold - Sea	CO2- 0.01265	DEFRA 2025 full set advance users	kg CO_2e of CO_2 per t.km
	Processing of Sold Products	Emissions taken from Canadian database ,IPCC and research papers ,EPA		tCO_2e
Biogenic	Husk	1.16	IPCC	kg CO_2e of CO_2 per Kg of Husk

Note 1 : DEFRA full set (Advance) database is being used for calculation of GHG Scope/ Category Emissions as they are globally acknowledged and to maintain the uniformity throughout the calculations in this report. Country specific (Road, Rail transport) emission factors are used for business, employee travel and road transport only.

Note 2 : Methodology for purchasing goods and services

STEP 1: Emission factors taken from IPCC, Research papers, Canadian Database and EPA.
STEP 2: Verification of Emission factor's UOM with available data UOM.
STEP 3: Conversion of Unit of measurement if required as per Data
STEP 4: Report calculated emission in tCO2e.

Note 3: Methodology for processing of sold products

STEP 1: Gather GHG Emissions (Scope 1&2) from the top customers as stated in their Sustainability Reports and Collect LCA factors for products
STEP 2: Analyse the sale percentage of IOL's sold products to the relevant customers
STEP 3: Subsequent to sale by the reporting company % of emissions taken in category
STEP 4: Report the computed emission in tCO2e

Note 4: Coal Emission factor calculation approach:

STEP 1: Emission factor based on internal lab testing reports, GCV based factors for imported/Indian coal was taken from reference: CEA V-21
STEP 2: Inhouse consumption of Indian and Indonesian coal was calculated.
STEP 3: Blending ratio of both the coal types considered
Eg: Blending ratio = Consumption of Indian coal/ Total consumption of coal
STEP 4: Calculation of weighted average
Emission factor base on GCV * blending ratio
STEP 5: Emission factor = Weighted average* coal consumed

Note 5: Scope 3/Category 3 Employee Commute calculation approach:

STEP 1: Distance measurements departure (Home/ common bus stop to destination (IOLCP site)
- Bus to & fro avg. station: 15 km. (Employee wise detail log Available)
- Car/bikes to & fro Actual km from destination location taken
- Attendance taken from HR for KM calculation for all employees

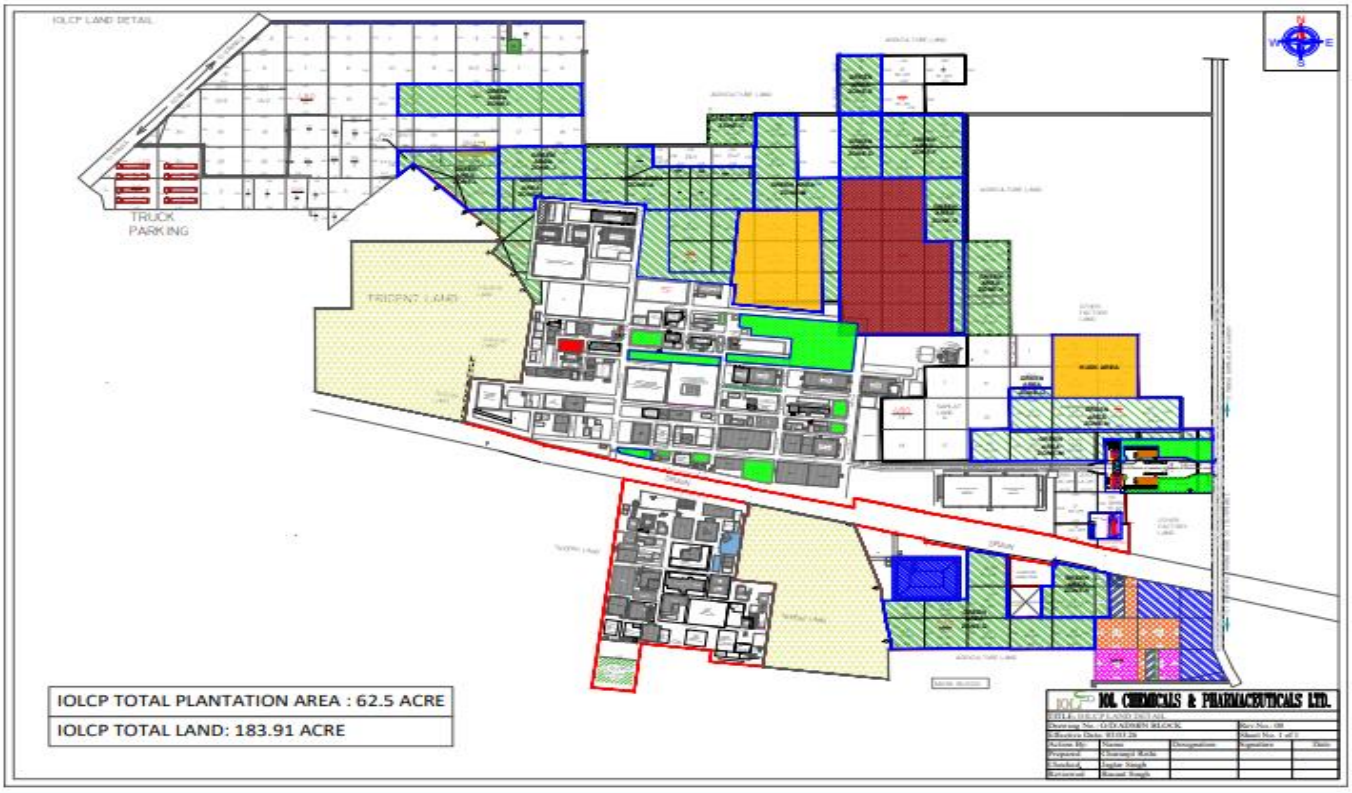
STEP 2: Emission factors are taken from the DEFRA database.
STEP 3: Multiplication of values from step 1 and step 2 will give the final values total emissions.

