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CEO Message

Since its inception, Rialto has upheld its Vision philosophy of doing good for the communities it operates in. We build a positive impact on the Environment by focusing on

Greening Our Operations
Decarbonising Our Supply Partners
Restoring our Environment

Sustainability is an integral part of Rialto's Culture. Our commitment to work with a purpose began over 20 years ago, and over the decades, this power of purpose has become a driving factor in our culture. In recent years, a focus on sustainability and the determination to tackle the climate crisis have become significant elements of our purpose. In line with India's Vision to become Net Zero by 2070, Corporate involvement is crucial in reaching that goal, we at Rialto are committed to becoming carbon neutral by 2028 & Net Zero Emissions by 2040.

Sustainability is central to our thinking and strategy. Carbon consciousness is already entrenched in all our decisions. We are proactively taking steps in reducing GHG emissions from our business activities and building a new green business strategy.

We have primarily focused our efforts on reducing emissions and greenhouse gases. And then later on all other aspects of environmental impact (incl. water, waste, biodiversity, etc.) to make a positive impact on Environment.

At Rialto, we continue to take actions to advance towards carbon neutrality & Net Zero.

To highlight a few initiatives,

Greening Our Operations, i.e., ensuring less emissions from our operations through energy management, use of renewable enabling energy, circularity. material focusing on productivity, and ensuring zero waste to landfills

- Increased our renewable energy share to 60%, reduced our energy and freshwater consumption to a considerable extent in our operations
- Commissioned 1.74 MWp of solar power plant, Continued to invest in Renewable energy in the upcoming years to make Zero Emissions from our operations to deliver a Low Carbon Footprint Toothbrush.
- Diverted more than 99% of the waste from landfill and sent it for recycling
- Continue to be 'water positive', with 100% of water recycled

Decarbonising the Supply Partners, i.e., enabling our supply partners to decarbonize by learning from our practices, pushing industries to use Green Technologies,

- Extended the Environmental Impact reduction initiatives Green Supplier Development Program (GSDP) (Phase-1) in our supply chain and make them adopt the Green Initiatives to decarbonize our value chain and an approach toward Net Zero.
- Continue to expand the GSDP (Phase-2) across our value chain and intend to reduce emissions across our value chain.

Restoring our Environment beyond our industry boundary – we aim to achieve this by enabling

- Created meaningful social impact in the lives of communities by rejuvenation of Keezhakottaiyur Pond, and Kadapeari Kuttai Pond, and supporting Government School students.
- Going beyond the fence by adopting Thiruvanmaiyur Beach and Thiruvanmaiyur RTO park and maintaining it for more than 8 years.

We continue our efforts towards creating a positive impact on the Environment in the years to come.

Chander SwamyPlant Head / CEO

Company Profile

Located on the outskirts of Chennai, connecting Vandalur and Kelambakkam, Rialto is a beehive of activity. Covering 4.578 acres, the lush green foliage hides the factory from outside view. Inside the plant, state-of-the-art machinery lined up on either side of the factory floor produces more than 2 million manual toothbrushes a day.



Rialto's journey started in the year 2001, and over time, we expanded to 4 units involved in the manufacture of manual toothbrushes. Rialto supplies as many as 400 variants of these toothbrushes to more than 140 countries across the globe. Achieving this complex function involves a flexible workflow, one that requires it to be aligned to a fluctuating weekly demand for the finished product and raw material supply from its vendors. Rialto has been achieving a 100% target year on year, while still measuring up to the most stringent quality specifications of the various certifying agencies and its giant multinational customer, the Procter and Gamble Company, USA.

This is made possible by the eye for minute detail that the company has sharpened and fostered in employees. They undergo continuous training to reach peak performance in sustainable а manner. The site has achieved for ISO 9001:2015 - Quality Management 14001:2015 System. ISO Environmental Management System, ISO 45001:2018 - Occupational Health & Safety System, ISO 13485:2016 -Medical Device Quality Management System, Sedex - SMETA Qualified site Prestigious and the GreenCo Certification Platinum from Confederation of Indian Industry.

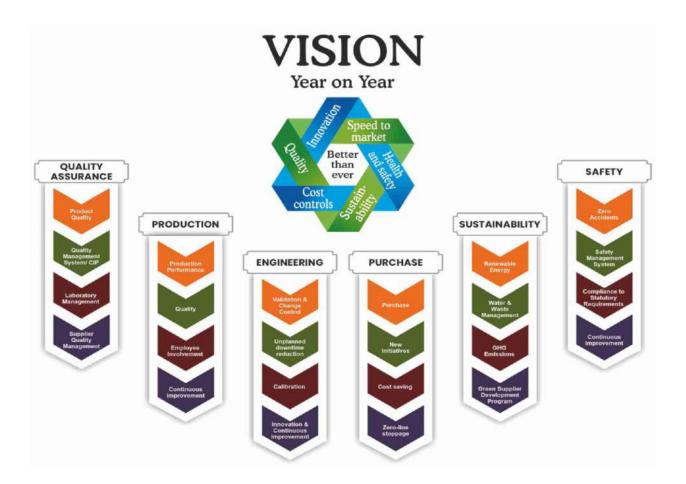


It is no coincidence that the company has won the P&G External Business Partner of the Year award (an Oscar in the P&G universe) not once but thrice in a row. Rialto was one of a handful of suppliers, in both instances, selected from a universe of P&G's 50,000 external business partners.

Company Vision

Rialto Vision focuses mainly on 6 Pillars – Innovation, Quality, Speed to Market. Sustainability, Health & Safety, and Cost Control, and our performance should be better than ever, year on year"

Rialto's vision is to improve the performance on the 6 pillars, year after year. We take steps to make sure that we improve our performance year after year in line with our vision.

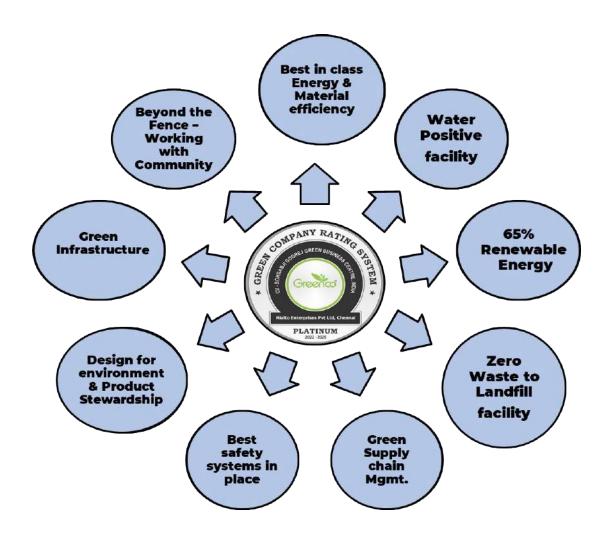


Sustainability Pillars

At Rialto, we adhere to nine voluntary codes, demonstrating our commitment to safe, responsible, and sustainable manufacturing practices.

We wanted to stand out as a best-in-class facility, excelling in energy and material efficiency while operating as a water-positive facility. More than 60% of our energy requirement comes from renewable sources.

We are a zero waste-to-landfill facility, ensuring responsible waste management practices at the site. We also involve our supply partners in the Green Supplier Development Program (GSDP), a Green Movement to decarbonize our value chain and to implement design-for-environment principles and product stewardship.



