



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

---

## 2021-22





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## ABOUT THE REPORT

### Reporting Boundary & Timeline

This report covers ESG activities of the Company for FY 2022 with comparatives drawn at various places in the report to FY 2021. The reporting boundary of the report covers our 11 manufacturing units located at Bengaluru, Dujana, Hyderabad, Hosur, Malur, Murbad, Raipur and Sikandrabad as well as our corporate offices in Delhi, Noida, and Ghaziabad. This report follows and contains the indicators prescribed under the latest Global Reporting Initiatives (GRI) Standards and meets its 'In Accordance – Comprehensive' criteria. The United Nations Sustainable Development Goals (UNSDGs), also known as the Global Goals, which were adopted by the United Nations in 2015 as a universal call to action which focuses on 17 key factors have also been mapped into appropriate sections of the report.



## Materiality

We compiled our materiality matrix for the Fiscal year 2022 for both internal and external stakeholders using the details and indicators from our previous assessment. The matrix has been generated this year to understand the priorities of the material issues identified last year and how the issues relevant to the industry in which our company operates have an impact on our stakeholders.

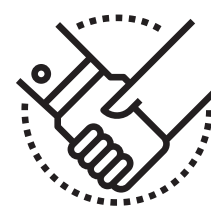
## Methodology

We took considerable effort and implemented robust internal controls to ensure the integrity of the data contained in the report. The emphasis was on recreating comparable and accurate data points, as required by GRI, and any data availability constraints were acknowledged as appropriate.

## Management's Responsibility

The contents of this Report have been reviewed by our Company's senior executives, including the Chief Executive Officer and Managing Director; Executive Director, Chief Operating Officer and Chief Financial Officer; Vice Presidents (Safety, Health, and Sustainability) and other department heads; and Company Secretary and Chief Legal Officer (Corporate and Compliance), to optimize governance oversight, risk management, and controls.

*There are certain forward-looking statements within the scope of this report which are subject to several risks, uncertainties, and other factors that could cause actual results to differ substantially from those anticipated. APL Apollo Tubes Ltd makes no commitment to update forward-looking statements to reflect events or circumstances that occur after the date of the report.*



For any queries/feedback related to the report, please direct the same to the Corporate Communications Department by Contacting any of the following:

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# HIGHLIGHTS FROM THIS REPORT



## Leading the industry in reducing Greenhouse Gas emissions



We have committed to set a science-based target through the Science Based Targets initiative. The Science Based Targets initiative is a collaboration between CDP, the United

Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).



APL Apollo Tubes Limited has committed to reducing Scope 1&2 emissions per metric ton of steel produced by 25% by 2030, against a 2022 base-year.

## Agenda for FY2023:

Assess climate-related risks and opportunities in line with recommendations set by the Taskforce for Climate-related Financial Disclosures (TCFD).



## Accelerating the transition to renewable energy

In FY22, 38% of APL Apollo's total energy consumption was from renewable energy sources. At two of APL Apollo's plants, over 85% of energy needs were met through renewable energy.



## Expanding our portfolio of environmentally friendly products

Tubular Steel product is a greener alternative to RCC as a method of building construction.

- It is zero dust, no water consumption, recyclability, and fast speed of construction.



Apollo Chaukhat is replacing wood as the material of choice for door frames.

- Adoption of steel door frames instead of wooden frames results in saving of 2.5 lakh trees annually.

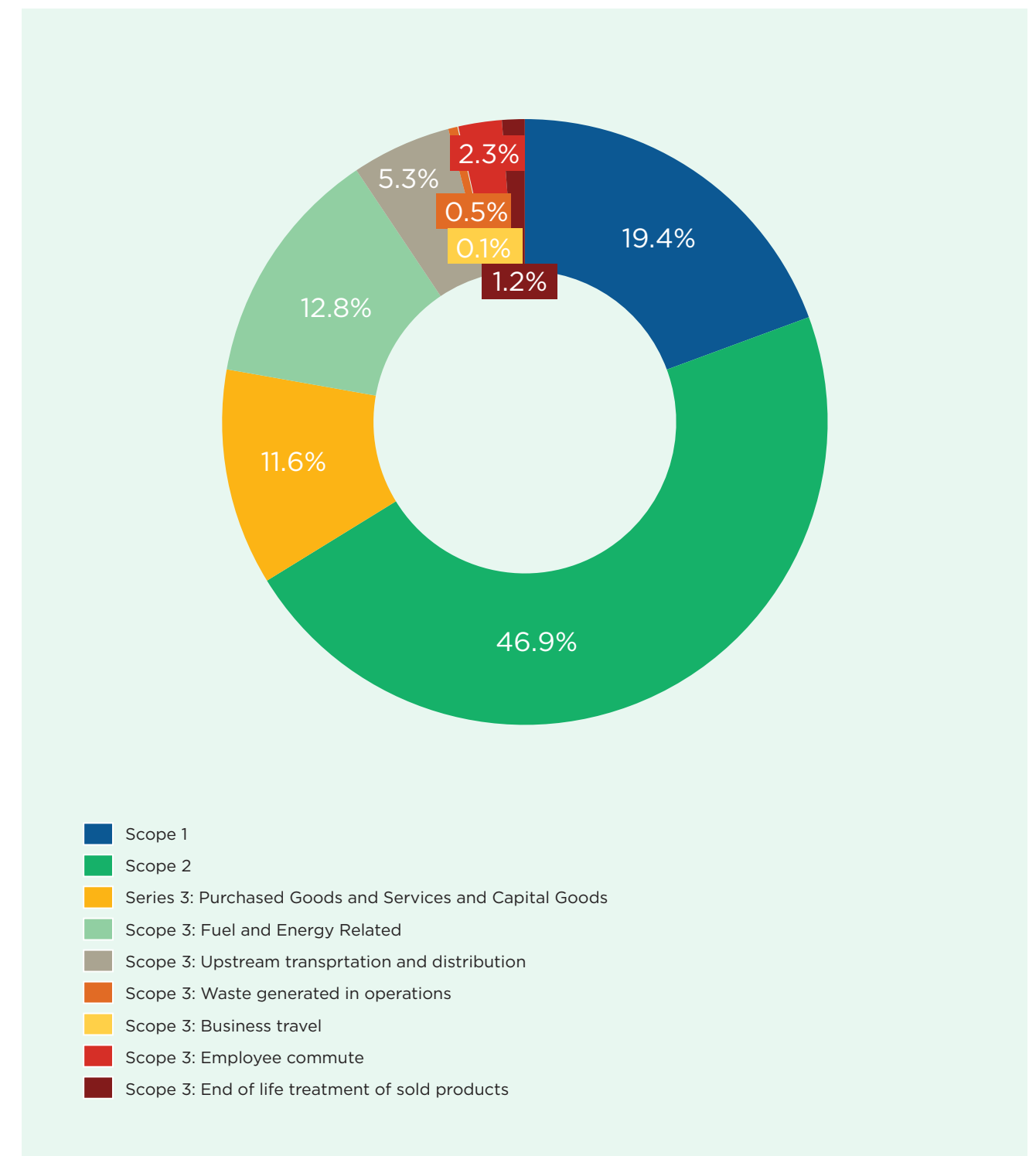


# GHG INVENTORY FOR FY 2022

In FY22, we calculated the Scope 3 emissions from our operations for the first time. The exercise gave us insights into the emissions from our value chain. Going forward, we will undertake targeted initiatives to reduce our carbon footprint, working actively with our value chain partners and stakeholders. We also

expanded the scope boundary of our Scope 1 emissions to include our consumption of LPG and furnace oil, apart from diesel.

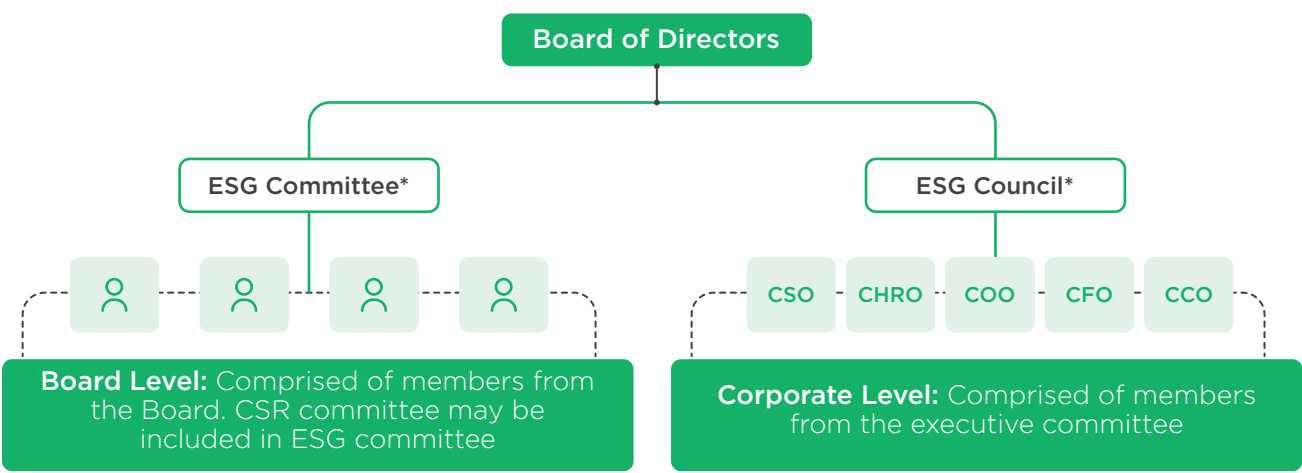
**Our total emissions for FY22 was 126,333 MTCO<sub>2</sub>e. A break-up of the emissions in provided in the chart.**





# FACT BOOK

## STRUCTURE GOVERNANCE STRUCTURE



### Corporate Sustainability team

Key corporate fuctionation



### Environmental Indicators

Indicator	Unit of measurement	FY20	FY21	FY22
Scope 1 emissions	Metric tonnes CO2e	14,906	10,844	24,486*
Scope 2 emissions	Metric tonnes CO2e	14,906	66,349	59,186
Scope 3 emissions (Total)	Metric tonnes CO2e	-	-	42,661
• Scope 3 Purchased goods and services & Capital Goods	Metric tonnes CO2e	-	-	14,599
• Scope 3 Fuel & Energy related	Metric tonnes CO2e	-	-	16,210
• Scope 3 - Waste generated in operations	Metric tonnes CO2e	-	-	619
• Scope 3 Business travel	Metric tonnes CO2e	-	-	62
• Scope 3 Upstream transportation and distribution	Metric tonnes CO2e	-	-	6,720
• Scope 3 Employee Commute	Metric tonnes CO2e	-	-	2927
• Scope 3 End of Life Treatment of Sold Products	Metric tonnes CO2e	-	-	1526
Energy consumption	MWh	153,320	102,785	121,535
Dust emissions	Metric tonnes	3.76	6.37	-
Water withdrawal	Million cubic meters	-	0.36	0.33
Withdrawal: Fresh groundwater	Million cubic meters	0.25	0.24	0.25
Discharge	Million cubic meters	0.06	0.05	0.04
Total net freshwater consumption	Million cubic meters	0.31	0.65	0.37
Total waste recycled/reused	Metric tonnes	-	48,363	53,038
Total waste disposed	Metric tonnes	55,952	54,998	60,227
NOx emissions	Metric tonnes	1.76	4.78	-
SOx emissions	Metric tonnes	2.40	3.08	-

Note on Scope 1 emissions:  
FY22 includes emissions from diesel, LPG, and furnace oil | FY20 and FY21 include only diesel related emissions



## Social Indicators

Indicator	Unit of measurement	FY20	FY21	FY22
Total workforce	Number	2,024	3,216	2,867
Total contractual workforce	Number	700	1,259	836
Total permanent workforce	Number	1324	1,957	2,137
Share of women in the total workforce	Percentage (%)	-	-	1.5%
Workforce breakdown	Nationality (Indian)	100%	100%	100%
Workforce breakdown: Age group	<30 years old	-	-	33.9%
	30-50 years old	-	-	55.1%
	>50 years old	-	-	11.0%
Non management level (base salary) for women	INR	-	-	34,503
Non management level (base salary) for men	INR	-	-	38,250
Employees represented by trade unions	Percentage (%)	-	-	18%
Average hours per FTE- Training and development	Hours	-	-	4.22
Total number of new employee hires	Number	708	215	519
Total employee turnover rate	Percentage (%)	15%	16%	12%
Voluntary employee turnover rate	Number	-	-	26
Rewards and recognition	Percentage (%)	-	4.6%	3.0%
Fatalities	Employees	0	0	0
	Contractors	0	0	0
Total man days worked	Hours	-	-	1,077,522
LTIFR - Employees	n/million hours worked	-	7.80	2.60
LTIFR - Contractors	n/million hours worked	-	5.57	n/a
TRIFR - Employees	n/million hours worked	-	-	3.55
TRIFR - Contractors	n/million hours worked	-	-	0.14

## Governance and economic indicators

Indicator	Unit of measurement	FY20	FY21	FY22
Independent Directors on board	Number	5	5	5
Board committees headed by Independent Directors in board	Number	5	5	4
Issues raised through whistleblower	Number	-	-	0
Total cyber breaches	Number	-	-	0
Average board tenure	Years	-	-	8
Revenue from operations	Million (INR)	77,232	84,998	130,633
EBITDA	Million (INR)	4,774	6,787	9,452
PAT	Million (INR)	2,380	3,602	5,573
Market share	Percentage (%)	40%	50%	55%
Sales volume	Million tonnes	1.63	1.64	1.75
Operating cash flow	Billion (INR)	5.09	9.71	6.51
Net working capital days	Days	29	9	7
Investment	Billion (INR)	1.33	0.26	0.86
Net worth	Million (INR)	13,562	16,947	22,640
Voting rights	No. of shares (million)	25	125	250
CAPEX	Million (INR)	3,014	2,798	5,869
Market capitalization	Million (INR)			228,781
Manufactured capital (Installed capacity)	Million tonnes	2.5	2.6	2.6
Shareholder fund	Million (INR)	13,562	16,947	22,640
Debt	Million (INR)	8,338	5,203	5,806
Capital employed	Million (INR)	24,251	21,995	28,801



# EXECUTIVE SUMMARY

## Accelerating our ESG journey

Our country witnessed an unprecedented rapid trend towards incorporating ESG imperatives into India's commercial ecosystem and driving corporate action. At APL Apollo we feel that a robust ESG alignment with organizational strategy and action may not only increase value creation, manage risks, improve reputation, and produce profitability, but it can also assist in determining the route for future development and success. We are on our journey to surpass the market standards by developing excellent ESG-aligned strategies and policies. We feel that our ability to provide value adds in the form of sustainable solutions and experiences to our stakeholders has been bolstered by our focus on transforming ourselves into a more resilient and future-ready




organization, in which ESG will play a vital part.

APL Apollo's successful performance depends on ethical business conduct and being environmentally & socially responsible towards its stakeholders. According to our analysis, businesses that have a good and growing impact According to our analysis, businesses that have a good and growing impact on the environment, corporate responsibility, and social responsibility are more likely to offer stakeholders surplus returns over time. As a result, we consider ESG factors and incorporate sustainability into our business operations and strategy. Additionally, a key component of our risk analysis is the evaluation of a company's ESG criteria.

In this report, our strengths in this area have been highlighted, as well as our plans to mitigate certain risk factors and utilize the key opportunities that lies in front of us to become a torch bearer in this field. We are optimistic with our performance over this year with increase in our renewable energy

consumption, better sustainability standards at work, our line of sustainable products, environmental and social indicators that navigates us to larger goals and vision embedding ESG into the DNA of our company.

## Performance Snapshot of FY 2022

 Environment	 Social	 Governance
<ul style="list-style-type: none"><li>• All plants are ISO 45001, and 9001</li><li>• 27% of Total water recycled and 8% of total water consumption declined</li><li>• Current renewable energy portfolio of 16.5% Mega Watt (MW)</li><li>• Total energy consumption reduced by 2,25,49,771 kWh as compared to FY 2021</li><li>• 41% of Total energy consumed is from Renewable sources</li><li>• Total capacity of rainwater harvesting pits around 353 cubic meter</li><li>• 2 Zero Liquid discharge facilities at Murbad and Malur</li></ul>	<ul style="list-style-type: none"><li>• 72.3 million INR of CSR expenditure</li><li>• Approximately 17,000 number of CSR beneficiaries</li><li>• 0 cases of violations of human rights</li><li>• Total training hour of around 8710</li><li>• 0 Cases of Fatalities</li><li>• All our manufacturing sites are ISO 45001 certified</li><li>• 98% Customer concerns resolved successfully</li><li>• 100% of employees and workers are provided with safety and skill upgradation training</li><li>• 100% compliance to all the legal requirements pertaining to labor</li></ul>	<ul style="list-style-type: none"><li>• 6803 million INR Economic Value retained</li><li>• 55%YoY increase in Net profit</li><li>• Total operating cash flow of 6.5 Billion INR</li><li>• 0 Cases of Anti Bribery and Anti Corruption</li><li>• 0 Cases of data privacy breaches</li><li>• ESG committee established along with new ESG manual and a revised code of conduct</li><li>• 98% of customer concerns resolved successfully</li></ul>





# ABOUT THE COMPANY



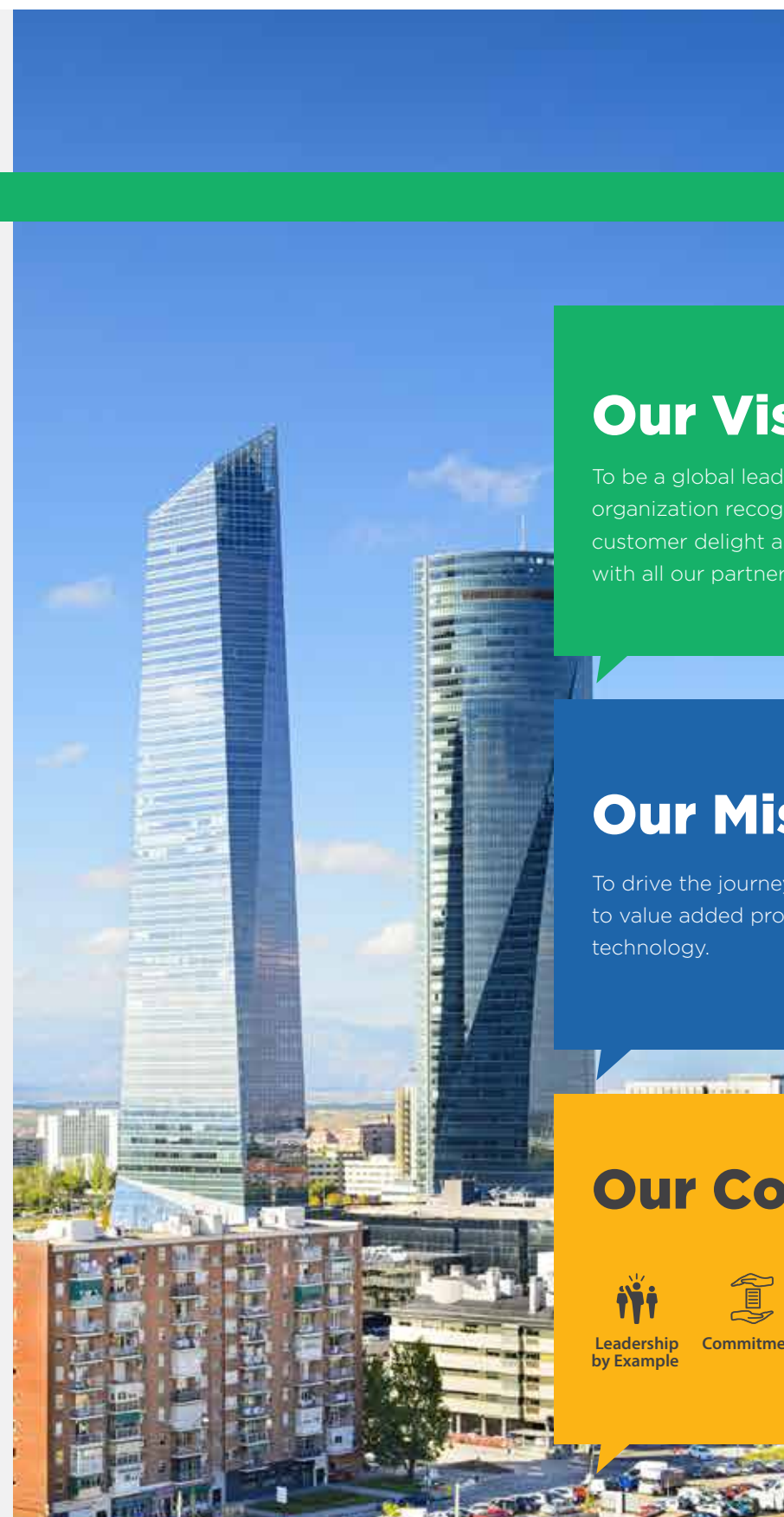
APL Apollo Tubes Ltd is a public limited Company incorporated in India on 24 February 1986. We are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with a registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. We are engaged in the production of Electrical Resistance Welding (ERW) steel tubes and are among the country's pioneering steel tubes manufacturers. With a significant local presence, a wide distribution network, and top-notch quality, we are also India's largest structural steel tubing company.

We have a deeply embedded three-tier distribution system that guarantees sales to dealers, wholesalers, and even to the final consumers. Through our manufacturing facilities, we currently have the capacity to produce 2.6 Million Tonnes of steel tubes. We also have a wide distribution network with warehouses, more than 800 dealers and distributors and more than 25,000

of retailers and fabricators

At APL Apollo, we are inspired by an enthusiastic leadership that believes in the continuous growth of our firm and everyone around us. Our goal, vision, and set of Core values, which we evaluate before making any decisions, reinforce the way we do business and keep us rooted and also serves as a constant reminder to chase our objectives

Since inception, we have accelerated the pace of our operations to improve capacity. For more than three decades, we have been at the forefront of the movement to revolutionize the production of structural steel tubes. We were early adopters and persistent in our efforts to bring in sustainable solutions in our industry that helped us in serving the domestic and international markets. Our product offering includes over 1,100 different pre-galvanized tube varieties, and we currently provide service to about 20 different nations worldwide.



## Our Vision

To be a global leader and high performing organization recognized for excellence, governance, customer delight and building long term relationships with all our partners.

## Our Mission

To drive the journey of transformation of commodities to value added products through innovation and technology.

