



July 31, 2023

BSE Limited,  
14<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
**MUMBAI :: 400 001**

National Stock Exchange of India Limited,  
"Exchange Plaza",  
Bandra-Kurla Complex,  
Bandra (E), **MUMBAI :: 400 051**

**BSE Scrip Code No. 502330**

**(Symbol - ANDHRAPAP; Series – EQ)**

Sub : Business Responsibility and Sustainability Report

This is to inform that in terms of Regulation 34(f) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we have included Business Responsibility and Sustainability Report in the Annual Report of the Company for the financial year ended March 31, 2023.

A copy of the Business Responsibility and Sustainability Report is attached. Please take above on record.

Thanking you,

Yours faithfully,  
for **ANDHRA PAPER LIMITED**



**BIJAY KUMAR SANKU**  
**COMPANY SECRETARY**

Encl: As above

## **ANDHRA PAPER LIMITED**

(Corporate Identity Number: L21010AP1964PLC001008)

Regd. Office: Rajamahendravaram – 533 105, East Godavari District, India. Tel: +91-883-2471831

Corp. Office: 31, Chowringhee Road, Park Street, Kolkata – 700 016, India. Tel: +91-33-71500500

Website: [www.andhraper.com](http://www.andhraper.com); Email: [info@andhraper.com](mailto:info@andhraper.com)

An ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 Certified Company

# ANNEXURE – 6

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of listed entity

|     |  |  |
|-----|--|--|
| 1.  | Corporate Identity Number (CIN) of the Company   | L21010AP1964PLC001008  |
| 2.  | Name of the Company  | Andhra Paper Limited   |
| 3.  | Year of incorporation  | 1964   |
| 4.  | Registered office address  | Rajahmundry, East Godavari District, Andhra Pradesh – 533 105  |
| 5.  | Corporate address  | 1st Floor, 31, Chowringhee Road, Kolkata - 700 016 West Bengal.  |
| 6.  | E-mail id  | Bijaykumar.sanku@andhrapaper.com   |
| 7.  | Telephone  | +91-883-2471831  |
| 8.  | Website  | <a href="http://www.andhrapaper.com">www.andhrapaper.com</a>   |
| 9.  | Financial year reported  | 2022-23  |
| 10. | Name of the Stock Exchanges where shares are listed  | National Stock Exchange of India Limited<br>BSE Limited  |
| 11. | Paid-up Capital (in crores)  | ₹ 39.77  |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Mukesh Jain<br>Executive Director<br>mukesh.jain@andhrapaper.com<br>DIN Number: 09380039<br>Ph: 0883-2471831 |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone   |

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover)

| Sl. No. | Description of Main Activity | Description of Business Activity          | % of turnover of the Company |
|---------|------------------------------|---|------------------------------|
| 1       | Manufacture                  | Manufacture of Paper, Paperboard and pulp | 100                          |

##### 15. Products/Services sold by the Company (accounting for 90% of the turnover)

| Sl. No. | Product/Service            | NIC Code               | % of total Turnover contribute |
|---------|----------------------------|------------------------|--------------------------------|
| 1       | Paper, Paperboard and pulp | 17011, 17016 and 17093 | 100                            |

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### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the Company are situated:

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 2                | 7                 | 9     |
| International | -                | -                 | -     |

#### 17. Markets served by the Company

##### a. Number of locations

| Location                         | Total |
|----------------------------------|-------|
| National (No. of States)         | 25    |
| International (No. of Countries) | 29    |

##### b. What is the contribution of exports as a percentage of the total turnover of the Company?

|            |       |
|------------|-------|
| FY 2022-23 | 8.48% |
|------------|-------|

##### c. Types of customers

The Company manufactures writing, printing, and copier papers for both domestic and international markets. Customers who purchase the Company's products include printers, publishers, notebook converters, jobbers, stationers, and corporations.

### IV. Employees

#### 18. Details as at the end of Financial Year, i.e. March 31, 2023:

##### a. Employees and workers (including differently abled):

| Sl. No.          | Particulars                  | Total (A)    | Male         |               | Female     |              |
|------------------|------------------------------|--------------|--------------|---------------|------------|--------------|
|                  |                              |              | No. (B)      | % (B/A)       | No. (C)    | % (C/A)      |
| <b>EMPLOYEES</b> |                              |              |              |               |            |              |
| 1.               | Permanent (D)                | 768          | 754          | 98.18%        | 14         | 1.82%        |
| 2.               | Other than Permanent (E)     | -            | -            | -             | -          | -            |
| 3.               | <b>Total employees (D+E)</b> | <b>768</b>   | <b>754</b>   | <b>98%</b>    | <b>14</b>  | <b>2%</b>    |
| <b>WORKERS</b>   |                              |              |              |               |            |              |
| 4.               | Permanent (F)                | 1,242        | 1,238        | 99.68%        | 4          | 0.32         |
| 5.               | Other than Permanent (G)     | 3,304        | 3,193        | 96.64%        | 111        | 3.36%        |
| 6.               | <b>Total workers (F+G)</b>   | <b>4,546</b> | <b>4,431</b> | <b>97.47%</b> | <b>115</b> | <b>2.53%</b> |

##### b. Differently abled Employees and workers:

| Sl. No.                            | Particulars                                    | Total (A) | Male     |              | Female   |              |
|------------------------------------|--|-----------|----------|--------------|----------|--------------|
|                                    |  |           | No. (B)  | % (B/A)      | No. (C)  | % (C/A)      |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |  |           |          |              |          |              |
| 1.                                 | Permanent (D)                                  | 0         | 0        | 0.00%        | 0        | 0.00%        |
| 2.                                 | Other than Permanent (E)                       | 0         | 0        | 0.00%        | 0        | 0.00%        |
| 3.                                 | <b>Total differently abled employees (D+E)</b> | <b>0</b>  | <b>0</b> | <b>0.00%</b> | <b>0</b> | <b>0.00%</b> |
| <b>DIFFERENTLY ABLED WORKERS</b>   |  |           |          |              |          |              |
| 4.                                 | Permanent (F)                                  | 0         | 0        | 0.00%        | 0        | 0.00%        |
| 5.                                 | Other than Permanent (G)                       | 0         | 0        | 0.00%        | 0        | 0.00%        |
| 6.                                 | <b>Total differently abled workers (F+G)</b>   | <b>0</b>  | <b>0</b> | <b>0.00%</b> | <b>0</b> | <b>0.00%</b> |

**19. Participation/Inclusion/Representation of women**

|                          | Total (A) | No. and percentage of Females |         |
|--------------------------|-----------|-------------------------------|---------|
|                          |           | No. (B)                       | % (B/A) |
| Board of Directors       | 10        | 1                             | 10%     |
| Key Management Personnel | 4         | 0                             | 0%      |

**20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)**

|                     | FY 2022-23 |        |       | FY2021-22 |        |       | FY2020-22 |        |       |
|---------------------|------------|--------|-------|-----------|--------|-------|-----------|--------|-------|
|                     | Male       | Female | Total | Male      | Female | Total | Male      | Female | Total |
| Permanent Employees | 13%        | 31%    | 44%   | 11%       | 52%    | 63%   | 6%        | 18%    | 24%   |
| Permanent Workers   | 10%        | 27%    | 38%   | 8%        | 15%    | 23%   | 5%        | 14%    | 20%   |

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****21. Name of holding/subsidiary/associate companies/joint ventures**

| Sl. No. | Name of the holding/subsidiary/associate companies/joint ventures (A) | Indicate whether Holding/Subsidiary/Associate/Joint Venture | % of shares held by the Company | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No) |
|---------|---|---|---------------------------------|---|
| 1       | West Coast Paper Mills Limited  | Holding   | 72.24                           | No  |
| 2       | Andhra Paper Foundation   | Subsidiary  | 100                             | No  |

**VI. CSR Details****22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

The Company has aligned its CSR activities with Schedule VII of the Companies Act, 2013 and has established a CSR Committee in accordance with the Act. The composition of the CSR Committee, as well as the CSR policy and approved CSR projects, are disclosed on the Company's website at <https://andhrapaper.com/investors-csr-information/>.

(ii) Turnover (in ₹) – 2083,05,62,000

(iii) Net worth (in ₹) - 1582,17,06,000

### VII. Transparency and Disclosure Compliances

#### 23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom compliant is received | Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy) | FY 2022-23                              |   |         | FY2021-22                               |   |         |
|---|--|---|---|---------|---|---|---------|
|   |  | No. of complaints filed during the year | No. of complaints pending resolution at close of the year | Remarks | No. of complaints filed during the year | No. of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes. Refer Point 1.  | -                                       | -   | -       | -                                       | -   | -       |
| Investors (other than shareholders)               | Yes. Refer Point 2.  | -                                       | -   | -       | -                                       | -   | -       |
| Shareholders                                      |  | -                                       | -   | -       | 2                                       | 0   | -       |
| Employees and workers                             | Yes. Refer Point 3.  | -                                       | -   | -       | -                                       | -   | -       |
| Customers   | Yes. Refer Point 4.  | 63                                      | 7   | -       | 102                                     | 0   | -       |
| Value Chain Partners                              | Yes. Refer Point 5.  | -                                       | -   | -       | -                                       | -   | -       |
| Other (please specify)                            | -  | -                                       | -   | -       | -                                       | -   | -       |

#### 1. Communities

Addressed through the CSR Policy of the Company

[[https://andrapaper.com/wp-content/themes/andhra\\_paper/uploads/investors/1645517930CSR%20Policy.pdf](https://andrapaper.com/wp-content/themes/andhra_paper/uploads/investors/1645517930CSR%20Policy.pdf)]

#### 2. Shareholders

As per Investor Grievance Handling Policy

[[https://andrapaper.com/wp-content/uploads/2023/04/17\\_Investor-Grievance-Handling-Policy.pdf](https://andrapaper.com/wp-content/uploads/2023/04/17_Investor-Grievance-Handling-Policy.pdf)]

#### 3. Employees and workers

Through policy on Grievance Redressal at the workplace.

#### 4. Customers

Covered in contracts and agreements entered into with the distributors (Indentors), dealers, agents and customers of the Company

#### 5. Value Chain Partners

This is covered in the contracts and agreements entered into with the value chain partners and also addressed under the Ethics Policy of the Company [www.andrapaper.com](http://www.andrapaper.com)

**24. Overview of the Company’s business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:**

| <b>Sl. No.</b> | <b>Material issue identified</b>          | <b>Indicate whether risk or opportunity (R/O)</b> | <b>Rationale for identifying the risk/opportunity</b>  | <b>In case of risk, approach to adapt or mitigate</b>   | <b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>  |
|----------------|---|---|--|---|--|
| <b>1</b>       | <b>2</b>                                  | <b>3</b>  | <b>4</b>   | <b>5</b>  | <b>6</b>   |
| 1              | Social responsibility towards Communities | Opportunity                                       | The Company’s commitment to the communities is sincere and longstanding and the focus is on areas where societal needs are high. The initiatives include health and wellness, education, women empowerment, and so on. | -   | Positive<br>The Company’s initiatives are in line with national priorities and Sustainable Development Goals.<br>The Company strives to make a positive difference and create maximum value for the society. |
| 2              | Market Competition                        | Risk  | High competition in domestic markets due to dumping of paper products at cheaper prices by foreign mills in view of recession trends in foreign markets.   | The Company has been making necessary investments to diversify its product range and has also been strengthening its marketing network and the supply chain.  | Negative since margins will be impacted on both existing Writing and Printing Paper and other alternate grades   |
|                |   | Opportunity                                       | Presents an opportunity to diversify the product portfolio to cater to different segments of markets and develop alternatives to banned plastic products.  |   |  |
| 3              | Availability of raw material (wood)       | Risk  | Wood pulp constitutes major raw material in the paper manufacturing process  | The Company has well-defined Farm Forestry programme to enable marginal farmers in nearby districts to grow trees and has covered about 6,90,442 acres. The Company has planted 1.972 billion saplings. This enables the Company to be wood positive. | Negative   |