FY 2022-23 Performance at a Glance

HIGHLIGHTS:

some of the highlights of F22 include:







2028

1:5 Water Positive Unit

More than 99% of waste goes to recycling

~60 % of the demand met by 1.74 MW solar PV

The resource consumption data over the years is given in the table below. Each consumption area is briefed separately in later part of this report.

Performance over the years

Parameter	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023
Waste (MT/MSU)	0.0356	0.0346	0.0325	0.0303	0.0240	0.0234	0.0231
Hazardous Wastes (MT/MSU)	0.00012	0.00012	0.0000716	0.000062	0.000048	0.000045	0.000032
Non-Hazardous Wastes (MT/ MSU)	0.0355	0.0345	0.0324	0.0302	0.0240	0.0234	0.0231
Energy Consumption (KW-h/MSU)	294.27	289.44	288.47	253.40	242.20	228.43	202.28
Energy Generated inhouse (KW-h/MSU)	0.00	0.00	0.00	0.00	11.01	15.63	50.14
Total GHG emissions (MTCo2 e / MSU)	0.268	0.258	0.256	0.234	0.204	0.189	0.155
Scope 1 (DG / AC) (MTCo2 e / MSU)	0.048	0.037	0.037	0.026	0.022	0.0085	0.0089
Scope 2 (Grid Electricity) (MTCo2 e / MSU)	0.220	0.221	0.219	0.208	0.182	0.180	0.146
Scope 3 (Transport) (MTCo2 e / MSU)	0.021	0.021	0.019	0.025	0.019	0.018	0.018
Water Consumed (m³/MSU)	0.844	0.832	0.684	0.581	0.554	0.538	0.519
Plastic Recycled (MT/MSU)	0.0063	0.0065	0.0180	0.0150	0.0174	0.0181	0.0209

1 MSU = 36,000 Brushes

Energy Performance

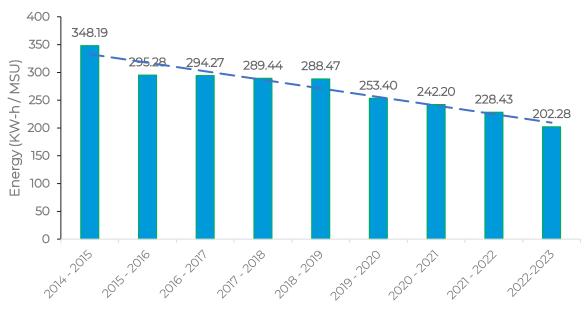




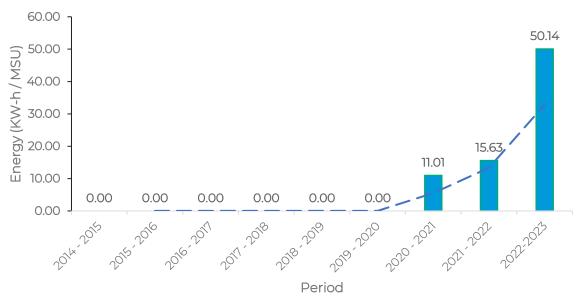
Energy consumption has increased by 3.7% in FY 2022-23 compared to FY 2021-22 due to the installation and qualification of new machines and DB3 factory construction activities.

The in-house solar generation for FY 2022-23 increased by 220% compared to FY 2021-22, due to the installation of 460 kWp rooftop in Main Factory – 1.

ENERGY CONSUMPTION / MSU OF BRUSHES



ENERGY GENERATED / MSU OF BRUSHES

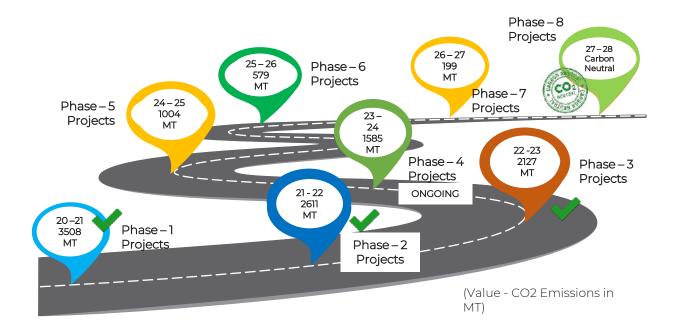


GHG Emission





We have taken targets to become Carbon Neutral by 2028 and Net Zero by 2040. A detailed roadmap to achieve carbon neutrality by 2028 has been made as follows.



In line with our commitment, we have installed 460 kWp in the Main factory – 1 on Aug 22 and then 1 MW Group Captive Power Plant at Kamuthi, Ramnathapuram district.

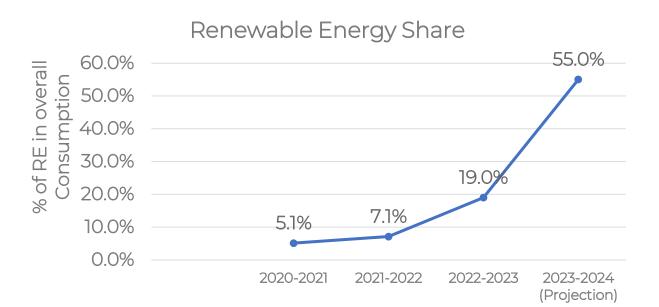
S.No	Project Implemented	Date of Implementation	Average Generation in MWh	% Impact on Electricity Consumption
1	270 kWp at MF 2	Sep-20	340	5%
2	3rd Party Green Power Purchase	From Oct-21	64	2%
3	460 kWp at MF1	Aug-22	650	12%
4	1000 kWp Offsite (PPA model)	Jul-23	1400	36%
	55%			

GHG Emission



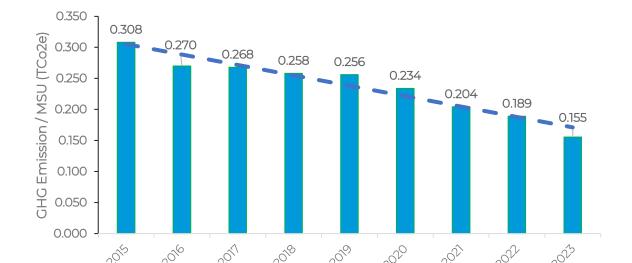


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Our emissions were reduced to 17.8% compared to FY 2021-22 levels, it is further expected to reduce by 36 % next year due to the additional 1 MW group captive power plant, which is functional from Aug 2023.

GHG EMISSION / MSU OF BRUSHES



GHG Emission





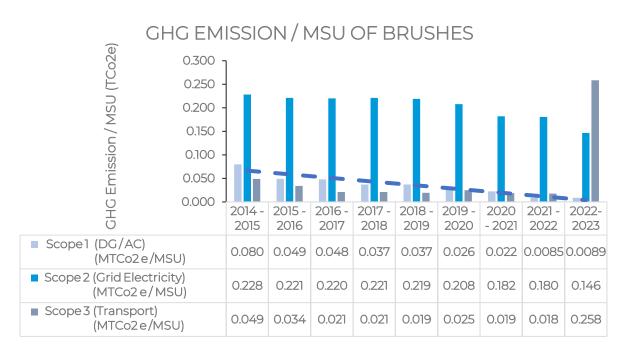
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We have also extended the boundary of scope3 emissions inventorisation year on year. In FY 2021-22 we have inventorised 4 categories, in FY 2022-23 we have increased 7 categories, out of 15 Scope – 3 categories.