## Our Core Values



Leadership by Example



Commitment



Trust



Innovation



Integrity



# SUSTAINABILITY STRATEGY & PERFORMANCE

## Our ESG framework

In recent years, many businesses have felt a burgeoning need to enforce core values that safeguard human wellness and rights, corporate behavior, and the environment — the very tenets of ESG which are also core value drivers. Strong ESG policies help businesses in the reduction of waste, water, and energy costs, as well as drive more strategic resource allocation. ESG is becoming more important to investors as part of the investment process, and it also aids in attracting talent and contributing to employee productivity and morale. As we see the proliferation of ethical businesses worldwide, adapting to change is a key to a healthy organization. Keeping this in view we have introduced our new ESG framework to guide us on our path, catching up with the trend and translating our pledges into actions.

ESG is an essential component for not just our business and supply chain, but also for all of our stakeholders, because we are committed to improving people's lives through our work. At APL Apollo,

ESG issues touch everyone, and hence we conduct business under cross-functional governance, driven by committed leadership.

In 2021, an ESG roadmap with three distinct phases was created.

The first phase was laying the Foundation in 2021, which focused on developing a solid fundamental platform as well as having an ESG governance structure and policy framework.

The second phase, which we are presently in, is Meeting Milestones (2022-2024) focuses upon integrating ESG risks, identified considering our business risks, in our business decision making and achieving the set targets. The final phase would be Leading the Way (2025 onwards) which is an endeavor to become an ESG pioneer with an established ESG framework.

In FY2022, we conceptualized our process towards the ESG Governance process and also developed an ESG Charter which is a policy document that defines the objective and allows



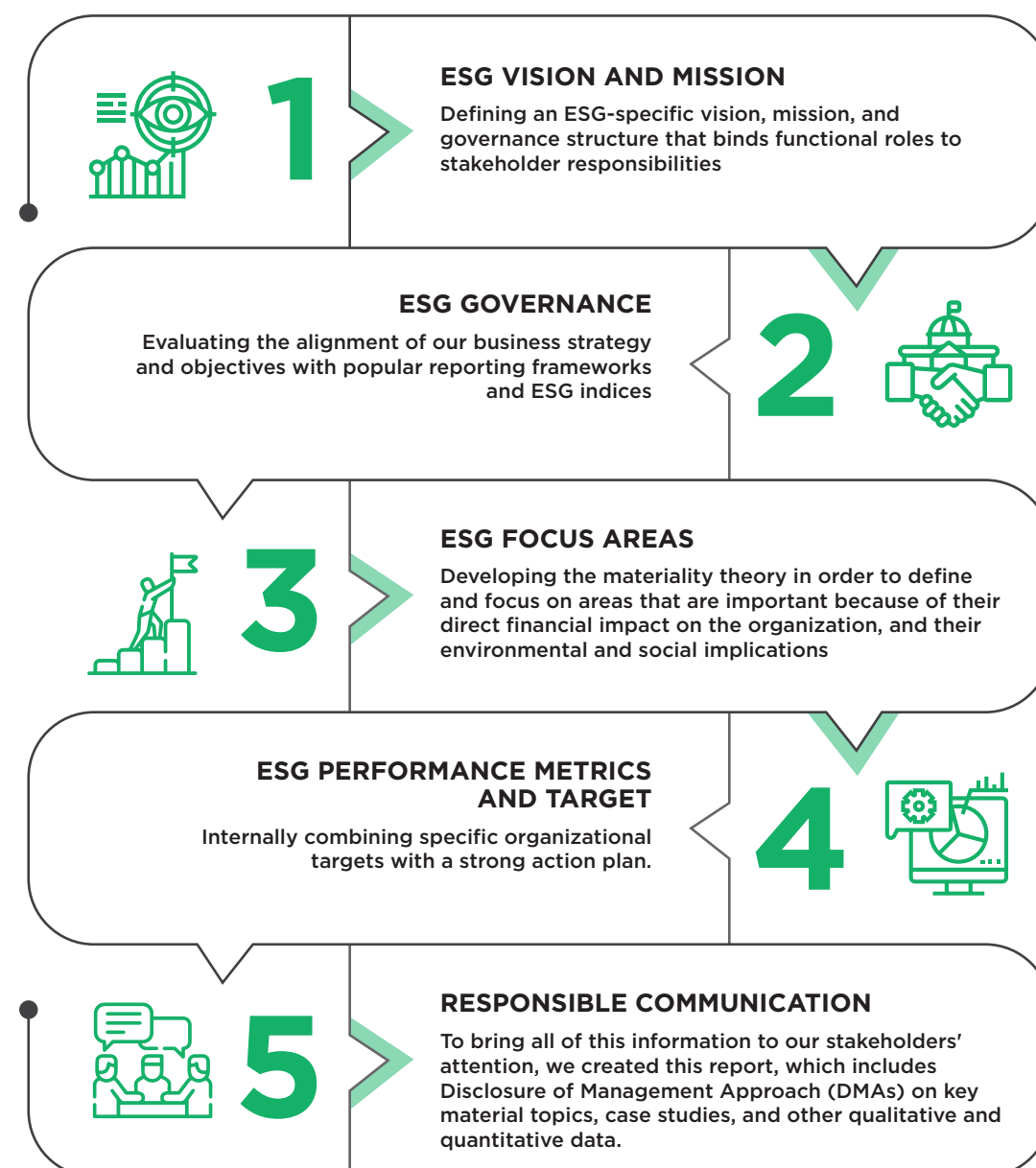


stakeholders to express sustainability challenges, targets, and progress in short-, medium-, and long-term goals. We have established a strong ESG governance system to implement the ESG Charter, with monitoring at three levels: the Board (ESG Committee), Corporate Management (ESG Council), and Site Management.

Our focus on ESG issues is fundamental to our business and is a component of the changing market expectations which is

reflected in our new ESG framework, targets, and action plan. We have taken five decisive actions to strengthen our position in this space.

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## 1 ESG Vision and Mission

### Vision

To be a high-performing organization that values social and environmental well-being, fosters relationships, and promotes innovation.

### Mission

To be a high-quality building, materials to be global client base while utilizing innovative technologies in a environment of motivated employees, focusing on continuous improvement and complying to the highest business standards while managing our impact on the environmental

## 2 ESG Governance

Good corporate governance promotes ethical business practices, which in turn promotes financial viability. It establishes a set of rules and practices that govern how a business operates and how it aligns the interests of all its stakeholders. As part of our sustainability governance structure, we have established an internal sustainability team to oversee activities related to Corporate Social Responsibility (CSR) and Environmental, Health, and Safety (EHS). Our Chief Strategy Officer oversees the

company's sustainability functions, which are governed by the Board of Directors. Our success is driven by a committed team of SPOCs from corporate and all facilities.

The primary objective of emphasizing on strong corporate governance structure is to help create an environment of trust, transparency, and accountability necessary for fostering long-term relationships with stakeholders.



**The Establishment Of ESG Committee  
And Its Roles And Responsibilities**

To further strengthen the company’s commitment to environmental stewardship, healthcare and safety, corporate social responsibility, corporate governance, and sustainability we have purposed to established an ESG committee. The committee determines ESG priorities, targets, and strategy in order to progressively embed sustainability into the Company’s policies and operations. It

coordinates the execution of the company’s ESG programs and monitors and evaluates the trends relevant to ESG issues, with the goal of improving the company’s understanding of them.

Our corporate sustainability squad comprises the following team members who oversee all ESG-related duties and responsibilities.

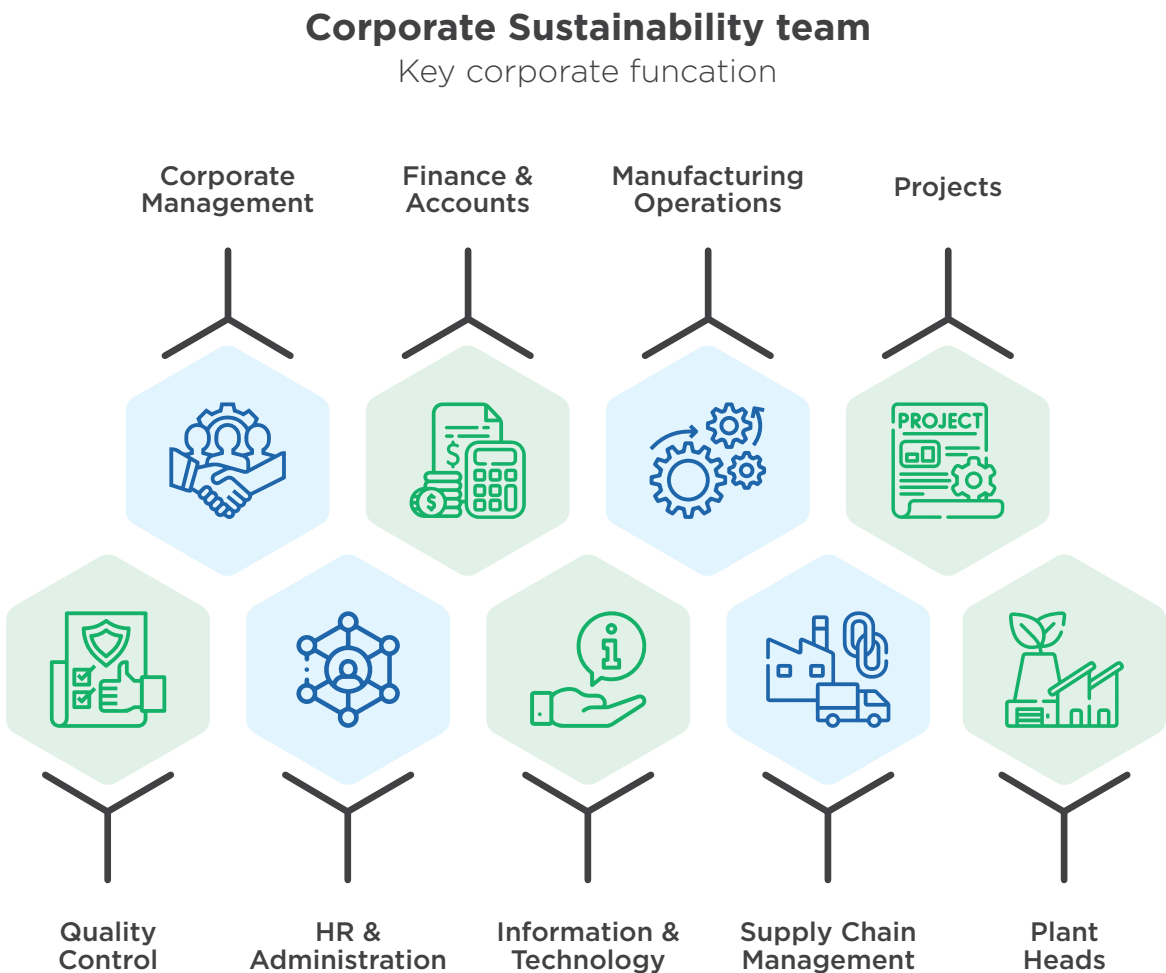


**3 ESG Focus Areas**

As we get closer to an effective ESG criteria implementation and review process, we’ve set four pillars to ensure that the roadmap is managed effectively, and that performance progress is continually monitored.

We have categorized various material issues

into the pillars of ESG priority areas. While sustainability is deeply embedded in our company strategy, it is also included in the four pillars as represented below. Each emphasis area has its own set of performance indicators, goals, and timeline.



**Responsible Business**

We believe that responsible business contributes to the creation of customer value by effectively caring for people, ethics, fairness while running a profitable business.

**Responsible Employment**

We emphasize on responsible employment because we believe that responsible employees work to advance the success of the company and strive to perform their daily duties well. responsible employees are involved in their daily activities and foster a culture that accelerates individual careers twhile increasing company productivity.

**Responsible Operations**

We strive to deliver high-quality products in an efficient manner while maintaining a safe and healthy culture. To ensure business continuity, we manage our environmental impact and plan for adverse conditions. Operating responsibly allows us to protect our people, customers, the environment, our company, and our good reputation.

**Responsible Towards the Community**

We believe that striving for social responsibilities enables individuals, organizations, and governments to positively impact development and business, so we focus an being socially accountable, acting ethically, and considering ourselves responsible for the society’s development



# OUR ESG GOVERNANCE CHARTER

Discuss importance of ESG in company operations and need for a comprehensive mechanism for addressing ESG

The ESG Charter is intended to serve as a policy statement to guide and enlighten ongoing voluntary programs; demonstrating the commitment of the company to ESG. The Charter will allow stakeholders, especially

## Purpose of the Charter

The overarching purpose of the Charter is to promote best practices in the design, implementation and reporting of ESG issues. It is also designed to promote shared learning within the organisation. The Charter is designed to:

- Demonstrate sustainability commitment to key stakeholders of the company
- Exhibit the sustainability credentials of the company
- Provide a clear structure to allow reporting of progress towards short-, medium-, and long-term goals
- Encourage an organizational focus on delivering continuous improvement
- Nurture a portfolio of sustainability projects resulting in greater efficiency and reduced costs
- Encourage incorporation of best practices from peers and through shared learnings

operating managers at all levels, to communicate key sustainability issues, set targets and regularly report progress in achieving short-, medium-, and long-term goals.

## Reaffirmation of Important Sustainability Principles

- Corporate Governance aiming at sustainability is an art of balancing the economic, environmental, and social objectives of the business entity in all decision making covering short-, medium- and long-term perspectives.
- In situations where precise scientific guidance and predictions are not available, sound risk management should guide decision making so that environmental impacts do not become unmanageable and grave for the society and future generations.
- Use of non-renewable resources should be limited to the extent that exhaustibility of the resource does not become foreseen in near future. In case where energy reduction is infeasible in the prevalent modes of production, offsets should be adopted in parallel.
- No release of effluents and emissions shall exceed the capacity of the ecosystem to assimilate them. The

economic and social cost of such externalities shall be estimated and factored into the decision-making process.

- Business decisions should be efficacious to meet the challenges of global competition. Free market competitiveness alone can provide the moat for long lived sustainable business success.
- Planned, risk mitigated and proactive solutions, clearly articulated to all stakeholders and to the community at large, are preferable to reactive decisions and opaque actions.
- Integration of human rights concerns and standards into all discussions, policies, processes and business decisions is essential for sustainability. Human rights constitute a non-negotiable framework of essential values.
- Occupational health, safety and worker well-being are essential ingredients for

economic attainments of the business.

- The stakeholders provide the ever-continuing rationale for the existence of a business. Inclusive, communicative, and transparent engagement with stakeholders is essential for enduring success in the business.
- Corporate Governance integrates & harmonizes the following:
  - Imperatives of business ethics,
  - Transparency,
  - Financial performance,
  - Employee development,
  - Human rights,
  - Risk management,
  - Worker-safety & well-being
  - Environment management,
  - Engagement with supply chain,
  - Corporate Social Responsibility and compliance to attain the goal of Sustainable Development

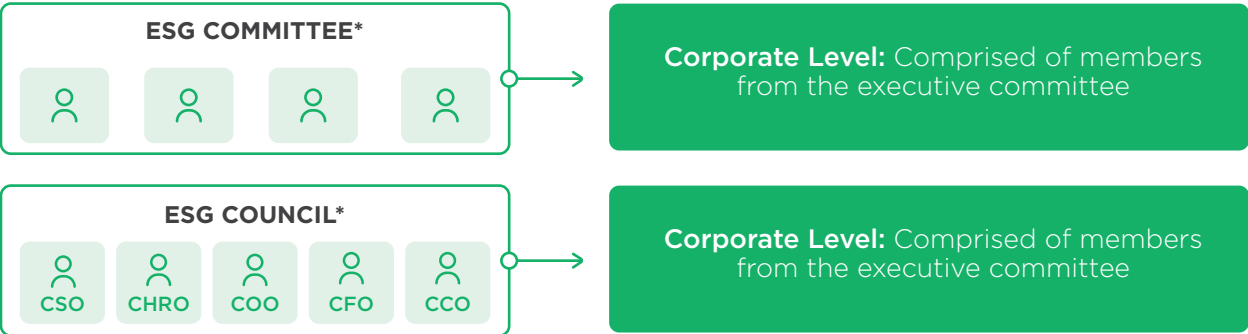
## Architecture of Oversight Institutions

- The framework for oversight will primarily consist of committees at three levels: The Board (“ESG Committee”), corporate management (“ESG Council”), and site management (“Site Council”). The ESG Committee of the Board will be the Apex body to guide this journey.
- The ESG Committee will provide strategic guidance and oversight to the company’s progress on ESG targets, initiatives, and best practices. This will also include initiatives to respond to challenges posed by climate change through sustainable business practices.
- At the corporate management level, the

ESG Council, a standing committee of senior management, will envision future, guide decision making on emergent issues, prioritize goals and monitor results. The Chief Sustainability Officer will be the Chairperson of the ESG Council. The ESG Council may appoint one of its members to function as co-chair to facilitate smooth working. The Committee should consist of at least five members and all major functions such as Finance, HR, Operations, Supply Chain, and EHS. The Strategy Department will provide secretarial support to the ESG Committee for the purposes of driving the ESG journey.

- At each site a plant site, plant head will be responsible to overview the implementation of the ESG framework at site and respective site departments. The plant head shall form a team of 3-4 members (including the plant head) to drive the ESG implementation under the overall direction and guidance provided by the ESG Council.

### Governance Structure



CORPORATE SUSTAINABILITY TEAM Key corporate funcation	Corporate Management	Finance & Accounts	Manufacturing Operations	Information & Technology
	Projects	Quality Control	HR & Administration	Supply Chain Management

## ESG COMMITTEE

### ESG Committee Membership & Organization:

- ESG Committee shall be appointed by and will serve at the discretion of the Board
- ESG Committee shall consist of no fewer than four (4) members with the majority being independent directors

### Responsibility & authority:

- Guide the creation of the ESG Vision & Ambitions of the company and continuously take updates on the ESG vision and goals thereon
- Review the ESG Council and its working. ESG Committee may form and delegate authority to subcommittees as and when appropriate
- Ensure that Company is taking appropriate measures to undertake and implement actions to further its ESG vision and ambitions. ESG Committee shall have access to any internal information necessary to fulfill its role, in this regard
- Review any statutory requirements for Sustainability reporting & target setting under ESG

- Authority to obtain advice and assistance from internal or external experts, advisors

### Meetings & Quorum:

- ESG Committee shall meet at least four times a year
- Two members present shall form the quorum for the meeting of the ESG Committee
- Members of the ESG Council will be invitees to all the meetings of the ESG Committee

## ESG COUNCIL

### Duties and Power

- Assist in setting the company’s general strategy with respect to ESG matters, and to consider and recommend policies, practices, and disclosures that conform with the strategy
- To prepare material and data for meetings of the Board on the Sustainability performance information.
- Administer the company’s public disclosures on ESG Matters and its consistency thereof, including any sustainability or reports
- To make periodic visits, as individual members or as a Committee, to locations to familiarise with the nature of the operations and review relevant objectives, procedures, and performance with respect to ESG Matters
- ESG Council will have access to all relevant data, and records in all offices of the Company.
- While performing its duties the ESG Council may seek assistance or information from one or more experts appointed by it
- To review and assess this Charter annually and recommend any proposed changes for approval

### Meetings

Frequency of the meetings – The meetings shall be held monthly or on occasion as deemed necessary or appropriate

### Reporting to the Board

- The ESG Council shall report to the ESG Committee (constituting of Board of Directors) about
  - The outcome of the topics discussed in the ESG Council meetings and make recommendations as it considers appropriate and/or
  - The results or findings of the ESG Council’s reviews and assessments on ESG Matters and/or
  - The ESG Council’s actions taken





- The ESG Council must inform ESG Committee (constituting of Board of Directors) in a clear and timely manner about the way it has used delegated powers and of major developments in the areas of its responsibilities.
- The ESG Council will maintain written minutes and record of actions taken by the

ESG Council. The minutes will state the time and place of the meeting, list the persons attending the meeting and summarize matters discussed. The minutes shall be confirmed by the Chair and the secretary of the meeting, signed by them, and filed with the minutes of the proceedings of the ESG Committee.

## Miscellaneous

- The Chairperson of the ESG Council shall be available to answer questions regarding the ESG Council's activities at the Annual General Meeting of Shareholders.
- This Charter and the composition of the

ESG and CSR Committee shall be posted on the Company's website.

- The ESG Committee can amend the rules of the Charter and/or revoke any powers granted by it to the ESG Council.

## Corporate Sustainability Team

- The ESG Council is supported by Corporate Sustainability Team which is led by the Chief Sustainability Officer. The Corporate Sustainability Team shall provide support to the ESG Council for the purposes of driving the sustainability journey of the company. The Corporate Sustainability Team shall constitute of experts in the sustainability space, whose responsibility is to:
- Enable the execution of ESG strategy of the Company as suggested by ESG Council
- Stay aligned and informed on key risks, emerging trends, and stakeholder priorities
- Coordinate with all the key departments such as Corporate Management, Finance & Accounts, Manufacturing Operations, Projects, HR & Admin, Quality Control, Information Technology & Supply Chain Management to gather information
- • Prepare ESG framework for each key department which is aligned to the

company's ESG purpose statement and vision & mission

- The Corporate Sustainability Team shall present the framework to the ESG Council who in turn would present it to ESG Committee for their approval
- Once approved, the ESG framework would be implemented by the Unit Head in the individual site and respective site department at each plant location (currently 10) of the company with the assistance of Corporate Sustainability Team
- The approved ESG framework shall also be incorporated by each vertical head in their respective departments with the assistance of Corporate Sustainability Team
- The effectiveness of the ESG framework shall be reviewed by the Corporate Sustainability Team on a continual basis and feedback shall be taken from the unit heads and each departmental heads and

amendments shall be made as deemed necessary

- All the ESG initiatives across the company shall be driven by the Corporate Sustainability Team. Few initiatives, for example, could be:
  - a. Energy & emission reduction
  - b. Water consumption reduction & effluent treatment
  - c. Waste reduction, increasing recyclability & reuse of the recycled products
  - d. Biodiversity & land use
  - e. Supply chain framework

- Corporate Sustainability Team will have access to all relevant data, and records in all offices of the Company
- While performing its duties the Corporate Sustainability Team may seek assistance or information from experts & external consultants
- Ensure proper reporting of the ESG initiatives taken by the company
- Monitor performance against ESG impact goals and priority ESG ratings, rankings, and awards from international reputed and independent agencies

At each site a plant site, Plant head or Unit head will be responsible for the implementation of the ESG framework at site and respective site departments. The plant head shall form a team of 3-4 key members (including the plant head) to drive the ESG implementation under the overall direction and guidance provided by the ESG Council.