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| Sl. No. | Material issue identified     | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|-------------------------------|--|--|---|--|
| 1       | 2                             | 3  | 4  | 5   | 6  |
| 4       | Dependency on imported coal   | Risk                                       | Volatile price of coal leads to increase in cost of procurement.   | Long-term fuel supply agreements with PSUs and Government e-auctions help us in mitigating this risk. In addition, the Company conserves coal by employing wood chip and lignin in its recovery boiler. | Negative   |
| 5       | Brand Image & Management      | Risk                                       | Inconsistent brand image and management may cause reputational risk and loss of customer trust   | Emphasising on effective and positive communication by leveraging media channels  | Negative   |
|         |                               | Opportunity                                | Good brand recognition promotes customer trust   |   | Positive   |
| 6       | Employee Engagement           | Opportunity                                | Improves employee productivity and innovation in products and services, reduces employee turnover, and improves customer service           | Clear Communication of goals and responsibilities, continuous dialogue and feedback, performance linked pay, and recognition and appreciation, foster collaboration between peers and managers          | Positive   |
| 7       | Corporate Governance & Ethics | Risk                                       | Inadequate corporate governance could reduce stakeholder trust and reputation, and cause disruption in business                            | Making the governance structure robust through policy mechanisms, compliance, and audit frameworks  | Negative   |
| 8       | Regulatory Compliance         | Risk                                       | Non-compliance with current and emerging regulations can lead to penalties, business disruption, increased scrutiny, and reputational risk | Robust framework to ensure compliance with current and emerging regulations   | Negative   |

| Sl. No. | Material issue identified      | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|--------------------------------|--|--|---|--|
| 1       | 2                              | 3  | 4  | 5   | 6  |
| 9       | Sustainable business strategy  | Opportunity                                | Offers the Company a competitive advantage, reduces operational costs, increases new business opportunities and improves risk management practices   |   | Positive   |
| 10      | Health and Safety of employees | Risk                                       | Health and Safety of employees is a major challenge which may impact the production and distribution (supply chain) and eventually, the bottom line. | Hazard Recognition and Risk Assessment programme under integrated management system. Annual Safety Audit programme, campaign programmes on National Safety Week, Electrical Safety Week, Fire Services Week, 5S Week, APL Safety Month, Industry best practices | Negative   |

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|----|----|----|----|----|----|----|----|
| <b>Policy and management processes</b>   |   |    |    |    |    |    |    |    |    |
| 1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| b. Has the policy been approved by the Board? (Yes/No)   | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| c. Web link of the Policies, if available  | <a href="https://andhraper.com/investors-policies/">https://andhraper.com/investors-policies/</a>                         |    |    |    |    |    |    |    |    |
| 2. Whether the Company has translated the policy into procedures. (Yes/No)                                     | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)                             | Yes, the Company has Suppliers Code of Conduct, Code of Business Conduct and Ethics, Investors Grievance Handling Policy. |    |    |    |    |    |    |    |    |



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| Disclosure Questions  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|--|----|----|----|----|----|----|----|----|
| 4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle. | Andhra Paper production units have well-defined Environment, Health, and Safety (EHS), quality management and environment management systems in place that have been established in accordance with International Standards such as ISO 9001 (Quality Management System), ISO 14001 (Environment Management System), ISO 45001 (Occupational Health & Safety Management System), FSC Controlled Wood Procurement Policy, BIS Standards. The certificates can be accessed in Company's website at <a href="https://andhrapaper.com/iso-certificates/">https://andhrapaper.com/iso-certificates/</a> .   |    |    |    |    |    |    |    |    |
| 5. Specific commitments, goals and targets set by the Company with defined timelines, if any.   | <p>Mill wide goals (objectives) for the year 2022-23</p> <p><b>Rajahmundry Mill:</b></p> <ol style="list-style-type: none"> <li>To plant 80,00,000 tree saplings in 2022-23.</li> <li>To reduce steam consumption to 7.85 per tonne of paper.</li> <li>To cover an optimal area of 2,000 hectares for plantation of Subabul, Casuarina and Eucalyptus plantations to meet the projected hardwood demand.</li> <li>To improve the overall chemical recovery efficiency to 98%.</li> </ol> <p><b>Kadiyam Mill:</b></p> <ol style="list-style-type: none"> <li>To reduce finishing losses to 6.8%.</li> <li>To reduce fresh water consumption to 23.0 M3 per tonne of paper.</li> <li>To reduce steam consumption to 4.45 ton of paper.</li> <li>To reduce power consumption to 933 KWH per tonne of paper.</li> </ol>  |    |    |    |    |    |    |    |    |
| 6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.   | <p>Mill wide goals (objectives) achieved in 2022-23</p> <p><b>Rajahmundry Mill:</b></p> <p>Achieved</p> <ol style="list-style-type: none"> <li>Planted 93,09,020 tree saplings against the target set for 80,00,000 saplings.</li> <li>Steam consumption reduced to 7.68 per tonne of product against the target of 7.85 per tonne of paper.</li> <li>Optimal area of planation cover of 2,344 hectares achieved for Subabul, Casuarina and Eucalyptus plantations to meet the projected hardwood demand against the goal of 2,000 hectares.</li> <li>Improved overall chemical recovery efficiency of 96.29% against the target of 98%.</li> </ol> <p><b>Kadiyam Mill:</b></p> <ol style="list-style-type: none"> <li>Achieved 6.5% of finishing losses against the target set for 6.8%.</li> <li>Optimised water consumption to 21.9M3 per tonne of paper against the target of 23.0M3 per tonne of paper.</li> <li>Reduced steam consumption to 4.34 per tonne of paper against the target of 4.45 per tonne of paper.</li> <li>Reduced power consumption to 920 KWH per tonne of paper against the target of 933 KWH per tonne of paper.</li> </ol> <p>Besides the performance of the Company is mentioned under each of the principles.</p> |    |    |    |    |    |    |    |    |

**Governance, leadership and oversight**

**7 Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

The Company’s objective is to become India’s best-performing and most recognised paper company by incorporating environmental, social, and governance (ESG) principles into its growth strategy, which is critical to enhancing the quality of life of the communities it serves. As an organisation, APL is committed to integrating ESG into the organisational culture. Our focus areas include Climate, Resources (Energy, Air and Water), and Waste Management. The Company has committed to reduce its carbon emission and has established Policy for Quality, Environment, Health and Safety.

The Company is also committed to fair business practises with regards to labour, human capital, and the community. It provides employees and business partners with clean, safe, healthy, and equitable working environment. It aspires to be the preferred neighbour in the communities in which it operates, contributing to their equitable and inclusive development.

To deliver these commitments, the Company has separate CSR policy, Human Rights policy, Code of Conduct, Ethics policy. It is a continuous effort to provide consumers with high-quality products and services while causing minimal harm to the environment and society. Our robust economic success is supported by the Company’s robust business model, adoption of emerging technologies and automation, brand strength, and customer-centric approach.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies) Mr. Mukesh Jain, Executive Director (DIN: 09380039) under the guidance and supervision of the Board.

9 Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. Yes. Mr. Mukesh Jain, Executive Director, is assisted by Committee of senior officials for ESG matters. Further, the Managing Director is responsible for making decisions on sustainability related issues.

**10. Details of review of NGRBCs by the Company:**

| Subject for review   | Indicate whether review provided below taken by Director/Committee of the Board/any other Committee |    |    |    |    |    |    |    |    | Frequency (Annually/Half yearly/Quarterly/Any other – please specify) |    |    |    |    |    |    |    |    |
|--|---|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
|  | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|  | Performance against above policies and follow up action   |    |    |    |    |    |    |    |    |   |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances |   |    |    |    |    |    |    |    |    |   |    |    |    |    |    |    |    |    |

11 Has the entity carried out independent assessment of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. The Auditors of the Company (ISO Auditors / Internal Auditors / In-house ISO designated Personnel) review the implementation of the policies from time to time. The Company’s units have been subject to audit by external certification agencies. No dedicated Business Responsibility Audit has been conducted.

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12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

| Questions   | P1 | P2 | P3 | P4 | P5  | P6 | P7 | P8 | P9 |
|---|----|----|----|----|-----|----|----|----|----|
| The entity does not consider the Principle material to its business (Yes/No)  |    |    |    |    | N.A |    |    |    |    |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |    |    |    |    | N.A |    |    |    |    |
| The entity does not have the financial or/ human and technical resources available for the task (Yes/No)                        |    |    |    |    | N.A |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)  |    |    |    |    | N.A |    |    |    |    |
| Any other reason (please specify)   |    |    |    |    | N.A |    |    |    |    |

## Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE



**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment  | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact   | %age of persons in respective category covered by the awareness programmes |
|--|--|---|--|
| Directors  | 4  | During the year, the Board of Directors have invested time on various updates and presentations comprising matters relating to an array of issues pertaining to the business, operations, regulations, economy and environment, social and governance parameters, Risk Management, Market developments, new initiatives, community engagement, and so on. | 100%   |
| Key Managerial Personnel                         | 3  | <ul style="list-style-type: none"> <li>• Prevention of Sexual Harassment;</li> <li>• Compliance updates;</li> <li>• Risk Management;</li> <li>• Business operations.</li> </ul>   | 100%   |
| Employees other than Board of Directors and KMPs | 5  | <ul style="list-style-type: none"> <li>• Environment Related;</li> <li>• Behavioural &amp; Managerial Related;</li> <li>• Technical Related;</li> <li>• System Related;</li> <li>• ISO Awareness Training;</li> <li>• Prevention of Sexual Harassment.</li> </ul>   | 100%   |
| Workers  | 5  | <ul style="list-style-type: none"> <li>• Environment Related;</li> <li>• Behavioural &amp; Managerial Related;</li> <li>• Technical Related;</li> <li>• System Related;</li> <li>• ISO Awareness Training;</li> <li>• Prevention of Sexual Harassment.</li> </ul>   | 100%   |

**2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

| Monetary                                       |   |   |                   |  |
|--|---|---|-------------------|--|
| NGRBC Principle                                | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) Brief of the Case Has an appeal | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine<br>Settlement<br>Compounding fee |   | NONE  |                   |  |

| Non-Monetary               |   |                   |  |  |
|----------------------------|---|-------------------|--|--|
| NGRBC Principle            | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |  |
| Imprisonment<br>Punishment |   | NONE              |  |  |

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

| Case Details | Name of the regulatory/enforcement agencies/judicial institutions |
|--------------|---|
| NIL          | NIL   |

**4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has adopted the 'Code of Conduct', to ensure ethics, transparency and accountability in all aspects of the business. All Directors and Senior Management personnel pledge compliance with Code on an annual basis.

The Company's Supplier Code of Conduct addresses anti-corruption and anti-bribery issues. In accordance with the stated Code of Conduct, the Company believes that it operates its business in a transparent manner and is not involved in bribery or corruption.

Further, the Company's gifting policy restricts the giving and taking gifts, thereby placing control on anti-corruption and anti-bribery.

The Supplier Code of Conduct and policy on Giving Gifts for Andhra Paper is available on `the Company's official website at <https://andhraper.com/investors-policies/>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

|   | FY 2022-23   | FY 2021-22 |
|---|--|------------|
| Directors<br>KMPs<br>Employees<br>Workers | There have been no cases involving disciplinary action taken by any law enforcement agency for the charges of bribery / corruption against Directors / KMP / employees / workers that have been brought to the attention of the Company. |            |

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### 6. Details of complaints with regard to conflict of interest

|  | FY 2022-23 |         | FY2021-22 |         |
|--|------------|---------|-----------|---------|
|  | Number     | Remarks | Number    | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors |            |         |           |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      |            | NONE    |           |         |

### 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

N.A

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training  | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|--|
| 2   | Human Rights, Labour practices, Sustainability.   | 100% of Dealers /Distributors  |
| 1,881                                     | Farm Forestry Best Practice, Agriculture Productivity, Plantation Management, Health & Safety | 100% of Farmers  |
| 54  | Health & Safety   | 100% of Contract workers   |

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has adopted a Code of Conduct specifically for the Directors of the Company and Members of Senior Management of the rank of Vice President and above (Covered Employee). The CoC sets out that they should act in the best interests of the Company and avoid/abstain from situations which gives to rise conflict of interest or potential conflict of interest.