Because of the addition of new categories, our Scope-3 emissions have increased in FY2022-23.

S.No	Scope 3 Category	FY 2022-23					
Upstream Emission	Upstream Emissions						
Category -3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	3239.3					
Category -4	Upstream Transportation and Distribution	1228					
Category -5	Waste Generated in Operations	14.6					
Category -6	Business Travel	53.9					
Category -7	Employee Commuting	96.8					
Category -8	Upstream Leased Assets	2.8					
Downstream Emi	Downstream Emissions						
Category -9*	Downstream Transportation and Distribution	Not Applicable					
Category -10*	Processing of Sold Products	Not Applicable					
Category -11*	Use of Sold Products	Not Applicable					
Category -12*	End-of-Life Treatment of Sold Products	Not Applicable					
Category -13	Downstream Leased Assets	0.0					

Since Rialto is a contract manufacturing unit of P&G * Categories are not applicable



Water & Wastewater





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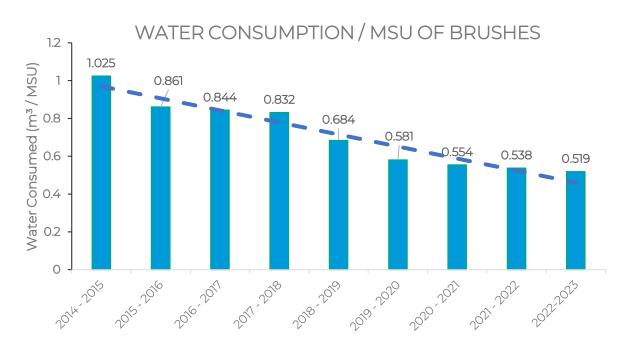
We, operating as a water-positive facility, reduced our water consumption by 3.4% when compared to FY 2021-22. Rialto is also one of the best water management facilities installing water-efficient fixtures and online monitoring systems to monitor & control the usage of water.



1:5 Water Positive Unit

Water is not used in the processes of toothbrush manufacturing. Water is only used for domestic consumption.

- ❖ At Rialto, we capture rainwater within & beyond the fence, 5 times more than our yearly water requirement through the latest harvesting practices.
- * Harvested rainwater is captured and reused back for domestic usage.
- ❖ Sewage water is treated, and treated water is used for gardening & toilet flushing. Treated water meets the statutory requirements.
- ❖ Online Groundwater Monitoring system is installed to monitor the groundwater level throughout the year.
- ❖ Treated water meets statutory requirements. No discharge of water from site to land.



APPROACH TOWARD ZERO WASTE TO LANDFILL SITE



At Rialto, we follow the 5R principle (Refuse, Reduce, Reuse, Repurpose, and Recycle). We identify useful ways to reuse the waste generated, either within our facility or beyond our facility. Wastes are segregated at the source of generation and stored appropriately. Paper and Plastic wastes are sold to authorized recyclers for recycling/reuse. Biodegradable wastes are converted to organic manure in the vermicomposting yard at the site.



waste goes to recycling

More than 99% of the waste generated at Rialto is recycled & reused. Rialto aims to become a 3rd Party certified "Zero Waste to Landfill facility by 2023".

The following are the hazardous wastes identified at Rialto and Authorization has been obtained from Tamilnadu Pollution Control Board.

S. No	Type of Waste	Type of disposal	Quantity Disposed/Annum
Hazard	dous Waste		
1	Used / Spent Oil	Disposed to Authorized recyclers	0.26 MT
2	Oil-soaked cotton waste	Disposed to Cement Plant for co-processing	0.0593 MT
3	Discarded containers containing residues of chemicals	Disposed to Authorized recyclers	0
Other'	Waste		
4	E-Waste	Disposed to Authorized recyclers for recycling	0.078 MT
5	Biomedical Waste	Disposed to Authorized recyclers for Incineration	0.0063 MT

The following are the non-hazardous wastes identified at Rialto and sent for recycling

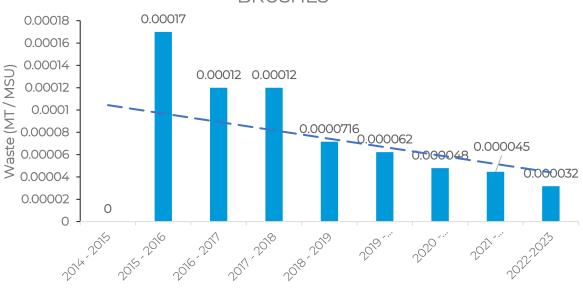
S. No	Type of Waste	Type of disposal	Quantity Disposed/Annum	
Non-H	lazardous Waste			
1	Packaging wastes (Plastics, Paper)	Segregated at the source of generation and disposed to an authorized recycler	700.75 \ 4.7	
2	Process waste of toothbrush handles	Sent back to moulder for recycling into packaging component	398.35 MT	

Waste Management



Our Hazardous waste generation showed a 20% reduction when compared to last year, this is achieved through periodic training for our employees. And our Non-Hazardous waste generation reduced by 1.2% when compared to FY 2022-23.

HAZARDOUS WASTE GENERATED / MSU OF BRUSHES



NON-HAZARDOUS WASTE GENERATED / MSU OF BRUSHES

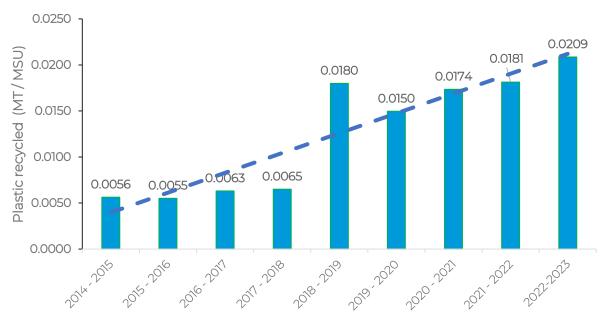


Waste Recycled



The rejected handles were crushed and reused to make packaging material (cassette). The quantity of waste recycled year on year is given below.

RECYCLED PLASTIC / MSU OF BRUSHES



Other Emissions - Air Emission:

- No process emissions into the atmosphere; Ambient Air Quality, and Ambient Noise Level meet Statutory requirements.
- Indoor air quality levels are monitored at a defined frequency; Air quality is well within the limits.

Green Purchase







Rialto's sourcing practices advocate environmentally and socially responsible purchasing to minimise environmental impacts. The Green Procurement Policy promotes the concept of life cycle costing, avoidance of hazardous materials, and low embodied energy materials. It covers the purchase of packaging materials, raw materials, maintenance consumables, fuels, building /construction materials, and office consumables.

ELEMENTS OF GREEN PURCHASING INITIATIVE



Rialto's Green Procurement Process is fine-tuned to meet the requirements of its Design for Environment policy. It focuses on increasing the recycled content in raw materials, elimination of chemicals of concern, and increased use of biodegradable materials.

