Chromewell Engineering Private Limited

Water Stewardship Policy

POLICY NO: CW-ENV-004 | VERSION: 4.0

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1. Document Information:

Document Details		Governance
Policy Owner: EHS Executive	**Scope:** All water abstraction, consumption, recycling, and discharge activities at Chromewell Engineering's Pune and Dewas manufacturing facility. Includes process water, cooling water, sanitary water, and wastewater treatment.	**Reviewed & Approved By:** CEO & CFO
Secondary Owner: Compliance Executive	**Applies To:** All manufacturing processes that use water: surface treatment, quenching and cooling, washing, cleaning of parts, cooling towers, and sanitation. Direct suppliers engaged in water-intensive processes.	**Review Cycle:** Annual – Once a year

2. Purpose

Chromewell Engineering Pvt Ltd recognises that water is a critical and increasingly stressed resource in Maharashtra, particularly in the Pune region which is subject to seasonal water scarcity, declining groundwater tables, and competing agricultural and industrial demands. Our manufacturing operations consume water in quenching, cooling, surface treatment, and parts washing processes. Responsible water stewardship is both an environmental obligation and a business continuity requirement.

This policy establishes Chromewell's commitment to measuring, reducing, and responsibly managing all water use and wastewater discharge, aligned with the Alliance for Water Stewardship (AWS) Standard and GRI 303.

This policy is aligned with:

- GRI 303: Water and Effluents (2018) - GRI 303-1 through 303-5
- CSRD ESRS E3 - Water and Marine Resources
- Alliance for Water Stewardship (AWS) Standard
- CDP Water Security questionnaire
- Indian Water (Prevention and Control of Pollution) Act 1974
- Maharashtra Pollution Control Board (MHPCB) effluent discharge standards
- Bureau of Indian Standards - IS 4764 (industrial wastewater treatment)

3. Scope

This policy covers:

- All freshwater abstraction from borewells, municipal supply, and surface water sources
- All industrial process water: quenching, cooling, washing, surface treatment (electroplating, phosphating), and compressed air moisture
- All wastewater generation, treatment, and discharge to municipal sewer, or the environment
- Rainwater harvesting and water recycling opportunities
- Water risk in the supply chain, particularly smallholder suppliers engaged in water-intensive surface treatment

4. Key Objectives and Targets

Chromewell Engineering defines overarching environmental objectives at the management system level. Detailed objectives and targets for each sustainability issue are set in the respective sub-policy.

Water Issue	Key Objectives	Target
Water Consumption Reduction	Reduce total freshwater abstraction through process efficiency improvements, recycling, and reuse, recognising Pune's water-stressed context.	Water intensity: 20% reduction by 2028 vs 2025 baseline (litres per tonne of output) Total freshwater abstraction: absolute reduction target set after 2025 baseline is established Process water recycling rate: ≥ 50% by 2027
Wastewater Treatment & Quality	Ensure all wastewater discharged meets or exceeds MHPCB standards for pH, TSS, BOD, COD, heavy metals (Cr, Ni, Zn, Cu), and oil & grease always.	Zero exceedances of MHPCB consent conditions for effluent quality Effluent quality parameters: tested monthly by NABL-accredited laboratory Zero untreated effluent discharge to environment

Rainwater Harvesting	Capture and utilise rainwater to supplement freshwater requirements, reducing dependence on borewell abstraction.	Rainwater harvesting system: capacity assessment by June 2025; implementation by December 2026 Rainwater contribution to total water use: ≥ 10% by 2028
Groundwater Management	Reduce borewell abstraction to sustainable levels, protecting the local aquifer shared with the community and smallholder farmers.	Borewell abstraction: monitored monthly and reported annually Groundwater level monitoring: installed and tracked bi-annually Borewell abstraction: 30% reduction by 2030 vs 2025
Water Risk Assessment	Conduct a formal water risk assessment using the WRI Aqueduct tool to understand Chromewell's exposure to water stress, scarcity, regulatory risk, and reputational risk.	Water risk assessment: completed by December 2026 High water risk suppliers identified and engaged: 100% by December 2026 Water risk integrated into annual business risk register
Supply Chain Water Risk	Engage key direct suppliers - particularly smallholder electroplating and surface treatment workshops - on responsible water use and wastewater management.	Supplier water risk questionnaire sent to top 20 suppliers by spend by December 2025 Capacity-building support for smallholder suppliers on wastewater management: established by 2026

5. Governance and Allocation of Responsibilities

Clear accountability is assigned at every level of Chromewell Engineering's ESG Governance Structure. The table uses a RACI framework (Accountable, Responsible, Consulted, Informed).