## 4 ESG Performance Metrics and Targets

Setting appropriate ESG objectives helps facilitate our company in demonstrating our long-term business vision to customers, investors, and other relevant stakeholders.

At APL Apollo we hold ourselves accountable for long-term performance improvement and hence we have set our ESG targets accordingly.

**APL Apollo has signed with Science Based Targets Initiative (SBTi) in FY 2022, and we aim to achieve our commitments to excel as a corporate in environmental and social performance.**



	Performance Business	Responsible Operation	Responsible Employment	Responsibility toward Communities
Performance Metrics	<ul style="list-style-type: none"><li>Number of cases in violation of codes of conduct</li><li>Average training hours per employee on Code on Conduct</li></ul>	<ul style="list-style-type: none"><li>Number of unit used from renewable energy sources (solar, wind)</li><li>Number of sites where Rainwater Water Harvesting facility have been installed</li><li>Number of sites where Zero Liquid Discharge (ZLD) Facilities have been installed</li><li>GHS Emissions (Scope 3)</li><li>Air Emissions</li><li>Number of cases in Violation of environment regulations</li></ul>	<ul style="list-style-type: none"><li>Lost time injurie</li><li>Average training hours per employee to site employees on health and safety</li><li>Average training hours per employee to corporate employees on health and safety</li><li>Regulatory compliance of labor laws</li><li>Average training hours per employee on human rights</li><li>Employee attrition</li><li>Average training hours per employee on behaviour and technical aspects</li><li>Female to Male Ration in permanent employee</li></ul>	CSR Strategy
Target	<ul style="list-style-type: none"><li>Zero cases of violation of code of conduct</li><li>Yearly training on Code of Conduct for all employees</li></ul>	<ul style="list-style-type: none"><li>All plants to have access to renewable energy by 2025</li><li>Rainwater harvesting to be installed at all unit by 2025</li><li>All unit to be ZLD facilities by 2025</li><li>Start monitoring Scope 3 emission by 2022</li><li>Maintain SOx, NOx and PM within Permissible limits</li><li>Zero incident of non-compliance</li></ul>	<ul style="list-style-type: none"><li>Achieving Zero Incident and Zero Harm by 2025</li><li>Provide 4 hours of Safety training (per employee) to site employees</li><li>Provide 2 hour of Safety training (per employee) to Corporate employees</li><li>100% compliance to all legal requirements pertaining to labour Provide 1 hour of training per employee on human right per year</li><li>Maintain attrition rate below 5%</li><li>Provide 4 hour of training to permanent employees</li><li>Female workforce to be increase by 1% in the permanent employee category by 2025</li></ul>	Formalize CSR strategy by 2025

## 5 Responsible Communication

Effective communication with stakeholders aims to ensure that they are aware of our company's objectives and intricacies. It also serves to help the organization understand those who will be affected and how they will access and interpret information from the organization, and how stakeholders will respond. We believe that by engaging stakeholders effectively, keeping lines of communication open, and having meaningful conversations with them, we can manage how our stakeholders perceive us and help to bolster support for it. The Communication is done periodically through disclosures on our website to the stakeholders.

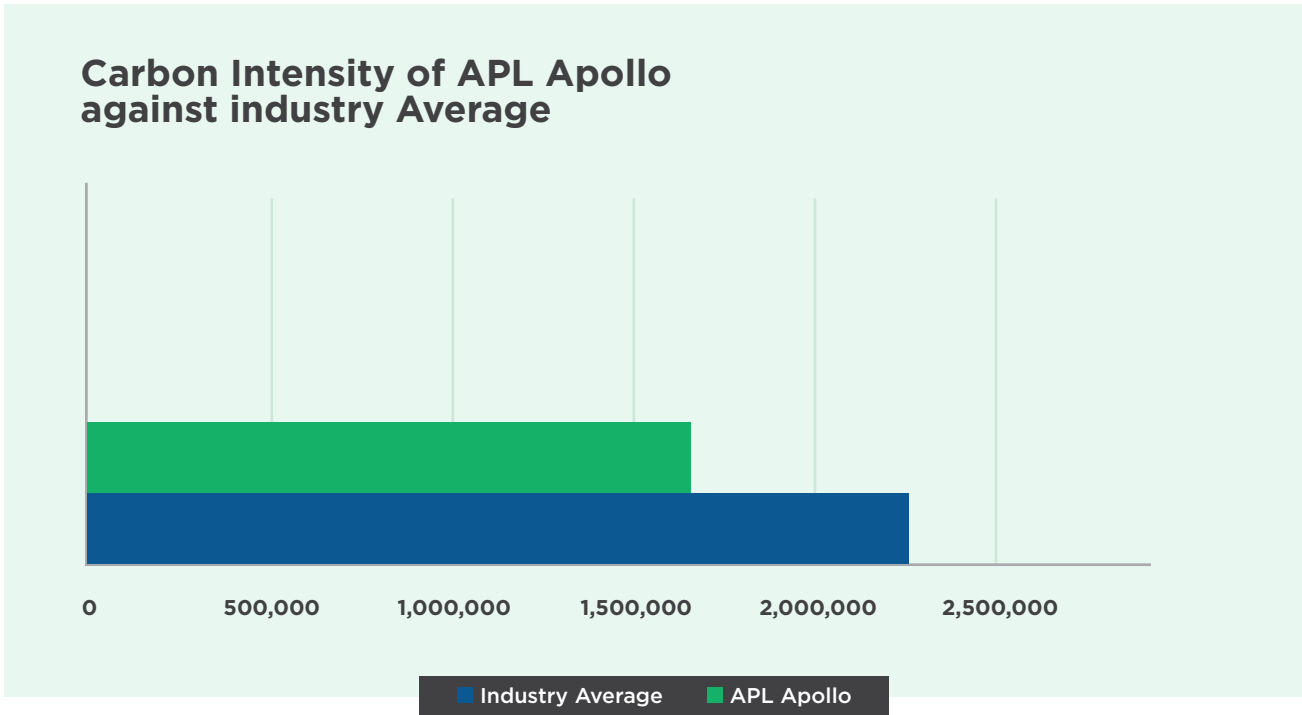






# MANAGING OUR CARBON FOOTPRINT

As a socially and environmentally responsible company, we are constantly mindful of our carbon footprint and the impact it has on our surroundings. When compared to other peers in the same industry, we continue to maintain a lower profile in our carbon emissions, resulting in a lower carbon intensity than average industry values. The below picture is a graphical representation of the same



This has been possible due to responsible operations across all our plants, regular tracking and monitoring our emissions, our innovative products and sustainable building materials that adds value for a greener and cleaner future by supporting sustainable infrastructure.

## Our steppingstone towards a greener future- Tubular Steel

Environmental sustainability and the energy-intensive construction industry barely coexisted in the past since the construction industry consumes enormous amounts of raw materials and natural resources, accounting for approximately 39% of global carbon emissions. If this business squanders the nonrenewable resources today, future generations' lives and chances will be jeopardized. Despite numerous competing objectives and significant obstacles, the construction sector is now becoming more sustainable. With the advent and increased use of steel in manufacturing process, which is becoming a popular building material due to its flexibility and strong mechanical capabilities, sustainability in construction is also gaining momentum.

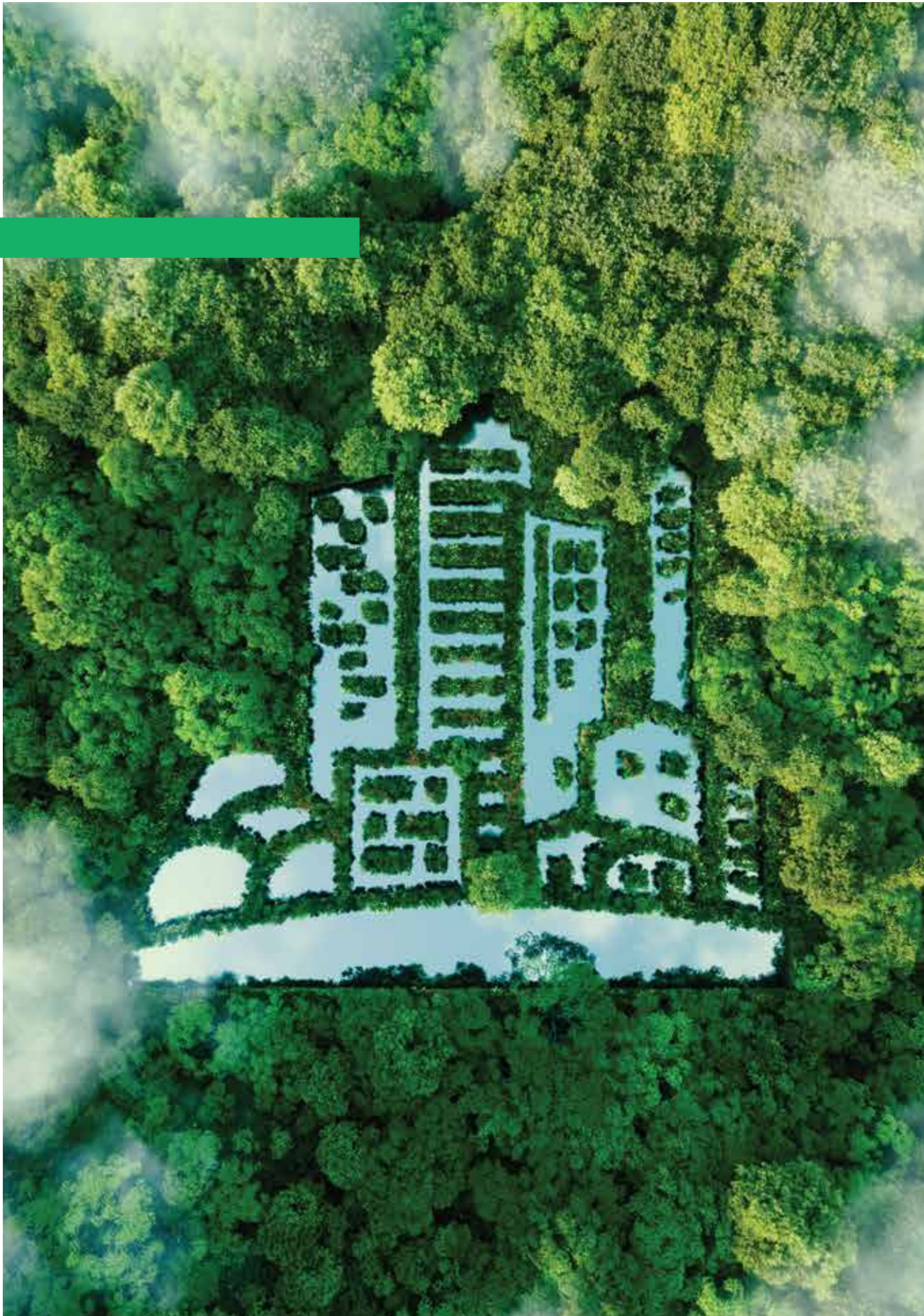
At APL apollo, we desire to be at the forefront and stand out as market leaders, looking for new ideas in sustainable sourcing and manufacturing practices and procedures that make us pioneers in this segment. APL Apollo's Tubular Steel is one such to product which is anticipated to substantially revolutionize the construction industry in the near future. Steel in

the shape of a cylinder or long narrow rectangle has dozens of applications in various real-world disciplines such as industries (transportation of water, gases, and liquid waste), medical, military and aerospace, transportation, scaffolding, construction, and so on. It is widely used because of its impact resistance to withstand demanding working conditions and is one of the most environmentally friendly materials used in construction. It also meets the Indian Green Building Council (IGBC) standards for green products and is designed with excellent mechanical stability. APL Apollo's tubular steel construction timeframe is tentatively slated at 45 days. The following are some of the major advantages of tubular steel that have brought APL remarkably close to becoming ecologically conscientious.



# Reasons to choose tubular steel:

ENVIRONMENT	ECONOMIC	SOCIAL
<ul style="list-style-type: none"> <li>• Zero-dust product</li> <li>• Fewer renovations and lower lifetime maintenance</li> <li>• Less amount of water is necessary for foundations</li> <li>• Minimal material waste since the steel is modified to specifications throughout the manufacturing process</li> <li>• The restriction on building activities imposed by the National Green Tribunal may not be applicable if steel tubular are used</li> <li>• 38% less environmental pollution than the RCC frame</li> <li>• 630 million tonnes of steel scrap is recycled every year, thus saving around 950 million tonnes of CO2 emission annually</li> <li>• 24% less emissions generated by steel building as compared to concrete building, which has a substantial Warming Potential (GWP)</li> </ul>	<ul style="list-style-type: none"> <li>• Construction at a faster pace</li> <li>• Modifications are possible at any point resulting in more precise structures</li> <li>• Larger span structures are easily achievable with optimal material and space usage.</li> <li>• Cost optimization due to the symmetrical and uniform structure</li> <li>• Structures are built on time since most of the work is done in a factory, thus weather is seldom an issue.</li> <li>• “No storage required</li> </ul>	<ul style="list-style-type: none"> <li>• High resistance to dynamic loads, making it earthquake-safe.</li> <li>• Light weight design</li> <li>• 50% of steel produced is consumed by housing and construction sector</li> <li>• No leakage problem</li> <li>• Steel quality is maintained since it is produced in a controlled atmosphere in a plant under stringent quality control.</li> <li>• Workers are protected from respiratory infections during the manufacturing process.</li> <li>• 6 million people are directly employed in steel manufacture</li> <li>• 12% less human toxicity (cancer effects and non cancer effects) than RCC structures</li> </ul>





# ABOUT APOLLO CHAUKAT

Traditionally, wooden frames for doors and windows were utilized in India, but owing to rising demand for safety, durability, and sustainability, the focus has shifted to steel frames, which outperforms hardwood frames in the long run. As a response, APL Apollo developed Apollo Chaukhat, India's first closed steel door and window frames made of premium steel and are easy to install. Apollo Chaukhat is offered in two styles: modular and readymade. The major benefits of the product is its strength,

durability, quality without jeopardizing aesthetics, weather and age resistance, maintenance free, water and moisture free and environmentally safe to use. Apollo Chaukhat is manufactured with Direct Forming Technology and is available in customized sizes. By developing Apollo Chaukhat, we intend to lower our carbon footprint, conserve more trees, and offer consumers the right choice for their homes and workspaces.



## OUR CERTIFICATIONS

**The following certifications endorse the Quality of our company's products and Processes:**

- ISO 9001:2015 Integrated Management System
- ISO 14001:2004 Environmental Management Systems
- OHSAS 18001:2007 Health and Safety Management System
- IS 1161: Structural Application
- IS 1239: Water and Gas Application
- IS 3589: Water, Gas, and Sewerage
- IS 3601: General Engineering
- IS 4270: Water Wells and Casing Pipes
- IS 4923: Structural tubes for the infrastructural purpose
- IS 9295: Idlers for conveyors






















































## ALIGNING OUR OPERATIONS WITH UN SUSTAINABLE DEVELOPMENT GOALS (SDG'S)

The UN SDGs are unquestionably one of the most crucial metrics for assessing an organization's sustainability performance. The 17 SDGs are incorporated into nearly all our decision-making in our effort to be a market leader in sustainability. At APL Apollo, we're constantly aiming to lessen our environmental impact and give back to the local communities in the hopes of a brighter future. To better understand where we are going in terms of our ESG measures and to make our measures comparable with those of the world leaders in ESG, we have mapped our material issues to the SDGs. The SDGs are mapped to the important concerns covered in the study as follows:



## UN SDG Material Issues

## UN SDG Material Issues

	Market Presence	Health & Safety	Good Health & Well-Being	Process Innovation	Training and Education	Corporate Governance	Circular Economy	Supply Chain Sustainability		Waste Management	Water & Effluent Management	Going Beyond Compliance	Local Communities	Environmental Compliance	Diversity & equal opportunity	Energy Management	Talent Development	Greater Sustainability Disclosures	Labor Relations and Human Rights
 No Poverty																			
 Zero Hunger																			
 Good Health & Well-being																			
 Quality Education																			
 Gender Equality																			
 Clean Water And Sanitation																			
 Affordable And Clean Energy																			
 Decent Work And Economic Growth																			
 Industry, Innovation and Infrastructure																			
 Reduce Inequality																			
 Sustainable Cities and Communities																			
 Responsible Consumption and Production																			
 Climate Action																			
 Life Below Water																			
 Life on Land																			
 Peace, Justic and Strong Institution																			
 Partnerships for Goals																			



1

## No Poverty & Zero Hunger & Good Health and Well Being & Quality Education

At APL Apollo, we believe that communities play an important role in the expansion and development of any economy, but particularly so in a developing economy like ours where a sizable portion of the population works in the unorganized sector and has limited

access to necessities like food, healthcare, education, and skill development. To address this, we established the APL Apollo foundation to care for the underprivileged segments of society and level the playing field for them with the rest of the nation.

2

## Sustainable Cities and Communities

Since we are a manufacturing concern, we are aware that many of the workers at our companies live in the townships we have built in and around the plant vicinity. We want to provide them with more than just the bare necessities such as education, healthcare etc. but also offer them access to programs and resources that will support both their personal growth and those of their families who are living with them.

4

## Decent Work and Economic Growth & Industry, Innovation, and Infrastructure

One of the most significant advantages of innovation is its contribution to economic growth. We place a high value on innovation since it can lead to increased production. As productivity increases, more goods and

3

## Gender Equality and Peace, Justice and Strong Institutions & Reduce Inequalities

Our labor-friendly policies for all employees and top management at our company demonstrate our commitment to gender equality, which not only motivates our current staff but also makes us a sought-after employer in the community. We aspire to be national leaders in closing the pay gap across our diverse employee sects.

services are produced, more employees and workers are employed to produce higher yield, and more vendors are required for fulfilling procurement and logistic services, all of which foster to wider economic growth.

5

## Partnership for Goals

At APL Apollo, we recognize the importance of all our stakeholders to the organization's reputation in the economy and the duties that fall on us as the corporate citizens of the nation towards these stakeholders and the nation at large. We always encourage our employees and top management to consider the needs of the community and the entire country when making decisions, and we make every effort to do so.







# STAKEHOLDER ENGAGEMENT & MATERIALITY

## Stakeholder Dialogue

We have built organizational-level protocols to promote open and meaningful dialogues with all our stakeholders. As a result, it is critical for us to understand the perspectives of those who are most crucial for our business. It improves our understanding of relevant issues and aids in the identification of stakeholder qualities that make them important to our company and necessitate meaningful engagement. The feedback we receive from these stakeholders also helps us prioritize challenges and better match our strategic approach to their expectations. Through broad stakeholder engagement, the ESG concerns that are critical to value creation in the context of the altering global sustainability landscape have been examined. The stakeholder groups participating are shown in the table below.

Stakeholder Group	Material Needs	Forms of Engagement	Frequency	How we create value
<b>Investors</b>	Sustainable Growth & Profit, Mitigation of all Material Risks, Good Governance and Transparent Disclosures	Investor Calls and Presentations, Press Releases, General Meetings, Dissemination of Annual Reports of our Company	Quarterly, Annually, On Demand	<ul style="list-style-type: none"> <li>• Sound and Transparent Corporate Governance Policies.</li> <li>• Timely Engagement with the Shareholders</li> <li>• Transparent Financial Disclosures</li> </ul>
<b>Employees</b>	Safe Working Environment, Career Growth Opportunities, Compensation Packages, Well-Being, Skill Enhancement, Diversity, Equity, and Inclusion	Trainings and Coaching Programs, Personal Interactions, Employee Portal, Grievance redressal mechanism	Annually, Quarterly, On Demand	<ul style="list-style-type: none"> <li>• Understanding Employee needs and creating a conducive work environment.</li> <li>• Create Learning and Development Strategy and operational Framework.</li> <li>• Focus on Health and Safety of Employees in the workplace.</li> </ul>
<b>Suppliers</b>	Supplier Code of Conduct, Timely Payments, Commitment on responsible sourcing and business ethics.	Regular meetings with key suppliers by senior management, supplier visits and meets and supplier tour of manufacturing facilities	Annually, Quarterly, Monthly	<ul style="list-style-type: none"> <li>• Regular meetings with the suppliers for product awareness.</li> <li>• Educating the suppliers on our company's code of conduct and human rights policies.</li> </ul>
<b>Customers/ Distributors</b>	Quality Products which are affordable and reliable in terms of needs of the customers	Regular Meets and visits to the distributors, One on One Interactions, Meetings and Surveys	Annually, Monthly, On Demand	<ul style="list-style-type: none"> <li>• Developing products based on the needs of the consumer.</li> <li>• Institutionalizing the culture of qualitative perfection in the products.</li> <li>• Establishing a customer grievance redressal mechanism.</li> </ul>

Stakeholder Group	Material Needs	Forms of Engagement	Frequency	How we create value
<b>Communities</b>	Health and community welfare, giving back to the Society, using sustainable practices keeping environment in mind and enhancing the livelihood and socio-economic development of individuals	Need-based assessment surveys, field visits, trainings, CSR initiatives and surveys	Annually, Quarterly, On Demand	<ul style="list-style-type: none"> <li>• Empowering communities with community welfare projects.</li> <li>• Being transparent in our environmental and social disclosures.</li> <li>• Reducing the environmental impact of our operations.</li> </ul>
<b>Government/ Regulators</b>	Compliances with all applicable laws and regulations, safeguarding natural assets, adhering to all labor laws and ethical standards of working	Filings, Correspondences, Investor Calls, Meetings	Annually, Quarterly, Monthly, On Demand	<ul style="list-style-type: none"> <li>• Transparent Disclosures</li> <li>• Timely Filings and compliances</li> <li>• Adhering to all the applicable labor laws and human rights practices.</li> </ul>



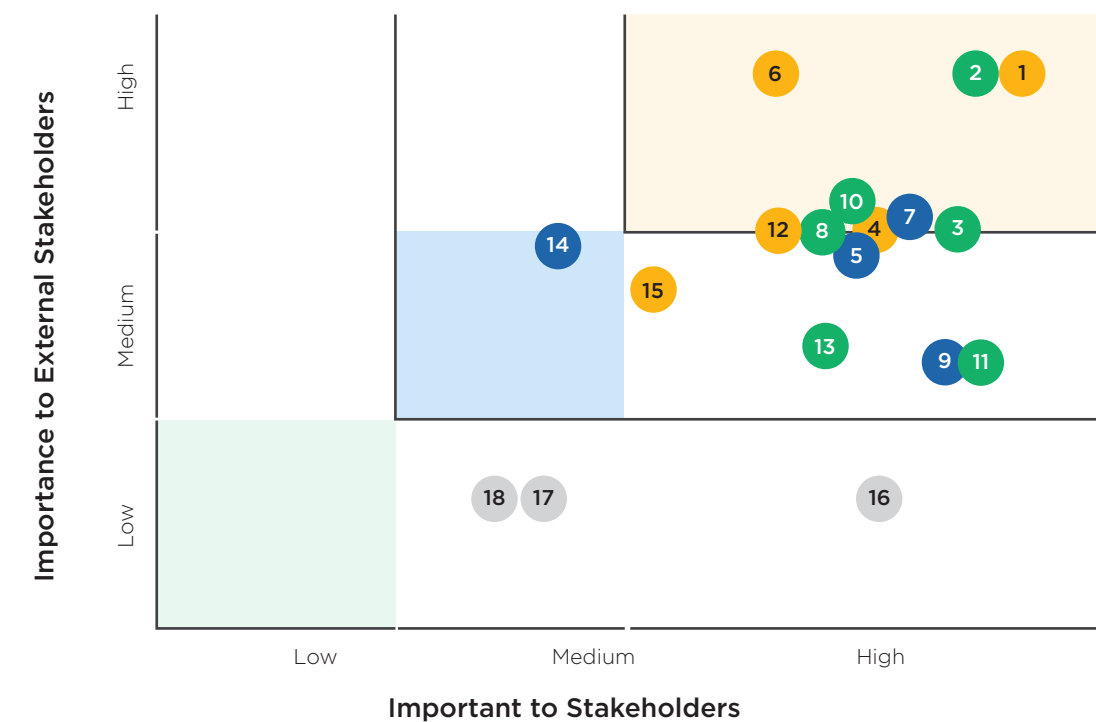


# MATERIALITY MAPPING AND IDENTIFICATION

## Materiality

Using our materiality issues identified during last years' material assessment exercise at APL Apollo, this year we have created a detailed roadmap in the form of a matrix to govern our material issues. The materiality matrix assesses our organization's sustainability strategy and performance in depth. The matrix depicts our material issues in relation to the significance of management and

stakeholders. The issues represented in the matrix have been prioritized on a scale of high to low relevance by external and internal stakeholders. This matrix is being tracked and reviewed closely to achieve improved sustainable performance.