Efforts are made to increase the percentage of local purchases to ensure stock management and to reduce its Scope 3 impact due to inbound transportation.



Sustainable Supply Chain



Green Supplier Development Program (Phase – 1)

In line with our sustainability commitment to become Net Zero by 2040, we have initiated a flagship program "Green Supplier Development Program (GSDP)" to decarbonize our value chain.

As most of our emissions happen outside our boundary, we are working with our supply partners to reduce our Scope – 3 emissions (Category-1).

Green Supplier Development Program started (Phase-1) in March 2022, intended to

 Handhold all our supplier partners toward sustainability which focuses on Energy & Water Conservation, Greenhouse Gas Emission Reduction, Material Conservation & Waste management

GSDP Phase-1 started with 7 selected suppliers, who are having a major environmental impact on Rialto's Value chain.

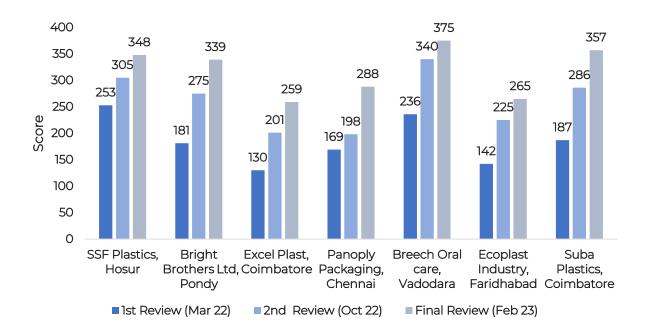


The selected 7 suppliers have undergone a detailed periodic site audit to measure the current environmental performance and identified ways to improve their performance.

Sustainable Supply Chain



To measure the performance of the suppliers Rialto made a GreenCo Lite Checklist with a maximum score of 500. The supplier's performance was evaluated throughout the GSDP program against the 500-point checklist. The scores were mapped and shown below.



The 7 suppliers showed a tremendous improvement in their environmental performance. The cumulative savings achieved by the suppliers through the GSDP phase – 1 Program is given below

Cumulative Savings achieved by 7 Suppliers				
Electrical energy savings	13,80,855	kWh		
Thermal energy savings (Diesel & CNG)	35.5	kL of fuel		
GHG emission mitigation	3739.4	MT of CO2 eq.		
Renewable energy Addition	2411	kWp of RE		
Water Conservation	19,914	kL of water		
Resource conservation	241.5	MT of material		
Waste Reduction	12,693	kgs of waste		
Total investment made	340 (453 M\$)	Rs Lakhs		
Monetary savings	175.6 (228 M\$)	Rs Lakhs		
ROI	2	years		

Sustainable Supply Chain



The suppliers who performed well during the Green Supplier Development Program were recognized during the Annual Green Supplier Awards 2023, held on 5th June 2023 by Mr. Chander Swamy, CEO.









Breech Oral Care Pvt Ltd Green Supplier Awards - 2023

Suba Plastics Pvt Ltd Green Supplier Awards - 2023





Green Supplier Awards - 2023

Runner up (3 Suppliers) Green Supplier Awards - 2023

External Certification

1. ISO 45001:2018 Certification

Improving Health & Safety is one of the major aspects of Rialto's Vision. Rialto has taken several initiatives over the years to improve the health & safety at the site.

Adding a feather to our cap, this year after a detailed audit by TUV Rhineland, Rialto has been recommended for ISO 45001:2018 Occupational Health & Safety Management Systems (OH&S) Certification in its first attempt.

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Certificate

2. ISO 13485:2016 Certification

Rialto demonstrates its capability to continuously improve its Quality Management Systems over the years. Toothbrushes are classified as medical devices in certain regions. In order to consistently meet customer and applicable regulatory requirements, Rialto decided to implement ISO 13485:2016 standard requirements. After a detailed and thorough audit by Intertek, Rialto has been recommended for ISO 13485:2016 MD-QMS Certification in its first attempt.



3. Water Positive Certification

Having done several initiatives within & beyond the fence, to become a National best facility (in terms of domestic water consumption) and Water Positive facility, Rialto is now certified as a "Water Positive Facility" by the Confederation of Indian Industry on 10th Dec 2022.

Rialto recharges 5 times more water than its annual consumption.



Awards & Recognition

FY 2022-23 was a year of excellence for Rialto. Rialto participated at various National forums and won several National & State level Awards.

External Business Partner of the Year Award-2022

P&G's highest recognition of External Business Partners that have gone above and beyond in delivering exceptional and sustained value in service to the Company's consumers, retail partners, and other stakeholders

It is no coincidence that Rialto has won the P&G External Business Partner of the Year award (an Oscar in the P&G universe) not once but thrice in a row. Rialto was one of a handful of suppliers, in all three instances, selected from a universe of P&G's 50,000 external business partners. It is in the exalted company of corporations like Infosys (a 2011 winner) and Dow Chemical Company (a fellow recipient in 2022), among other world-class companies to have received the award.



National Environmental Best Practices Award - 2023





The awards were received by Mr. E Senthilmurugan, and Mr. Karthick V – Sustainability team from Dr. Naushad Forbes, Co-Chairman of Forbes Marshal & Prof Sunil S Bhagwat, Director, Indian Institute of Science Education & Research, Pune on 12th July 2023

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Star Performer Award – 2022 & 2023

The Star Performer Award is given every year to GreenCo-rated facilities in India that have shown continual improvement in Green Initiatives throughout the year. Based on the projects implemented during the years 2022 & 2023, Rialto was selected as a Star Performer of the Year in 2022 & 2023 among 560 Green-rated industries in India. Rialto won the award consecutively for the last 2 years.

Star Performer of the Year – 2022





Star Performer Award - 2022 received by Mr. J Arunkumar - President Operations, Mr. R Laxmankumar - Vice President of Quality, Mr. E Senthilmurugan, and Mr. Karthick V - Sustainability team from Mr. K K Sharma - Executive Director of Indian Oil, Mr. Pradeep Bhargava, Chairman of GreenCo, on 15th September 2022

Star Performer of the Year – 2023





Star Performer Award - 2023 received by Mr. E Senthilmurugan, and Mr. Karthick V – Sustainability team from Dr. Naushad Forbes, Co-Chairman of Forbes Marshal & Prof Sunil S Bhagwat, Director, Indian Institute of Science Education & Research, Pune on 12th July 2023

EHS Award - 2023

Environmental sustainability has become a global imperative & integral part of all Industries. Understanding the importance of developing consciousness and adopting EHS practices in every organization is the need of the hour. Rialto has taken several initiatives over the years to become an EHS excellence facility.

To recognise & award excellence in Health Environment. Safety practices among Industries, Confederation for Indian Industries "National conducted level **EHS** Competitions among the Indian Industries. More than 220 leading companies including Automobile, Chemical. Pharma. FMCG. Engineering, and Service Sectors across India participated in the Competition and presented their best practices in Environment. Health & Safety.







The award was received by Mr. E Senthilmurugan, Mr. Karthick V – Sustainability team & Mr. Mohammed Mubarak – Safety Officer from Mr. Sohanjeet Randhawa (Director, Sustainability Affairs, Volvo Group India), and Mr. Milan Wahi (Managing Director, Lotte India Ltd) on 31st March 2023.