### Principle 2: Business should provide goods and services in a manner that is sustainable and safe

- The printing and writing grades of paper manufactured by the Company is biodegradable, recyclable and environment-friendly.
- Measures for preserving customer health and safety during the use of Paper products are not specifically required as there is no identified health risks associated with the products.
- The Company's products conform to the applicable regulations and standards as prescribed by the Bureau of Indian Standards. There has been no incidence of non-compliance with respect to regulations concerning health and safety impacts of products and services during the reporting period.
- 100% of the mill workers (95% being persons from local communities) are given training on health and safety aspects at the time of joining and provided safety equipment/accessories to ensure safe and healthy work environment. The Company has suitable welfare measures for workers like housing, canteen, school, gardens, playground, temple, club house, uniform and allowances apart from statutory benefits.

- Manufacturing process is elemental chlorine free (ECF) which uses environment-friendly chemicals like Oxygen, Hydrogen Peroxide and Chlorine Di-oxide for bleaching. The process adopted by the Company generates a liquor called 'Black Liquor' which is a biomass, rich in lignin. It is burnt in a boiler to produce green power. This power contributes to 65% of Company needs. Nearly 96% of the Chemicals used in pulping process are recovered, put back in the Chemical Recovery Complex and recycled.
- Wood Fibre used for manufacturing of different grades of printing and writing paper is sourced using well defined Plantation / Farm forestry programme which helps farmers to grow high yield trees and earn revenue.
- The Lime Sludge, which is a waste product from the Reausticizing Plant, is burnt in a Rotary Lime Kiln. The solid sludge generated from Reclaimed back water system at ETP is the primary raw material for small board and egg tray manufacturers.
- In the Kadiyam unit, recycled waste paper is reused for manufacture of high quality printing and writing paper.
- Service providers and suppliers are issued orders with company polices encompassing environment, safety and health for compliance.
- Through numerous business meetings, we engage with our suppliers, vendors, and all those involved in the product lifecycle to sensitise them on environmental impact, social impact, and business ethics. The interactions contribute to a better understanding of our role in environmental protection by minimising negative consequences across commercial, social, and environmental aspects that result from the manufacturing process, use, and disposal of the product.

### Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

| Segment | FY2023 | FY2022 |
|---------|--------|--------|
| R&D     | 100%   | 100%   |
| Capex   | 34%    | 7%     |

### Details of improvements in environmental and social impacts

The below mentioned environmental improvement projects were undertaken during FY 2022-23 in the Rajahmundry unit. The said projects, enhance compliance with respect to water conservation, emission control, waste storage, fugitive dust control and waste water treatment improvement. So far ₹ 66.88 crores investment was made towards environment management systems in unit Rajahmundry from FY 2013-14 to FY 2022-23. Precipitated Calcium Carbonate (PCC) unit is under construction wherein Co2 for lime kiln stack flue gas is proposed to be recycled as raw material to produce PCC. It will significantly reduce greenhouse gas emission and is an eco-friendly technology.

(₹ in Lakhs)

| Description                                | Total Project   |
|--|-----------------|
| Rerouting in RLK Cooling Tower Water Lines | 2.24            |
| Flow Meter for RLK area Water measurement  | 2.77            |
| RJ Storage facility lime sludge & Slaker   | 18.00           |
| RJ Tertiary Clarifier for Exiting ETP      | 2.00            |
| RB4 ESP 1 & 2 Upgrade with Ducting         | 1,044.44        |
| Reclamation Water Piping Replacement 12"   | 23.15           |
| Dust extraction system at chipper house    | 146.57          |
| ETP cooling tower revamping                | 52.82           |
| ETP RCB water use in pulp mill D1 washer   | 41.04           |
| <b>Total</b>                               | <b>1,333.03</b> |

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- Sewage treatment plant was constructed for canteen and domestic waste treatment in unit Kadiyam at a cost of ₹ 84.00 Lakhs.
- Well defined Farm Forestry Programme helps farmers grow high yield trees and revenue. This programme covers nearly 6,90,442 acres and provides a means of economic survival for approximately 1,881 rural farmers and their communities. At the end of 2022, nearly 1.972 billion saplings have been planted. The programme provided small farmers with means of survival and improved the socio-economic status of the farming communities and thereby help increase green cover.
- The R&D also emphasises on reduction in plantation input cost through innovative research. The Company provides treated water (after treating water drawn from river Godavari to make it fit for human consumption) to nearby villages to help them fight water shortages throughout the year and prevent diseases owing to water contamination.
- Nearly 95% of the work force constitutes people from local communities which has contributed to the economic development of the region.
- The Company promotes welfare measures and safe work environment for the workers and employees which improves productivity.
- Throughout the year training programs are conducted for upskilling the workers for better performance at work place.

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

Andhra Paper obtains 100% of its virgin fibre requirements from sustainable plantations produced on farmer's fields, as well as 50% of recovered fibre that is post-consumer exclusively, accounting for around 40% of total sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

**(a) Plastics (including packaging):** Andhra Paper Limited has registered with the Central Pollution

Control Board (CPCB) for extended producer responsibility (EPR) under a pressurised water reactor (PWR) in 2016. Around 337.503 tonnes of plastic packages was collected from the market and recycled against EPR target of 337.4489 for the year 2022-23 for all locations of Andhra Paper. Certificates of recycling for this amount were issued by a third-party organisation approved and registered by the CPCB under EPR.

**(b) E-waste:** APL is compliant with the authorisation order of the State Pollution Control Board for E-waste disposal. The Company sends its E-waste to authorised dismantlers, recyclers, and re-processors for proper disposal.

**(c) Hazardous waste:** Andhra Paper is authorised by the SPCB to reuse a part of their hazardous waste as a biofuel in their boilers, while the remaining hazardous waste is sent to external parties for recycling or disposal in accordance with the SPCB authorisation order.

**(d) Other waste:** The Company complies with the SPCB authorization order for non-hazardous waste disposal. A portion of the non-hazardous waste is sent to authorised external parties for beneficial usage, recycling or disposal, while another portion is reused internally in boilers as a biofuel in accordance with the SPCB authorisation.

The plastic waste that is separated from recycled raw material (Waste paper) at Andhra Paper is sent to the cement industry as a raw material. The organic and inorganic sludge collected from the ETP is used to manufacture egg trays, while the fly ash is sent for brick manufacturing. Paper waste that is generated during the manufacturing and finishing stages is also reused within the Company's pulping process. These sustainable waste management practices enable Andhra Paper to reduce its environmental impact by diverting waste from landfills and contributing to the circular economy.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Company's waste collection plan aligns with the EPR action plan in accordance with Central Pollution Control Board (CPCB), demonstrating its adherence to EPR in its business operations.

## Leadership Indicators -

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code  | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link |
|---|---------------------------|---------------------------------|--|---|---|
| The Company has not conducted LCA during the year under review. |                           |                                 |  |   |   |

1. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

The Company has put in place guidelines and standards protocols, that are benchmarked against international best practices, with defined Standard Operating Procedures for identifying and mitigating social and environmental risks.

| Name of Product / Service                               | Description of the risk / concern | Action Taken |
|---|-----------------------------------|--------------|
| Not Applicable, the Company manufactures paper products |                                   |              |

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

## Unit - Rajahmundry

| Indicate input material   | Recycled or re-used input material to total material |        |
|---|--|--------|
|   | FY2023   | FY2022 |
| Recycled Liq Salt used as % of Total Salt Cake ( Sodium sulphate) | 59.79  | 74.29  |
| Recycled White Liquor Consumed as % Total Whitye Liquor           | 96.80  | 97.31  |
| RBC / Reclaimed Water / Se. Condensate use as % of Total          | 37.58  | 25.86  |
| Knots reused as % of Total  | 0.16   | 0.18   |
| Recycled Lime Consumed as % of Total Lime                         | 93.06  | 94.01  |

## Unit - Kadiyam

| Indicate input material                                  | Recycled or re-used input material to total material |        |
|--|--|--------|
|  | FY2023   | FY2022 |
| RBC / Reclaimed Water / Se. Condensate use as % of Total | 33.20  | 33.23  |
| Recycled Paper consumed to total raw material            | 43.84  | 36.55  |

3. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

|                                | FY2022-23 |           |   | FY2021-22 |          |                 |
|--------------------------------|-----------|-----------|---|-----------|----------|-----------------|
|                                | Re-used   | Recycled  | Safely Disposed   | Re-used   | Recycled | Safely Disposed |
| Plastics (including packaging) | 0         | 337.503   | EPR is mandated from 2022-23 as PWR - 2016 and amendments thereof |           |          |                 |
| E-waste                        | 0         | 21.88     | 0   | 0         | 17.53    | 0               |
| Hazardous waste                | 5582.85   | 55932.42  | 21.25   | 4796.88   | 46795.61 | 5.92            |
| Other waste                    | 37091.635 | 106026.82 | 0   | 38760.87  | 107853.8 | 0               |



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Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| Unit: Kadiyam             | Not Applicable  |
| Unit: Rajahmundry         |   |



**Principle 3: Business should respect and promote the well-being of all employees, including those in their value chains**

### Essential indicators:

#### 1. a. Details of measures for the well-being of employees:

| Category                              | Total<br>(A) | % of employees covered by |             |                    |            |                    |             |                    |            |                     |             |
|---------------------------------------|--------------|---------------------------|-------------|--------------------|------------|--------------------|-------------|--------------------|------------|---------------------|-------------|
|                                       |              | Health insurance          |             | Accident insurance |            | Maternity benefits |             | Paternity benefits |            | Day Care facilities |             |
|                                       |              | Number<br>(B)             | %<br>(B/A)  | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | %<br>(D/A)  | Number<br>(E)      | % (E/A)    | Number<br>(F)       | % (F/A)     |
| <b>Permanent employees</b>            |              |                           |             |                    |            |                    |             |                    |            |                     |             |
| Male                                  | 754          | 754                       | 100%        | 754                | 100        | 0                  | 0.00%       | 754                | 100        | 754                 | 100%        |
| Female                                | 14           | 14                        | 100%        | 14                 | 100        | 14                 | 100%        | 0                  | 0          | 14                  | 100%        |
| <b>Total</b>                          | <b>768</b>   | <b>768</b>                | <b>100%</b> | <b>768</b>         | <b>100</b> | <b>14</b>          | <b>100%</b> | <b>754</b>         | <b>100</b> | <b>768</b>          | <b>100%</b> |
| <b>Other than Permanent employees</b> |              |                           |             |                    |            |                    |             |                    |            |                     |             |
| Male                                  | 7            | 7                         | 100%        | 7                  | 100        | 0                  | 0%          | 7                  | 100        | 7                   | 100%        |
| Female                                | 0            | 0                         | 0           | 0                  | 0          | 0                  | 0%          | 0                  | 0          | 0                   | 0%          |
| <b>Total</b>                          | <b>7</b>     | <b>7</b>                  | <b>100%</b> | <b>7</b>           | <b>100</b> | <b>0</b>           | <b>0%</b>   | <b>7</b>           | <b>100</b> | <b>7</b>            | <b>100%</b> |