### High

1. Market Presence
2. Health and Safety
3. Circular Economy
4. Economic Performance
5. Environmental Compliances
6. Labor Rights

### Medium

1. Process Innovation
2. Waste Management
3. Corporate Governance
4. Disclosures
5. Supply chain Sustainability
6. Water Management

### Low

1. Local Communities
2. Compliances
3. Energy Management
4. Training and Development
5. Talent and skill upgradation
6. Diversity

# ENVIRONMENT STEWARDSHIP


## Steering towards conserving our environment

Our natural environment is a significant component of our planet. It offers everything mankind requires to survive and flourish. Due to modernization, industrialization, and the increasing use of technology, the environment is getting adversely affected. Hence, understanding the importance of the environment and working together to save it has become crucial.


At APL Apollo, sustainability is embedded in the fundamental business beliefs which

have garnered our reputation as a responsible global corporate citizen. As an organization, we have realized the importance of our relationship with our natural environment and acknowledged our obligation to conserve it. We are actively focusing on transitioning to a more ecologically sustainable company and promoting initiatives that have a positive environmental impact inside our company as well as amongst our external stakeholders'


## Key Highlights:




27% of Total water recycled




8% decline in total water consumption




All our plants are ISO 14001, and 9001 certified




Current renewable energy portfolio of 16.5% Mega Watt MW)




2 Zero Liquid discharge plant at Murbad and Malur



Total capacity of rainwater harvesting pits is around 353 Cubic meters



Tree planting activities are frequently organized at all our manufacturing locations.



Switching to wood pelleting to reduce our dependence on plastic and its by product and using wood alternatives for infrastructure development

## Key Material Topics

Environment	Social	Governance
Circular Economy	Health and Safety	Market Presence
Environmental Compliance	Labour Rights	Economic Performance
Waste Management	Supply chain Sustainability	Process Innovation
Water Management	Local Communities	Disclosures
Energy Management	Training and Development	Corporate Governance
	Talent and Skill Upgradation	Compliances
	Diversity	

The comprehensive methodology and strategy adopted for the top 18 material topics are described in the report subsequently

# OUR CONTRIBUTION TOWARDS CLIMATE CHANGE

Climate change is one of the most serious challenges currently confronting humanity. As climate change intensifies, extreme climatic events are becoming more frequent, wreaking chaos on the global economy. A warmer planet poses several dangers to organizations, ranging from interrupted supply chains to growing insurance costs to labor issues. We aim to boost our resource productivity and thereby reduce our expenses to transform this risk into business opportunities. We are extremely keen on stimulating innovation and inspiring new goods and services that are less carbon intensive. We are also working to improve the resilience of our supply networks by transitioning to renewable energy. We are certain that

## Making every drop count: Water stewardship

Water is an integral component of our industrial process as well as a precious resource used in a variety of activities. We also recognize the importance of water as a societal resource, which necessitates careful planning and execution to assure that everyone gets their fair share. Inability to preserve water and minimize

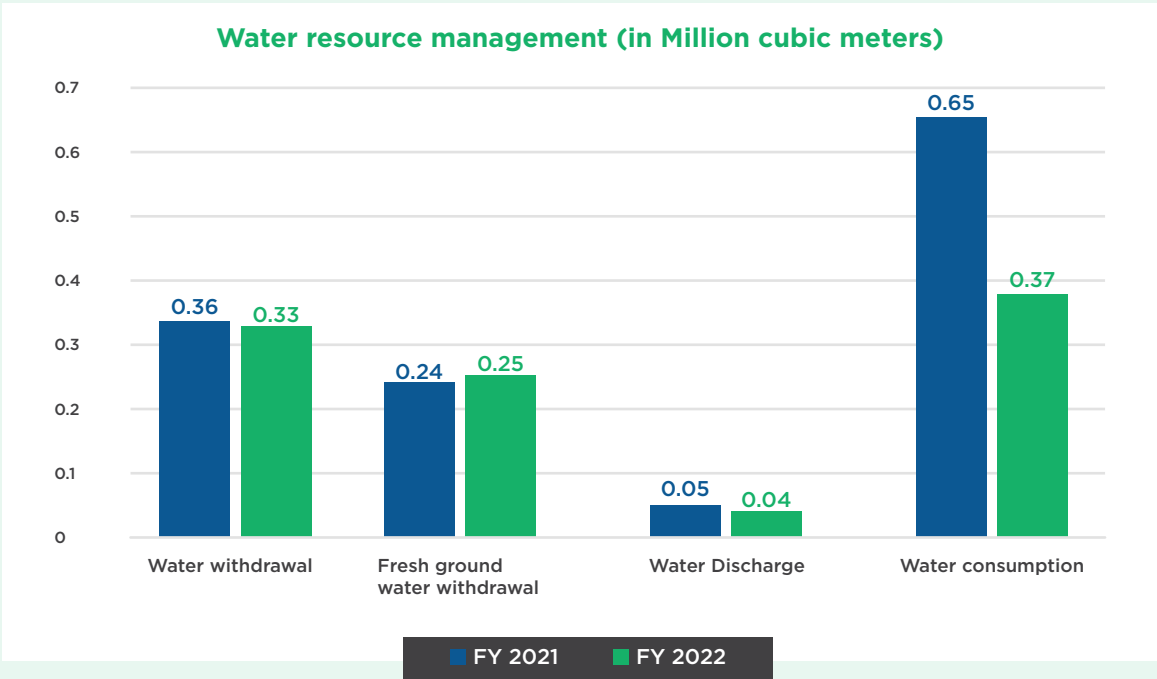
working together towards this goal will encourage environmentally conscious competitiveness and open new business prospects.

We've made significant investments in renewable energy sources at our production facilities throughout the years, and we're still expanding our current capacity. Furthermore, we have expanded our use of LPG rather than the conventional furnace oil that we previously used for operations. As part of our commitment to our ESG duties, we will continue to seek to minimize our CO2 emissions. We also measure and monitor our scope emissions to limit their environmental effect.

environmental effects might lead to legal and regulatory issues. Therefore, we prioritize improved water management since it may lead to greater community well-being and long-term success for our company. Water conservation also provides several opportunities for us to integrate into communities and expedite

our transition to sustainability by cultivating a sustainable value chain. Our water management is represented by the

figure below wherein we have tracked water withdrawal, water discharge and total freshwater consumption.



Our operations department has implemented a comprehensive and multifaceted plan to ensure efficient and effective water consumption and discharge disposal methods. We regularly examine and analyze how we administer our water resources, and document and publish our results with effective strategies and targets to improvise our practices on an annual basis. Our overall water consumption for the year was 0.37 Million cubic meters across all our units as compared to 0.65 Million cubic meters last year.

We are on the path to accomplish our target of adding rainwater harvesting (RWH) pits at all our plants by 2025. The

rainwater harvesting facility is currently located in two of our plants. Throughout the year, 353 cubic meters of rainwater was collected. NOC application has been applied to the government for other plants. 9 of our facilities have Effluent treatment plants (ETP) which helps us in recycling water and using it in our operations. Our Plants at Murbad and Malur also have sewage treatment plants (STP) which helps in sewage treatment. Due to continued efforts, our water output has declined by 8% over the previous year. Along With this we also have a Zero Liquid Discharge (ZLD) facility at Murbad and Malur plants and we intend to convert all our facilities to (ZLD) by 2025.





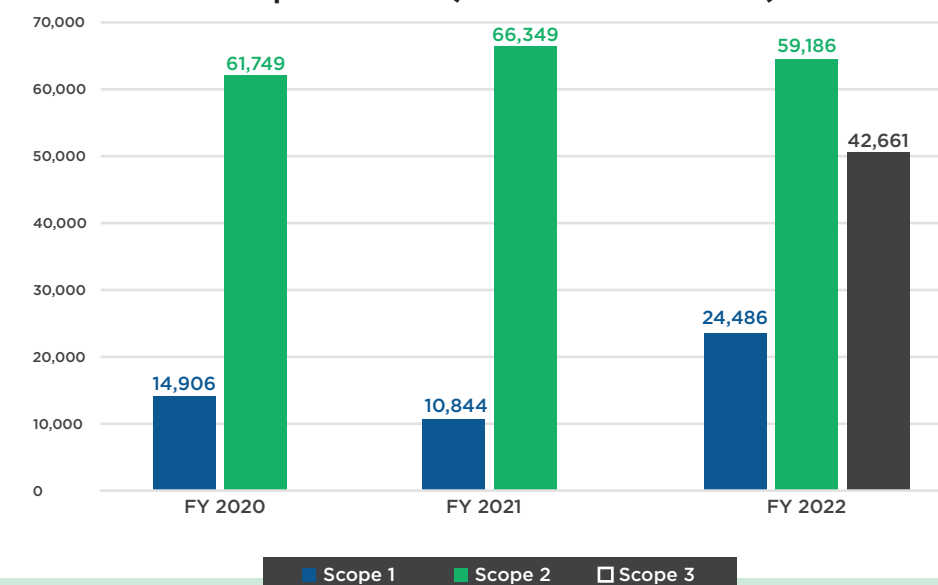
# AIR QUALITY MANAGEMENT

Good outdoor air quality is fundamental to our well-being. Air quality has a direct influence on our economy due to its impact on people's health, such as greater medical bills and lost productivity due to absence from work, in addition to the consequences for the environment. Pollutants such as particulate matter (PM), SOx, and NOx can have a major adverse impact on local ecosystems, air quality, habitats, agriculture, and human and animal health. APL Apollo is committed to avoiding, minimizing, and mitigating such air emissions by stringent policies and procedures addressing both point (stack) and nonpoint (fugitive) source pollutants. We have developed systems, strategies, and measures to keep our emissions under the

prescribed limit. With the Usage of electrostatic precipitators (ESPs) and baghouse filters, we can monitor and regulate the major emissions into the atmosphere by our combustion and other processes. We have also started taking the appropriate steps to constantly monitor and formulate plans to reduce the number of air emissions released into the environment by our manufacturing facilities in the coming years. The representation of Scope 1, 2, and 3 indicates a rising trend as compared to the last two years during which we encountered the pandemic slump, following which our construction activities and internal operations resumed completely in FY 2022, and new plants were also constructed.

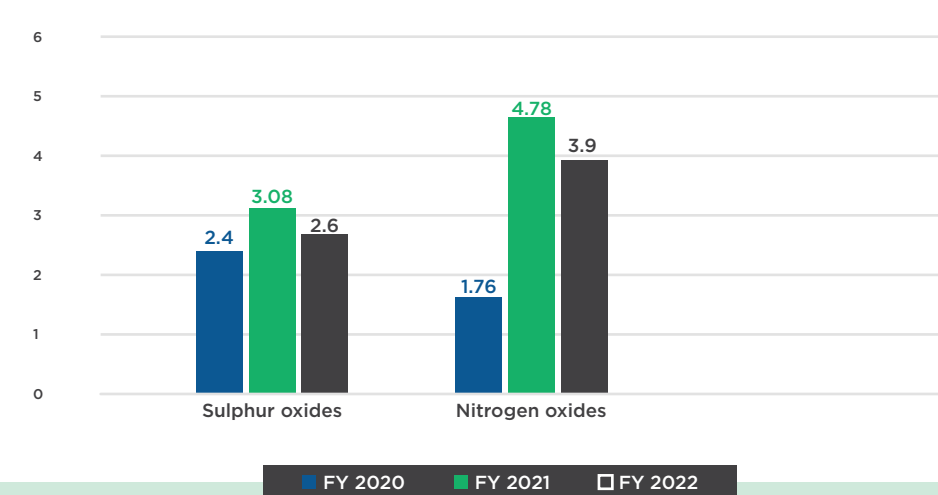


Scope Emissions(in metric Tonnes CO2e)



We have started monitoring Scope 3 emissions from this year for 8 out of 15 categories which were applicable to the nature of our business namely purchased goods and services, capital goods, fuel and energy related, upstream transportation and distribution, waste generated from the operations, business travels, employee commute, end of life treatment of sold products .

Emissions in Metric tonnes



The graph above depicts a representation of oxide emissions, which show a decreasing trend when compared to the previous year FY 2021 by approximately 22% for Nitrogen oxides and 18% for Sulphur oxides, owing to increased fuel efficiency, reduced engine emissions, and regular maintenance of our plants across all locations.





## OUR ENERGY PROFILE

Energy is not only the future today, but it also drives everything in the present. We create and use more energy than ever before as a global civilization, and the need for energy is always growing. While we have been able to increase energy production to meet demand, there are physical, geographical, and economic constraints on how much can be generated. Focusing on energy conservation is one strategy to deal with the ever-increasing demand for energy and the problems that it causes. Our reasons to embrace energy conservation include our dependence on nonrenewable energy supplies (such as fossil fuels), as well as the ability to save money on energy expenditures such as electricity bills and other energy bills. Conserving

energy also reduces the need for further growth.

Our entire operating strategy is aligned around energy saving since we are aware of the depletable nature of non-renewable resources, and we constantly endeavor to satisfy our requirements using renewable sources across all our activities. We are committed to reducing total energy usage, improving energy efficiency, and embracing sustainable energy sources. We have a well-planned strategy in place to achieve our energy management goals. Our business units have well-structured energy and carbon management programs in place.



Several energy-saving initiatives have been undertaken across our plant locations, including

At our Unit 1 Sikandrabad plant, we managed to elevate mill speed from 20 to 34 MPM, therefore consuming less energy and increasing production by about 70%.

We also used a Programmable Logic Controller to manage the speed of the DC motor blower, ROT, and coolant motors.

To minimize power consumption and the risk of fire, we have replaced all traditional lighting fixtures with LED fittings in all our office and factory sites.

We have undertaken a large number of plantation activities in four of our plants, namely Secundarabad Unit, AMPL 22, AMPL 25, and Dujana.

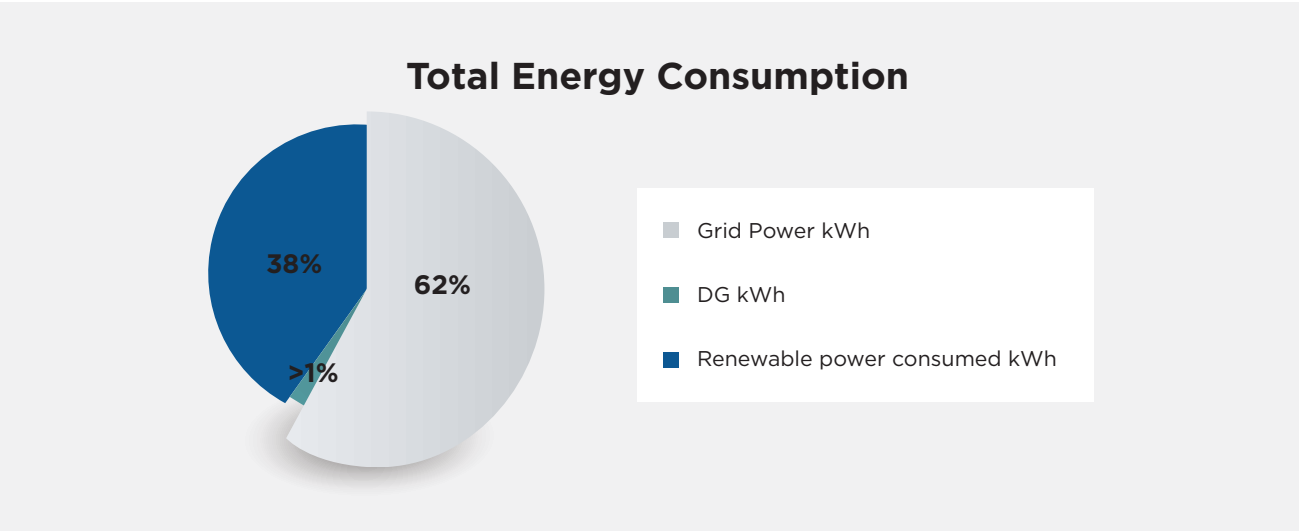




We believe that a well-balanced mix of renewable and non-renewable energy sources can assist us to optimize our energy portfolio. For this purpose, we have made substantial investments in the purchase of renewable energy at all our manufacturing units. Our present portfolio of renewable energy consumption through fuel and total energy consumption is shown below

Direct Energy Consumption Through Fuel			
		2021	2022
Diesel	Litres	3,37,920	3,00,785
Furnace Oil	Litres	4,24,413	5,16,779
LPG Gas	Litres	93,18,240	1,43,22,741
Total	Litres	1,00,80,573	1,51,40,305

Total Energy Consumption			
		2021	2022
Grid Power	kWh	5,98,60,321	7,49,18,513
DG	kWh	9,17,088	7,28,801
Renewable power consumed	kWh	4,20,07,847	4,58,88,171
Total	kWh	10,27,85,256	12,15,35,485



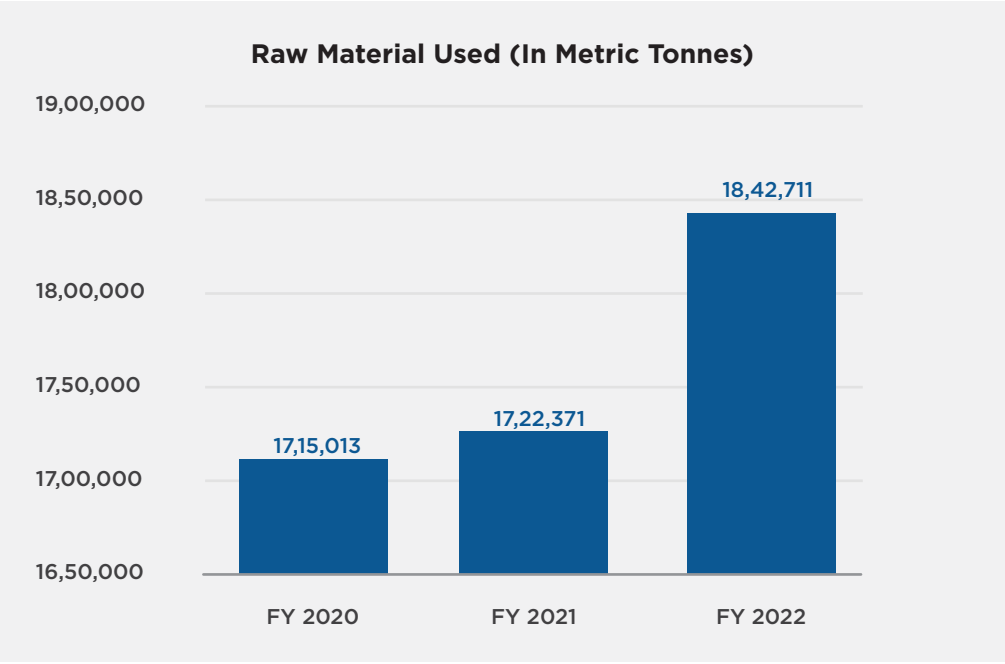
**We have increased our dependence on renewable energy sources by 9.2% from FY 2021**

Our company has constructed a 16.5 MW solar power production plant for all of our facilities, in addition to an 8.3 MW captive wind power generation plant at our Hosur location. Since we feed additional renewable energy back into the grid, our commitment and investment in renewable energy sources remains strong.