Role / Designation	RACI Level	Department	Key Responsibilities Under This Policy
CEO/CFO	**Accountable (A)**	Executive	Final approval. Receives annual water performance report. Approves capital investment for water recycling and harvesting infrastructure.
EHS Executive	**Primary Owner (R)**	EHS / Operations	Manages water metering, GRI 303 data collection, MHPCB effluent consent compliance, wastewater treatment plant operation, and rainwater harvesting implementation.
Compliance Executive / Sustainability Manager	**Secondary Owner (R)**	Compliance / Sustainability	Manages GRI 303 / CSRD ESRS E3 reporting, CDP Water disclosure, water risk assessment, and supplier water risk engagement.
Operations Manager	**Consulted (C)**	Operations & Production	Implements water efficiency measures in production processes. Manages process water

			recycling. Reports water consumption data by process area monthly.
Head of Compliance	**Consulted (C)**	Compliance	Manages MHPCB consent conditions and renewal. Monitors changes to Maharashtra and Indian water regulation. Advises on effluent discharge obligations.
Purchase Manager	**Consulted (C)**	Procurement & Supply Chain	Engages suppliers on water risk. Manages supplier water assessment questionnaires. Supports smallholder supplier capacity building on wastewater.

RACI: A = Accountable (signs off, one person only) · R = Responsible (does the work) · C = Consulted (input required) · I = Informed (kept in loop).

6. Policy Commitments

6.1 Water Metering and Data Management

- Water sub-meters are to be installed for all major water-consuming processes and planned to read in real-time and report it monthly
- Total water abstraction (by source: borewell, municipal, rainwater) is recorded monthly and reported annually per GRI 303-3
- Wastewater volumes generated, treated, and discharged are recorded monthly and reported per GRI 303-4
- Water intensity (litres per tonne of production output) is calculated monthly and compared against the target trajectory

6.2 Water Efficiency and Recycling

- An annual water efficiency improvement plan identifies at minimum three priority projects with assigned owners, investment requirements, and expected savings
- Cooling water is recycled through closed-loop systems; make-up water is minimised through blowdown management
- Parts washing water is recycled through cascaded rinsing and recycling filtration before discharge
- Surface treatment bath life is extended through drag-out recovery and chemical optimisation, reducing water turnover frequency

6.3 Wastewater Treatment and Regulatory Compliance

- Chromewell operates an on-site Effluent Treatment Plant (ETP) as required by MHPCB consent conditions
- Treated effluent meets MHPCB discharge standards for all parameters before discharge
- Effluent quality is tested monthly by a NABL-accredited environmental laboratory; results are submitted to MHPCB as required
- Any exceedance of discharge standards is reported to the Head of EHS immediately, investigated within 24 hours, and corrective action implemented before resuming discharge

6.4 Supply Chain Water Stewardship

Smallholder electroplating and surface treatment suppliers in Chromewell's supply chain often discharge effluent without adequate treatment, creating both environmental and reputational risk:

- A water risk questionnaire is issued to all direct suppliers engaged in water-intensive processes annually

- High water-risk smallholder suppliers receive practical support - ETP design guidance, connection to CETP, chemical substitution advice - rather than immediate exclusion
- Water stewardship performance is included in supplier sustainability scorecards from 2026

7. KPI Monitoring and Reporting

The following KPIs are tracked by the ESG Working Group, reported quarterly to the ESG Steering Committee, and published annually in the Chromewell Sustainability Report