#### b. Details of measures for the wellbeing of workers:

| Category                            | Total<br>(A) | % of workers covered by |             |                    |             |                    |             |                    |          |                     |             |
|-------------------------------------|--------------|-------------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|----------|---------------------|-------------|
|                                     |              | Health insurance        |             | Accident insurance |             | Maternity benefits |             | Paternity benefits |          | Day Care facilities |             |
|                                     |              | Number<br>(B)           | %<br>(B/A)  | Number<br>(C)      | %<br>(C/A)  | Number<br>(D)      | %<br>(D/A)  | Number<br>(E)      | % (E/A)  | Number<br>(F)       | % (F/A)     |
| <b>Permanent Workers</b>            |              |                         |             |                    |             |                    |             |                    |          |                     |             |
| Male                                | 1,238        | 1,238                   | 100%        | 1238               | 100%        | 0                  | 0%          | 0                  | 0        | 1238                | 100%        |
| Female                              | 4            | 4                       | 100%        | 4                  | 100%        | 4                  | 100%        | 0                  | 0        | 4                   | 100%        |
| <b>Total</b>                        | <b>1242</b>  | <b>1242</b>             | <b>100%</b> | <b>1242</b>        | <b>100%</b> | <b>4</b>           | <b>100%</b> | <b>0</b>           | <b>0</b> | <b>1242</b>         | <b>100%</b> |
| <b>Other than Permanent Workers</b> |              |                         |             |                    |             |                    |             |                    |          |                     |             |
| Male                                | 3193         | 0                       | 0%          | 734                | 23%         | 0                  | 0%          | 0                  | 0        | 0                   | 0%          |
| Female                              | 111          | 0                       | 0%          | 70                 | 63%         | 0                  | 0%          | 0                  | 0        | 0                   | 0%          |
| <b>Total</b>                        | <b>3304</b>  | <b>0</b>                | <b>0%</b>   | <b>804</b>         | <b>24%</b>  | <b>0</b>           | <b>0%</b>   | <b>0</b>           | <b>0</b> | <b>0</b>            | <b>0%</b>   |

#### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits               | FY2023   |  |  | FY2022   |  |  |
|------------------------|--|--|--|--|--|--|
|                        | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                     | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Gratuity               | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| ESI                    | 2%   | 19%  | Y  | 2%   | 8%   | Y  |
| Others- please specify | -  | -  | -  | -  | -  | -  |

**3. Accessibility of workplaces**

Are the premises / offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Andhra Paper is dedicated to establishing a better and more accessible work environment for its entire workforce. The establishments / offices of the Company are accessible to differently abled employees and the management continuously works towards improving infrastructure for eliminating barriers to accessibility.

**4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Andhra Paper has implemented a comprehensive policy document that strictly prohibits any discrimination based on disability. Andhra Paper provides reasonable accommodations to enable employees with disabilities to perform their duties efficiently. By promoting respect and equal opportunities, the Company strives to cultivate a diverse and talented workforce that can contribute to its growth and success. The Company has an internal policy available and accessible to the employees and workers.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Gender       | Permanent Employees     |                    | Permanent Workers       |                    |
|--------------|-------------------------|--------------------|-------------------------|--------------------|
|              | Return to work rate (%) | Retention Rate (%) | Return to work rate (%) | Retention Rate (%) |
| Male         | 100%                    | 100%               | 100%                    | 100%               |
| Female       | 100%                    | 100%               | 100%                    | 100%               |
| <b>Total</b> | <b>100%</b>             | <b>100%</b>        | <b>100%</b>             | <b>100%</b>        |

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

|                                | Yes/No | If yes, then give details of the mechanism in brief   |
|--------------------------------|--------|---|
| Permanent workers              | YES    | The Company's Grievance Redressal Policy aims to ensure that employees can openly express their concerns without fear of reprisal. The policy seeks to provide a fair and effective mechanism to resolve individual grievances and promote a healthy work environment for a productive workforce. Employees can raise their concerns through the Grievance Redressal Committee, which investigates all matters reported during the financial year and takes necessary action to resolve them. |
| Other than permanent workers   | YES    |   |
| Permanent employees            | YES    |   |
| Other than permanent employees | YES    |   |

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

| Category                         | FY2023   |  |         | FY2022   |  |         |
|----------------------------------|--|--|---------|--|--|---------|
|                                  | Total employees/workers in respective category (A) | No. of employees/workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees/workers in respective category (C) | No. of employees/workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| <b>Total Permanent Employees</b> | -  | -  | -       | -  | -  | -       |
| - Male                           | -  | -  | -       | -  | -  | -       |
| - Female                         | -  | -  | -       | -  | -  | -       |
| <b>Total Permanent Workers</b>   | 1102   | 1102   | 100%    | 1096   | 1096   | 100%    |
| - Male                           | 1098   | 1098   | 100%    | 1085   | 1085   | 100%    |
| - Female                         | 4  | 4  | 100%    | 11   | 11   | 100%    |

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### 8. Details of training given to employees and workers:

| Category         | FY2023      |                               |            |                      |            | FY2022      |                               |            |                      |            |
|------------------|-------------|-------------------------------|------------|----------------------|------------|-------------|-------------------------------|------------|----------------------|------------|
|                  | Total (A)   | On health and safety measures |            | On skill upgradation |            | Total (D)   | On health and safety measures |            | On skill upgradation |            |
|                  |             | No. (B)                       | % (B/A)    | No. (C)              | % (C/A)    |             | No. (E)                       | % (E/D)    | No. (F)              | % (F/D)    |
| <b>Employees</b> |             |                               |            |                      |            |             |                               |            |                      |            |
| Male             | 754         | 422                           | 56%        | 232                  | 31%        | 755         | 355                           | 47%        | 169                  | 22%        |
| Female           | 14          | 8                             | 57%        | 4                    | 29%        | 15          | 7                             | 47%        | 3                    | 20%        |
| <b>Total</b>     | <b>768</b>  | <b>430</b>                    | <b>56%</b> | <b>236</b>           | <b>31%</b> | <b>770</b>  | <b>362</b>                    | <b>47%</b> | <b>172</b>           | <b>22%</b> |
| <b>Workers</b>   |             |                               |            |                      |            |             |                               |            |                      |            |
| Male             | 1238        | 644                           | 52%        | 511                  | 41%        | 1083        | 477                           | 44%        | 370                  | 34%        |
| Female           | 4           | 2                             | 50%        | 2                    | 50%        | 11          | 5                             | 45%        | 4                    | 36%        |
| <b>Total</b>     | <b>1242</b> | <b>646</b>                    | <b>52%</b> | <b>513</b>           | <b>41%</b> | <b>1094</b> | <b>482</b>                    | <b>44%</b> | <b>374</b>           | <b>34%</b> |

### 9. Details of performance and career development reviews of employees and workers:

| Category         | FY2023      |            |            | FY2022      |            |            |
|------------------|-------------|------------|------------|-------------|------------|------------|
|                  | Total (A)   | No. (B)    | % (B/A)    | Total (C)   | No. (D)    | % (D/C)    |
| <b>Employees</b> |             |            |            |             |            |            |
| Male             | 754         | 735        | 97%        | 755         | 701        | 93%        |
| Female           | 14          | 14         | 100%       | 15          | 11         | 73%        |
| <b>Total</b>     | <b>768</b>  | <b>749</b> | <b>98%</b> | <b>770</b>  | <b>712</b> | <b>92%</b> |
| <b>Workers</b>   |             |            |            |             |            |            |
| Male             | 1238        | 261        | 21%        | 1083        | 110        | 10%        |
| Female           | 4           | 0          | 0%         | 11          | 0          | 0%         |
| <b>Total</b>     | <b>1242</b> | <b>261</b> | <b>21%</b> | <b>1094</b> | <b>110</b> | <b>10%</b> |

### 10. Health and safety management system:

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company's commitment to ensuring the safety and well-being of its employees is exemplified by its compliance with ISO 45001:2018. The Company has implemented LIFE (APL Flagship Program for Health and Safety) project, which includes quarterly reviews to monitor the project's effectiveness. This initiative aims to enhance the safety performance of the Company and create a safer work environment for its employees.

Moreover, the Company utilises the APL Safety Leading Indicator, a crucial metric for measuring its safety performance. The Safety Leading Indicator is designed to track the leading indicators of safety performance, providing valuable insights into areas that require improvement. APL uses this metric to monitor its Health and Safety performance and

to make necessary adjustments to its Health and Safety practices to enhance the safety of its employees.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Andhra Paper implements various procedures, audits and programmes to ensure the safety and health of its employees, including the Hazard Recognition and Risk Assessment programme under the Integrated Management System. Additionally, the Company conducts an annual Safety Audit Programme according to IS 14489 protocols, and a HIRA and Job Safety Analysis Programme.

Andhra Paper also implements a Mill Wide Cross Functional Audit Programme and conducts both internal and external health and safety audits. The Company conducts campaign programmes for National Safety Week, Electrical Safety Week, Fire Services Week, 5S Week, and APL Safety Month (LIFE month). Employees are trained in hazard

recognition and control strategies through the Competence Development programme. Industrial best practices and programmes, such as Personal LOTO (Lock Out and Tag Out), Group LOTO, permit to Work systems, and Safe Work Observations are also implemented by the Company to ensure the safety of its employees.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, Andhra Paper has implemented several programmes to enhance safety in the workplace, including a Near Miss Reporting Programme that encourages employees to report near-miss incidents. The Company also has an Unsafe Act/Unsafe Condition Identification Process, a SAP-based Safety Notification Process, and a Safe Work Observation Programme in place. These initiatives aim to identify potential

hazards and prevent accidents from occurring, demonstrating the Company's commitment to ensuring the safety and well-being of its employees.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, Andhra Paper is dedicated to promoting the health and well-being of its employees and workers. The Company believes that providing access to non-occupational medical and healthcare services is essential for maintaining a healthy workforce. As part of this commitment, the Company provides free health check-ups for its employees on a regular basis. The check-ups are conducted by qualified medical professionals and aim to identify and prevent potential health issues. The Company also provides medical facilities and first-aid services to both employees and workers.

**11. Details of safety related incidents, in the following format:**

| Safety Incident /Number   | Category                             | FY2023 | FY2022 |
|---|--------------------------------------|--------|--------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees (Staff+ Permanent workmen) | 1.20   | 2.50   |
|   | Workers (Contractors)                | 0.82   | 0.44   |
| Total recordable work-related injuries  | Employees (Staff+ Permanent workmen) | 06     | 06     |
|   | Workers (Contractors)                | 05     | 04     |
| No. of fatalities   | Employees (Staff+ Permanent workmen) | 00     | 01     |
|   | Workers (Contractors)                | 00     | 00     |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees (Staff+ Permanent workmen) | 02     | 03     |
|   | Workers (Contractors)                | 02     | 01     |

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Andhra Paper Limited has made significant progress in enhancing its safety performance over the years, demonstrating its commitment to providing a safe and secure work environment. The Company's flagship safety programme, LIFE (Life Changing Injury and Fatality Elimination), is based on a PDCA approach and consists of 15 core safety standards, which are regularly reviewed and updated as part of an annual sustainability programme.

APL also conducts regular HAZOP (Hazard Operability) studies of critical chemical processes to ensure that control strategies are effective against identified hazards. In addition, the Company has a robust internal plant safety inspection programme in place to ensure that established systems are functioning correctly. All employees and contractors are provided with mandatory training, including basic hazard recognition and control strategies, annual safety refresher training, and safety training as per the APL training calendar for all identified target employees. Apart from the LIFE programme, APL continues to focus on near miss identification and reporting, basic hazard recognition skills, and control strategies programmes, as well as a permit to work system. With these proactive measures in place, APL is poised to continue to provide a safe and healthy work environment for its employees and contractors.