Note 6: Methodology for Carbon Absorption Calculations:
STEP 1: Complete site boundary mapping using GPS coordinates from the layout drawing.
STEP 2: Mark site boundaries on ground using GPS coordinates
STEP 3: Assign a unique name to each site, display it prominently and install a weatherproof display board containing site information- Site name and number of trees.

STEP 4: Assign identification numbers to all visible free-standing trees and use weatherproof tag/paint to mark them.
STEP 5: Record all free-standing trees with age above 2 years, including species name, count and estimated age.
STEP 6: Determine the sequestration factors for different species from research papers and authentic sources available online.
STEP 7: Calculate Carbon sequestration by multiplying sequestration factors with relevant tree data.
STEP 8: Aggregate carbon sequestration total across all plots for site-wide summary.

Carbon Sink:

As per the above Note 6 methodology, there has been around 60,315 trees in IOL Chemicals & Pharmaceuticals Limited and average tree age comes to 2-10 years. Also, there is no usage of the fertilizers, pesticides. In accordance with Paris Agreement (to limit the temperature 1.5°C above pre-industrial levels), tree plantations are a good source for carbon sink. Therefore, we including various tree species like Maulsari, Pilkan, Amaltas, Jaikaranda, Sukhchain, Cassia semia, Arjun, Kajurina, Dek, Gluca, Tecoma, Kaner, Eucalyptus, Bahunia, Tahli, and Neem, which collectively support carbon sequestration, water purification and soil stabilization. A monthly meet of ESG has been conducted to keep track of the progress and all the trees are in live condition.



Carbon Sink Summary FY 2025-26		
Green Site	**Nos. of trees**	**Emission (tCO2e/Year)**
Green Site A - **Hari Van**	3991	67.64
Green Site B - **Amrit Van**	2407	38.09
Green Site C - **Dharti Van**	1027	20.24
Green Site D - **Veda Van**	1286	23.34
Green Site E - **Eko Van**	704	8.31
Green Site F - **Shanti Van**	2303	50.37
Green Site G - **Aruva Van**	1620	27.48
Green Site H - **Vedara Van**	1935	32.54
Green Site I - **Amriva Van**	2010	32.37
Green Site J - **Amaya Van**	2012	40.24
Green Site K - **Dhantera Van**	962	29.68
Total	20257	370.28

reen area comprising of total of 62.5 acres has been meticulously divided into multiple designated plots names such as Green Site A - **Hari Van**, Green Site B - **Amrit Van etc**. This comprehensive zoning system enables precise calculations, plot-specific tracking and maintenance of green area. All trees are planted exclusively within the existing plant campus boundaries.

As diverse plantation species are present within the IOLCP and their carbon sequestration potential also varies. Emission factors of some prominent species are mentioned above along with their references attached. We lurked around various research papers on IPCC website, but there hasn't been any particular evident paper on the website consisting of all the emission factors at one source. Therefore, we sourced data from various credible online studies and research papers with links included in the attached excel sheet.

CS Table No.1 (Emission Factors Information):

Tree CO_2e Emission Factor Summary	
Plants Name	**Emission Factor (Kg CO_2e/Year)**
Arjun	16.7075
Gluca	3.125
Tecoma	8.08
Kaner	10

CS Table No. 2 Sample Site - (Green Site A - **Hari Van):**

Green Site A - **Hari Van**		
Plants Name	**Number of plants**	**Emission (tCO_2e/Year)**
Eucalyptus	1822	28.76
Tecoma	20	0.16
Casiagluca	295	0.92
Arjun	1271	21.24
Sukhchain	410	14.97
Dek	51	0.38
Casiasemia	10	0.13
Amaltas	25	0.09
Tahli	17	0.27
Pilkan	8	0.05
Maulsri	2	0.01
Kaner	46	0.46
Total	**3991**	67.44