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CII – EHS Excellence Award – 2023

In recognition of our contribution towards Environment, Health & Safety (EHS) we were awarded 1st place in Water Management, Environmental Restoration & 3rd Place in Carbon/Energy positive award by the Confederation of Indian Industry during the Annual EHS Award held on 31st March 2023.

Best Company: Environmental Restoration Award – 1st Place





Best Company: Water Management Award – 1st Place





Best Company: Energy/Carbon Footprint Award – 3rd Place





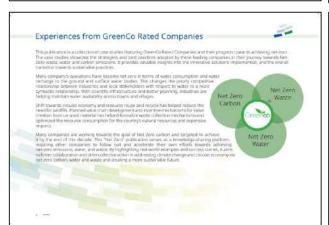
The awards were received by Mr. J Arunkumar – President Operations, Mr. E Senthilmurugan, and Mr. Karthick V – Sustainability team from Mr. Sohanjeet Randhawa (Director, Sustainability Affairs, Volvo Group India), Mr. Madhusudhan R (Senior Vice President – Corporate Affairs, Brakes India Ltd), on 31st March 2023.

Rialto in the News

Rialto's green initiatives on Net Zero Water, Emission & Waste have been highlighted as the best approach to other Indian Industries by the Confederation of Indian Industry in its Annual GreenCo Publication released on 12th July 2023.













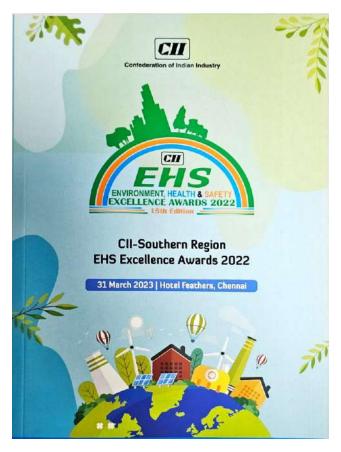
A glimpse of Rialto's achievements in yearly GreenCo publication

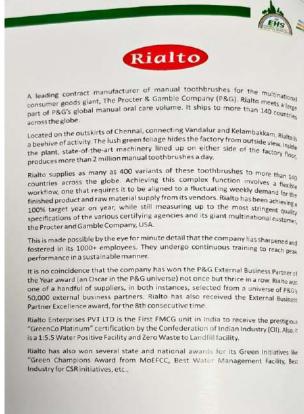
Rialto in the News

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Rialto's green initiatives have been highlighted in various newspaper articles in the state. Around 14 newspaper articles have been released so far about the Rialto Green initiatives and CSR activities. Some of the newspaper articles published in FY 2022-23 is given below.

1. Confederation of Indian Industry Yearly article released on 31st March 2023, highlighted about the Green Initiatives of Rialto





Corporate Social Responsibility (CSR)



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Rialto is known for its CSR activities. Over the past eight years, as part of the CEO's commitment to restore and maintain a clean and green environment, the company has made a meaningful social impact in the lives of communities around Thiruvanmiyur Beach and the RTO Park, among other initiatives.

Regular and rigorous cleaning and maintenance of the beach have had civic authorities pronounce it the second cleanest beach in Tamil Nadu state





Maintaining around 3250 trees planted across the vicinity and regular watering of the plants





Constructed & Maintaining Bio-Toilets at Beach





Corporate Social Responsibility (CSR)



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Maintaining the Thiruvanmaiyur RTO park for the last 6 years, after obtaining necessary permissions from the Chennai Corporation. The park was maintained with 750 trees with 29 different species. A drip irrigation system has been installed along with the Rainwater harvesting structures at different locations.









A lush green view of the RTO Park at Thiruvanmiyur, Chennai

Supporting Government schools, Govt. hospitals, and Govt. school students is one of the key initiatives of Rialto over the years. Rialto adopted 3 Government schools near the vicinity and supported them by renovating their building and providing infrastructure support based on their needs.



Renovated Melakottaiyur Govt. School

Corporate Social Responsibility (CSR)





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We understand that environmental and social impacts are interlinked and have a cascading effect on stakeholders and the planet. Therefore, all our actions encompass a range of critical concerns including water rejuvenation, biodiversity preservation, community well-being, gender equality, etc.,

Rejuvenation of Water Bodies:

As a part of our commitment to restoring our environment, we adopted the nearby water bodies and rejuvenate them from time to time.

Keezhakottaiyur Pond:

Rialto adopted the Keezhakottaiyur pond in 2019., Rejuvenated to store 7135 m3 of water and maintain it till date.

Kadapeari Kuttai Pond:

Adopted in 2022, desilted to store 9110 m3 of water every year and maintaining it till date.



Keezhakottaiyur Pond



Kadapeari Kuttai Pond

Supporting school students:

Rialto supports the school students of Saidapet, Kandigai, and Melakottaiyur government schools since 2017. Rialto recognizes the topper in the board exams to encourage them to go for higher studies.



Saidapet Govt School - 2023



Kandigai Govt School - 2023

Our Targets

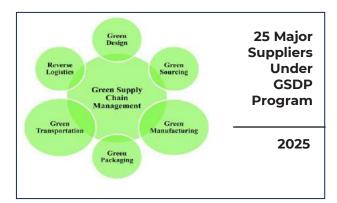
Over the years, we have made significant progress on Planet Positive metrics. We have committed to the below targets to further improve our sustainability performance.













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Sustainability Committee

At Rialto, we have adopted a top-down approach in a quest to become Net Zero. A Sustainability Committee is in place which measures the effectiveness of sustainability performance and impact from time to time.



Mr. Chander Swamy Plant Head / CEO

Set directions for promoting the Sustainability agenda for Rialto



Mr. Arunkumar J President – Operations

Approves new initiatives and monitors the progress of the integration of the ESH parameters in business and operations

RIALTO SUSTAINABILITY CELL

Mr. Laxman Kumar – Vice President QA Mr. Arun GR – Senior GM HR Mr. Senthilmurugan E – Senior Manager Purchase Mr. Karthick V – Manager Sustainability

Drives sustainability through awareness and knowledge building across Rialto.

Supports individual businesses in integrating sustainability into strategic business processes and operations

Makes all external disclosures

SUSTAINABILITY CHAMPIONS

Mr. Benjamin – Senior Manager Maintenance
Mr. Venkatraman – Senior Manager Electrical
Mr. Mohammed Mubarak – Safety Officer
Mr. Kabali Venkat – Senior Controller Purchase
Mrs. Biswarupa – Controller Purchase
Mrs. Anuradha – Senior Manager – NPD
Mr. Yuvaraj – Senior Manager Plastics

To locally drive and monitor various initiatives and collect data for reporting

Sustainability Committee

To ensure that the principles of sustainability are cascaded across our organization, we also have a Sustainability Policy & guidelines that guide the operational team to create widespread change effectively.



ENVIRONMENT & SUSTAINABILITY POLICY

Rialto recognizes that **Protecting Natural Environment** is highly important and endeavors to **minimize the impact** on the environment through the use of raw materials, emissions to air, water, and waste generation and ensure the **Health, Safety, and Well-being** of all stakeholders.