## Statutory Reports

### 13. Number of Complaints on the following made by employees and workers:

|                                       | FY2023   |   |         | FY2022                |   |         |
|---------------------------------------|--|---|---------|-----------------------|---|---------|
|                                       | Filed during the year  | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Working Conditions<br>Health & Safety | No complaints received by Safety department during the year. |   |         |                       |   |         |

### 14. Assessments for the year:

|                             | % of plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Health and safety practices | 100%   |
| Working Conditions          | 100%   |

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Andhra Paper Limited has a comprehensive incident investigation process that is followed in the event of any injury or potential near miss that could have resulted in an injury or fatality under the LIFE (Life Changing Injury and Fatality Elimination) safety programme.

The Company believes in identifying the root cause of any incident, and therefore a systematic investigation is carried out to identify the contributing factors and root causes of the incident. Based on the findings of the investigation, suitable corrective actions are identified and implemented against each root cause of the incident. To ensure the effectiveness of the corrective actions, the Company closely monitors and tracks the compliance of the corrective action plan. By taking a proactive approach to incident investigation and implementing corrective actions, Andhra Paper Limited strives to maintain a safe and healthy work environment for all its employees.

| Department       | Completed  | Pending   | Total      |
|------------------|------------|-----------|------------|
| Chemical Plant   | 16         | 0         | 16         |
| Environment cell | 27         | 0         | 27         |
| Logistics        | 32         | 0         | 32         |
| Projects         | 8          | 0         | 8          |
| RMH              | 9          | 0         | 9          |
| Stores           | 27         | 0         | 27         |
| Welfare          | 4          | 0         | 4          |
| Electrical       | 57         | 3         | 60         |
| Instrumentation  | 19         | 1         | 20         |
| Paper machine    | 95         | 10        | 105        |
| FH               | 52         | 7         | 59         |
| Pulp Mill        | 143        | 25        | 168        |
| Reliability      | 19         | 4         | 23         |
| Power Block      | 33         | 7         | 40         |
| Civil            | 15         | 10        | 25         |
| <b>Total</b>     | <b>556</b> | <b>67</b> | <b>623</b> |

| Department                                    | Completed  | Pending   | Total      |
|---|------------|-----------|------------|
| DIP & SP3                                     | 14         | 0         | 14         |
| Stores & RMH                                  | 20         | 0         | 20         |
| Electrical                                    | 34         | 0         | 34         |
| Converting, Finishing House                   | 38         | 4         | 42         |
| KA 1 2 & 3 Mech, OCC SP 1 & 2 Mech & DIP Mech | 30         | 0         | 30         |
| Power Block                                   | 13         | 0         | 13         |
| Welfare                                       | 23         | 0         | 23         |
| ETP   | 16         | 0         | 16         |
| KA 1 & 2 process                              | 25         | 0         | 25         |
| KA 3 process                                  | 7          | 0         | 7          |
| OCC SP 1 & 2 process                          | 5          | 1         | 6          |
| Instrument                                    | 3          | 0         | 3          |
| Reliability                                   | 11         | 0         | 11         |
| QC & C.Lab                                    | 2          | 0         | 2          |
| Civil   | 1          | 0         | 1          |
| Logistic                                      | 2          | 0         | 2          |
| <b>Total</b>                                  | <b>244</b> | <b>5</b>  | <b>249</b> |
| <b>Grand Total</b>                            | <b>800</b> | <b>72</b> | <b>872</b> |

### Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) and (B) Workers (Y/N)**

Yes, the Company provides compensatory packages in the event of death as per the long-term Agreement with workmen, indicating that workers are covered. In addition, the Company also extends this benefit to employees, demonstrating its commitment to providing support and care to its workforce.

**2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

Andhra Paper ensures that statutory dues as payable by service providers for their employees are deposited on time and in full, through a process of periodic audits and controls. The Company has multiple systems in place to ensure compliance to various statutory requirements. Further, there are agreements in place specifying statutory compliance to be ensured by service providers. Besides this, as an additional measure, balancing is provided by Internal Controls, Internal Audit check-list and internal audits conducted basis defined frequency.

**3. Provide the number of employees / workers having suffered grave consequences due to work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total No. of affected employees/<br>workers |        | No. of employees/workers that are rehabilitated<br>and placed in suitable employment or whose<br>family members have been placed in suitable<br>employment |        |
|-----------|---|--------|--|--------|
|           | FY2023                                      | FY2022 | FY2023   | FY2022 |
| Employees | 0   | 0      | 0  | 0      |
| Workers   | 0   | 1      | 0  | 0      |

## Statutory Reports

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

**5. Details on assessment of value chain partners:**

|                             | <b>% of value chain partners (by value of business done with such partners) that were assessed</b> |
|-----------------------------|--|
| Health and safety practices | 100% (Farm Forestry Farmers/workers)   |
| Working Conditions          | 100% (Contract workers)  |

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The Company identifies corrective actions during FSC audits and proceeds to implement and report follow-up actions. However, there are no significant risk / concerns arising from value chain partners.



**Principle 4: Business should respect the interests of and be responsive to all its stakeholders**

APL places a strong emphasis on actively seeking feedback and suggestions from a wide range of stakeholders. Through meaningful dialogues, the Company engages with stakeholders to identify and address material issues. Valuable insights obtained from these interactions are utilised to develop strategies, establish policies when necessary, and set objectives and goals. To ensure effective implementation, APL has established a robust monitoring mechanism that tracks progress and maintains accountability for these initiatives. By actively involving stakeholders in the decision-making process, the Company demonstrates its commitment to inclusive and responsible practices.

APL's proactive engagement with stakeholders reflects its dedication to fostering transparent and collaborative relationships. By considering diverse perspectives and incorporating stakeholder input, the company strives to create sustainable value and achieve positive outcomes for all involved parties.

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the Company.**

The Company's stakeholder network consists of those who influence the Company's activities. The Company identifies the stakeholders based on the scope of the activities and the need of organisation. Stakeholder meetings, workshops and other events help us deepen dialogue and develop our understanding of important societal and environmental issues and regulatory challenges. The interaction helps teams build their capabilities, facilitates collective action and promotes trust and mutual respect. The engagement approach takes into consideration that each stakeholder group is unique and has a distinctive set of priorities. Feedback and insights from stakeholder engagements helps validate the Company's performance and shape new perspectives on the challenges and opportunities.

2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

| Stakeholder Group   | Whether identified as vulnerable & marginalised group (Yes/ No) | Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others) | Frequency of engagement (Annually, Half yearly, quarterly / others- please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement  |
|---|---|---|---|--|
| Farmers   | Yes   | Community Meetings, others  | Frequently  | The Company engages with farmers, who form a part of the value chain directly or indirectly for training/awareness on good agricultural practices, helping them grow safe, high-quality raw materials, and develop resilient, sustainable farms. |
| Distributors & traders, Suppliers<br>Supply chain Partners<br>Aggregators | No  | Emails, SMS, Community Meetings, Website, Others  | As and when required  | The Company engages and receives cooperation and unstinted support from the distributors, retailers, stockist, suppliers and others associated with the Company.   |
| Shareholders  | No  | Emails /Websites  | Quarterly   | Informing the shareholders about the performance indicators of the Company and update them on Company's strategies   |
| Employees   | No  | Notices/Meetings  | Continuous  | Appraisals and feedback, career management, building a safety culture and inculcating safe work practices, on-the-job training   |
| Local Communities   | No  | Through interactions, meetings  | Before and after undertaking CSR initiatives  | Understand areas which need support, implementation of CSR programmes  |
| Government Bodies & Regulators  | No  | Meetings  | As and when required  | For compliance and adherence to laws and for new project initiatives   |
| Industry Bodies   | No  | Conference, Seminars, Meetings  | As and when required  | For discussion on issues concerning Paper Industry   |



### Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

When formulating the policy documents, the Company carefully analyses the rights and obligations of all stakeholders in accordance with industry-best practices. The Company is dedicated to corporate governance and has implemented robust policies that align stakeholder interests with the Company's commercial success.

The relevant information on key stakeholders is shared with the Board of Directors of the Company regularly. The Board of Directors, through its various committee reviews, monitors and provides strategic direction to the Company's social responsibility obligations and other societal and sustainability practices.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company actively listens to feedback and suggestions from various stakeholders. It engages with them to identify material issues and, based

on these insights, develops further strategies, sets policies if necessary, and establishes objectives and goals with a monitoring mechanism in place.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company acknowledges the concerns of vulnerable and marginalised stakeholders and takes steps to address them through comprehensive CSR projects. In response to the requirements expressed by nearby villagers, the Company has been supplying RO water plants and treated drinking water to neighbouring villages free of charge to meet the domestic water needs of the villagers. Moreover, upon receiving requests from government schools, the Company has constructed toilets and provided new equipment at no cost to facilitate the operation of smart classrooms. Additionally, the Company has supplied furniture, RO Water Plants to Gram Panchayat Schools, and essential medical equipment to government hospitals and primary health centres based on their requests.

The Company has also undertaken the construction of water storage sump and pipelines, which serve more than 5,000 families. Moreover, the Company has constructed a skill development centre in a nearby village to enhance the employability of the local youth through the acquisition of job-related skills. In addition, skill training centres have been set up in nearby villages to empower women through cluster tailoring centres, spoken English courses.



### Principle 5: Business should respect and promote human rights

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APL has implemented a well-defined Human Rights Policy, underscoring its commitment to upholding and safeguarding human rights. The Company has further established a range of policies to promote fairness and transparency in various areas, including recruitment, compensation, gender equality, and performance management.

To foster a safe and inclusive work environment, APL has formed a POSH (Prevention of Sexual Harassment) committee, dedicated to addressing grievances related to gender-based issues. Additionally, the Company has implemented a Grievance Redressal policy and formed a committee specifically focused on addressing workplace conditions. These comprehensive policies and committees exemplify APL's commitment to treating all employees with fairness and respect, ensuring a secure and healthy working environment that is free from discrimination and harassment.

By prioritising these policies and committees, APL demonstrates its dedication to maintaining a work culture that upholds the rights and well-being of all employees. The Company strives to create an atmosphere of trust, equality, and accountability, fostering a positive and productive workplace for everyone involved.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | FY2023      |                                       |               | FY2022      |                                       |               |
|------------------------|-------------|---------------------------------------|---------------|-------------|---------------------------------------|---------------|
|                        | Total (A)   | No. of employees /workers covered (B) | % (B/A)       | Total (C)   | No. of employees /workers covered (D) | % (D/C)       |
| <b>Employees</b>       |             |                                       |               |             |                                       |               |
| Permanent              | 768         | 233                                   | 30.34%        | 771         | 131                                   | 16.99%        |
| Other than Permanent   | -           | -                                     | -             | -           | -                                     | -             |
| <b>Total Employees</b> | <b>768</b>  | <b>233</b>                            | <b>30.34%</b> | <b>771</b>  | <b>131</b>                            | <b>16.99%</b> |
| <b>Workers</b>         |             |                                       |               |             |                                       |               |
| Permanent              | 1242        | 642                                   | 51.69%        | 1094        | 322                                   | 29.43%        |
| Other than Permanent   | 3304        | 1361                                  | 41.19%        | 2852        | 689                                   | 24.16%        |
| <b>Total Workers</b>   | <b>4546</b> | <b>2003</b>                           | <b>44.06%</b> | <b>3946</b> | <b>1011</b>                           | <b>25.62%</b> |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category                    | FY2023    |                       |         |                        |         | FY2022    |                       |         |                        |         |
|-----------------------------|-----------|-----------------------|---------|------------------------|---------|-----------|-----------------------|---------|------------------------|---------|
|                             | Total (A) | Equal to Minimum Wage |         | More than Minimum Wage |         | Total (D) | Equal to Minimum Wage |         | More than Minimum Wage |         |
|                             |           | No. (B)               | % (B/A) | No. (C)                | % (C/A) |           | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| <b>Employees</b>            |           |                       |         |                        |         |           |                       |         |                        |         |
| <b>Permanent</b>            |           |                       |         |                        |         |           |                       |         |                        |         |
| Male                        | 754       | -                     | -       | 754                    | 100%    | 756       | -                     | -       | 756                    | 100%    |
| Female                      | 14        | -                     | -       | 14                     | 100%    | 15        | -                     | -       | 15                     | 100%    |
| <b>Other than Permanent</b> |           |                       |         |                        |         |           |                       |         |                        |         |
| Male                        | -         | -                     | -       | -                      | -       | -         | -                     | -       | -                      | -       |
| Female                      | -         | -                     | -       | -                      | -       | -         | -                     | -       | -                      | -       |
| <b>Workers</b>              |           |                       |         |                        |         |           |                       |         |                        |         |
| <b>Permanent</b>            |           |                       |         |                        |         |           |                       |         |                        |         |
| Male                        | 763       | -                     | -       | 763                    | 100     | 735       | -                     | -       | 735                    | 100     |
| Female                      | 3         | -                     | -       | 3                      | 100     | 10        | -                     | -       | 10                     | 100     |
| <b>Other than Permanent</b> |           |                       |         |                        |         |           |                       |         |                        |         |
| Male                        | 2431      | 1459                  | 60%     | 972                    | 40%     | 2006      | 918                   | 46%     | 1088                   | 54%     |
| Female                      | 69        | 22                    | 32%     | 47                     | 68%     | 74        | 25                    | 34%     | 49                     | 66%     |