Total Carbon sequestration has been derived is **67.44 tCO2e/year.**

4.2 Information on Emissions

Biogenic CO_2 emissions

Relevant biogenic CO2 emissions and removals quantified separately in tCO2e for Biogenic (Rice Husk, Wapsi, Wood Chips, Paddy Straw pellets) are given below:

EMISSIONS	TOTAL (tCO2e) FY 22-23	TOTAL (tCO2e) FY 23-24	TOTAL (tCO2e) FY 24-25	TOTAL (tCO2e) FY 25-26
Biogenic (Rice Husk, Wapsi, Wood Chips, Paddy Straw pellets)	**155243**	**153503.9**	**165871.416**	**186301.80**

Base year emissions FY 22-23 (Verified and Validated by SBTi)

Table No. 6: FY 2022-2023 (April'22-Mar'23)

Scope/Category	TOTAL (tCO2e)
Scope 1/Category 1	23786.46
Scope 2/Category 2	6134.45
Scope 3/Category 3,4,5	124010.93
Total Emissions (Category 1 to 5)	153931.84

Emissions FY 2025 -26

Scope 1 /Category 1 Emissions:

Table No. 7: FY 2025-26 (April'25-March'26)

Sr. No.	Parameter	CO2 (t CO2e)	CH4 (t CO2e)	N2O (t CO2e)	HFCs (tCO2e)	PFCs (t CO2e)	SF6 (t CO2e)
1	Diesel for Vehicles Site (Owned)	73.50	0.008	0.93	NA	NA	NA
2	Petrol for Vehicles Site (Owned)	2.37	0.008	0.006	NA	NA	NA
3	Diesel for Vehicles HO (Owned)	34.91	0.0039	0.44	NA	NA	NA
4	Petrol for Vehicles HO (Owned)	67.43	0.24	0.17	NA	NA	NA
5	Coal Consumption Boilers	59190.56	252.991	560.62	NA	NA	NA
6	Refrigerant R 22 Barnala	NA	NA	NA	260.87	NA	NA
7	Refrigerant R 22 HO	NA	NA	NA	6.47	NA	NA
8	CO2 Fire Extinguishers	0.0739	NA	NA	NA	NA	NA
9	Emergency Vehicles Barnala	4.23	0.0005	0.053	NA	NA	NA
10	HSD Consumption in DG's/Hydra/Forklifts	246.578	0.027	3.104	NA	NA	NA
11	HSD Consumption in DG's HO	11.038	0.0012	0.139	NA	NA	NA
12	LPG HO Owned Canteen	12.659	0.011	0.007	NA	NA	NA
13	PNG Consumption Barnala	1.633	0.0024	0.7522	NA	NA	NA
Total Scope 1 Emissions		**59645**	**253**	**566**	**267**	**NA**	**NA**

Total Scope 1/Cat 1 Emisssions FY 25-26
60732 tCO2e

Scope 2 Emissions :

Emissions disaggregated by source types	
Scope 2/Category 2: Indirect Emissions from the Use of Purchased Electricity, Steam, Heating and Cooling	**tCO2e**
Indirect Emissions from Purchased/Acquired Electricity	16681.2
Indirect Emissions from Purchased/Acquired Steam	0
Indirect Emissions from Purchased/Acquired Heating	0
Indirect Emissions from Purchased/Acquired Cooling	0
Total Scope 2/Category 2 Emissions	**16681.2**

GHG Emission Intensity tCO2e/Ton of Production (S1+S2) – Table - 01				
FY23-24	**FY 24-25**	**FY 25-26**	**FY 25-26 (Excluding new expansions)**	**% Reduction**
0.37	**0.331**	**0.38**	**0.302**	8.8 %

GHG Emission Intensity tCO2e/Ton of Production (S1+S2+S3) – Table - 02				
FY23-24	**FY 24-25**	**FY 25-26**	**FY 25-26 (Excluding new expansions)**	**% Reduction**
1.100	**0.925**	**0.792**	**0.72**	14.4 %

Note: Scope 1, Scope 2 & Scope 3 Emissions

- Total GHG emissions (Scope 1,2 & 3) accounted for FY 24-25 were 144982.6 tCO2e. In FY 2025-26, Net Scope 1+ 2 Emissions intensity/ton of production has reduced by 8.8 % (excluding new plants) against FY 2024-25.
- Total Scope (1, 2 & 3) emissions reduced by 14.4% including new expansions.
- API Production Volumes in FY 2025-26 have increased by 43% over last year, similarly chemicals production has also increased by 9.17% leading to higher Scope 1 &2 GHG emissions. However, steam consumption has increased only by 15% which reflects effective implementation and monitoring of GHG emission reduction initiatives.
- Production intensity is being calculated in above Table 01 & Table 02 By using formulae total t/CO2e (Scope 1,2 & 3) divided by total production in FY 2025-26.
- Various GHG emission reduction initiatives effective implemented at site i.e. Solar panel Installation, Waste to wealth initiatives (By product recovery from waste and converted to saleable product), Green Hydrogen inhouse introduction elimination of transportation emissions, Emission Reduction in Downstream Product sold category by vehicle clubbing initiative.
- Carbon footprint reduction of key starting material by capacity building of supplier under “PRAYAS” initiative. However, due to expansion in business model we are planning ahead to revalidate our SBTi targets and convert them into intensity-based targets.