Rialto is committed to **prevent** pollution and **continually improve** activities towards Environment & **Sustainability** by

- 1. Adhering to the highest standards in Environment protection and Prevention of pollution by implementing and sustaining a comprehensive Management System
- 2. Complying with and exceed legal and other related requirements.
- 3. Strive to become the lowest specific energy consumer by maximising energy efficiency and use of renewable energy and thereby reducing Carbon Footprint.
- Conserve and Reduce the consumption of water by recycle and reuse of water through water management and water conservation measures.
- 5. Adopt 3R (Reduce, Reuse, and Recycle) for all types of wastes towards reduction of impact on consumption of materials and environmental friendly disposal of "inevitable" wastes, in line with the regulatory requirements or industry best practice.
- 6. Conserve & Utilize materials effectively and increase the recycling content in all our raw and packaging materials.
- 7. **Strive** to reduce all types of waste such as transportation, alternate materials, etc. to reduce **Greenhouse Gas emissions** and improve the supplier by adopting best practices towards enhancing environmental performance.
- 8. Promoting and protecting the Environment, Health, Safety, and well-being of all stakeholders
- 9. Promoting and managing the Product Stewardship program, by involving all stakeholders.
- 10. Incorporate a **Life Cycle Assessment** approach for evaluating new and alternative technologies and products.
- 11. Rialto engages with various communities through its CSR initiatives for a better tomorrow.
- 12. Periodically reviewing the policy and objectives to make them appropriate to business needs and industry standards

Chander Swamy

Plant Head / CEO

Next Revision: 23-Aug-2023

Date: 24-Aug-2021

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Work at Rialto



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EMPLOYMENT POLICIES & BENEFITS

Rialto is an equal opportunity employer with a Vision of "Better Than Ever" and fosters a culture of meaningful work and growing together. Rialto provides a Safe, Secure and Balanced Working Environment which helps in delivering our commitments to the customer in terms of Quality, Innovations, Speed to Market, and robust cost controls. The loyal Strong employees of Rialto are its key strength which creates a DNA of continuous growth and Sustained Development.



The company believes in its culture of continuous improvement, pride at work, and keeping things simple, transparent, and open communication. The two pillars of our vision of safety and sustainability help us to drive business processes more meaning in the protection of our environment and in leaving a better world for our children in the future. These are also reflected in our performance by way of various recognitions and credits we have received from various external bodies in the area of sustainability and safety.

The company has detailed out various HR policies and procedures, which are reviewed and revised on a timely basis from feedback from employees who are our key stakeholders and various benchmark practices from industries. The Policies are communicated through Emails, Notice Boards, respective committees, and direct connect sessions of employees. The committees formed by employees on safety, canteen, works, grievance, and Internal Compliance Committee points are reviewed timely for effective implementation. The weekly review with Leadership spans all the Employee Facilities, Safety risks/hazards, Policies and procedures, and open issues/ideas received by employees.

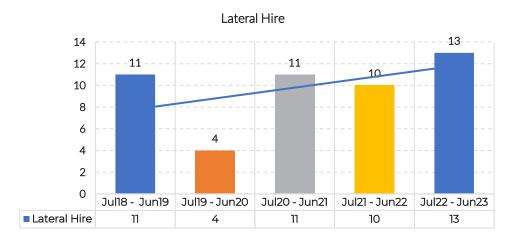
Work at Rialto



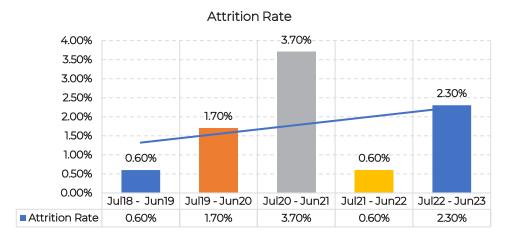
EMPLOYEMENT

Rialto hires talent based on a competency matrix, on skills and education qualification requirements for the approved position from probable aspirants, without comprising the established process. Rialto is an equal opportunity employer and employment here is freely chosen. There is no ground for discrimination in the hiring process.

The company also recruits freshers from various Engineering colleges and Polytechnic institutes directly from their campuses for the role of Apprentice Trainees. In the year from Jul-22 till Jun-23 we had hired around 34 trainees as Graduate/Diploma Apprentices. Rialto was able to attract the best diverse talent 13 from various industries which is its highest lateral hire in the last five years. With its Drive on Diversity hire, Rialto increased its Female headcount by 50% with 6 new hires in the year 2022-23.



Rialto builds a strong bond with its employees which is proven in its track record of having an Attrition rate of less than 4% for the last 5 years.



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BENEFITS TO EMPLOYEES



Subsidized Meals

@ Factory



OHC Facility at the Site



HOSPITAL

Negotiated Health Treatment with Corporate Tie-ups with hospitals



Mediclaim Insurance coverage and ESI Benefits as applicable by Law



Maternity Benefits for all employees





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HUMAN RIGHTS

The Ethical Trade Initiative, Free & Prior Informed Consent, Labor Policy and Human Rights Policy guides our actions which are aligned in maintaining the principles of human rights and fair treatment. The procedures ensure the company conducts its operations with honesty, integrity, openness and with respect for human rights in the best interest of our employees.



The company advocates strongly against child labor, forced labor and adopts a strong review process during engaging any personnel to verify the age of the employees. The employees who are authorized to sanction of engaging external manpower resources or in selection of employees including security personnel are trained to verify and report any cases of underage workers. Supplier evaluation has also been designed to evaluate this aspect of nonengagement of under-age workers and suppliers are encouraged to certify themselves through an authorized 3rd Party audit for the 4 Pillar social compliance audit process.

EQUALITY OF OPPORTUNITY

The company has strong commitment in promoting a work atmosphere which is favorable to the employee's growth and encourage equality of opportunity.

Company also abstains discrimination in any form and on any of the forms like race, color, religion, caste, gender, age, marital status, disability, nationality or any other factors under applicable laws and industry relevant practices in our work environment. All the procedures and Process including recruitment. training, performance management, promotion, transfer. salary/wage increments, Welfare other benefits are purely on the basis of merit or competency or meeting business needs of the company.







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FREEDOM OF ASSOCIATION

In order to ensure a work environment which is free of discrimination or harassment or any form of forced labor for both our own employees hiring and any external manpower engaged for carrying out work within our premises, the Prior Consent is adhered by ensuring an agreed employment order is made mandatory for hiring our employees or engaging external manpower resources for carrying out any type of work within our premises.



The POSH Policy and Labor Policy have been formulated to ensure that employees are not exposed to any form of harassment. The Operations are periodically monitored and audited to ensure the company is free of forced labor. The Company also nurtures a working culture where all employees are feeling comfortable and respected. The Company respects the laws of the land which guarantees as a fundamental right the freedom of association which is also stated in its labor policy. The Company also allows its workers to negotiate for their salary through the collective bargaining process

FAIR AND EQUAL COMPENSATION

The company maintains its compensation and various welfare benefits free from biases of any nature including but not limited gender, race, age, color, creed, caste, religion, marital status but is assigned purely based on merit.

The workers of the company negotiate their salary and benefits through Long Term Wage settlements through collective bargaining process involving recognized workers' union. The Company also adheres to the Law of the Land and ensures all of its contract workers are paid the standard entry level minimum wages fixed by the state government.



The company also ensures there is no wage differentiation based on gender.