# OUR RAW MATERIAL CONSUMPTION

Raw material is a critical indicator for our organization to monitor, particularly when it comes to material management and waste management. Keeping track of raw materials and producing a regular raw material consumption report is essential to how our organization manages the flow of materials and inventories in the plant, which has a significant influence on the operation’s efficiency and other elements. Having good material

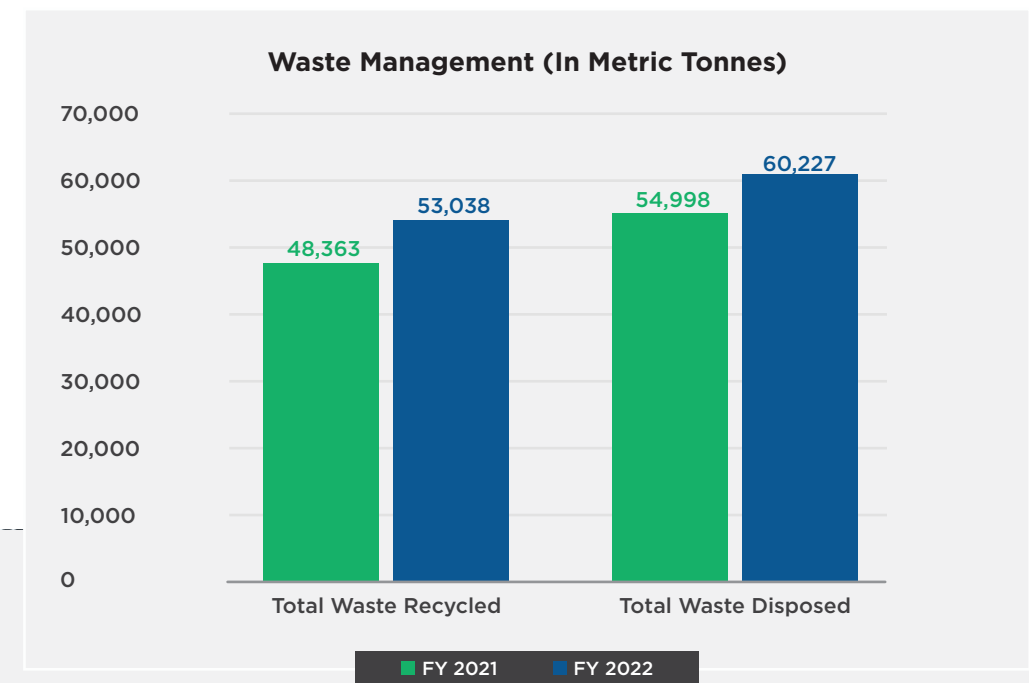
management processes in place aids in supplying products to customers on time. Proper management will eventually result in increased sales and profitability. We use a strong material management system to determine how much of each raw material to order and when, allowing us to reduce waste, operate more effectively, save money, and generate higher-quality results.



# OUR WASTE MANAGEMENT SYSTEM

Every year, about 11 billion tonnes of solid waste are collected globally, and their management and disposal pose enormous challenges. A variety of spillover effects contribute to improper waste management, including organic matter decomposition which raises greenhouse gas emissions, and single-use plastics which not only disintegrate slowly but also clog the environment. Circularity, as opposed to the traditional linear use-and-dispose approach, is rapidly being recognized by governments and organizations as a possible solution to this pervasive problem. As a result, we are also moving towards a circular economy since it has the potential to provide advantages such as decreasing environmental pressures, enhancing raw material supply security, raising competitiveness, spurring innovation, generating employment, and supporting economic growth. By keeping resources in the loop for a longer period, we will reduce greenhouse gas emissions generated by the energy required to manufacture items. To reduce both our financial and environmental losses, we address our waste management issues by regularly monitoring, reducing, reusing, and recycling as much as possible. We maintain track of our hazardous,

non-hazardous, and municipal solid garbage, as well as meet local legal standards. Our waste management profile is represented as follows which clearly indicates that we have efficiently increased our total waste recycled and total waste disposed of by approximately 10% applicable. For example, a few of these scrap parts include End Cut, Melting Scrap, Rejection pipe, Side cut, Waste scrap of steel, Zinc scrap, Woo, Pipe end cut, and our Canteen waste which are being used as raw materials wherever possible.



Proper waste disposal is crucial considering certain wastes can be dangerous and pollute the environment if not handled appropriately. These wastes have the potential to spread illness and contaminate air and water bodies. For this purpose, we have partnered with various authorized vendors, namely Mother Earth, Bangalore Eco Park, Century, and Ramky, who handle disposals, wastewater area sludge, scrap-recycling, and so on.





## MAKING EMPLOYEES ENVIRONMENTALLY CONSCIOUS

Environmental consciousness is essential since it can contribute to reducing pollution and global warming. It also leads to a more sustainable environment by encouraging the use of renewable resources like solar, wind, and water. Employees must understand why changes in existing practices are being implemented and how they will affect all levels of the organization. We believe that Environmental awareness training assists employees in understanding their assigned roles, examining environmental performance on a regular basis to ensure that the system is producing the desired results, and being more positively oriented towards the environment hence we organize and conduct such training programs in regular intervals at all our plant and office locations.

## OUR PLANTATION ACTIVITY

Trees significantly benefit the ecosystem by supplying oxygen, sustaining species, improving air quality, saving water, maintaining soil, and mitigating climate change. We have begun initiatives to plant more trees in order to contribute our bit to a greener environment. We have planted 5000 plants on a 3.1 acres of government-provided land in Gendupur Village, Sikandrabad, close to our AMPL (A25/Plot 22) and APL A19 plants. For Plantation, we have adapted the Miyawaki technique, which was pioneered by Japanese botanist Akira Miyawaki, to help construct thick, natural forests. For the creation of these mini forests we have invested a total of 2,96,000 INR. The method will result in ten times faster plant growth and a plantation that is 30 times denser than typical. 1200 plants were required, which were split into four groups such as Trees with a canopy, Trees, Sub-trees and shrubs this is a three-year strategy to develop the mini forest. In addition to maintaining the mini forest on a regular basis, we also organize plantation drives and gardening drives for our employees.





# BEING SOCIALLY RESPONSIBLE

## Aspiring to create a brighter future for Our people

Since our inception, we have followed a new and efficient path leading towards long-term sustainability practices, creating an innate link between the well-being of people, the environment, and revenue. APL Apollo's sustainability strategy has led to creative projects and strategic alliances that have had a positive impact on society, the environment, and stakeholders. Our stakeholder interactions are facilitated by continuous dialogue and a long-term approach to sustainability practices. Whether it is the communities that we empower, the employees we nurture, the partners we team up with, or the investors who hold their faith in us, seamless value creation for all is the essence of stakeholder relationships at APL Apollo.

## Prioritizing employee Health and Safety

At APL Apollo, we believe that our employees should be able to return home safely and in good health at the end of each working day. We seek to limit absences by safeguarding our workers, ensuring our workplace is more efficient and productive, as workers are more productive in companies that are devoted to their health and safety.

Workplace health and safety is all about managing risks wisely to safeguard your employees and your organization. Strong leadership engaging managers, workers, suppliers, contractors, and customers are essential for good health and safety management and are also a major element for the move towards sustainable development.

Our company has a process in place for hazard identification, risk management, and incident investigation. We also record and constantly monitor the absentee rate

for all employees, the total recordable incident rate (TRIR), the Lost-Time Injury Frequency Rate (LTIFR), the fatality rate, and the near miss frequency rate for our company (NMFR) to reduce the number of work-related accidents

We have established Safety Committees at the Plant level, with workers also participating in it to improve Health & Safety awareness, since they are a key contributing element in the reduction of occupational hazards and injuries. Their active involvement in the execution of appropriate workplace measures such as working conditions, work content, and work structure. It also facilitates easy access to

information and training on risks and threats associated with their work, as well as preventative actions. This also enables workers to participate in safety and health training and awareness-raising initiatives, as well as cooperate with their employer to adopt measures quickly. We also ensure that workers can report any accident or injury in a timely manner so that remedial actions may be promptly implemented.

Our company provides Group Medclaim insurance that covers hospitalization benefits for all employees (at all levels) and their families.

## First Aid and fire fighting training

We conducted voluntary firefighting and first aid training at our manufacturing facilities in March 2021 to inform and educate our employees and strength them with knowledge on how to deal with different situations



Types of Injuries	Unit of measurement	FY 2022
Fatalities	Number	0
LTIs	Number	68
LTIFR (employees)	n/million hours worked	2.60
TRIR	Number	63
TRIFR (employees)	n/million hours worked	3.55
TRIFR (Contract workers)	n/million hours worked	0.14
Near Miss incidents	Number	130
Total man days worked	Hours	1077522

## Key Highlights



**100% Manufacturing Plants and officers are covered under safety**



**100% of employees and workers are provided with safety and skill upgradation training**

We prioritize employee safety by extending safety training to both plant workers and corporate employees, with the goal of achieving zero incidents and injury rate by 2025.

## Taking the human Rights pledge

Human rights are the language of the people guided by the principles of dignity, justice, equality, and respect. Businesses that efficiently safeguard and apply human rights naturally create their brand as more prosperous and contribute to the general well-being of society. Such economic rewards encourage businesses to create policies that include human rights duties in their day-to-day operations. We

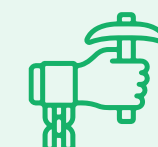
endeavor to protect human rights at all corporate offices, regional offices, and manufacturing sites by preventing child labor, harassment, and forced or involuntary labor. We have zero tolerance for any form of discrimination at our company and proactively take corrective measures against employees who are deemed to be breaching human rights



**0 Cases of Child Labour**



**0 Cases of Discrimination**



**0 Cases Involuntary/Forced Labour**

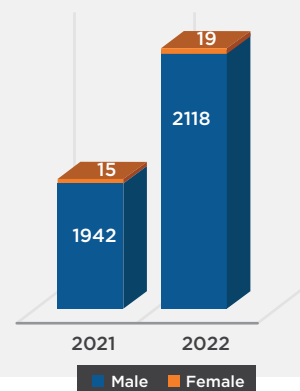


**0 Cases of Sexual Harassment cases**

## Effective employee Management

We are convinced that strong employee management strikes at the core of every corporate success. To get the most out of our teams, we focus on demonstrating strong leadership and mentorship skills. One of the most essential areas in this scenario is to uplift talent management as it allows us to achieve operational efficiency while incurring the least amount of expenses. Furthermore, we believe that there must be clear and open communication between employees and managers, as well as clear team expectations. This will assist team members in understanding their roles and delivering optimal results. Also, it will help in precise planning, measurable input, and proper work organization

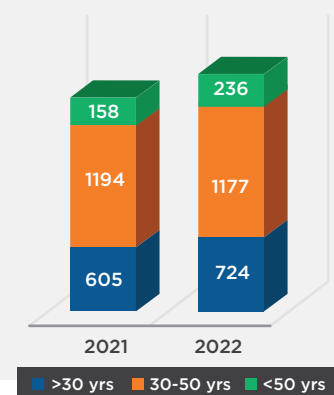
**Employees by Gender (Permanent workforce)**



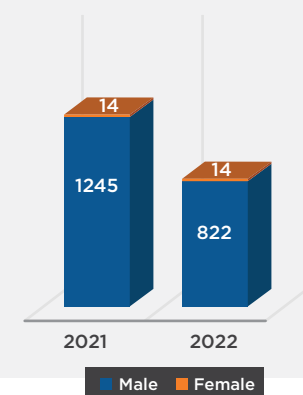
**Employees by Age Group (Permanent Workforce)**



**Employees by Age Group (Permanent Workforce)**



**Employees by Gender (Contractual workforce)**







## Encouraging positive Labor relations



Along with employees, workers are also a vital asset for us at APL Apollo and play an important role in the success of our business, and therefore the significance of labor relations is critical for the achievement of our goals. We believe that continuous upskilling and providing them with proper training that encourages them to work to their full potential will result in the best possible returns for our company as well as for each individual worker. We strive to build mutual trust with our workers and employees, who work extremely hard

to contribute to our company's shared goal and vision.

At APL Apollo we understand our obligation to adhere to applicable laws and regulations to preserve employees and labor rights throughout its business operations. We also recognize employees' right to form trade unions as we believe that it protects workers from wage hikes and provides job security through peaceful means. Trade unions also assist in providing financial and non-financial assistance to workers during lockouts, strikes, or medical emergencies.

# 100%

compliance  
to all legal  
requirements  
pertaining to  
labor

# 10%

employees  
included in the  
recognized  
member  
association

## FOSTERING A DIVERSE & INCLUSIVE CULTURE

At APL Apollo, we seek to build diverse teams and combat workplace prejudice. We aim to provide an equitable opportunity to all employees, particularly those from marginalized groups and no discrimination is done based on age, color, disability, origin, religion, race, gender, family or marital status, gender reassignment, disability, sexual orientation, pregnancy, or maternity status, either directly or indirectly. We focus on having a diverse spectrum of female employees and leaders at all levels of our company, and we focus on promoting and supporting their progress. While only targeted leadership initiatives can achieve this, our gender parity and inclusion strategy aim to demonstrate a tangible commitment to gender diversity.

We participate in active communication with female employees on a regular basis to learn about their issues and concerns around sexual harassment, equal remuneration, work-life balance, and career possibilities. We then identify possible areas for development to retain them and appreciate their work.

Every year, we celebrate International Women's Day to recognize women's accomplishments and to advocate for gender equality. We strongly support it since it helps break the bias and encourages individuals to speak out when they witness gender stereotyping and prejudice.

We have set a goal of increasing the female workforce by 1% in the permanent employee category by 2025.





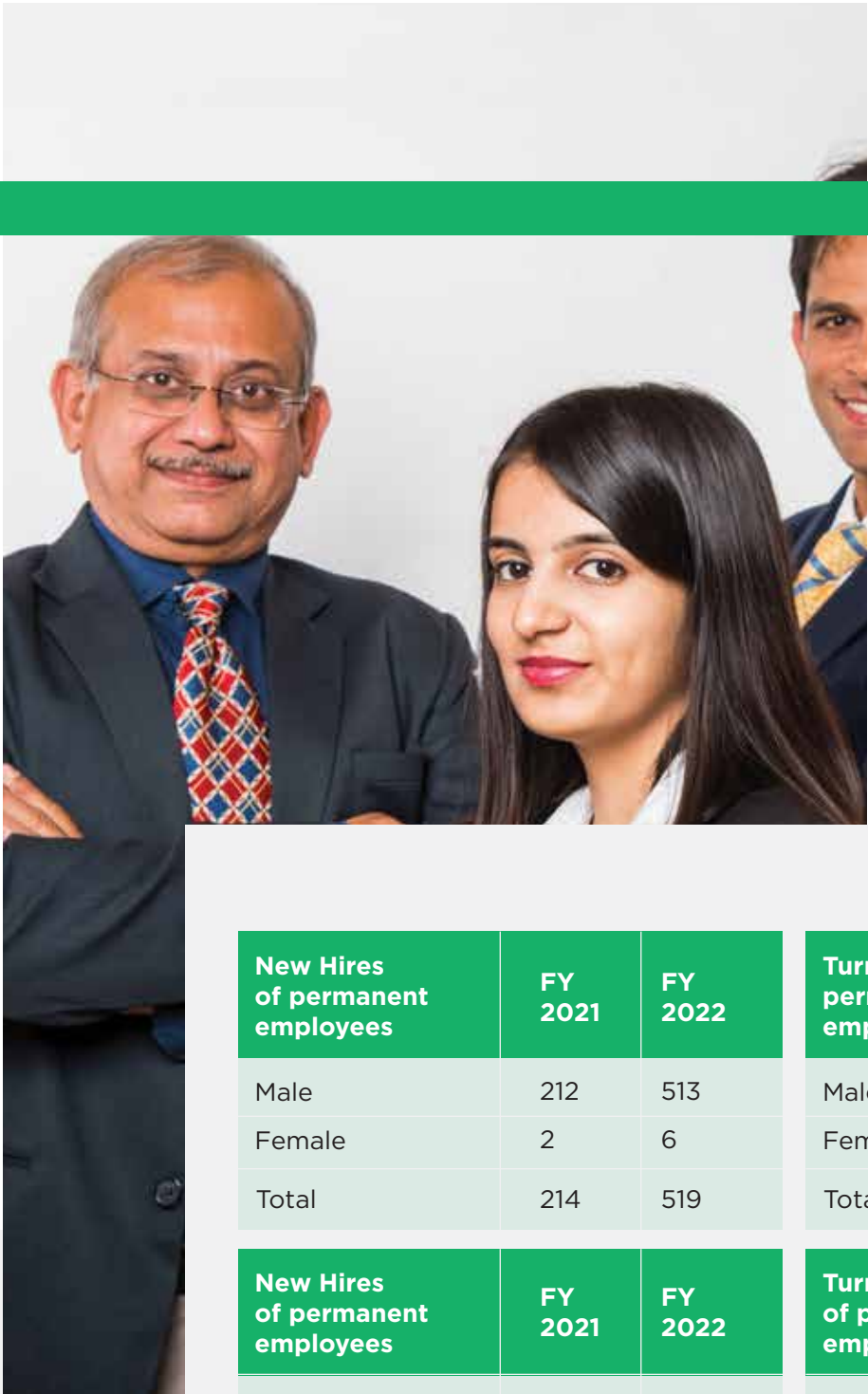
# OUR HIRING AND ONBOARDING PROCESS

APL Apollo offers an environment that encourages employees to reach their potential and participate in our company's expansion. The strong dedication of our employees towards our company helps us get through difficult commercial and economic circumstances and come out even stronger.

We firmly support and promote a culture of creativity, excellence, teamwork, openness, and transparency. Our company has established several platforms for discussion and feedback. Based on comments obtained in different communication platforms and industry benchmark data of best practices, we routinely examine and change our HR policies. With any form

of update or change, HR policies are conveyed to all employees. They are also introduced to all new hires during the onboarding process.

Our hiring process assists in selecting the right type of employees who are not only exceptional professionals but also help in the long run by maximizing revenues, reducing turnover, lowering rehiring costs, saving valuable time in training, and improving company efficiency. We aim to recruit employees who are technically competent and share our organizational doctrine. To preserve our employees, we provide competitive salaries, various career advancement prospects, and other entitlements.



## Key Highlights

519

New Hires

19

number of total permanent women employees

Attrition rate decreased from 16% in 2021 to 12.3% in 2021

New Hires of permanent employees	FY 2021	FY 2022	Turnover of permanent employees	FY 2021	FY 2022
Male	212	513	Male	289	303
Female	2	6	Female	15	1
Total	214	519	Total	304	304

New Hires of permanent employees	FY 2021	FY 2022	Turnover of permanent employees	FY 2021	FY 2022
Management	1	2	Management	4	0
Non Management	149	334	Non Management	210	82
Workmen	64	183	Workmen	90	222
Total	214	519	Total	304	304



# FACILITATING TRAINING AND DEVELOPMENT

Training provides an excellent opportunity to broaden the knowledge base of all employees. Employees who have received the requisite training are better able to accomplish their duties. They become more aware of fundamental safety precautions and procedures. Since the individual has a better understanding of the industry and the responsibilities of their work, the training programs help boost their confidence,

motivating them to do even better and come up with fresh ideas to help them thrive.

At APL Apollo, we focus on regular training to keep our employees at the forefront of technology and industry advances. Employees who are proficient and updated on changing industry standards help our company be a strong competitor in the industry.



## Key Highlights

**2137**  
number of total  
permanent employees

**76**  
of total training  
programs

**8710**  
of total training  
hours

**50**  
million INR investment  
on training and  
development programs

Average revenue per  
employee increased  
from 3.6 million INR  
in FY 20-2021 to  
**5.1**  
Million INR/month in  
FY 21-2022

Employee  
productivity of  
**101**  
tons/month  
in FY 21-2022

Total training hours  
per employee  
workmen of  
**2**  
hours/employee





# ACTIVELY ENGAGING WITH OUR EMPLOYEES

## Creating opportunities For employee advancement

Effective performance management is critical for our company since it assists us in aligning our employees, workers, resources, and systems to achieve our strategic goals. We have a comprehensive performance management system in place and use the Balanced Scorecard technique. All Staff Grade objectives are consistent with the Organizational Objectives. We are convinced that a successful PMS provides a view into the future, aids in the development of growth and training initiatives, provides clarity within the business, allows for the exchange of constructive feedback, and improves

employee retention and hence we give utmost importance to it.

Based on the performance of employees, their work is acknowledged in intrinsic or extrinsic ways. We believe that employees are more driven and work harder to improve their skills, knowledge, and talents when they are rewarded and recognized creatively. For us it helps in the attraction and retention of top personnel, adds to a strong employee value proposition, and fosters a healthy business culture

Today, effective employee engagement and involvement are more important than ever. At APL Apollo, we engage people to achieve their desired goals, decrease retention rates, enhance productivity, promote communication, and lead to a healthy workplace and culture. Our employee engagement promotes work-life balance, and mental health, resulting in happier and more capable employees. We believe in having a healthy, inclusive, empathetic, tolerant, and

respectful corporate culture. We value our employee's unique requirements, opinions, and capabilities that help us as a company to go above and beyond as a diverse and inclusive organization. This increased involvement has a ripple effect on revenue, job satisfaction, and retention. Employee volunteering, health care activities, and workplace inclusion all contribute to a more pleasant and productive workspace and foster personal and professional growth

## Grievance management system

A competent grievance management system gives a conduit for employees to express their displeasure. We feel that without a grievance procedure, unspoken dissatisfaction can escalate to negative consequences and disruptive behavior. We strongly advocate that the issue should be addressed and resolved as soon as it emerges. We empower our managers by giving them training to manage grievances properly and efficiently that reduce the negative consequences of grievances on employees and their performance. Managers gather relevant and adequate data to clarify the nature of the grievance and document it so that it can be used to take remedial action

before dissatisfaction manifests itself in unwanted behavior. As a result, it creates a more pleasant working atmosphere with fewer instances of complaints.

All our office and factory locations have an employee grievance system in place. For factory locations, the HR Department has frequent meetings with workers to record their grievances and provide a resolution to them within 48 hours (TAT). If the issue is not resolved by the HR Department, it is escalated to the Plant Head. We have ensured that all our locations have accurate escalation matrix information.





## Bolstering employee volunteering

Developing a culture that fosters employee volunteerism assists us in improving employee morale, workplace environment, and brand perception. It also allows workers to get to know one another better and gives them a sense of pride in their workplace. All of this improves the organization's standing in the community and promotes our company's profile, particularly among prospective employees. We place a strong emphasis on employee

volunteering programs, which allow employees to acquire and develop new abilities. We also perceive it as an excellent technique for managers to discover which team members have the potential to become future business leaders. We began with tree planting activities throughout our facilities, which not only raise employee awareness of environmental concerns but also contribute to the resolution of various environmental challenges.

# OUR BATTLE AGAINST COVID-19

The struggle against COVID-19 remains an ongoing global issue. COVID-19's rapid spread has affected lives, livelihoods, communities, and companies across the world. We confronted enormous challenges, but we sought to respond to the pandemic with vigor and perseverance to address the needs of employees and communities across the country.

## Health and Well-being of Employees

We regard our employees' health to be the most important priority during this unprecedented time, ensuring that all our employees were insured for COVID-19 under our company insurance coverage. We also collaborated with various hospitals to conduct RT-PCR testing, the cost of which was borne by our company. We provided flexibility and a work-from-home

option so that employees could reduce their commute to the office and support their families during this time without any kind of mental stress. We also promoted employee volunteering at our manufacturing units, and we salute such warriors who were willing to step up and make a difference during such difficult times for the welfare of people.

## Workplace Hygiene

We ensured social distancing practices at the workplace, reinforced Covid appropriate behavior among employees, frequently sanitized high-footfall areas in offices and industrial facilities and provided masks and sanitizers for workers who

came to work because of their critical responsibilities. We also switched from a fingerprint-based biometric attendance system to a facial recognition system to reduce indirect person-to-person interaction at these facilities.