- Scope 2 higher emissions - In FY 25-26 due to increase of new production units at site which are more power intensive and they have lesser steam consumption due to this we are unable to run our back pressure turbines at full capacity, so to balance steam power ratio of our captive plants ,we have to take excessive power from PSPCL which has increased our scope-2 ,to maintain this we have ordered now new extraction cum condensing turbine to reduce the scope -2 emissions which will be implemented in FY 26-27.

Scope 3/Category 3,4,5 Emissions :

Sr. No.	Parameter	CO2 (t CO_2e)	CH4 (t CO_2e)	N2O (t CO_2e)	HFCs (t CO_2e)	PFCs (tCO_2e)	SF6 (tCO_2e)
Purchased Goods and Services							
1	**LPG Used in Canteen Barnala Site Cat-1**	32.234	0.028	0.018	NA	NA	NA
2	**RM (Cradle-to-gate emissions)**	45869.6	NA	NA	NA	NA	NA
3	**Capital Goods**	315.19	NA	NA	NA	NA	NA
4	**Fuel and Energy Related Activities**	19837.6	NA	NA	NA	NA	NA
Upstream Transportation and Distribution							
5	**Haz. Waste Transportation Upstream Cat -3**	39.825775	NA	NA	NA	NA	NA
6	**RM Cat -03 Domestic: Transport Only**	2875.4	NA	NA	NA	NA	NA
7	**RM Cat -03 Import: Transport Only**	2488.6	NA	NA	NA	NA	NA
8	**Packaging Transportation Cat -03**	399.2	NA	NA	NA	NA	NA
9	**Non HW Transportation**	27.61989	0.00332	0.20602	NA	NA	NA
10	**Waste Generated/Disposal in Operation Cat-4**	3050.7	NA	NA	NA	NA	NA
11	**Business Travel Cat-3**	57.38	NA	NA	NA	NA	NA
Employee Commute							
12	**Employee Commute Cat-03 HO**	95.60	NA	NA	NA	NA	NA
13	**Employee Commute Cat-03 Barnala**	353.32	NA	NA	NA	NA	NA
14	**Upstream Leased Assets**	NA	NA	NA	NA	NA	NA
Downstream Transportation and Distribution							
15	**Cat -3 Product Sold Domestic: Transportation Only**	6474.1	NA	NA	NA	NA	NA
16	**Cat-3 Product Sold International: Transportation Only**	2265.39	NA	NA	NA	NA	NA
17	**Processing of Sold Products**	1239.3	NA	NA	NA	NA	NA
18	**Use of Sold Products**	0.0	NA	NA	NA	NA	NA
19	**Cat-5 End of Life treatment of Sold Products**	107.17	NA	NA	NA	NA	NA

20	**Cat-5 Downstream Leased Assets**	0.0	NA	NA	NA	NA	NA
21	**Cat-4 Franchises**	0.0	NA	NA	NA	NA	NA
22	**Cat-5 Investments**	0.0	NA	NA	NA	NA	NA
Total Scope 3 Emissions		85528.3378	0.0314	0.2239	NA	NA	NA

Total Scope 3/Cat 3,4,5 Emisssions FY 25-26

85529 tCO2e

FY 25-26 Upstream and Downstream Emissions:

Total Upstream Emissions	**75442.396**
Total Downstream Emissions	**10085.9413**

Emission Summary:

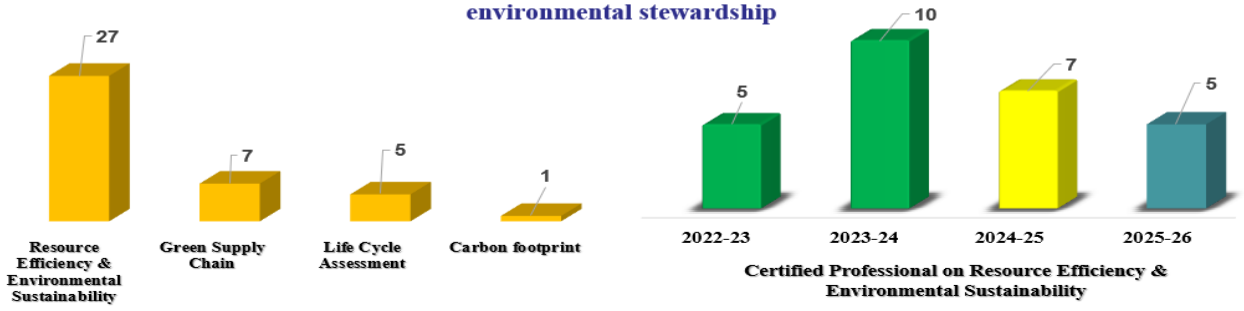
Scope	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 25-26 excluding New Plants
Scope 1	23786	49521	45920.3	60731.8	45526.6
Scope 2	6134.45	6179.06	6019.9	16681.2	16681.2
Scope 3	124010	108357.15	93042.4	85528.6	85528.6
Total	153930.5	164057.2	144982.6	162941.7	147736.5