RESPECT FOR THE INDIVIDUAL

The company firmly believes that the security personnel are the first contact point for any employee or other person entering the premises, which is basis of perception formed about company's values. Hence, the security are constantly trained and sensitized on etiquettes of righteous behavior. The company also ensures the personnel are not violating fundamental rights/human rights of any persons.

The company believes that clean and hygienic restrooms are a basic civic right for any human being, hence it maintains a uniform, hygienic rest room which are in look & color uniform for all categories of employees inside the premises. It takes utmost care that all restrooms are properly maintained with sufficient lighting, air circulation and are odour-free. company has also included a mandatory safety briefing and a feedback form for all the visitors who are entering our premises. it believes that any observation would give useful input and, in a way, make them feel respected.

The Human Resources Policies practices are followed in a consistent way with applicable laws and Policies detailed by the company including Quality Policy, Labor Policy, Human rights Policy, POSH Policy, Environment, and Sustainability Policy.



QUALITY POLICY

Plant Head / CEO

Plant Head / CEO Right Folerprises Put Ltd

RIALTO ENTERPRISES (P) LTD LABOUR POLICY

Plant Head / CEO

Plant Head / CEO

Plant Head / CEO

Also, guided by Ethical Trade Initiative Norms and Disney Code of Conduct which are critical to business and also guides the various decision-making process in the company. There have been no complaints and cases relating to child labor, forced labor, involuntary labor and sexual harassment or pending cases in the reporting period.

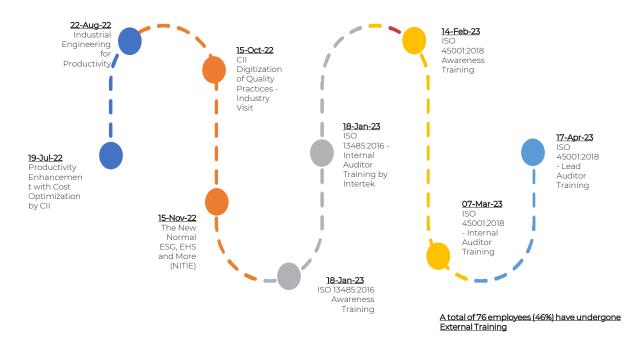
TRAINING AND DEVELOPMENT

The company strongly believes continuous learning is critical not only to the business but also to empower employees to perform better and maintain a positive working culture. An annual Training calendar is prepared every year covering various topics as per the business needs of the organization and a mandatory list of training



programs are also maintained to ensure critical policies and procedures are made aware to all employees. These topics include all the company policies, HR Procedures, sustainability initiatives, and Safety protocols. Certified External Training Programs are also organized aligning with the business needs and professional development of our employees which are key in the competency development of employees.

Staff External Training

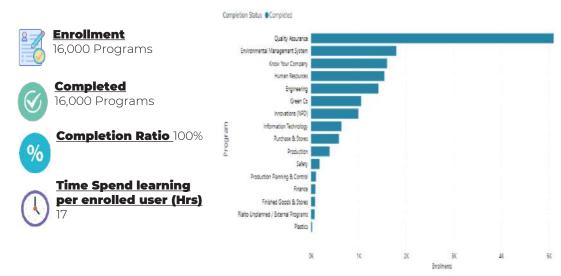


With the advent of Digital Technology, all the Staff are enrolled in a **Learning Management System (LMS)** that enables them to attend online training programs at their own pace. This has saved lots of resources in organizing direct classroom training for refresher programs, SOPs, Procedures, and processes which does not require facilitation.

The evaluation is also enabled in the tool which ensures mandatory learning of concepts in the online modules. The Digital Platform is also enabled with features of obtaining employee feedback on the external training programs, which is an effective input for improving the training quality. The Workmen-related training is still conducted as classroom session covering topics like Good Manufacturing Practices, Quality Tools, Safety Protocols, and Quality Standards of Products.

Training Matrix is maintained for both staff and operators and is monitored on a monthly basis, and it ensures 100% adherence to all the planned training programs are completed as per the annual calendar. During this reporting period, we feel proud that all the employees who have participated in the external training program have scored above 85% which stands as testimony to the importance employees give to these programs

Staff Training - Learning Management Software



Operators Training

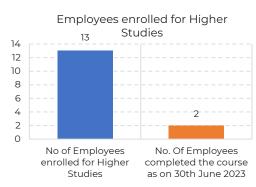
Workmen Category	No of Programs	Duration of Program	No of Participants	No of Manhours	No of Mandays
MF & PC Operators	16	1.5	1200	28800	3600
Stores Operators	7	1.5	27	284	35
FGS Operators	5	1.5	21	158	20

Career Development

Rialto has been cultivating continuous improvement in the performance appraisal process with the introduction of the Digitized Performance Management system. The tool has helped in improving ownership, accountability, and execution of goals in line with organization goals. The real-time dashboards have also helped in measuring performance on a uniform scale, which instills competitive spirit and drives actions to improve overall performance.

The company strongly believes in providing secure long-term association of its employees and around 40% of employees have more than 15 years of valuable association with the company. The new positions that are created to meet business needs are first evaluated with the existing employee's potential, only in case of nonavailability of skill set candidates are sought from external sources. The Annual Appraisal cycle is followed in line with the Business year of July to June, and every year salary increments are provided based on merit and contribution. Also, any additional qualification completed during the year and the no of ideas implemented/supported carries additional weightage in the salary increment. The Promotions which are means of internal growth are extended to employees who have really made a difference in their respective functions. The Reward and Recognition programs in the company are revered

by employees as they encompass Ideas/Suggestions Implemented, Exemplary Work, Process Improvements, and Special Cross-Functional Projects. The most awaited Employee Recognition event is the CEO's Award which is given to a select few after careful screening and evaluation by the leadership team. The Award has instilled pride and honor in the recipients of the company for their outstanding contribution.





Business Ethics

The company is governed by the Ethical Trade Initiative and Disney Code of Conduct, which calls for adherence to the highest professional business standards which is evinced by the trust that is bestowed by our customers, supplier partners, and the community at large. These standards include clauses on honesty, integrity, and ethical conduct.



All the senior management personnel and employees go through the training program and sign the declaration for adherence to the same in letter and spirit. The employee handbook details all the policies and procedures required for the employee. The Workmen are governed by the certified standing orders under the Industrial Employment (Standing Order) Act 1946. The company has also a whistle-blower policy with an email ID and an open suggestion box. There were no reported incidents of corruption or complaints on any clauses of ethics during the reported year.

Occupational Health & Safety



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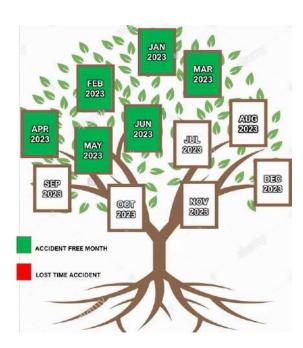
Rialto Enterprises Pvt. Ltd. is committed to proactively managing and achieving excellence in Occupational Health and Safety Practices by continually improving and enforcing efforts. Rialto has well-defined policies and systems to provide guidance to employees to adopt and follow safety practices in their day-to-day operations. The Health & Safety policy and procedures are well established to empower every employee to report hazards, near-miss incidents, or injuries in the workplace and share the information with their colleagues during forums like startup meetings, training sessions, safety committee meetings, etc.