KPI / Indicator	Target	Measurement Method	Cadence	Owner
Total Freshwater Abstraction (m^3/year)	Baseline 2025; reduce 20% intensity by 2028	Sub-meters + utility bills	Monthly	EHS Executive
Water Intensity (litres per tonne output)	20% improvement by 2028	EMS data	Monthly	EHS Executive
Process Water Recycling Rate (%)	≥ 50% by 2027	Water balance records	Monthly	EHS Executive
Rainwater Harvesting Volume (m^3)	≥ 10% of total water by 2028	Harvest meter	Monthly	EHS Executive
Borewell Abstraction Volume (m^3)	30% reduction by 2030	Borewell meter	Monthly	EHS Executive
Effluent Discharge Compliance	Zero exceedances of MHPCB limits	NABL lab test results	Monthly	EHS Executive
Water Risk Assessment Completion	By December 2025	ESG records	Annual	Compliance Executive
CDP Water Score	B or above by 2027	CDP platform	Annual	Compliance Executive
Supplier Water Questionnaire Completion	Top 20 suppliers by Dec 2025	Procurement records	Annual	Purchase

8. Policy Review Mechanism

Reviewed annually every April by Head of EHS with CEO approval. Interim review triggered by: MHPCB show-cause notice, significant water scarcity event, change in MHPCB consent conditions, or new CSRD ESRS E3 guidance.

Version	Date	Author	Approved By	Summary of Changes
1.0	July 01, 2021	EHS Executive / HR HOD	Mr. Amardeep Mardhekar (CEO) Ms. Risha Naik (CFO)	Initial issue
2.0	May 03, 2022	EHS Executive / HR HOD	Mr. Amardeep Mardhekar (CEO) Ms. Risha Naik (CFO)	Minor edits on the Quantitative targets
3.0	June 05, 2025	EHS Executive / HR HOD	Mr. Amardeep Mardhekar (CEO) Ms. Risha Naik (CFO)	Updated to v3.0: KPI has been revised

4.0	Jan 14,2026	EHS Executive / HR HOD	Mr. Amardeep Mardhekar (CEO) Ms. Risha Naik (CFO)	Added related policies with clear accountability and ownership

9. Compliance, Non-Conformance, and Disciplinary Action

- Discharge of untreated effluent to the environment constitutes serious misconduct and a regulatory offence
- MHPCB violations are reported to the Head of Legal immediately; corrective action is implemented within 24 hours
- Concerns are reported through Policy CW-ETH-004 - Whistleblower Protection & Speak-Up Policy
- “Report a concern” form available on ChromeNet as an anonymous grievance redressal mechanism and, we have a dedicated hotline number published on the website to report any concern anonymously.

10. Related Documents and References

Internal policies:

- CW-ENV-001 - Environmental Management Policy
- CW-ENV-005 - Pollution Prevention & Environmental Compliance Policy
- CW-ENV-006 - Hazardous Substances, Chemicals & REACH Compliance Policy
- CW-ENV-007 - Waste Management & Circular Economy Policy

External standards:

- GRI 303: Water and Effluents (2018)
- CSRD ESRS E3 - Water and Marine Resources
- Alliance for Water Stewardship (AWS) Standard v2.0
- WRI Aqueduct Water Risk Atlas
- Indian Water (Prevention and Control of Pollution) Act 1974
- Maharashtra Pollution Control Board Consent Conditions and Effluent Standards
- CDP Water Security Questionnaire

11. Formal Approval and Sign-Off

This policy has been prepared, reviewed, and formally approved:

Prepared By	Reviewed By	Approved By
Name: Mr. Kaka Rakhapasre **Designation:** EHS Executive **Date:** Jan 2026 **Signature:** _____	**Name:** Mr. Sandeep Divekar **Designation:** HR HOD **Date:** Jan 2026 **Signature:** _____	**Name:** Ms. Risha Naik **Designation:** CFO **Date:** Jan 2026 **Signature:** _____

FOR FURTHER INFORMATION:

This policy is issued under the authority of the CEO & CFO of Chromewell Engineering Pvt Ltd. It supersedes v3.0 (June 2025). For further information or advice, please contact a Chromewell Finance or Compliance Officer or Chromewell’s Board or Directors.

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