ADDITIONAL INFORMATION

Dedicated team for GHG emission monitoring and reduction

Confederation of Indian Industry

IOLCP's internal competency building initiative equips employees with essential skills to drive sustainability and integrate it as a core value change across the organization. Through targeted training programs, workshops, and cross-functional learning modules, teams develop expertise in areas like resource optimization, circular economy principles, and ESG reporting, fostering behavioral shifts towards regenerative practices and long-term environmental stewardship



Uncertainty in GHG Emissions:

Uncertainty was calculated at the facility level for various categories of scope 1, scope 2 and scope 3. The uncertainty around Scope 1/Category 1 and Scope 3/Categories 3, 4, 5 (indirect emissions) primarily stems from generic assumptions, data collection challenges and while ensuring data quality. Approximately 95% of the GHG emissions calculations are based on accurate primary data with remaining uncertainties arising from data capture, manual recording, calibration errors in measuring equipment, purchased material emission factors and no-spend method for emissions estimation. Overall variance is projected within 5% of final values. Using the GHG Protocol Uncertainty Tool, total uncertainty has now been quantified at ±6.2 %, falling into the "good" category, reflecting robust data handling and minimal impact on reporting reliability.

	Aggregated Uncertainty	Uncertainty Ranking
Step 4: Aggregated Uncertainty for the total of all directly and indirectly measured emissions	+/- 6.2%	Good

https://ghgprotocol.org/calculation-tools-and-guidance

Uncertainty calculations were performed using the GHG Protocol Uncertainty Calculation Tool (standard Excel sheet) in accordance with the GHG Protocol guidelines.

Sr. No.	Scope /Category	Emission Type	Uncertainty Description
1	**Scope 3 /Category 3**	Upstream transportation	Distance between Company and Vendor site is referred from Google maps only, the uncertainty pertains to the uncertainty in measurement via google maps. Uncertainty Levels are released by google and available on google help.
2	**Scope 3 /Category 4**	Waste Generated in operation	Distance between Company and Vendor site is referred from Google maps only, the uncertainty pertains to the uncertainty in measurement via google maps. Uncertainty Levels are released by google and available on google help.
3	**Scope 3 /Category 3**	Downstream Activity	Distance between Company and Vendor site is referred from Google maps only, the uncertainty pertains to the uncertainty in measurement via google maps. Uncertainty Levels are released by google and available on google help.
4	**Scope 1 /Category 1**	Coal /Husk	Uncertainty due to manual recording, measurement equipment are linked with the primary data which lies within the committed materiality.

5	**Scope 3/ Category 3**	Employee Commute	Uncertainty due to average distance mapping for employees coming from nearby localities Bus to & fro avg. station: 15 km.(Employee wise detail log Available) Car/bikes to & fro Actual km from destination location taken Uncertainty Levels are released by google and available on google help.
6	**Scope 1 /Category 1**	Weighing Error	Error of weighing balance of incoming and outgoing goods on the weighing scale. The error limits within the error percentage of weighing scale.
7	**Scope 3/ Category 3**	End of life Treatment of sold product	Uncertainty due to assumption taken as 95% of drums and 50% of corrugated boxes are considered for recycling basis legal compliances of customers.
8	**Scope 3 /Category 3**	Processing of Sold Product	Uncertainty due to emissions calculated basis percentage of sale vs overall (Scope 1 & 2) emissions of subsequent company.

Note: Uncertainty in Google Maps data can vary widely depending on the context, such as the environment (urban vs. rural), the availability of GPS signals, and the quality of the mapping data. It is unlikely to be consistently below 5% due to these factors.

4.3 Emissions Recalculation Statement

No emissions recalculation has been carried out for FY 2022–23, FY 2023–24 and FY 2024–25. Emissions are same as represented in previous reports.