All the safety initiatives in Rialto are focused on proactive actions to achieve the aim of zero accidents at the site. The lead indicators like Risk Assessment, nearmiss reporting, safety kaizens, etc. are given more importance. In addition to regular safety training, Rialto has developed the following requisites and train employees regularly:

- ✓ Refresher-cum-certification program such as first aid training
- ✓ Firefighting training is conducted every 2 months for emergency response team members.
- ✓ Mock drills are carried out every 2 months on various themes such as fire emergencies, medical emergencies, environmental emergencies, natural calamities, etc. to ensure the effectiveness of the emergency management system.
- ✓ Accelerate safety by visiting other industries to identify and implement benchmark initiatives.

Complete control over hazardous activities is succeeded through the Safe Work Permit System. This provides a platform to ensure no hazardous activities are carried out without taking appropriate safety controls like Lock Out / Tag Out etc.

The safety culture is promoted through various activities/competitions like National Safety Week Celebrations, National Road Safety Week Celebrations, World Water Day, World Environment Day, etc.



We are Achieved



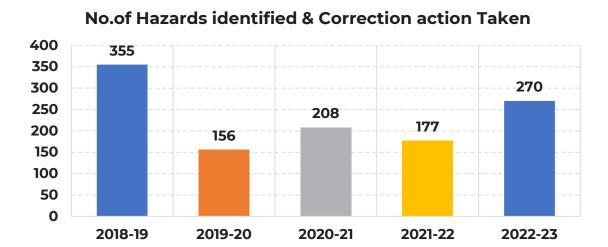
as on 30th June 2023

Occupational Health & Safety

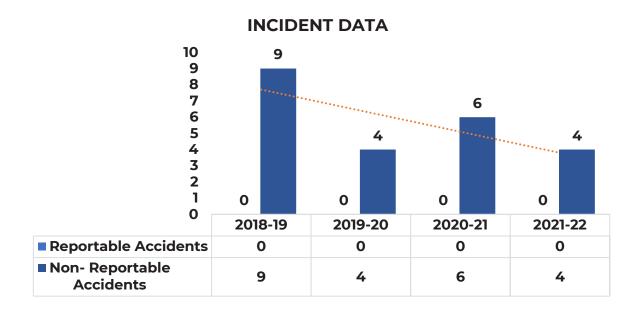


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The below chart shows the No. of Hazards identified through various modes and the corrective actions done against the Hazard at Rialto.



The chart below shows the total No. of Reportable & Non-Reportable accidents that happened in the last 4 years.



Diversity & Inclusion







The company believes its people as their competitive edge in its operations, it has many strides forward in nurturing a working culture which appreciates and acknowledges the need for diversity in various aspects.

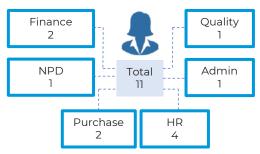
No of Female Employees over the years

2020-21	2021-22	2022-23		
6	6	11		

The diversity factor brings new ideas and dimensions to our business, which helps in bringing out innovative ideas to meet customer demands. The company is fostering a positive work culture with the right blend of experience of the different age groups contributing to the growth of organisation, in moving with digitization and embracing high technology in manufacturing operations.

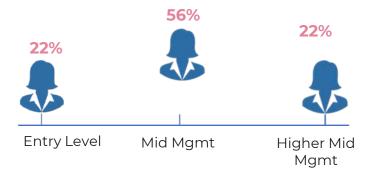
Gender Diversity is taken as a key agenda in the report and this year we have increased Female employee strength to 60% from 6 to 10. The New Hires in the reported year has also been with 46% (6/13). We have also deployed Females in Critical Business Functions in Finance and Purchase in the Middle management.

Women in Different Functions (By No's)



The Diversity in Education qualification comes with New hires with unique and Special qualifications like Post-Graduate Engineering in Technology and Solar Energy Post-Graduate and in Technology Management. We are also proud of having 6 of our employees certified in ESG space driving sustainability initiatives in our operations.

Female Employees in various roles



New Hires - Diversity

S.No	Year	Male	Female	Total	Female %
1	Jul'18-Jun'19	9	2	11	18%
2	Jul'19-Jun'20	4	0	4	0%
3	Jul'20-Jun'21	11	0	11	0%
4	Jul'21-Jun'22	10	0	10	0%
5	Jul'22-Jun'23	7	6	13	46%

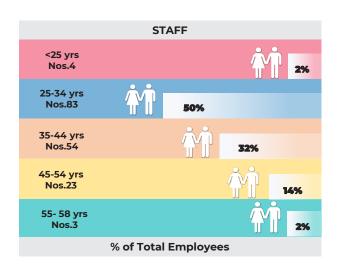
Diversity & Inclusion

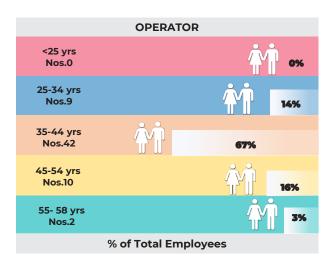




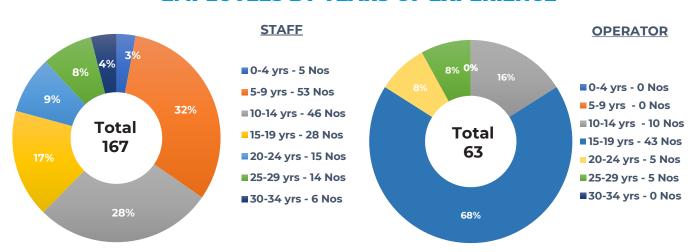
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Employee by Generation & Age Group

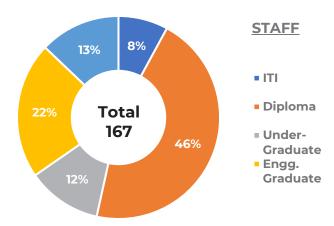




EMPLOYEES BY YEARS OF EXPERIENCE



Diversity in Professional Qualifications



Diversity at Supply Chain





Today, women have successfully proven their potential and left their mark in all fields. Gender-responsive procurement practices were one of the sustainable ways to bring socioeconomic change for women in society.

In the past few years, we have increased our gender-responsive procurement practices, as a part of our focus area to strengthen the position of women in areas of business and women-led businesses in our supply chain. This has increased the women vendors' business share to 36% of Rialto's Purchase Value. Rialto firmly believes that gender-responsive procurement will create a socioeconomic change for women on a global scale in other sectors as well.



To further recognize women-owned businesses in Rialto's Supply chain, we periodically conduct a recognition program to recognize women entrepreneurs.



Glimpse of the recent Women Entrepreneurs Recognition Program



Sustainability is a mindset

Printed on Recyclable & Sustainable Paper & Board











Rialto Enterprises Pvt. Ltd.

Survey No. 100/2, Vandalur Kelambakkam Road, Melakottaiyur, Chennai – 600 127 www. rialto.co.in

> Please e-mail your suggestions/ views/ opinions to arunkumar.j.l@pg.com

> > All figures in the report are current as of $30^{\text{th}}\,$ June 2023