## Covid-19 Community Initiatives

We've faced new challenges that have forced us to team together as a community like never. We strongly believe that Covid-19 Relief must be a shared responsibility, and we have stepped

forward to be on the front lines of this effort. These efforts were sustained and accelerated by incorporating them fully into long-term social initiatives.

We collaborated with World Hope Foundation, AKS Medical, and Research to fight COVID-19 and provide relief to the needy. In addition to this, we also partnered with the Humanitarian Welfare and Research Foundation, and we launched Project Ikshana - Covid mobile Field Hospitals in Delhi. With the assistance of the Help care Society, we were able to provide oxygen cylinders to children in shelter homes. We also installed an oxygen plant at the Community Health Centre in Bulandshahpur.





# TOGETHER WE AIM TO BUILD A BETTER SOCIETY

Community development is our prime objective since it allows us to share personal connections and encourage the steady progress of each other and with our surroundings. We are determined to expand and function in a socially conscious manner. We have a strong association with our society in the areas of our field operations and actively engage in dialogue to capture community outlooks on our company's business activities.

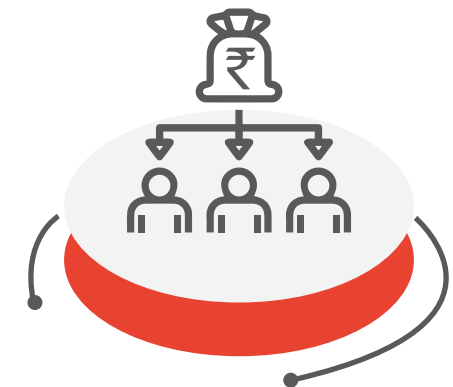
We have a board-approved CSR committee and a CSR policy that spells out the committee composition, duties and responsibilities of the committee, and accountability for developing programs and initiatives to help the weaker sections of society. The committee's primary responsibilities include periodically evaluating the CSR policy, developing a transparent regulating mechanism to implement our company's CSR projects, programs, or activities, and proposing the amount of money to be spent on CSR activities.

Our CSR initiatives ensure that we are contributing to society as responsible corporate citizens who take interest in broader social issues more than just profit margins. We have established APL Apollo Foundation for carrying out CSR activities in April 2022, after obtaining the necessary approvals such as 12A, 80G, CSR-1, and so on.

We are not statutorily required to conduct impact assessments because our CSR obligation amount is much lower than the prescribed thresholds. Still, we evaluate the impact of CSR projects by constantly monitoring the total amount spent through direct verification and receipt from prescribed Chartered Accountant certificates. However, to have a greater impact, we are now proposing to undertake large-scale projects such as hospitals and schools on our own through the APL Apollo Foundation, allowing us to reach the beneficiaries directly and have a significant impact on society.



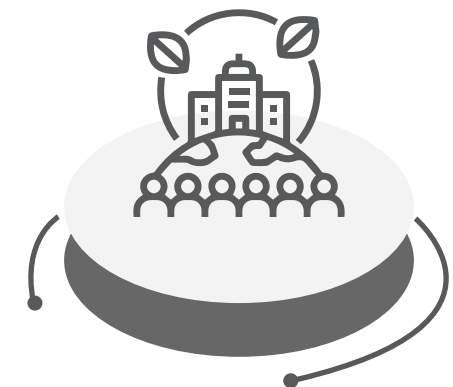
**Rs 72.3 million of  
CSR Expenditure**



**Approximately 17,000  
CSR Beneficiaries**



**CSR Strategy to be  
formulated by 2025**



**18 Successfully  
implemented CSR  
projects**

# OUR ONGOING CSR EFFORTS

## 1 Museum of Solutions (MuSo)

We have entered into an agreement with the JSW Foundation in Mumbai to contribute to the development of the 'Museum of Solutions' (MuSo), to be launched by them in Mumbai and will be a world-class educational expanse with a building of over 60000 sq ft stretched over 8 stories. The MuSo has been designed with the UN Sustainable Development Goals and the new National Education Policy in mind, with the goal of cultivating the knowledge, skills, and actions that children will need to solve the challenges they see around them and make progress through creative thinking, interactive learning, and innovative problem-solving skills. The project will be funded by CSR as part of the initiative to "promote education, especially special education and employment enhancing vocational skills.

## 2 Health Care initiatives

Working for community health promotes healthy living, aids in the prevention of diseases, and provides the maximum number of people in need with several health benefits. We focus on expanding

community health programs to address disparities by ensuring equitable access to health resources.

- We have established a medical university in Jhajjar, Haryana in liaison with the Maharaja Agrasen Hospital Charitable Trust to address the shortage of various medical professionals and expand the reach of health services for the poorer sections of society, provide commensurable infrastructure, and encourage research and innovation to cure various diseases.
- We constructed a labor/medical room at Sewa Bharati Lala Deep Chand Memorial Hospital in collaboration with Sewa Bharti, Delhi - Regd. Society to enhance the quality of treatment and care provided in hospitals.
- We collaborated with Shri Aksharpurushottam Public Charitable Trust to upgrade and replace equipment at the Charitable Eye Hospital - Praukhswami Eye Hospital, Mumbai Bochasanwasi for improved treatment of eye-related issues.

## 3 Supporting Education

We strongly support education in all our CSR activities because we believe it accelerates the process of learning and culture expansion, contributes to the improvement of the human condition through better knowledge, health, living conditions, social equity, and productivity, and is a critical tool for social progress.

- We collaborated with the Plaksha University, Mohali's Sponsoring Body, and the Reimagining Higher Education Foundation (RHEF), which was founded by more than 60 business leaders, entrepreneurs, and organizations from around the world. Plaksha is a charitable initiative aiming to reinvent engineering and technology education in India and worldwide. Plaksha University has a 50-acre technology-enabled campus in Mohali where it offers B. Tech, Technology Leaders Program, Young Scholars Program, Ph.D., and other programs. We propose to contribute a total of Rs. 50 million (Rupees fifty million) for the construction and infrastructure development at the Plaksha campus (a 6000 sq ft center to be named APL Apollo Student Activity Center) and to offer undergraduate scholarships to 5 students each year for five years.
- We assisted 30 Ekal Vidyalaya's across the state of Uttar Pradesh through the Bharat Lok Shiksha Parishad to provide opportunities for the weaker segments of society to learn about people,

literature, history, and other disciplines that contribute to the cultivation of thought processes.

## 4 Community Welfare Initiatives

Community-led initiatives are critical because they aid in the process of creating and achieving locally owned objectives and goals. It is a planned approach based on a set of core principles that set vision and priorities by the people who live in that geographic community, build on local strengths, collaborate across sectors, are intentional and adaptable, and work to achieve systemic change.

- Through the Dhyam Foundation, we donated food to the disadvantaged, established schools for the underprivileged, and cared for animals.
- Rural development is significant not just for most of the population who live in rural regions, but also for the nation's total economic growth. With this in mind, we teamed with the Chinmaya Organization to create a Rural Development program.
- We built a shelter home through Earth Savors Foundation to provide protection, services, and resources that allow people who have experienced abuse to recover from the violence, rebuild their



self-esteem, take steps to reclaim an independent and self-determined life, and provide food for the inmates for one month.

- Through International Humanitarian Aid, we assisted in the rehabilitation of refugees and the employment of the poor as refugee return and reintegration have been crucial in achieving national reconciliation and peace in our home country
- We also provided utensils for "Samuhik Vivah" in collaboration with Shri Ganesh Steels.

## SET UP A RO PLANT AT MALUR TO PROVIDE CLEAN AND SAFE DRINKING WATER TO LOCAL COMMUNITIES

At APL Apollo, we believe that effective and reliable grievance mechanisms may assist in proactively addressing problems as they develop before they weaken local community confidence or become intractable. We have a positive relationship with our community in our operational locations, and we participate in frequent conversations to obtain community perspectives on our business operations. We have a formal grievance management system for the community for accepting, investigating, responding to, and resolving complaints or grievances from impacted communities in a timely, fair, and consistent way. We have received (0) Zero complaints from the community during the last fiscal year.





# CORPORATE GOVERNANCE

## BOARD OF DIRECTORS



**Mr. SANJAY GUPTA**  
**Executive Chairman**

Shri Sanjay Gupta has around 25 years of experience in diverse steel industry segments. Under his visionary and dynamic leadership, our Company has evolved and developed from a steel tube manufacturer into a global leader in branded steel products. He has inherited excellent entrepreneurship skills from his father late Shri Sudesh Gupta. Under his leadership, our Company continues to grow exponentially towards becoming an organization of international repute.



**Mr. ASHOK KUMAR GUPTA**  
**Director**

Shri Ashok K. Gupta holds a master's degree in Physics and completed his PGDBA from AIMA. He is an industry veteran with over three decades of experience working in critical management positions in reputed organizations like SAIL, Jindal, Bhushan Steel, the L.N. Mittal Group and Shalimar Paints Limited. He has been the driving force for propelling the growth engine and yielding profitable results for our Company.



**SHRI VINAY GUPTA**  
**Director**

With more than two decades of industry experience, Shri Vinay Gupta has in-depth knowledge in the manufacturing and trading of pipes, tubes, sheets, and other steel products. He has been assigned the responsibility of driving our Company's pre-galvanized and international market businesses



**SHRI ROMI SEHGAL**  
**Director**

Shri Romi Sehgal has made an excellent contribution to the Steel and Tubes Industry for more than three and a half decades, right from designing and manufacturing Tube Mills to putting up Greenfield projects, and successful commissioning of projects and ensuring uninterrupted optimum production from factories. He is a science graduate and has worked in managerial and leadership positions in reputed companies such as Atlas Steel Tubes Limited, Atma Steel Tubes Limited, Bharat Steel Tubes Limited and for 13 Years in Gallium Industries Limited, which is a manufacturer of Steel Tube equipment in collaboration with Kusahabe Elect. and Mech. Co



**MS. NEERU ABROL**  
**Independent Director**

A Chartered Accountant, Ms. Abrol has about four decades of rich professional experience in various sectors and positions. She worked for 26 years with Steel Authority of India Ltd in various critical management positions which have provided her with in-depth knowledge of the steel industry and its workflow. She is also the former Chairperson and Managing Director, and Director Finance of National Fertilizers Ltd. Ms. Abrol is currently serving as Director at TCNS Clothing Co Limited, Apollo Tricoat Tubes Ltd, Apollo Pipes Ltd, Stecol International Pvt Ltd, and other companies. She is also associated with a couple of NGOs; she is the recipient of multiple awards over her illustrious career including twice 'Business Achiever' by ICAI, and 'Outstanding Woman Manager in Public Sector Enterprises' by SCOPE.



**SHRI ANIL KUMAR BANSAL**  
**Independent Director**

A former executive director of the Indian Overseas Bank, Shri Anil Kumar Bansal, brings with him four decades of rich experience in the banking industry. He supports the organization in undertaking key financial decisions. His impressive knowledge of banking, the Indian economy, corporate affairs and risk and ratings are strongly backed by his rich professional experience. Currently, he is serving as the Director of Rockland Finstock Limited, IFCL Venture Capital Funds Limited, GVFL Trustee Co Pvt. Ltd and Apollo Tricoat Tubes Ltd. He is also the former director of Canara HSBC Oriental Bank of Commerce life Insurance Company Limited, CARE Ratings Limited and NABARD.



**SHRI ABHILASH LAL**  
**Independent Director**

A mechanical engineer and postgraduate from IIM Bangalore, Shri Abhilash Lal has 32 years of professional experience in senior roles across financial services, including banking, consulting, real estate, private equity, and restructuring. He has led institutions across business development, strategy as well as operations



### SHRI VIRENDRA SINGH JAIN Independent Director

Shri V.S. Jain has completed his assignment as a member of the Public Enterprises Selection Board (PESB), which has been set up by the Government to evolve a sound managerial policy for central public sector enterprises and to advise the Government on appointments to top management posts at the Board level. In the past, he has served as the Chairman of the Steel Authority of India (SAIL) and held the post of Executive Director of Indian Oil Corporation (IOC). He has also served as an independent director on the Boards of Rashtriya Ispat Nigam Ltd., Essar Oil Ltd., and the National Multi-Commodity Exchange of India. He is presently on the Board of Dalmia Bharat Ltd. He is a fellow member of the Institute of Chartered Accountants of India as well as the Institute of Cost Accountants of India



### SHRI AMEET KUMAR GUPTA Independent Director

Shri Ameet Gupta is the Whole Time Director at Havells India Limited, India's largest electrical goods manufacturer for residential, commercial, and industrial use. He joined Havells in 1995, where he has developed and implemented multiple strategic tie-ups with global partners helping the organization register a robust growth. Shri Ameet graduated with a B. Tech in Electronics and Communications from Delhi University and completed his MBA in Marketing and Finance from Wake Forest University, North Carolina, USA. His passion for research and development has led him to lead technological innovation and product development in the said Company. Apart from R&D, a few of his focus areas have been manufacturing and sustainability



### SHRI RAHUL GUPTA Independent Director

Shri Rahul Gupta has completed B.Com. (Hons.) from Delhi University. He has also completed executive courses in the field of Management from reputed B-Schools like London School of Economics and Indian Institute of Management, Ahmedabad (IIMA). He is a promising entrepreneur with an experience of around 5 years in steel tubes manufacturing business and has handled operational management, marketing, and institutional sales. He is the recipient of 'Young Achiever Award' for Organization Building at Global HR Summit 2017

## SOUND BUSINESS PRACTICES

At APL Apollo, we firmly believe in the ability of our sound corporate governance and ethical business policies to increase the support and involvement of our stakeholders. We constantly update our systems and procedures to better meet the demands of a complex and fast-paced business environment and to promote more accountability and transparency. Our numerous rules and programs guarantee that we uphold our company's compliance and ethics while fostering a harmonious workplace for our employees and workers.

Our Company has a robust code of conduct based upon the guiding principle of National Guidelines on Responsible Business Conduct (NGRBC). Following our Company's Code of Conduct as our guide, we comply with all legal requirements, corporate governance standards, and international best practices. We have put in place a number of frameworks and policies that demonstrate our dedication to common values and principles. We also have zero tolerance for breaking any laws, internal rules, or codes of conduct.





# POLICY CHARTER OF OUR COMPANY



<b>Code of conduct</b>	Our Code of Conduct serves as a guideline for informing colleagues about the workplace practices we follow. It includes matters such as anti-corruption, technology use, conflicts of interest, preserving consumer privacy etc
<b>Health and safety</b>	We have a health and safety policy in place that explains the course of action that has been determined to influence workplace decision-making, guide our actions towards well being, and aid in the preservation of the highest standards of workplace health and safety.
<b>Anti Bribery and Anti Corruption</b>	We have a zero-tolerance policy on bribery and corruption All colleagues must take anti-corruption and bribery training that includes knowledge on applicable rules and regulations for their region and have to mandatorily complete it.
<b>Human Rights</b>	We are in the process of developing a distinct Human Rights policy nevertheless, the Business Responsibility policy includes the different areas connected to human rights protection. Human rights are fundamental, universal, indivisible, and interrelated in nature, according to our company. Within its range of influence, we promote the awareness and realization of human rights across our value chain. We strongly prohibit the employment of child, forced or compulsory labor in all our operations. We provide equitable job opportunities to all individuals. We make hiring selections based on work-related qualities and ability to execute the job, not on race, color, religion, gender, national origin, age, sexual orientation, gender identity, disability, biological information, citizenship, marital status, or any other legally prohibited criterion.
<b>Whistle blower</b>	We have formulated a whistleblower policy/vigil mechanism to provide a mechanism for Directors and employees to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behavior, actual or suspected fraud, violation of the Code of Conduct or Ethics Policy, or any other unethical or improper activity.
<b>Prevention of sexual harassment</b>	We have established a well-defined policy to combat gender-based misbehavior and to build a comfortable work environment for female personnel. The policy establishes guidelines, processes, procedures, and platforms for the filing, hearing, and resolution of complaints alleging sexual harassment. The complaints are reviewed by the Complaints Committee, which is appointed by the Company's management.
<b>Collective bargaining</b>	Our company has a collective bargaining policy that applies to all agreements between an employer, a group of employers, or one or more employers' organizations. It defines the parties' rights and obligations, ensuring peaceful and productive industries and workplaces. It also helps in eliminating inequality and extends high level of labor protection.

## Investor protection policy

We have a two-window framework meant to provide investor services and remedy investor issues in order to preserve complete transparency throughout the business. Abhipra Capital Limited, the Company's Registrar and Share Transfer Agent (RTA), is responsible for handling shareholder requests and grievances. Furthermore, a Stakeholders Relationship Committee investigates shareholder/investor concerns. The committee assesses the grievance redressal procedure, reports presented by the RTA, compliance with different SEBI laws, and reports to the Board on major issues, if any, on a regular basis.

These are some of the policies that help us in implementation of our ethical and Transparent business practices in turn helping us win the trust and support of internal as well as external stakeholders.



# RISK MANAGEMENT

In the last two years, nearly all businesses have been put to test by recent global events, which have compelled them to reconsider their presumptions and adjust their operating procedures to a new operating environment that includes managing significant risks while emphasizing on people's safety. Any corporation that wants to deal with potential situations that could endanger the operation, or its personnel must have a strong risk management system.

We have an efficient risk management system to educate the board members on risk evaluation and mitigation practices. Our risk management committee meets periodically and assesses the effectiveness of the plan set forth by the committee for risk identification and risk mitigation. We have classified threats into broad categories and linked our pressing problems to the dangers. The strategy, operations, financial performance, results of operations, cash flows, liquidity, prospects, shareholder value and returns, and reputation of our

Company could all be affected by these risks, either singly or collectively. As a result, these risks are crucial to our operations and business, and as a result, risk management is a crucial part of our company's plan for long-term success.

We also offer targeted training on risk management principles to the entire enterprise.

We don't just focus on conventional risks; we also examine environmental risks using established environmental management standards and impact analyses. These include OHSAS 18001 (Occupational Health & Safety Management System), ISO 9001 (Quality Management System), and ISO 14001 (Environmental Management System). Additionally, we have a chief information officer who overlooks the cyber security risk of our company.

Some of the Major Risks of our Company are mentioned below along with the mitigation measures taken by our company for the same.

Risk Heading	Risk Description	Risk Category	Mitigation Measure
Business Disruption due to covid-19	The emergence of subsequent waves of the covid-19 pandemic has had a substantial impact on our commercial operations, and our plants had to operate in accordance with recommendations given by the respective state governments and the national government. In addition, we had to ensure the complete safety and well-being of all of our employees and their families.	Operational Risk	<p>The beginning of Covid-19 has been difficult for the entire world, and at APL Apollo, we have established additional procedures to precisely address these by</p> <ul style="list-style-type: none"> <li>Policy and Management system implementation to enable smooth operation of business when working from home</li> <li>Covid 19 vaccination campaigns for all personnel</li> <li>Application of preventive and reactionary measures Initiatives including communication and employee involvement</li> </ul>
Currency Fluctuation	APL Apollo does a significant portion of its business with partners based abroad, with whom we conduct transactions in currencies other than Indian rupees. These operations are vulnerable to the risk of daily currency changes, which could result in monetary loss for us	Financial Risk	<ul style="list-style-type: none"> <li>We control our foreign exchange risk by hedging with the aid of derivatives.</li> <li>To lessen the risk of fluctuations, we have been lowering our working capital cycle over the previous few years and retain the practice further</li> </ul>
Liquidity Risk	Majority of the company's funds is maintained with banks, which might result into a default risk if the banks collapse or are unable to supply funding when needed.	Financial Risk	<ul style="list-style-type: none"> <li>We invest in banks that are both large institutions in and of themselves and can weather a wave of some financial turmoil on their own, in addition to banks that give good rates of return on deposits.</li> <li>To feel secure about where our money is deposited and may be withdrawn in an emergency, we typically only maintain partnerships with financial institutions that have been awarded a solid rating by a reputable credit rating agency.</li> </ul>
Quality of Products	All the procedures followed in the production of our products follow a set of standards and are interconnected by both manual and automatic procedures. An error in one of the two might significantly harm our reputation by making the products less appealing.	Reputational Risk	<ul style="list-style-type: none"> <li>Before sending the finished products to the final customer, we have teams in place for product quality assurance that are regularly reviewing them.</li> <li>If a customer receives a subpar product, we also have systems in place to guarantee post-sales service.</li> <li>To lower our wastage and rejection rates across all our plants, we also frequently train our workers and employees to create a culture of product quality.</li> </ul>
Statutory Compliance Risk	Operating in a dynamic legal environment and increased scrutiny by the authorities in recent years have left us exposed to a large risk of non-compliance with the applicable laws and regulations that have become even more volatile after the onset of Covid-19 pandemic	Compliance Risk	<ul style="list-style-type: none"> <li>We have put in place a reliable system for monitoring our company's adherence to the relevant rules and regulations. The laws are continuously being reviewed and tracked by our compliance team.</li> <li>All our staff have received training to keep them informed of any changes to the nation's most recent laws and regulations, which may necessitate altering the way we go about our daily business.</li> <li>Technology is being utilized to track compliances with all the applicable regulations.</li> </ul>



Risk Heading	Risk Description	Risk Category	Mitigation Measure
Safety Compliance Risk	We work in a high-risk sector, and any disregard for good workplace safety procedures could endanger human life. Inadequate safety training and attention when handling machinery can potentially result in harm to our workers and employees.	Health & Safety Risk	<ul style="list-style-type: none"> <li>Change in the safety culture by continued focus on the vision to achieve an Incident and Injury Free(IIF) workplace</li> <li>Regularly promoting the organization's safety culture among all our personnel.</li> <li>Following the global safety standards that have been recommended for our sector.</li> </ul>
Supply Chain Disruption	We have diverse sources for raw material procurement and logistic services, as well as a one-month inventory back up, which allows us to minimize supply chain interruption.	Operational Risk	<ul style="list-style-type: none"> <li>Through a variety of forums, we keep growing our network and distribution channel.</li> <li>Several efforts were adopted to help our firm grow, including creative plans, channel finance agreements, quicker and more affordable product deliveries, and improved one-on-one relationships with dealers and retailers.</li> </ul>
ESG Risk	These risks include those associated with environmental activities, social standing in the community, and effective corporate governance systems that support sustainability.	Operational, Health & Safety and Strategic Risk	We are enhancing areas to lessen the effects on the environment and rethinking its ESG approach. We are also leveraging our connections with stakeholders to grow our operations using a value-based strategy.
Data Security Risk	Particularly in our tech-driven environment, data security and theft continue to be major risks for our company. The servers where we keep our private information are a risk to our operations and IT.	IT Risks	<ul style="list-style-type: none"> <li>Regular data privacy awareness campaigns are held to educate staff members on the importance of being watchful, compliant, and careful.</li> <li>We have implemented a Data Leakage/ Loss Prevention (DLP) system with data security guidelines to prevent the disclosure of sensitive data from the endpoints, emails, and web gateways of our company.</li> <li>Every server has a strong anti-virus system in place, and it is constantly audited to determine how susceptible the servers are to malware and viruses.</li> </ul>







# BUSINESS ETHICS

Since we are a publicly traded firm, meeting all our compliance obligations is crucial for us. Consequently, in addition to risk management systems, we uphold strict respect to all compliance requirements as imposed by the national and municipal governments and other authorities. These regulatory specifications are backed by an effective internal control system to ensure efficient operation and risk reduction.