4.4 ENERGY MANAGEMENT PLAN

IOLCP has pioneered the integration of renewable energy into its operations with the introduction of a fluidized bed combustion boiler fueled by a mix of coal and biomass. This early adoption underscored the Company's commitment to sustainability and laid the foundation for continuous enhancements in its energy mix. Over the years, IOLCP has consistently increased the share of renewable energy of its total energy use, sourced primarily from biomass (such as rice husk and Vapsi) and solar energy while reducing reliance on non-renewable fossil fuels. Though fossil fuels remain essential for specific processes, the company's strategic focus is on progressively minimizing their proportion and the key actions planned in this direction are as follow:

- Installing **Turbine** to significantly enhance renewable energy share and curtailing non-renewable dependency.
- Expand **Solar Capacity** to boost clean energy generation and enhance overall renewable proportion.
- The proportion of **Rice Husk** in total energy mix will be elevated to a 90:10 ratio (Husk : Coal)**.**

Solar Plant 510 KW

Solar Plant 62.1 KW

Solar Plant 615 KW

5. Reduction Initiatives

Below are Emission reduction initiatives taken at site which fall under reporting boundaries only defined for GHG emission calculations and are in line with GHG protocol.

FY 2025-26:

Sr. No.	Initiative	Date of Reporting	Objective	Scope /Category	tCO2e
1.	Solar Panel Installation	01.04.2025 – 31.03.2026	Under Scope 2 neutral initiative Phase-1 62.5 KW + 510KW+615KW Solar panel Installed	Scope -2 /Category -2	**691**
2.	Optimization in one of the pharma product	01.04.2025 – 31.03.2026	Ammonium Sulphate formation (By Product) Recovery and convert to saleable product	Scope -3 /Category -3	**126.07**
3.	Carbon Sink	01.04.2025 – 31.03.2026	Tree Plantation carbon sequestration verification	Scope 1,2 &3	**370.28**
4.	Upstream Transportation	01.04.2025 – 31.03.2026	Local Sources Development for RM Vehicle Multimodal Concept implemented	Scope 3	**103.09**
5	Upstream Packaging Emissions	01.04.2025 – 31.03.2026	Replacement of HDPE drums/HDPE lid with PP bags In FY 2025–26, 164905 Nos. of HDPE drums (120 Ltr / 105 Ltr) have been replaced with 313129 Nos. of PP bags.	Scope 3	**38**
1328.44 tCO2e					

Emission reduction projects projected for Upcoming years

Table No. 8: CAPEX Budget of Sustainability assigned to the organization.

Sr. No.	Initiative	Action Plan	Scope	tCO2e
1	Transportation Management and Green Mobility Initiative	1.Avoid multiple local trips 2.Vehicle pooling for same destination 3.Outstation trip planning 4.Centralized trip scheduling system 5.Replace low mileage vehicles	SCOPE 1/3	123.45
2	Reduction of PSPCL Power importing by installation of new Condensing cum extraction Turbine	PSPCL Power import reduction	SCOPE 2	45112.32

3	Waste to Wealth Initiatives	Effluent Saving opportunity action plan needs to be finalized	SCOPE 3	15952.872
4	Modification of fuel feeding underbed system in 80TPH Boiler to increase the quantity of biomass fuel consumption	Coal consumption reduction and increase of biomass fuel	SCOPE 1	22429.44
5	Scope 3 Emission Reduction Category -1 Purchased goods and Services (RM cradle to Gate)	Target 5% reduction in Scope 3 emissions in FY 2026 from FY 24-25	SCOPE 3	2552.383
6	Installation of Solar Panels 650 KWP on Formulation plant and 150 KWP on main road Footpath area	PSPCL Power import reduction	SCOPE 2	657
7	CT Fan Replacement	Power Savings	SCOPE 1/2	1943.76
8	Packaging Material Substitution	Increase shift from drums to PP bags from current 63 % to 75 % which results in decrease the carbon footprint b/w 325 - 350 tCO_2e per year.Collaborate with suppliers for sustainable and recyclable packaging solutions.	Scope 3	350
9	Fuel Calorific Value saving by establishing Husk storage yard	Fuel Saving	Scope 1/3	386
10	VFDs on PA fans of 80TPH Boiler	Power Savings	Scope 1	152
			TOTAL	**89659.225**

Product Carbon Footprint:

We have calculated the Product Carbon Footprint (PCF) for 8 key products with plans to assess PCF for the remaining products in the near future. Product Carbon footprint was calculated by external third party ECOVAMED. Reduction plans for various production units are under implementation which will result in less GHG emissions and more sustainable business.

