



Date: June 26, 2023

To

The BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai-400001  
Scrip Code: 540203

The National Stock Exchange India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra(E), Mumbai-400051  
NSE Symbol: SFL

**Subject: Business Responsibility & Sustainability Report for the financial year 2022-23**

Dear Sir/Madam,

With reference to the circular dated May 10, 2021 issued by the Securities and Exchange Board of India (SEBI) and in compliance with Regulation 34(2)(f), please find the enclosed Business Responsibility and Sustainability Report (BRSR) published for the Financial Year 2022-23.

Please take the above on your records.

Thanking you.  
Yours faithfully,

For Sheela Foam Limited

(Md. Iquebal Ahmad)  
Company Secretary and Compliance Officer

**SHEELA FOAM LTD.**

#14, Sleepwell Tower , Sector 135, Noida- 201301

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CIN-L74899DL1971PLC005679

# Annexure I

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURE

#### I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Company	L74899DL1971PLC005679
2	Name of the Company	Sheela Foam Limited
3	Year of incorporation	1971
4	Registered office address	604, Ashadeep 9 Hailey Road New Delhi-110001
5	Corporate office address	14, Sector 135, Noida, U.P-201301
6	E-mail ID	<a href="mailto:investorrelation@sheelafoam.com">investorrelation@sheelafoam.com</a>
7	Telephone	+91 11 22026875
8	Website	<a href="http://www.sheelafoam.com/">http://www.sheelafoam.com/</a>
9	Financial year for which reporting is being done	1st April 2022 to 31st March 2023
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE)
11	Paid-up Capital	₹ 48,78,28,080
12	<b>Name and contact details of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)</b>	
	Name of the Person	Md. Iquebal Ahmad (Company Secretary)
	Telephone	+911122026875
	Email address	<a href="mailto:iqbal.ahmad@sheelafoam.com">iqbal.ahmad@sheelafoam.com</a>
13	<b>Reporting Boundary</b>	
	Type of Reporting (Standalone / Consolidated)	Disclosures made in this report are on a standalone basis

#### II. Product/Services:

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

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Sale of products	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products	99.69%

15 Products/Services sold by the Company (accounting for 90% of the entity's Turnover)

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products	31005	99.69%

#### III. Operations

16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	No. of Offices	Total
National	11	1	12
International	-	-	-

17 Market served by the entity

- No. of Locations
- What is the contribution of exports as a percentage of the total turnover of the entity?
- A brief on type of Customers

Locations	Numbers
National (No. of States)	Pan-India
International (No. of Countries)	8 (USA, Australia, UAE, EU, Saudi Arabia, Sri Lanka, Bangladesh and Nepal.)
	1.9%

Sheela Foam Limited serves a diverse range of customers across various sectors. The customer base includes but is not limited to: Wholesalers, Traders, End Consumers, Institutions, Government Departments, B2B Customers, Online Market Place etc.

#### IV. Employees

18. Details as at the end of financial year 2022-23:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>a.</b>	<b>Employees (including differently abled)</b>					
	<b>Employees</b>					
1	Permanent (A)	666	612	92%	54	8%
2	Other than Permanent (B)	41	25	61%	16	39%
<b>3</b>	<b>Total (A+B)</b>	<b>707</b>	<b>637</b>	<b>90%</b>	<b>70</b>	<b>10%</b>
<b>b.</b>	<b>Workers (including differently abled):</b>					
	<b>Workers</b>					
1	Permanent (E)	1256	1197	95%	59	5%
2	Other than Permanent (F)	783	741	95%	42	5%
<b>3</b>	<b>Total (E+F)</b>	<b>2039</b>	<b>1938</b>	<b>95%</b>	<b>101</b>	<b>5%</b>
<b>c.</b>	<b>Differently abled Employees</b>					
	<b>Employees</b>					
1	Permanent	1	1	100%	0	0%
2	Other than Permanent	0	0	0%	0	0%
<b>3</b>	<b>Total</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>d.</b>	<b>Differently abled Workers:</b>					
	<b>Workers</b>					
1	Permanent	0	0	0%	0	0%
2	Other than Permanent	0	0	0%	0	0%
<b>3</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

19. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	9	2	22%
2	Key Management Personnel *	2	0	0%

\* KMPs include Chief Financial Officer and Company Secretary

20. Turnover rate for permanent employees and workers

Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in current FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.00%	7.50%	11.65%	11.22%	8.42%	11.02%	8.94%	14.17%	9.39%
Permanent Workers	5.71%	8.40%	5.83%	5.89%	1.61%	5.96%	12.90%	15.27%	13.02%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