The Board is accountable for routinely reviewing compliance reports for the laws that affect APL Apollo and for having a clear process in place to deal with any instances of non-compliance that may arise. Every year, several Board meetings and general body meetings are held to ensure regular communication and adherence to current and applicable regulations. The same has been incorporated in the KPI's of our top management and is one of the major reasons for the existence of our compliance team. As a process, we have a compliance team at all our plants that looks at the

compliance requirements for their respective plants monthly. Also, we have a checklist in place to check for all the initial compliance and regulatory requirements for any new plants in place and to assess the compliances on company level monthly.

During the year ended March 31, 2022, all the compliance requirements related to all the applicable laws applicable on our company were met and the required disclosures were also done in accordance with these respective laws.

Furthermore, we refrain from spending money on any political campaigns, political parties, lobbyists, or lobbying organizations. We also do not encourage our employees to take part in any such activities that might hamper the reputation of our company.

Our company has an Anti-Bribery and Anti-Corruption Policy in place, which reiterates our zero tolerance for bribery and corruption. Anti-bribery

and anti-corruption concepts are embedded into the company's training and awareness modules , which include in-person and e-learning courses for staff to make them cognizant of the importance of vigilant behaviors Furthermore, all the employees are frequently communicated through emailers on relevant bribery and corruption related topics that foster the culture of vigilance. Anti-Bribery and Anti-Corruption requirements are also advised and incorporated in agreements executed with vendors and third party service providers

## Key Highlights



**0**  
cases of  
bribery



**0**  
cases of  
Corruption





# SUPPLY CHAIN MANAGEMENT

## Strengthening Customer Centricity

At APL Apollo, we believe that business viability is dependent on satisfied consumers, and that excellent customer experiences increase brand recognition. We feel that an improved customer relationship also enhances the company's culture. Customer inputs are very critical for process optimization, quality enhancement, service performance, and cost reduction. We engage with our clients on a regular basis through information sharing, market dynamics, a consumer complaints and grievances system, regional meetings, dealer visits, need-based visits, customer

meets, and customer visits by the marketing team and senior management. This not only aids in the development of products based on customer demands, the institutionalization of a culture of quality perfection, the establishment of an effective claim and complaint management system, but also promotes a culture of fair treatment of consumers.

We are delighted to report that 98% of customer concerns were resolved successfully between FY 2020 - 2021

One of the most crucial sectors of the global economy, the steel sector has a big influence on how other sectors evolve through time. Supply Chain management is a critical component to ensuring effectiveness in preventing and mitigating any types of economic, social, and environmental risks that may arise and affect stakeholders' trust in our operations and overall activities because of the continuing need for steel tubes across all industries and individuals. With this goal in mind, we make sure that our Supply Chain Management process and strategies are on par with those of industry leaders and keep them updated in accordance with current standards and guidelines. Our procurement and contracting approach is to match long-term goals with the goals and directions of our organization. Additionally, it directs the procurement unit's activity execution to meet the goals in a sustainable manner.

To handle suppliers and industry customers through the assessment of new vendors and customers and the management of relationships with crucial suppliers and customers, we work to have in-depth market intelligence and technical information for analysis and the formulation of strategies for each function. Our Supply chain team, which

oversees supply chain management, is also in charge of the contracting and procurement processes for various operations for our facilities, including the evaluation of all our supply chain partners based on numerous criteria, including ESG.

Our plants are dispersed across the nation to meet the expectations of all our stakeholders. This allows us to source raw materials from local suppliers and support local communities for social upliftment while still being able to deliver high-quality products to all our customers quickly. We can continue operating normally and keep the necessary quantities of stock at each of our locations due to a robust supply chain management system. The same is evident in our supplier chain policy, which is available on our company website. ([www.aplapollo.com](http://www.aplapollo.com))



# ECONOMIC PERFORMANCE

Economic growth has an incredibly positive impact on companies, allowing them to gain more consumers, boost profitability, and experience new prospects for growth and expansion. Our mission at APL Apollo is to manufacture and sell structural tubes, but our passion is to develop new solutions for niche markets. This is what we have done consistently over the last decade and will continue developing novel products

that have expanded the use of structural tubes and increase our market share in this field. Every year, we work diligently to promote awareness of our value-added product portfolio. As a result, the proportion of value-added items in our sales mix grew significantly. Our revenue spectrum shifted from an emphasis on commodity items in FY 2018 to a value-added product in FY 2022

## Economic Value Generated, Distributed, and retained (in million INR)

Particular	FY 2022	FY 2021	FY 2020	FY 2019
Direct Economic Value generated (Revenue)	1,30,633	84,998	77,232	71,523
Economic Value distributed (Refer to the table below)	1,23,830	80,305	74,346	69,919
Economic Value retained	6,803	4,693	2,886	1,604

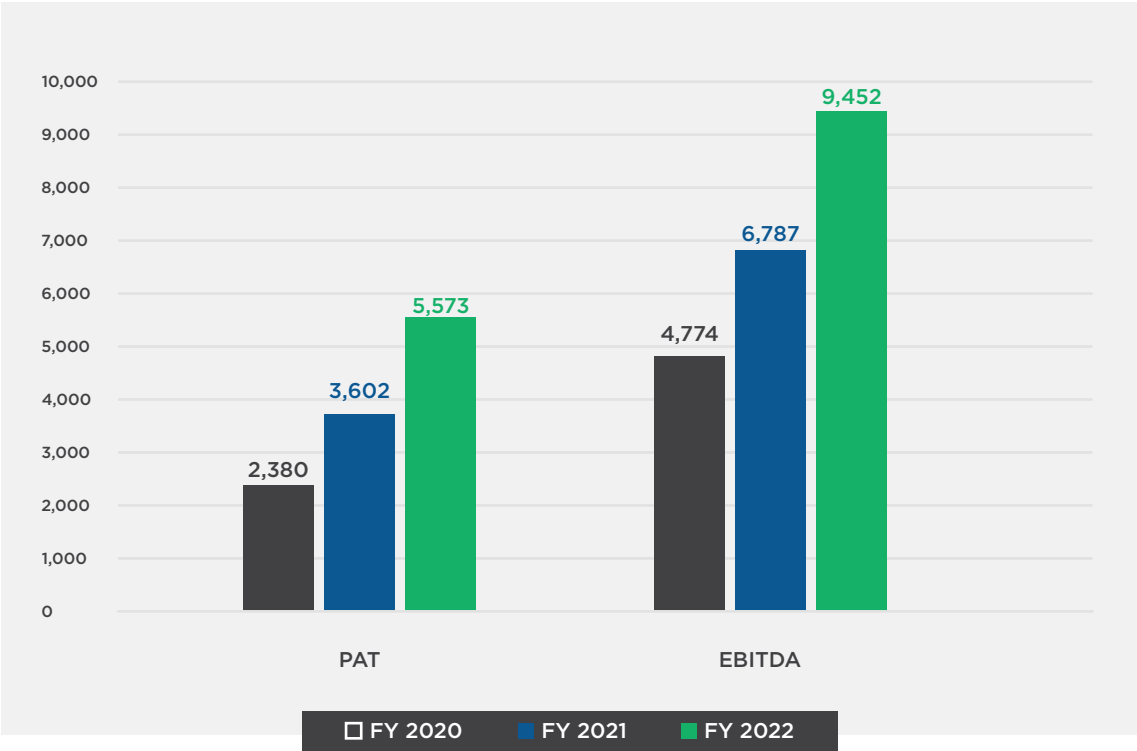
## Economic Value Distributed (in million INR)

Particular	FY 2022	FY 2021	FY 2020	FY 2019
Direct Economic Value generated (Revenue)	1,19,650	76,914	71,037	66,519
Economic Value distributed (Refer to the table below)	1,530	1,296	1,422	1,079
Economic Value retained	445	661	1,483	1,533
Payments to government by country	2,133	1,381	403	787
Community investments	72	53	1	1
<b>Total</b>	<b>1,23,830</b>	<b>80,305</b>	<b>74,346</b>	<b>69,919</b>

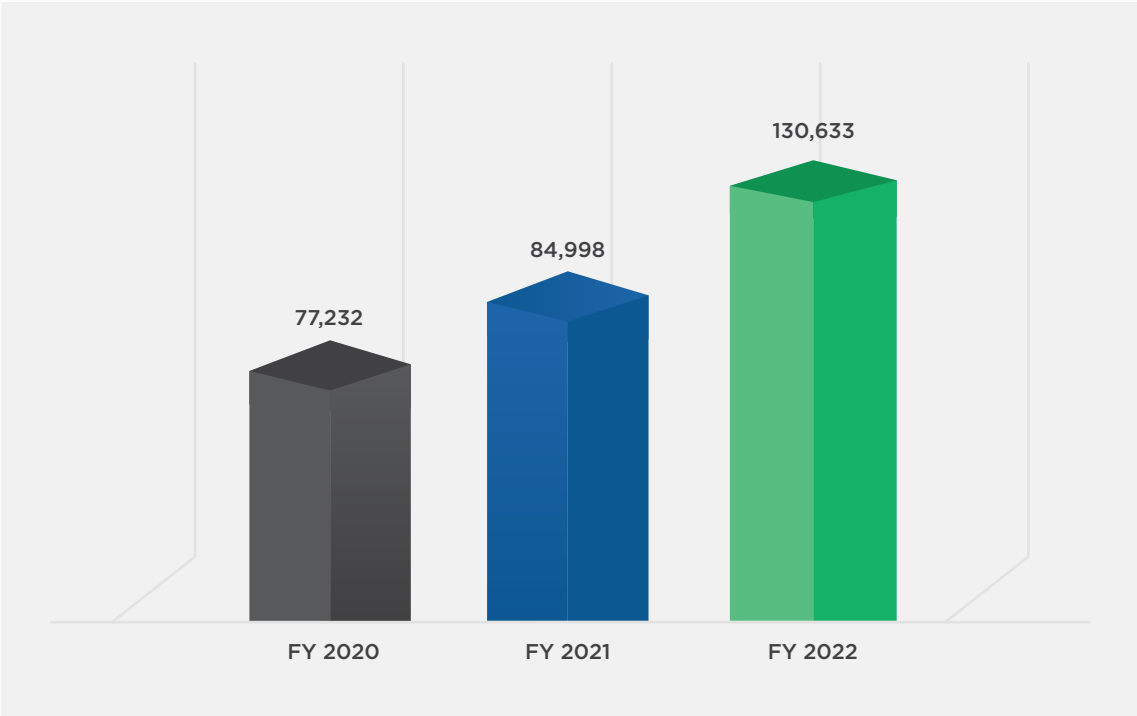
## Profit after Tax and Earnings before interest, taxes, depreciation, and amortization (EBITDA)



# WORKING CAPITAL CYCLE



## REVENUE FROM OPERATIONS (IN MILLION INR)



In the aftermath of a tough start to FY 2022, it would have been quite easy to revert to our previous strategy of credit-based sales. However, we chose to continue with our cash sales method because we were aware of our product's strength. We continued to interact with our dealers to highlight the benefits of this strategy to their businesses which also became an industry standard and which has made our brand become stronger and also improved our working capital cycle.

For more information please refer to our annual report page 16-19

## Research and innovation at APL Apollo

We believe that the only way for businesses to differentiate themselves is through innovation. Our business leverages process innovation to not just conserve time, money, and other resources, but also to excel in our industry. We strive for organizational and economic growth through innovation as this is the only way to be solvent in today's highly competitive market.

Our constant R&D work demonstrates the inventive goal of our company to build a new market for structural steel tubes and redefine how infrastructure development in India is planned. These items would replace existing conventional construction goods such as wood, aluminum, concrete, and steel angles and channels in a variety of building material applications. For our revolutionary products, we presently have 18 approved designs.





We have been a pioneer in embracing cutting-edge technology, such as Strip

Galvanizing lines, Cold Saws, High-speed mills from Europe, and the revolutionary Rotary Sizing Mills that assists in the production of high-quality rolled tubes. We were the first to implement the latest and greatest 'Direct Forming Mill Technology' and 'In-Line Galvanizing of Tubes' in India, ushering in a new age of tube manufacturing in the country. We have always been at the forefront of new technology and innovation.

The High-Frequency Induction Welding (HFIW) technology is used to create all our products. This procedure, also known as the cold forming process (non-expanded), employs HR and HRPO strips obtained from modern hot strip mills. The coil slits pass through the MIG welder while a constant flow is ensured by the horizontal/vertical coil accumulator in this intrinsic method. The first stage begins with cold embossing, which is done with the APL Apollo seal of quality/reliability





			
<b>R&amp;D spent in FY 2022</b>	<b>R&amp;D expenditure target in next 2 years</b>	<b>New Products developed this year</b>	<b>Registration Trademarks</b>
50 million INR	Approximately 70 million INR	4	75

Our relentless pursuit of innovation, as well as our attention to quality and detail, has gained us prominent accreditations such as Underwriter Laboratories, CE, and SGS France, which is a recognized Export House. It is also a matter of great delight for us that our goods have received approval from the Bureau of Indian Standards and British Standards.





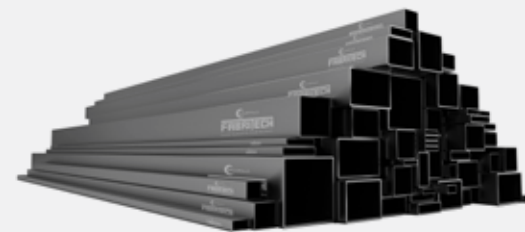
# OUR PRODUCT PORTFOLIO

At APL Apollo we believe that good products are the key to market success. We are actively investing in R&D and concentrating on new product prospects to build some of our most innovative product lines. We strive to provide the best-in-class solutions to our end consumers. We believe that understanding customers' needs and desires is the first step toward

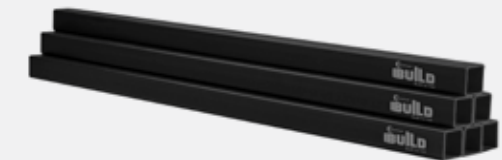
developing more customer-oriented products and experiences, which eventually lead to customer loyalty, and with advanced technology and the right product mix, we hope to excite and fascinate our customers while also reducing our carbon footprint and leading to a more sustainable future. The following are some of our key products:



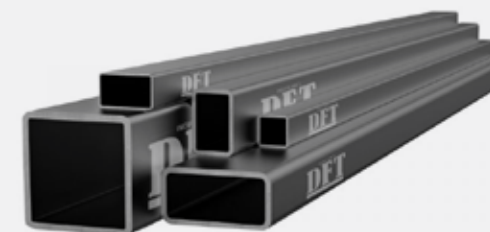
## APOLLO STRUCTURAL



Apollo Fabritech



Apollo Build



Apollo DFT



Apollo Column



# APOLLO EXCLUSIVE



Apollo Navrang



Apollo Octagon



Apollo Narrow



Apollo Taper



Apollo Elliptical



Apollo Oval



Apollo Fence



Apollo Rooftuf



Apollo D Section



Apollo Small Sections



Apollo Mechanical



Apollo Reflector



Apollo Checkered



Apollo Plank



Apollo Chaukhat

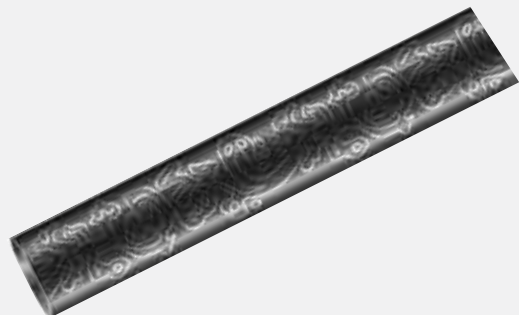


Apollo Handrail



Apollo Alpha

## APOLLO TRICOAT



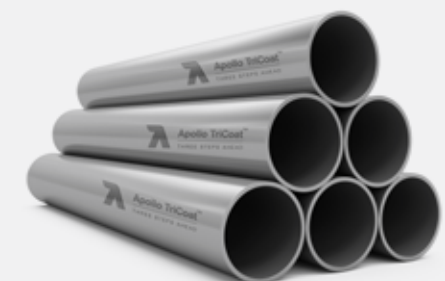
Apollo Elegant



Apollo Signature



Apollo Scaff



Apollo Tricoat

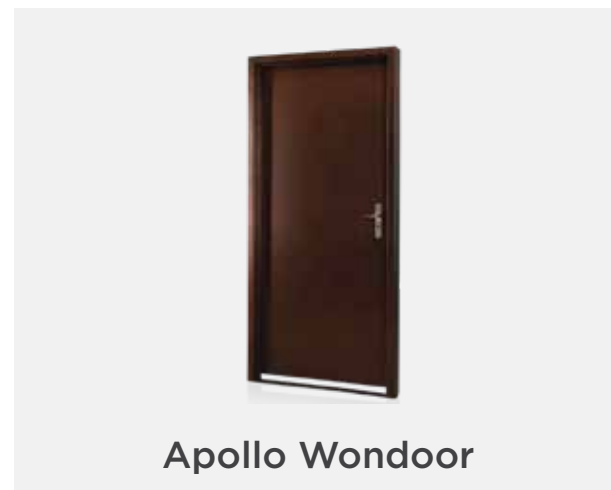




## APOLLO GALV



Apollo Hybrid



Apollo Wondoor



Apollo Bheem



Apollo Green



Apollo Z +

## APOLLO Z



Apollo Coastguard

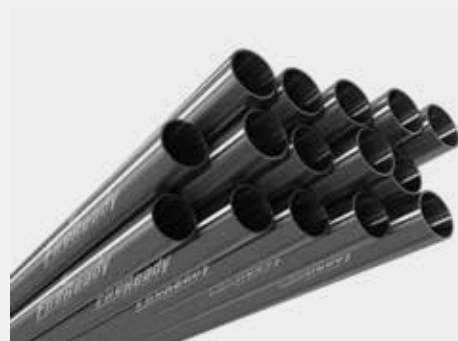
## APOLLO STANDARD



Apollo Standards



Apollo Agri



Apollo Fire ready

## APOLLO CONCEPT



Apollo Ready Chaukhat



Apollo Wondoors



Apollo Fencing Solutions

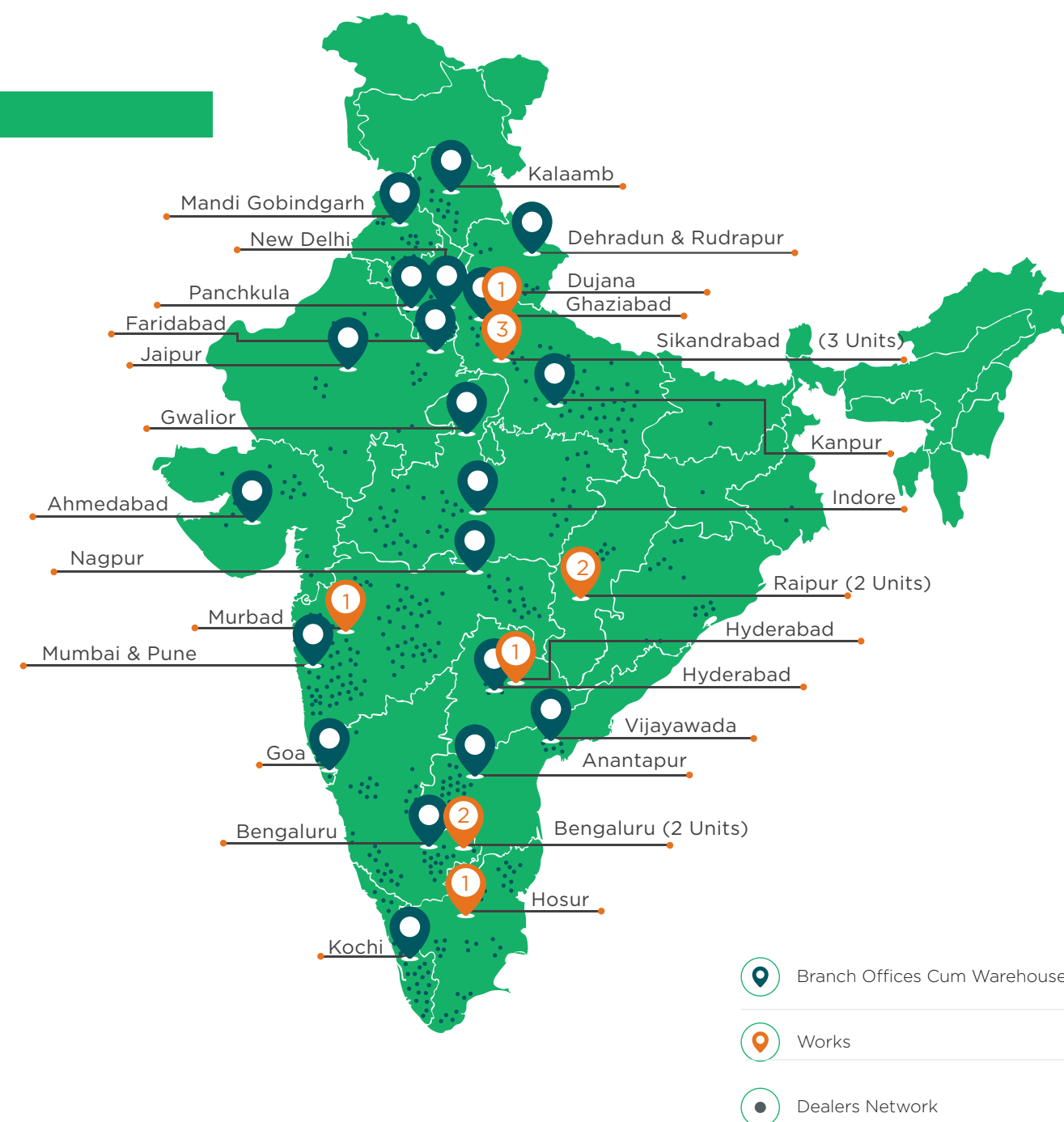






# GEOGRAPHICAL PRESENCE

Our ability to serve markets across the nation has depended heavily on our robust supply chain networks. The illustration below shows how our offices, production facilities, and/or distribution networks contribute to our presence across the country. We have a total of branch offices in 29 cities and we serve in more than 2000 cities and towns across the nation.