3. Details of remuneration/salary/wages, in the following format:

|                                  | Male   |   | Female |  |
|----------------------------------|--------|---|--------|--|
|                                  | Number | Median remuneration salary/wages of respective category | Number | Median remuneration/salary/ wages of respective category |
| Board of Directors (BoD)         | 6      | 3,12,500  | 2      | 1,37,500   |
| Key Managerial Personnel (KMP)   | 6      | 21,51,597   | -      | -  |
| Employees other than BoD and KMP | 754    | 5,80,059  | 14     | 4,83,702   |
| Workers                          | 1241   | 5,20,563  | 4      | 5,00,292   |

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#### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has various policies and procedures in place to ensure a fair and equitable workplace. This includes the existence of a committee to resolve workplace conditions and a grievance resolution procedure. Additionally, the Company has policies on freedom of association and collective bargaining, grievance redressal, non-discrimination, protection of women, and prevention of child and forced labour. The Company also provides statutory benefits and leaves, as well as wage agreements that cover various aspects of human rights such as safe and hygienic working conditions, protection against unfair terms, minimum wages, equal pay for equal work, and working hours. Employees are also given the right to complain or strike against unfair working conditions and are protected from sexual harassment.

#### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Andhra Paper Limited (APL) has Human Rights Policy to respect and protect the Human Rights, and further implemented various other fair and transparent policies in various areas such as recruitment, compensation, gender equality, and performance management. APL also has a POSH committee to address any grievances related to gender and a grievance redressal policy along with a committee for the redressal of workplace issues. These policies ensure that all employees are treated fairly and have a safe and healthy work environment free from discrimination or harassment.

#### 6. Number of Complaints on the following made by employees and workers:

|                                      | FY2023                |   |         | FY2022                |   |         |
|--------------------------------------|-----------------------|---|---------|-----------------------|---|---------|
|                                      | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual Harassment                    | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |
| Discrimination at workplace          | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |
| Child Labour                         | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |
| Forced Labour/<br>Involuntary Labour | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |
| Wages                                | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |
| Other Human rights related issues    | NIL                   | NIL                                       | NIL     | NIL                   | NIL                                       | NIL     |

#### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established a Grievance Redressal Committee, which is headed by the top management of the organisation. In the event that an employee feels unable to discuss a grievance with their supervisor or department head, they can direct the issue to the HR Department or IR Department, as applicable. The Grievance Redressal Committee is comprised of the Executive Director, Head - Operations, Head - HR, Head - IR, and Head - Legal & Compliance. Employees can also send their grievances via email to [grievance@andhrapaper.com](mailto:grievance@andhrapaper.com), which is directly supervised by the Executive Director

#### 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company has suitable provisions in the contracts being entered with the suppliers and buyers of the products and services before undertaking business with them.

**9. Assessment for the year:**

|                                  | <b>% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)</b>                           |
|----------------------------------|--|
| Child Labour                     |  |
| Forced Labour/Involuntary Labour | 100%   |
| Sexual Harassment                | The Company undertook internal assessment through its HR and IR function besides the Internal Auditor/ISO Auditor reviews compliance by the Company. |
| Discrimination at workplace      |  |
| Wages                            |  |
| Other- please specify            |  |

Note: The Internal and External Auditors conduct assessments as per the Audit schedule. Assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Nil

**Leadership Indicators****1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The Company has not received any complaints regarding human rights violations, which indicates that its business processes and workplace practices are designed in a way that respects human rights.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

The Company has no specific due diligence conducted by any specialised agency. However, the Company is subject to monitoring by regulatory authorities for all its business activities and licenses and required to comply with the applicable laws as prescribed by the local, state and central and other statutory bodies or agencies which encompass various Human Rights Aspects. Besides, the Internal Auditor/ISO Auditor annually review compliance by the Company.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Andhra Paper is dedicated to establishing a better and more accessible work environment for its entire workforce. The establishments / offices of the Company are accessible to differently- abled employees and the management continuously works towards improving infrastructure for eliminating barriers to accessibility.

**4. Details on assessment of value chain partners**

|                                  | <b>% of value chain partners (by value of business done with such partners) that were assessed</b>   |
|----------------------------------|--|
| Sexual Harassment                | 100% (Workers/Farmers in Farm Forestry Programme)  |
| Discrimination at workplace      | 100 % (Contract workers)   |
| Child Labour                     | The Company is in the process of undertaking such assessment for other value chain partners although the value chain partners furnish such declaration in the contractual agreements and through Suppliers' Code of Conduct. |
| Forced Labour/Involuntary Labour |  |
| Wages                            |  |
| Others – please specify          |  |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Nil

## Statutory Reports



### Principle 6: Business should respect and make efforts to protect and restore the environment.

APL has implemented several projects to effectively reduce greenhouse gas emissions and mitigate its environmental impact. One significant measure involves the substitution of fossil fuels with biofuels in its coal-fired boilers. By utilising biofuels such as black liquor, ETP sludge, wood bark, chip dust, and knots, the Company significantly decreases its reliance on traditional fossil fuels. In fact, APL exclusively operates its chemical recovery boiler with black liquor as a biofuel source, generating steam and captive power. This shift to biofuel usage accounts for an impressive 65% of the power requirements at the Rajahmundry unit, resulting in substantial reductions in greenhouse gas emissions.

Additionally, APL has undertaken a significant project that harnesses CO<sub>2</sub> emissions from the stack of a rotary lime kiln, approximately 19,000 tonnes per annum, to produce precipitated calcium carbonate (PCC). This innovative approach not only addresses emissions but also utilises captured CO<sub>2</sub> as a filler in the paper-making process. The integration of PCC production further contributes to the reduction of greenhouse gas emissions, showcasing the Company's commitment to sustainability.

In addition, APL has established an extensive farm forestry programme that plays a crucial role in carbon sequestration and promotes sustainable forestry practices. This programme ensures the cultivation of trees and supports the Company's efforts in mitigating its carbon footprint.

In line with its commitment to environmental stewardship, APL is actively exploring opportunities to collaborate with a third party in setting up a Green Methanol Plant. This plant aims to extract biogenic carbon dioxide (BCO<sub>2</sub>) from the flue stack, leading to a substantial reduction in the Company's carbon emissions.

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (In Mega Joules)

| Parameter  | FY2022-23      | FY2021-22      |
|--|----------------|----------------|
| Total electricity consumption (A)  | 893152         | 869017         |
| Total fuel consumption (B)   | 8805234        | 8715842        |
| Energy consumption through other sources (C)   | 104758         | 105782         |
| <b>Total energy consumption (A+B+C)</b>  | <b>9803144</b> | <b>9690641</b> |
| Energy intensity per rupee of turnover<br>(Total energy consumption/ turnover in rupees) | 0.0004706      | 0.0007089      |
| Energy intensity (optional) – the relevant metric may be selected by the Company         |                |                |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The independent assessment is carried out by ECSOL besides In-house monitoring and tracking system with energy meters' installations at various consumption areas.

#### 2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, the Company falls under the purview of the Perform, Achieve, and Trade (PAT) programme, which aims to promote energy efficiency in industries. Andhra Paper Ltd. has effectively met the targets set for Cycle 1 under this programme, showcasing its commitment to energy conservation and efficiency. However, the Company faced challenges in meeting the targets for Cycle 2. To ensure compliance and fulfil the programme's requirements, Andhra Paper Ltd. has taken proactive measures and obtained the necessary certificates. By doing so, the Company reaffirms its commitment to sustainable practices and endeavours to enhance its energy efficiency in line with the PAT programme's objectives.

## 3. Provide details of the following disclosures related to water, in the following format:

| Parameter   | FY2023                | FY2022                |
|---|-----------------------|-----------------------|
| <b>Water withdrawal by source (in kilolitres)</b>   |                       |                       |
| (i) Surface water   | 14281554              | 14265097              |
| (ii) Groundwater  | 303681                | 496268                |
| (iii) Third party water   | 0                     | 0                     |
| (iv) Seawater / desalinated water   | 0                     | 0                     |
| (v) Others  | 0                     | 0                     |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>   | <b>14585235</b>       | <b>14761365</b>       |
| <b>Total volume of water consumption (in kilolitres)</b>  | <b>14560209</b>       | <b>14694731</b>       |
| <b>Water intensity per rupee of turnover</b> (Water consumed / turnover)  | 0.000699 KL/<br>Rupee | 0.001075 KL/<br>Rupee |
| <b>Water intensity per rupee of turnover</b> (water consumed/turnover optional) – the relevant metric may be selected by the entity |                       |                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Independent assessment is carried out by Chola MS Risk Services Limited.

## 4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

There is no Zero Liquid discharge in Andhra Paper. Waste water is being treated and disposed as per SPCB norms. Treated waste water is being discharge to sand shoals of Turupulanka Island of river Godavari and part of water for gardening purpose within the premises. Whereas in unit Kadiyam, part of treated waste water is recycled to process and part to farmers for irrigation purposes and remaining to surface drains as per SPCB consent.

## 5. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

| Parameter                           | Unit | FY2022-23 | FY2021-22 |
|-------------------------------------|------|-----------|-----------|
| NOx                                 | NA   | NA        | NA        |
| SOx                                 |      |           |           |
| Particulate matter (PM)             | Kg   | 164800    | 116496    |
| Persistent organic pollutants (POP) | NA   |           |           |
| Volatile organic compounds (VOC)    | NA   |           |           |
| Hazardous air pollutants (HAP)      | NA   |           |           |
| Others – H2S                        | Kg   | 2057      | 1510      |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. An independent assessment has been carried out by NABL

## Statutory Reports

**6. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter   | Unit  | FY2023              | FY2022              |
|---|---|---------------------|---------------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 808426              | 781984              |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 24461               | 24704               |
|   |   | <b>832887</b>       | <b>806688</b>       |
| Total Scope 1 and Scope 2 emissions per rupee of turnover   |   | 0.00003998 MT/Rupee | 0.00005902 MT/Rupee |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity   |   |                     |                     |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

In-house monitoring, tracking and management is in place.

**7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

Andhra Paper Ltd. has implemented several projects to reduce greenhouse gas emissions. These initiatives include:

- Utilising biofuels such as black liquor, ETP sludge, wood bark, chip dust, and knots in coal-fired boilers to replace a portion of fossil fuels.
- Operating the chemical recovery boiler solely with biofuel, specifically black liquor, which generates steam and captive power. This biofuel usage contributes to 65% of the power requirements at the Rajahmundry unit, significantly reducing greenhouse gas emissions.
- Undertaking a project, currently under construction, to utilise the CO<sub>2</sub> emissions from the stack of a rotary lime kiln, approximately 19,000 tonnes per annum, to produce precipitated calcium carbonate (PCC). PCC is used as a filler in the paper-making process, further reducing greenhouse gas emissions.
- Implementing a dedicated and extensive farm forestry programme, which involves distributing a significant number of clones and seedlings. This programme promotes carbon sequestration and sustainable forestry practices.
- Engaging in discussions with a third party to establish a Green Methanol Plant. The aim of this project is to extract biogenic carbon dioxide (BCO<sub>2</sub>) from the flue stack, contributing to a significant reduction in the company's carbon footprint.