Sr. No.	Product	Carbon Footprint ($KgCO_2eq/Kg$ of Product)
1	Paracetamol	17.8 ± 3.8
2	Ibuprofen	25.1 ± 2.5
3	Metformin	14.6 ± 4.5
4	Clopidogrel	124.0 ± 26.4
5	Fenofibrate	94.1 ± 15.8
6	Pantoprazole	206 ± 52
7	Ethyl acetate	4.1 ± 1.0
8	Acetic Anhydride	4.4 ± 1.1

6. References

Sr. No.	Details	Link
1	Central Electricity Authority V-21	https://cea.nic.in/cdm-co2-baseline-database/?lang=en
2	DEFRA 2025 Full Set advance users	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025
3	India GHG Program - Road Rail	https://indiaghgp.org/transport-emission-factors
4	ICAO – Air	https://applications.icao.int/icec
5	Biogenic Emissions	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025
6	Distance -Road	https://www.google.com/maps/dir/''/''/@30.3042426,75.5142605,14z/data=!3m1!4b1
7	Distance -flight	https://applications.icao.int/icec
8	Distance -rail	https://indiarailinfo.com/
9	PSCI	Scope 3 Greenhouse Gas Emissions Calculation - Guidance For The Pharmaceutical Industry - PSCI
10	LCA Emissions Factors	https://legacy.winnipeg.ca/finance/findata/matmgt/documents/2012/682-2012/682-2012_appendix_h-wstp_south_end_plant_process_selection_report/appendix%207.pdf
		https://www.ipcc-nggip.iges.or.jp/EFDB/main.php
		https://www.epa.gov/sites/default/files/2020-09/documents/final_background_document_for_hydrochloric_acid_section_8.6.pdf

List of Abbreviations:

Sr. No.	Abbreviation	Definition
01	GHG	Green House Gases
02	USFDA	US Food & Drug Administration
03	EDQM	European Directorate of Quality of Medicine & HealthCare Management
04	FDA	Food & Drug Administration
05	ISO	International Standardization for Organizations
06	SBTi	Science Based Target Initiatives
07	GWP	Global Warming Potential
08	DEFRA	Department of Environment Food & Rural Affairs
09	IGES	Institute of Global Environment Strategies
10	EPA	Environmental Protection Agency
11	ICAO	International Civil Aviation Organization
12	CEA	Central Electricity Authority
13	HSD	High Speed Diesel
14	PM	Packaging Material
15	RM	Raw Material
16	HW	Hazardous Waste
17	R & D	Research and development

Carbon Footprint Verification Third Party Assurance:

By Royal Charter

Verification Opinion

Verified as Satisfactory	
Based on the process and procedures conducted, it is evident that the GHG statement contained in the GHG Report for IOL Chemicals and Pharmaceuticals Limited, named as GHG report,2025-26, Dated 10.04.2025 produced by IOL Chemicals and Pharmaceuticals Limited. Trident Complex, VPO Fatehgarh, Channa Distt. Barnala Punjab-148101, India	• Is materially correct and is a fair representation of GHG data and information. • Has been prepared in accordance with ISO 14064-1:2018 "Greenhouse gases — Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals"
Lead Verifier	Rajneesh Bansal
Independent Reviewer	Krishnaraj S
Signed on behalf of BSI	Emmanuel Herve, Managing Director, South & South East Asia (S&SEA)
Issue Date	13/04/2026

BSI Group India Pvt. Ltd., Headquarters: Max House, Tower – C, 7th Floor, Okhla Industrial Estate, Phase-3, New Delhi-110 020, India.
BSI Group India is a subsidiary of British Standards Institution +91 11 4762-9000

NOTE: BSI Group India Pvt. Ltd. is independent of and has no financial interest in IOL Chemicals and Pharmaceuticals Limited. This 3rd party Verification Opinion has been prepared for IOL Chemicals and Pharmaceuticals Limited. only for the purposes of verifying its statement relating to its GHG emissions, as more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Group India Pvt. Ltd. has assumed that all information provided to it by IOL Chemicals and Pharmaceuticals Limited.is true, accurate, and complete. BSI Group India Pvt. Ltd. accepts no liability to any third party who places reliance on this statement.

Verification Opinion Reference: CFV 787773 :13/04/2026

BSI Group India Private Limited
Max House, Tower – C
7th Floor, Okhla Industrial Estate
Phase-3, New Delhi-110 020
India

T: +91 11 4762 9000
info.in@bsigroup.com
bsigroup.com/en-IN

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Verification Engagement

Organization	IOL Chemicals and Pharmaceuticals Limited.
Responsible party	IOL Chemicals and Pharmaceuticals Limited.
Verification Objectives	To express an opinion on whether the organisational GHG Statement is historical in nature: • Is accurate, materially correct, and is a fair representation of GHG data and information. • Has been prepared in accordance with ISO14064-1:2018, "Greenhouse gases — Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals".
Materiality Level	5%
Level of Assurance	Reasonable
Verification of evidence-gathering procedures	• Evaluation of the monitoring and controls systems through interviewing employees' observations & inquiries. • Verification of the data through sampling recalculation, retracing, cross-checking, and reconciliation. • Data has been verified through manual consumption logs, financial records, vendor service reports, invoice bills, etc. • Electricity consumption data are verified via Electricity Board Monthly Invoices and Payments made, etc.
Verification Standards	The verification was carried out in accordance with ISO 14064-3:2019, ISO 14065:2020, and ISO 17029:2019
Note: IOL Chemicals and Pharmaceuticals Limited. is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI Group India Pvt Ltd is responsible for expressing an opinion on the GHG statement based on the verification.	