11 Plants



29 Sales Office



800 Dealers & Distributors



2000 Towns & Cities

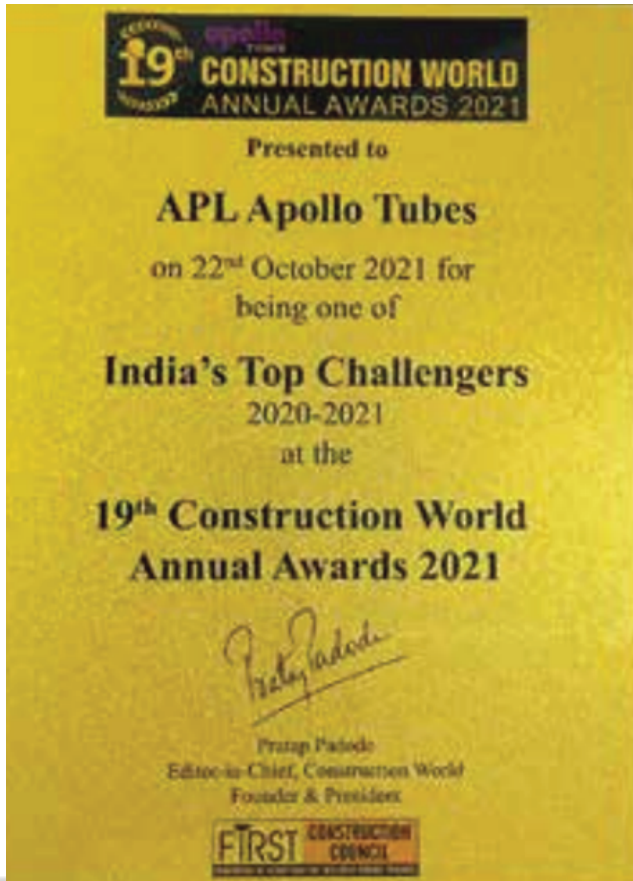


1,00,000 Retailers & Fabricators



# AWARDS & ACCOLADES

We have always strived for excellence and worked tremendously hard to distinguish our products, provide high-quality services, and carve a niche for our company. In FY 2021 we were awarded as India's top challengers at the 19th Annual construction world annual awards by **FIRST CONSTRUCTION COUNCIL (FCC)**.



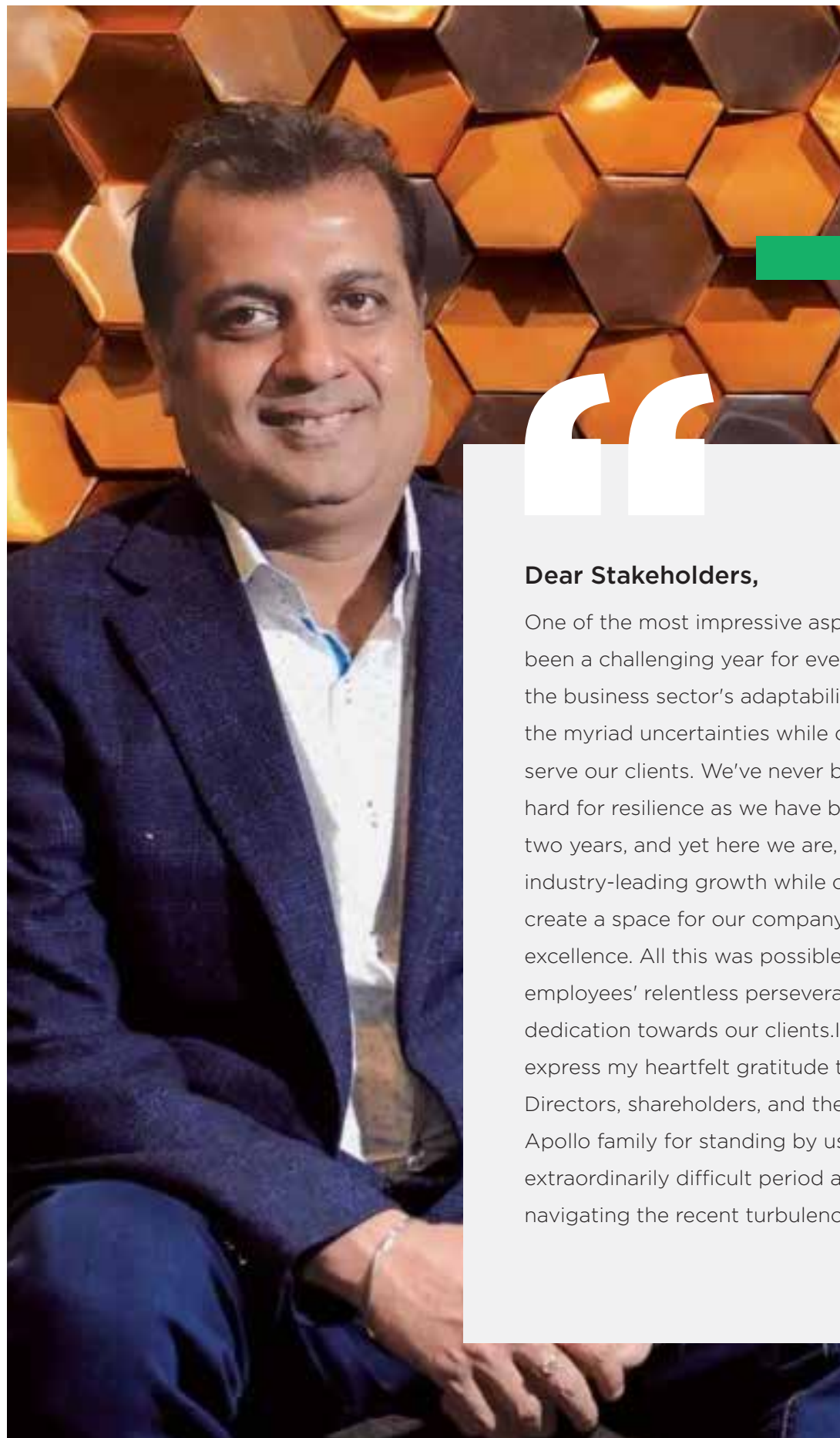
Received award titled as **India's Greatest Brands 2021-22** in building material industry under manufacturing category by Asia One.

Received the **Best Strucutural Steel Tube Producer Company** award in 2021-22 by D-Arc Build.





# MESSAGE FROM THE CHAIRMAN



## Dear Stakeholders,

One of the most impressive aspects of what has been a challenging year for everyone has been the business sector's adaptability in dealing with the myriad uncertainties while continuing to serve our clients. We've never been tested as hard for resilience as we have been in the last two years, and yet here we are, having delivered industry-leading growth while continuing to create a space for our company's quest of excellence. All this was possible due to our employees' relentless perseverance and their dedication towards our clients. I would love to express my heartfelt gratitude to our Board of Directors, shareholders, and the entire APL Apollo family for standing by us during an extraordinarily difficult period and assisting us in navigating the recent turbulence.

Our extensive portfolio of products and services, along with unrivaled customer service and profound digital competences, has enabled to strengthen existing relationships as well as cultivate new ones. The fundamental reason we seek to offer environmental responsible products and reduce our carbon footprint by restructuring the entire value chain is a desire to protect the environment, as clearly reflected during the COVID-19 times when demand for such commodities was significant. It also decreases natural resource waste, allowing these resources to regenerate and remain on the planet as resources for future generations, making the world more sustainable.

Through TV commercials and other media channels, we created a huge campaign centered on our new brand ambassador, which elicited a positive response and increased brand visibility. Tiger Shroff, a Bollywood star, has been chosen as our brand ambassador. Along with this, we introduced 'Aalishaan,' a consumer-focused mobile application. This customer-facing project has gained traction and is positioned to solidify the Apollo brand in the eyes of discriminating customers.

In terms of environmental, social, and governance (ESG), it has emerged as an unquestionable facilitator of organizational value development as well as a productivity and endurance indicator. We anticipate that including ESG considerations into our governance and decision-making processes will improve our capacity to identify emerging opportunities and mitigate risks. APL Apollo's unwavering dedication to excellence has resulted in not just greater financial efficiency, but also the

potential to achieve critical ESG targets, therefore contributing to value creation for stakeholders.

Our strategy of health and safety is based on instilling a zero-accident culture across operations. While enhancing health and safety measures, we want to keep our lost time injury frequency rate (LTIFR) as low as possible. To accomplish our aim of zero serious accidents, injuries, or harm, our safety experts are always recording and monitoring occurrences and working on ways to prevent them.

I am thankful to the government for developing policies and programs that continue to encourage infrastructure development in the country. The current Union Budget gives credence to my remarks. The government's steadfast commitment to building world-class infrastructure has driven and will continue to drive demand for our goods.

I am optimistic about the future of our company. I envisage the use of focused creativity to uncover new and exciting ways to improve and grasp these possibilities with zeal, one day at a time, one connection at a time. I value the support and cooperation of all our stakeholders as we develop revolutionary products and solutions in the markets, we serve in. We at APL Apollo, look forward to continued support of everyone to not only strengthen India's future but also help us contribute to a cleaner and a greener planet for our future generations.

**Sanjay Gupta**  
Chairman & Managing Director





# GRI INDEX

## 102: GENERAL DISCLOSURES

### 1. Organizational profile

ID	Item required by report	Corresponding sections
102-1	Name of the organization	About the report
102-2	Activities, brands, products, and services	Products and innovation
102-3	Location of headquarters	About our company
102-4	Location of operations	About our company
102-5	Ownership and legal form	
102-6	Markets served	About our company
102-7	Scale of the organization	
102-8	Information on employees and other workers	Being Socially Responsible
102-9	Supply chain	Corporate Governance
102-10	Significant changes to the organization and its supply chain	
102-11	Precautionary principle or approach	
102-12	External initiatives	Being Socially Responsible
102-13	Membership of associations	
ID	Item required by report	Corresponding sections
102-14	Statement from senior decision-maker	Message from leadership
102-15	Key impacts, risks, and opportunities	Corporate Governance
ID	Item required by report	Corresponding sections
102-16	Values, principles, standards, and norms of behavior	Corporate Governance
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance
ID	Item required by report	Corresponding sections
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102-20	Executive-level responsibility for economic, environmental, and social topics	
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder engagement & materiality assessment
102-22	Composition of the highest governance body and its committees	Corporate Governance
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102-25	Conflicts of interest	Corporate Governance
102-26	Role of highest governance body in setting purpose, values, and strategy	
102-27	Collective knowledge of highest governance body	Corporate Governance
102-28	Evaluating the highest governance body's performance	Corporate Governance
102-29	Identifying and managing economic, environmental, and social impacts	Stakeholder engagement & materiality assessment
102-30	Effectiveness of risk management processes	Corporate Governance
102-31	Review of economic, environmental, and social topics	Stakeholder engagement & materiality assessment
102-32	Highest governance body's role in sustainability reporting	

ID	Item required by report	Corresponding sections
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102-34	Nature and total number of critical concerns	
102-35	Remuneration policies	
102-36	Process for determining remuneration	
102-37	Stakeholders' involvement in remuneration	
102-38	Annual total compensation ratio	
102-39	Percentage increase in annual total compensation ratio	

ID	Item required by report	Corresponding sections
102-40	List of stakeholder groups	Stakeholder engagement & materiality assessment
102-41	Collective bargaining agreements	
102-42	Identifying and selecting stakeholders	Stakeholder engagement & materiality assessment
102-43	Approach to stakeholder engagement	Stakeholder engagement & materiality assessment
102-44	Key topics and concerns raised	Stakeholder engagement & materiality assessment

ID	Item required by report	Corresponding sections
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102-46	Defining report content and topic boundaries	About the report
102-47	List of "materiality" topics	Stakeholder engagement & materiality assessment
102-48	Restatements of information	
102-49	Changes in reporting	
102-50	Reporting period	About the report
102-51	Date of most recent report	
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102-53	Contact point for questions regarding the report	About the report
102-54	Claims of reporting in accordance with the GRI Standards	GRI (Global Reporting Initiative) Index
102-55	GRI content index	GRI (Global Reporting Initiative) Index
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ID	Item required by report	Corresponding sections
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103-2	The management approach and its components	ESG Strategy
103-3	Evaluation of the management approach	Stakeholder engagement & materiality assessment

### Specific Standards

### 200 : ECONOMIC

#### 201 : Economic Performance

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201-1	Direct economic value generated and distributed	Economic Performance
201-2	Financial implications and other risks and opportunities due to climate change	Economic Performance
201-3	Defined benefit plan obligations and other retirement plans	
201-4	Financial assistance received from government	

202 : MARKET PRESENCE

1. Organizational profile

ID	Item required by report	Corresponding sections
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	
202-2	Proportion of senior management hired from the local community	

203 : INDIRECT ECONOMIC IMPACTS

ID	Item required by report	Corresponding sections
203-1	Infrastructure investments and services supported	
203-2	Significant indirect economic impacts	Stakeholder engagement & materiality assessment

204 : PROCUREMENT PRACTICES

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204-1	Proportion of spending on local suppliers	

205 : ANTI-CORRUPTION

ID	Item required by report	Corresponding sections
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance

206 : ANTI-COMPETITIVE BEHAVIOR

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206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	

207 : TAX

ID	Item required by report	Corresponding sections
207-1	Approach to tax	
207-2	Tax governance, control and risk management	
207-3	Stakeholder engagement and management concerns related to tax	
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300 : ENVIRONMENT

301 : MATERIALS

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301-1	Materials used by weight or volume	Environment Stewardship
301-2	Recycled input materials used	
301-3	Reclaimed products and their packaging materials	

302 : ENERGY

ID	Item required by report	Corresponding sections
302-1	Energy consumption within the organization	Environment Stewardship
302-2	Energy consumption outside of the organization	
302-3	Energy intensity	Environment Stewardship
302-4	Reduction of energy consumption	Environment Stewardship
302-5	Reductions in energy requirements of products and services	Environment Stewardship

303 : WATER AND EFFLUENTS

ID	Item required by report	Corresponding sections
303-1	Interaction with water as a shared resource	Environment Stewardship
303-2	Management of water discharge related impacts	Environment Stewardship
303-3	Water withdrawal	Environment Stewardship
303-4	Water discharge	Environment Stewardship
303-5	Water consumption	Environment Stewardship

304 : BIODIVERSITY

ID	Item required by report	Corresponding sections
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
304-2	Significant impacts of activities, products, and services on biodiversity	Being Socially Responsible
304-3	Habitats protected or restored	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	

305 : EMISSIONS

ID	Item required by report	Corresponding sections
305-1	Direct (Scope 1) GHG emissions	Environment Stewardship
305-2	Energy Indirect (Scope 2) GHG emissions	Environment Stewardship
305-3	Other indirect (Scope 3) GHG emissions	Environment Stewardship
305-4	GHG emissions intensity	Environment Stewardship
305-5	Reduction of GHG emissions	Environment Stewardship
305-6	Emissions of ozone-depleting substances (ODS)	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environment Stewardship

306 : EFFLUENTS AND WASTE

ID	Item required by report	Corresponding sections
306-1	Water discharge by quality and destination	Environment Stewardship
306-2	Waste by type and disposal method	Environment Stewardship
306-3	Significant spills	
306-4	Transport of hazardous waste	
306-5	Water bodies affected by water discharges and/or runoff	

### 307 : ENVIRONMENTAL COMPLIANCE

ID	Item required by report	Corresponding sections
307-1	Non-compliance with environmental laws and regulations	

### 308 : SUPPLIER ENVIRONMENTAL ASSESSMENT

ID	Item required by report	Corresponding sections
308-1	New suppliers that were screened using environmental criteria	Environment Stewardship
308-2	Negative environmental impacts in the supply chain and actions taken	

### 400 : SOCIAL TOPICS

### 401 : EMPLOYMENT

ID	Item required by report	Corresponding sections
401-1	New employee hires and employee turnover	Being Socially Responsible
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Being Socially Responsible
401-3	Parental leave	Being Socially Responsible

### 402 : LABOR/MANAGEMENT RELATIONS

ID	Item required by report	Corresponding sections
402-1	Minimum notice periods regarding operational changes	

### 403 : OCCUPATIONAL HEALTH AND SAFETY

ID	Item required by report	Corresponding sections
403-1	Occupational health and safety management system	Being Socially Responsible
403-2	Hazard identification, risk assessment, and incident investigation	Being Socially Responsible
403-3	Occupational health services	Being Socially Responsible
403-4	Worker participation, consultation, and communication on occupational health and safety	Being Socially Responsible
403-5	Worker training on occupational health and safety	Being Socially Responsible
403-6	Promotion of worker health	Being Socially Responsible
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	Being Socially Responsible
403-9	Work related injuries	Being Socially Responsible
403-10	Work related Ill health	

### 404 : TRAINING AND EDUCATION

ID	Item required by report	Corresponding sections
404-1	Average hours of training per year per employee	Being Socially Responsible

404-2	Programs for upgrading employee skills and transition assistance programs	Being Socially Responsible
404-3	Percentage of employees receiving regular performance and career development reviews	Being Socially Responsible

### 405 : DIVERSITY AND EQUAL OPPORTUNITY

ID	Item required by report	Corresponding sections
405-1	Diversity of governance bodies and employees	Being Socially Responsible
405-2	Ratio of basic salary and remuneration of women to men	

### 406 : NON-DISCRIMINATION

ID	Item required by report	Corresponding sections
406-1	Incidents of discrimination and corrective actions taken	Being Socially Responsible

### 407 : FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

ID	Item required by report	Corresponding sections
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	

### 408 : CHILD LABOR

ID	Item required by report	Corresponding sections
408-1	Operations and suppliers at significant risk for incidents of child labor	Being Socially Responsible

### 409 : FORCED OR COMPULSORY LABOR

ID	Item required by report	Corresponding sections
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Being Socially Responsible

### 410 : SECURITY PRACTICES

ID	Item required by report	Corresponding sections
410-1	Security personnel trained in human rights policies or procedures	Being Socially Responsible

### 411 : RIGHTS OF INDIGENOUS PEOPLES

ID	Item required by report	Corresponding sections
411-1	Incidents of violations involving rights of indigenous peoples	Being Socially Responsible

### 412 : HUMAN RIGHTS ASSESSMENT

ID	Item required by report	Corresponding sections
412-1	Operations that have been subject to human rights reviews or impact assessments	
412-2	Employee training on human rights policies or procedures	Being Socially Responsible
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	



413 : LOCAL COMMUNITIES		
ID	Item required by report	Corresponding sections
413-1	Operations with local community engagement, impact assessments, and development programs	
413-2	Operations with significant actual and potential negative impacts on local communities	
414 : SUPPLIER SOCIAL ASSESSMENT		
ID	Item required by report	Corresponding sections
414-1	New suppliers that were screened using social criteria	Corporate Governance
414-2	Negative social impacts in the supply chain and actions taken	
415 : PUBLIC POLICY		
ID	Item required by report	Corresponding sections
415-1	Political contributions	Corporate Governance
416 : CUSTOMER HEALTH AND SAFETY		
ID	Item required by report	Corresponding sections
416-1	Assessment of the health and safety impacts of product and service categories	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	
417 : MARKETING AND LABELING		
ID	Item required by report	Corresponding sections
417-1	Requirements for product and service information and labeling	
417-2	Incidents of non-compliance concerning product and service information and labeling	
417-3	Incidents of non-compliance concerning marketing communication	
418 : CUSTOMER PRIVACY		
ID	Item required by report	Corresponding sections
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
419 : SOCIO-ECONOMIC COMPLIANCE		
ID	Item required by report	Corresponding sections
418-1	Non-compliance with laws and regulations in the social and economic area	

# List of Abbreviations

Abbreviation	Full Form	Abbreviation	Full Form
ESG	Environment, Social & Governance	LED	Light Emitting Diode
SOX	Sulphur Oxide	AMPL	Apollo Metalex Private Limited
NOX	Nitrogen Oxide	KPI	Key Performance Indicator
LTIFR	Loss Time Injury Frequency Rate	TRIR	Total recordable incident rate
ISO	International Organization for Standardization	NMFR	Near Miss Frequency Rate
CEO	Chief Executive Officer	HR	Human Resource
OHSAS	Occupational Health and Safety Assessment Series	PMS	Performance Management System
EBITDA	Earnings before interest, taxes, depreciation, and amortization	TAT	Turn Around Time
HRPO	Hot Rolled Pickled & Oiled Steel	RHEF	Reimagining Higher Education Foundation
INR	Indian rupee	PGDBA	Post Graduate Diploma in Business Analytics
MIG	Metal Inert Gas	AIMA	All India Management Association
CE	Conformité Européenne	SAIL	Steel Authority of India Limited
SGS	Société Générale de Surveillance	NGO	Non-Governmental Organization
COVID	Corona Virus Disease	TCNS	Trilok Chand and Narender Singh,
SPOC	Single point of contact	RTPCR	Reverse Transcription Polymerase Chain Reaction
CSR	Corporate Social Responsibility	SDG	Sustainable Development Goals
MW	Mega Watt	ICAI	Institute of Chartered Accountants of India
LPG	Liquefied petroleum gas	SCOPE	Standing Conference of Public Enterprises
CO2	Carbon Dioxide	CARE	Credit Analysis & Research Ltd
RWH	Rainwater Harvesting	NABARD	National Bank For Agriculture And Rural Development
NOC	No Objection Certificate	PESB	Public Enterprises Selection Board
ETP	Effluent Treatment Plant	DLP	Data Leakage/ Loss Prevention
FY	Financial Year	NGRBC	National Guidelines on Responsible Business Conduct
GHG	Greenhouse Gases	IOC	Indian Oil Corporation
GRI	Global Reporting Initiative	UN	United Nations
ZLD	Zero Liquid Discharge	USA	United States of America
STP	Sewage Treatment Plant	MBA	Master of Business Administration
PM	Particulate Matter		
HR	Human Resource		
IIMA	Indian Institute of Management Ahmedabad		
MPM	Multistand Pipe Mill		
DC	Direct Currents		
ROT	Run Out Table Rolls		



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