**8. Provide details related to waste management by the Company, in the following format:**

| Parameter  | FY2022-23 | FY2021-22 |
|--|-----------|-----------|
| <b>Total Waste generated (in metric tonnes)</b>    |           |           |
| Plastic waste (A)                                  | 2991.45   | 3488.02   |
| E-waste (B)  | 21.88     | 17.53     |
| Bio-medical waste (C)                              | 0.1194    | 0.175     |
| Construction and demolition waste (D)              | 1001.60   | 597.20    |
| Battery waste (E)                                  | 10.70     | 0.52      |
| Radioactive waste (F)                              | 0.0016    | 0.03      |
| Other Hazardous Waste. Please specify, if any. (G) |           |           |
| ETP Sludge   | 55637685  | 46696.44  |
| Used Lubricating oil                               | 28.84     | 15.96     |

| Parameter  | FY2022-23         | FY2021-22          |
|--|-------------------|--------------------|
| Empty Barrels  | 14908             | 126.72             |
| Cleaning of tanks  | 318.8             | 0                  |
| Oil Sludge   | 5.43              | 6.12               |
| Spent Ion Exchange Resin   | 3.30              | 2.00               |
| Discarded Asbestos   | 19.26             | 0                  |
| Date Expired Off Specified   | 0                 | 16.75              |
| Oil Contaminated Cotton  | 5.05              | 4.54               |
| Ash From Producer Gas Plant  | 0                 | 0                  |
| Waste Lime Cake  | 5366.74           | 4723.88            |
| Discarded Carbon Filter Media  | 0                 | 0                  |
| Discarded activated Alumina  | 0                 | 0                  |
| Discarded Glass Wool   | 1.96              | 5.92               |
| Discarded Thermocol  | 0                 | 0                  |
| Discarded PPE  | 0.03              | 0                  |
| <b>Total Hazardous waste</b>   | <b>61536.175</b>  | <b>51598.33</b>    |
| Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any.<br>(Break-up by composition i.e. by materials relevant to the sector) |                   |                    |
| Waste Lime Sludge + Slaker Stone   | 11862.78          | 9558.21            |
| PVC/HDPE & Polythene Scrap   | 47.63             | 82.58              |
| Chip dust  | 20488.09          | 21132              |
| Wood Bark  | 15551.28          | 16469.36           |
| Waste wood & logs  | 37                | 0                  |
| Knots from pulp mill   | 730               | 786                |
| ESP Ash  | 1699.36           | 1857.86            |
| Coal ash   | 102148.93         | 95311.265          |
| Paper Cuttings   | 285.265           | 373.51             |
| Demolition and construction Waste  | 869.97            | 996.66             |
| Metal Waste  | 5.15              | 14.37              |
| Discarded Machine clothing   | 18.07             | 8.37               |
| Discarded Packing Wooden   | 23.93             | 25.16              |
| Scrap Electrical & electronic  | 153767.445        | 146614.7           |
| <b>Total Non-hazardous waste generated (F)</b>   | <b>219329.371</b> | <b>202315.8795</b> |
| <b>Total (A+B + C + D + E + F + G + H)</b>   | <b>2991.45</b>    | <b>3488.02</b>     |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |                   |                    |
| <b>Category of waste</b>   |                   |                    |
| (i) Recycled   | 24497.31          | 17606.41           |
| (ii) Re-used   | 5582.85           | 4796.88            |
| (iii) Other recovery operations  | 0                 | 0                  |
| <b>Total</b>   | <b>30080.16</b>   | <b>22403.29</b>    |
| <b>For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)</b>                                |                   |                    |
| <b>Category of waste</b>   |                   |                    |
| (i) Incineration   | 0                 | 0                  |
| (ii) Landfilling   | 0                 | 0                  |
| (iii) Other disposal operations  | 0                 | 0                  |
| <b>Total</b>   | <b>0</b>          | <b>0</b>           |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. The Company has In-house SOP, tracking and management system in place.



## Statutory Reports

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Andhra Paper Ltd. has implemented various measures to address waste management effectively. These steps include:

- Developing Standard Operating Procedures (SOPs) to ensure proper handling and compliance of hazardous and non-hazardous waste, e-waste, battery waste, and biomedical waste throughout the company across different departments and sections.
- Organising annual training sessions for employees engaged in waste handling to enhance their knowledge and skills.
- Segregating, collecting, storing, and disposing of waste in accordance with the conditions and methodologies specified in the Hazardous Waste Authorisation granted by the State Pollution Control Board (SPCB).
- Submitting annual returns to the SPCB as required by the regulations.
- Safely storing all waste in closed containers or under concrete platforms with sheds to prevent any adverse impacts on the environment and human health.
- Maintaining Transport Emergency Cards (TREM CARD) for applicable waste, ensuring preparedness for any potential transportation emergencies.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| S. No.         | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|----------------|--------------------------------|--------------------|--|
| Not Applicable |                                |                    |  |

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| Not Applicable                    |                      |      |   |  |                   |

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

| S. No.   | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--|---|---------------------------------------|---|---------------------------------|
| Yes, the Company is in compliance with the applicable environmental regulations. |   |                                       |   |                                 |

## Leadership Indicators -

### 1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter   | FY2022-23      | FY2021-22      |
|---|----------------|----------------|
| <b>From renewable sources</b>                                   |                |                |
| Total electricity consumption (A)                               | 0              | 0              |
| Total fuel consumption (B)                                      | 0              | 0              |
| Energy consumption through other sources (C)                    | 0              | 0              |
| <b>Total energy consumed from renewable sources (A+B+C)</b>     | <b>0</b>       | <b>0</b>       |
| <b>From non-renewable sources</b>                               |                |                |
| Total electricity consumption (D)                               | 893152         | 869017         |
| Total fuel consumption (E)                                      | 8805234        | 8715842        |
| Energy consumption through other sources (F)                    | 104758         | 105782         |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b> | <b>9803144</b> | <b>9690641</b> |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assessment is carried out by ECSOL.

### 2. Provide the following details related to water discharged:

| Parameter  | FY2022-23       | FY2021-22       |
|--|-----------------|-----------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |                 |                 |
| i) To Surface water  | 10664096        | 10640586        |
| - No treatment   | 0               | 0               |
| - With treatment – please specify level of treatment                         | 10664096        | 10640586        |
| (ii) To Groundwater  | 0               | 0               |
| - No treatment   | 0               | 0               |
| - With treatment – please specify level of treatment                         | 0               | 0               |
| (iii) To Seawater  | 0               | 0               |
| - No treatment   | 0               | 0               |
| - With treatment – please specify level of treatment                         | 0               | 0               |
| (iv) Sent to third-parties   | 0               | 0               |
| - No treatment   | 0               | 0               |
| - With treatment – please specify level of treatment                         | 0               | 0               |
| (v) Others   | 553356          | 486404          |
| - No treatment   | 0               | 0               |
| - With treatment – please specify level of treatment                         | 553356          | 486404          |
| <b>Total water discharged (in kilolitres)</b>                                | <b>11217452</b> | <b>11126990</b> |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The independent assessment is carried out by Chola MS Risk Services Limited. The Company and water resources department also monitors through meters installed at various places.

### 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

Unit Kadiyam: Water drawn from bore wells located within the premises and canals

Unit Rajahmundry: Water drawn from River Godavari

(ii) Nature of operations: Integrated pulp and paper manufacturing, as well as waste paper-based paper production

## Statutory Reports

(iii) Water withdrawal, consumption and discharge in the following format:

| Parameter   | FY2022-23              | FY2021-22              |
|---|------------------------|------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |                        |                        |
| (i) Surface water   | 14281554               | 14265097               |
| (ii) Groundwater  | 303681                 | 496268                 |
| (iii) Third party water   | 0                      | 0                      |
| (iv) Seawater / desalinated water   | 0                      | 0                      |
| (v) Others  | 0                      | 0                      |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | <b>14585235</b>        | <b>14761365</b>        |
| <b>Total volume of water consumption (in kilolitres)</b>                              | <b>14560209</b>        | <b>14694731</b>        |
| <b>Water intensity per rupee of turnover</b> (Water consumed / turnover)              | 0.0006990 KL/<br>Rupee | 0.0010750 KL/<br>Rupee |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity |                        |                        |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>          |                        |                        |
| i) Into Surface water   | 14281554               | 14265097               |
| - No treatment  | 303681                 | 496268                 |
| - With treatment – please specify level of treatment                                  | 0                      | 0                      |
| (ii) Into Groundwater   | 0                      | 0                      |
| - No treatment  | 0                      | 0                      |
| - With treatment – please specify level of treatment                                  | 0                      | 0                      |
| (iii) Into Seawater   | 0                      | 0                      |
| - No treatment  | 0                      | 0                      |
| - With treatment – please specify level of treatment                                  | 0                      | 0                      |
| (iv) Sent to third-parties  | 0                      | 0                      |
| - No treatment  | 0                      | 0                      |
| - With treatment – please specify level of treatment                                  | 0                      | 0                      |
| (v) Others  | 553356                 | 486404                 |
| - No treatment  | 0                      | 0                      |
| - With treatment – please specify level of treatment                                  | 553356                 | 486404                 |
| <b>Total water discharged (in kilolitres)</b>   | <b>11217452</b>        | <b>11126990</b>        |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assessment is carried out by Chola MS Risk Services Limited.

#### 4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter   | Unit                            | FY2023                            | FY2022 |
|---|---------------------------------|-----------------------------------|--------|
| <b>Total Scope 3 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO2 equivalent | Not tracking these emissions      |        |
| <b>Total Scope 3 emissions per rupee of turnover</b>  |                                 | Not tracked Scope 3 GHG emissions |        |
| <b>Total Scope 3 emission intensity</b> (optional)<br>– the relevant metric may be selected by the entity   |                                 |                                   |        |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable

**6. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. No | Initiative undertaken                             | Details of the initiative (Web-link, if any, may be provided along-with summary)  | Outcome of the initiative  |
|--------|---|---|--|
| 1      | Water and Effluent consumption reduction projects | <p><b>Rajahmundry Unit:</b></p> <p>Paper Machines back water reuse, secondary condensate from evaporator reuse, treated water reuse for gardens, back water use in wet lab, WTP under flow reject reuse, paper machines shower upgradation. Reuse of white water in paper machines, CD filter hot water reuse, improvement of Paper machine disc filter; RLK. 1 &amp; 2 bearing cooling Vacuum Sealing Barometric legs water recycling, Replacement of Fresh water with Hot water in 3 Nos. of HP showers of RJ.5 machine and so on.</p> <p><b>Kadiyam Unit:</b></p> <p>Treated waste water is being used in Paper Machine No. 1 and 2 in place of fresh water.</p> | <p>Specific water consumption per tonne of product reduced from 68.00 M3 in FY 2014-15 to 55.17 M3 in FY 2022-23</p> |
|        |   | Replacement of fresh water with paper machines RCB water in 'D1 washers showers' in pulp mill   | Under progress   |
| 2      | Improvement of effluent Treatment Plant           | <p>Addition of new Jet Aerators</p> <p>Renovation of ETP cooling tower</p>  | <p>Under progress</p> <p>Under progress</p>  |
| 3      | Air emission control                              | <p>Renovation of Recovery Boiler ESP 1 &amp; 2</p> <p>Dust control system in Chipper House</p>  | <p>Completed. Emission control is sustained</p> <p>Under progress</p>  |

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Andhra Paper Ltd. has implemented a comprehensive Emergency Response and Disaster Management Plan, along with an Incident Reporting System (IRS) and an Evacuation Standard Operating Procedure. These measures ensure effective management of any potential disaster or emergency situations. The Company conducts regular onsite and offsite mock drills to raise awareness among employees and prepare them for prompt actions in case of an accident or emergency. Additionally, a dedicated team of safety professionals is available round the clock to handle incidents and manage any disasters that may affect the production facilities at the Rajahmundry and Kadiyam plants.