BSI Group India Private Limited
Max House, Tower – C
7th Floor, Okhla Industrial Estate
Phase-3, New Delhi-110 020
India

T: +91 11 4762 9000
info.in@bsigroup.com
bsigroup.com/en-IN

Organisational GHG Statement

Organization		IOL Chemicals and Pharmaceuticals Limited. Trident Complex, VPO Fatehgarh, Channa Distt. Barnala Punjab-148101, India
Organisations' GHG Report containing GHG Statement		GHG Report for FY 01/04/2025 to 31/03/2026.
Organizational Boundary		Operational Control.
Locations included in the Organisational Reporting Boundary		Refer to Appendix A for the detailed address.
Scope of activities:		'Production of API and speciality Chemicals'
Reporting Boundary:	Direct GHG Emissions / (Scope 1)	Combustion of: • Coal • HSD • Petrol Leakages of: • Refrigerants leaks. • CO2 from Fire Extinguisher
	Indirect GHG Emissions from imported energy / (Scope 2)	• GHG emissions from purchased grid electricity (Market-based).
	Indirect GHG emissions from transportation / (Scope 3)	• Transportation of raw material. • Transportation of finished goods. • Employee Commute. • Business Commute.
	Indirect GHG emissions from products used by an organization(category-4) / (Scope 3)	• Purchased raw materials. • Carbon footprint of purchased capital goods. • GHG emissions from fuel and energy purchases. • GHG emissions from disposal and treatment of organization solid waste by third parties (Hazardous and Non-Hazardous).
	Indirect GHG emissions associated with the use of products from the	• Processing of sold products.

BSI Group India Private Limited
Max House, Tower – C
7th Floor, Okhla Industrial Estate
Phase-3, New Delhi-110 020
India

T: +91 11 4762 9000
info.in@bsigroup.com
bsigroup.com/en-IN

	organization(Category-5) / (Scope 3)	
	Indirect GHG emissions from other sources / (scope 3)	• N/A
Exclusions from Reporting Boundary:		•
Criteria for developing the organizational GHG Inventory:		ISO14064-1:2018, "Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
Reporting Period		1st April 2025 to 31st March 2026

Total GHG Emissions Summary for IOL Chemicals and Pharmaceuticals Limited for FY 25-26:

Category/Scope	Direct and Indirect GHG Emission Sources	Location-Based (current year) * tCO_2e
Category1/Scope1	Direct GHG Emissions.	60731.8
Category2/Scope2	Indirect GHG Emissions from Imported Energy	16681.2
Category3,4,5/Scope3	Indirect GHG Emissions from Transportation, Products Purchased and goods sold	85528.6
	Total GHG Emissions	**162941.7**
	Biogenic emissions	186301.80
Removal Enhancement Projects		
Toal Removals** ***Removals are as part of removal enhancement projects(under clause 7 of ISO standard) where tree plantations are done within the premises of the organization, the methodology for which and removal factors are highlighted in the annual GHG report of the organization. It is to be noted that the value for removal is not subtracted from the overall GHG values.*		**370.28**

***Note: there has been an expansion project taken place in the organization due to which there is a rise in emissions compared to previous financial year. In 2024-25, the scope-1 emissions were 45920.3 tCO2e, scope-2 emissions were 6020 tCO2e in previous FY and the change has come as a result of expansion projects which has resulted in the increase of 43% of API production. However, production intensity tCO2e/ton of production(S1+S2) reduced by 8.8% excluding new expansions and overall S1+S2+S3 intensity reduced by 14.4% excluding expansion projects consideration.**

Appendix A

1. Location-1: IOL Chemicals and Pharmaceuticals Limited, Trident Complex, VPO Fatehgarh Channa Distt. Barnala Punjab-148101, India.
2. Location-2: Corporate office- Ludhiana, 85, near Near Suffian Chowk, Near Suffian Chowk, Industrial Area- A, Ludhiana, Punjab 141003

Revision History:

S. No.	Revision	Revision Reason	Date
1	#00	NA	03.02.2025
2	#01	Objective, Targets, Organization Contact details updated in report	03.03.2025
3	#02	Carbon Sink, Emissions Updated	09.04.2025
4	#03	Inclusion/Exclusion, Emission Updated, Carbon Sink	28.02.2026
5	#04	FY 2025-26 Emission updated from April 2025 to March 2026	09.04.2026
6	#05	Note : Scope 1, 2 & 3 Emission and Stage -2 assessment audit observations updated	11.04.2026

Allied + Committed