To ensure seamless business continuity, the Company has implemented multiple systems and mechanisms. This includes robust digital initiatives, a well-established plan for cloud data backup, a comprehensive risk management strategy, and a reliable supply chain network. The supply chain network is carefully designed to source both core and non-core operations from trusted suppliers, ensuring uninterrupted operations and minimizing any potential disruptions.

## Statutory Reports

### 8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company has controlled wood policy, sustainable policy, supplier Code of Conduct, that enshrines the unwavering focus on fair treatment, human rights, good labour practices, environmental conservation, health and safety. It is shared and accepted by all supply chain partners and service providers.

### 9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Wood suppliers, 100% of them, are covered under FSC audits, as mentioned earlier. Suppliers for other materials have not been formally assessed by the Company for environmental impacts.



### Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

With over four decades of experience and expertise in the industry, Andhra Paper Ltd. (APL) takes a proactive approach in engaging with various stakeholders through its active membership in industry associations. The Company recognises the value of the expertise and insights gained over the years and actively provides inputs on a wide range of issues pertaining to the paper industry. APL's Chairman and Managing Director have played pivotal roles in leading industry associations, demonstrating their commitment to influencing and shaping the direction of the industry.

APL places great importance on responsible and ethical engagement and actively participates in the public policy advocacy process. The Company is dedicated to contributing to policy discussions in a manner that upholds the highest standards of integrity and ethics. By engaging in public policy advocacy, APL seeks to influence decisions and promote policies that align with the best interests of the paper industry and its stakeholders.

#### Essential indicators

#### 1. a. Number of affiliations with trade and industry chambers/associations.

6 (Six)

#### b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

| Sr. No | Name of the trade and industry chambers/ associations              | Reach of trade and industry chambers/ associations (State/ National) |
|--------|--|--|
| 1      | Confederation of Indian Industry                                   | National   |
| 2      | The Federation of Telangana Chambers of Commerce and Industry      | State  |
| 3      | The Federation of Andhra Pradesh Chambers of Commerce and Industry | State  |
| 4      | Indian Paper Manufacturers Association                             | National   |
| 5      | Federation of Indian Export Organizations                          | National   |
| 6      | Bharat Chamber of Commerce   | National   |

#### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

| Name of the authority           | Brief of the case  | Corrective action taken |
|---------------------------------|--|-------------------------|
| Competition Commission of India | Allegation, levelled against large paper manufacturers in India (including the Company) of simultaneous price increases during the period January 2012 - December 2013, is currently under evaluation by the Competition Commission of India |                         |

**Leadership Indicators**

**1. Details of public policy positions advocated by the Company:**

| S. No. | Public Policy advocated   | Method resorted for such advocacy  | Whether information available in public domain? (Yes/ No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others- please specify) | Web Link, if available |
|--------|---|--|---|---|------------------------|
| 1      | The Company has laid down a policy framework for necessary interface with Government & Regulatory Authorities on various matters concerning the business sector in which the Company operates. The matters taken up are in line with national priorities to strengthen the domestic industry, promoting sustainable business practices. | The Company works with local & national institutions engaged in policy recommendations, like the Confederation of Indian Industry, Bharat Chamber of Commerce, Indian Paper Manufacturers Association & and other forums. The engagement with the relevant authorities is guided by values of commitment, mutual trust, integrity, transparency taking into consideration interests of all stakeholders. | NO  | Review by top management  | No                     |



**Principle 8: Businesses should promote inclusive growth and equitable development**

APL is deeply committed to community engagement and development, as evidenced by its comprehensive Corporate Social Responsibility (CSR) projects. In direct response to the expressed needs of neighbouring villages, the Company has implemented a range of impactful initiatives to provide assistance and support. One such initiative involves the installation of state-of-the-art RO water plants, enabling the provision of treated drinking water to nearby villages free of charge. This initiative effectively addresses the domestic water requirements of the villagers, ensuring access to clean and safe drinking water.

Moreover, APL has proactively responded to requests from government schools by constructing toilets and supplying new equipment at zero cost, thereby facilitating the operation of smart classrooms. The Company has also contributed furniture and RO water plants to Gram Panchayat Schools, while fulfilling specific requests for essential medical equipment from government hospitals and primary health centres. These endeavours directly contribute to enhancing educational facilities and healthcare services in the surrounding areas.

To tackle water accessibility challenges, APL has taken a proactive stance by constructing water storage pumps and pipelines that benefit over 5,000 families. This vital infrastructure significantly improves water availability and distribution, positively impacting the lives of numerous individuals.

In addition to these initiatives, APL has established a skill development centre in a nearby village, focused on enhancing the employability of local youth by providing them with job-related skills. Moreover, skill training centres have been set up in neighbouring villages, empowering women through cluster tailoring centres and spoken English courses. These programmes not only contribute to the socio-economic development of the community but also foster empowerment and self-sufficiency.

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### Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.**

| Name and brief details of project                      | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|--|----------------------|----------------------|---|--|-------------------|
| None of the projects require social impact Assessments |                      |                      |   |  |                   |

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:**

| S. No.         | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amount paid to PAFs in the FY (In INR) |
|----------------|--|-------|----------|---|--------------------------|--|
| Not Applicable |  |       |          |   |                          |  |

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company demonstrates its commitment to an effective mechanism for addressing grievances of the community through its well established CSR initiatives. The CSR team actively interacts with nearby villagers' / government authorities and gets their feedback on the effectiveness of the Company's ESG initiatives and ascertain their needs requiring support from the Company. These are then formalised through the CSR programmes of the Company, which are reviewed and approved by the CSR Committee / the Directors.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

|  | FY2023  | FY 2022  |
|--|---|--|
| Directly sourced from MSMEs/small producers                          | 31%   | 38%  |
| Sourced directly from within the district and neighbouring districts | 38% of raw material is sourced from the district and neighbouring districts | 31% of raw material was sourced from the district and neighbouring districts |

### Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not applicable                               | Not applicable          |

2. **Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:**

| S. No. | State          | Aspirational District  | Amount spent (In INR) |
|--------|----------------|--|-----------------------|
| 1      | Andhra Pradesh | <ul style="list-style-type: none"> <li>• Alluri Sitharamaraju</li> <li>• Parvatipuram Manyam</li> <li>• YSR</li> </ul> | Nil                   |

The Company spends most of the CSR expenditure in East Godavari District where it is situated

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

The Company is committed to collaborate with small farmers (growing varieties of wood for pulping), by supplying them clones / seedlings at concessional rates and also enters contracts with them to buy back wood at Minimum Support Prices or ruling market prices, whichever is higher.

**(b) From which marginalised /vulnerable groups do you procure?**

Farmers

**(c) What percentage of total procurement (by value) does it constitute?**

38 % of procurement value is from the marginalised/vulnerable group

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

| S. No.         | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|----------------|--|--------------------------|---------------------------|------------------------------------|
| Not applicable |  |                          |                           |                                    |

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not applicable    |                   |                         |

**6. Details of beneficiaries of CSR Projects:**

| Sl. No | CSR PROJECTS  | Amount in ₹        | No of beneficiary |
|--------|---|--------------------|-------------------|
| 1      | Equipment support to ESI Hospital, Rajahmundry                            | 18,45,781          | 5000              |
| 2      | Infrastructure & Equipment support to Primary Health Centre, Kadiyam      | 43,74,646          | 3000              |
| 3      | Maintenance of RO Plants installed by the Company, Rajahmundry & Kadiyam  | 36,30,818          | 5000              |
| 4      | Construction of Kitchen in Old Age Home, Rajahmundry (Jeevakarunya)       | 29,81,762          | 200               |
| 5      | Construction of Goshala & related expenditure, Kadiyam                    | 46,13,346          | 3000              |
| 6      | Infrastructure & equipment support to Gov. Schools, Rajahmundry & Kadiyam | 32,96,180          | 1000              |
| 7      | Infrastructure & equipment support to APPM High School, Rajahmundry       | 26,23,721          | 1000              |
| 8      | Merit Scholarships to Grade X students                                    | 9,00,000           | 120/year          |
| 9      | Infrastructure support to Working Women's Hostel, Rajahmundry             | 15,75,253          | 100               |
| 10     | Running of tailoring Centres for Women, Rajahmundry & Kadiyam             | 1,68,000           | 25/year           |
| 11     | Construction of water sump & pipeline at Kadiyam                          | 7,11,235           | 3000              |
| 12     | Construction of Skill Development centre at Jegurupadu                    | 19,89,587          | 3000              |
| 13     | Infra & Equipment Support to Girls College, Didwana                       | 5,00,000           | 100               |
| 14     | Administration Expenses   | 12,10,585          |                   |
|        |   | <b>3,04,20,914</b> |                   |



## Statutory Reports



### Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

APL is a consumer-centric company that engages with its consumers and aligns its business with customer expectations. The Company conducts a number of activities to educate and inform distributors, consumers, and other stakeholders about the safe and responsible use of its products. These initiatives include encounters with distributors, road shows, technical meetings, and mill visits. By hosting such events, the Company displays its commitment to assuring information diffusion and supporting responsible usage of its products. The Company provides website details for consumers to know more about the Company's activities.

The Company also conducts Annual Meet for all the dealers and distributors where feedback is received regarding the products to maximise value creation.

#### Essential indicators

##### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The customers are provided with Customer Quality Complaint Forms for any complaints. There is a manual process using the Customer Quality Complaint Format (CQCF). Additionally, customers can also access our website, <https://andhrapaper.com/enquiries-product-query-page/> for any product-related grievances.

##### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

|   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 30%                               |
| Safe and responsible usage                                  | Not applicable                    |
| Recycling and/or safe disposal                              | Not applicable                    |

##### 3. Number of consumer complaints in respect of the following:

|                                | FY2023                   |                                   |         | FY2022                   |                                   |         |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy                   | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Advertising                    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Cyber- security                | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Delivery of essential services | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Restrictive Trade Practices    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Unfair Trade Practices         | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| # Other (product related)      | -                        | -                                 | -       | -                        | -                                 | -       |

##### 4. Details of instances of product recalls on account of safety issues:

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0      | 0                  |
| Forced recalls    | 0      | 0                  |

**5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has developed a comprehensive and robust information security policy and corresponding procedures to effectively address cyber security risks and ensure data privacy. This is an internal policy of the Company available and accessible to the employees of the Company. The data privacy compliance is applicable to all the agreements with third parties.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/ services.**

Nil

## Leadership Indicators

**1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available)**

Information on products of the Company is available on the Company's website at [www.andhrapaper.com](http://www.andhrapaper.com).

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

Paper is 100% biodegradable and recyclable. The Company engages in a range of activities aimed at educating and informing distributors, customers, and other stakeholders about the safe and responsible utilisation of its products. These

activities include distributor interactions, road shows, technical meetings, and visits to the mill. By organising such events, the Company demonstrates its commitment to ensuring the dissemination of knowledge and promoting the responsible use of its offerings.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Through formal and informal channels (website/ Stock exchanges) and through distributors and / dealers.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/ No)**

Yes. The Company provides website details of the Company for consumers to know more about the Company's activities.

Yes. The Company conducts Annual Meet for all the dealers and distributors where feedback is received regarding the products.

**5. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches, along with impact**

- NIL

**b. Percentage of data breaches involving personally identifiable information of customers**

-NIL