## 21 (a) Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a Holding / Subsidiary / Associate / or Joint Venture	No. of Offices	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Joyce Foam Pty. Limited, Australia	Subsidiary	100%	No
2.	Divya Software Solutions (P) Ltd., India	Subsidiary	100%	No
3.	Sleepwell Enterprises (P) Ltd., India	Subsidiary	100%	No
4.	International Foam Technologies SL, Spain	Subsidiary	100%	No
5.	Staqo World Pvt. Ltd., India	Subsidiary	100%	No
6.	International comfort Technologies Private Limited, India	Subsidiary	100%	No

**VI. CSR Details:**

## 22 a. Whether CSR is applicable as per the provision of Section 135 of Companies Act, 2013:

	Yes
Turnover (in INR crore)	2019.82 Cr.
Net worth (in INR crore)	1,395.57 Cr.

**VII. Transparency and Disclosures Compliances**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2022-23 Current Financial Year			FY 2021-22 (Turnover rate in current FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	There is a dedicated email id for the communities to communicate their grievances. <a href="mailto:grievances@sleepwellfoundation.com">grievances@sleepwellfoundation.com</a>	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Investors can write about their grievances to the Compliance Officer of the Company at <a href="mailto:investorrelations@sheelafoam.com">investorrelations@sheelafoam.com</a> and there is webpage for investor contacts. <a href="https://sheelafoam.com/investor-contacts.html">https://sheelafoam.com/investor-contacts.html</a>	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Shareholders can raise their grievances through the SEBI Scores portal and through BSE/NSE	Nil	Nil	NA	Nil	Nil	NA
Employees and workers	Internal employee grievance mechanism is in place. Grievances are resolved on a monthly basis through an HR Help Desk.	Nil	Nil	NA	Nil	Nil	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2022-23 Current Financial Year			FY 2021-22 (Turnover rate in current FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Consumers*	Consumer Complaints are attended at centralized customer care center and are resolved expeditiously. Toll-free number: 18005705700 E-mail id: <a href="mailto:care@mysleepwell.com">care@mysleepwell.com</a>	35264	640	NA	41644	549	NA
Value Chain Partners	Our value chain partners can contact the procurement team, Quality & Assurance team or Product development team in case of any issue/grievances.	Nil	Nil	NA	Nil	Nil	NA

**Note:** Consumers include distributors also.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

Sr. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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	Climate Change	Risk	The operations and business of an organization can be directly affected by critical sustainability risks such as climate change, water security, plastic waste, supply chain disruption, and sourcing challenges. Additionally, there are regulatory and transition market risks associated with the transition to a low-carbon economy. These risks encompass changing consumer preferences, increased product costs, and future government policies and regulations.	<ol style="list-style-type: none"> <li>SFL's main consumption consists of Polyol, Polymer polyol, and Isocyanate in large quantities. The objective is to enhance bulk shipment and storage, aiming to minimize transportation impact and minimize excessive packaging.</li> <li>Introducing block compression for interunit transfers and utilizing Bed in a Box (BIAB) when feasible will optimize space utilization, enhance delivery efficiency, and decrease the carbon footprint.</li> <li>Variable Pressure Foaming (VPF) is the only closed loop slab Polyurethane foaming process available today. While it helps in manufacture of products that are differentiated as well as uses less chemicals and zero physical blowing agent in manufacturing. The role of the physical blowing agent is done by Vacuum. While predominantly the process emission is only carbon-dioxide any trace volatile organics are also extracted by the activated charcoal that is part of the closed loop equipment. It is the most sustainable next generation foam processing technique. The Company is invested deeply with second equipment expected to be fully operational in India. Overseas operations in Spain and Australia are also capitalizing on this technology.</li> </ol>	Initiatives and endeavors aimed at mitigating climate change risks may result in additional costs in the short-to-medium term. However, these costs can be partially offset by long-term efficiency improvements. Moreover, these initiatives enhance business resilience and safeguard long-term value.

Sr. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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)
2	Energy Management	Opportunity	Energy management presents a strategic opportunity for a company like ours to reduce costs, enhance competitiveness, comply with regulations, improve reputation, drive innovation, and foster collaborations in the pursuit of sustainable and efficient operations.	<ol style="list-style-type: none"> <li>1. The company's objective is to decrease reliance on power supplied by the Electricity Board (NPCL) by transitioning to solar energy electricity. Several units have already been successfully converted to solar energy.</li> <li>2. Within the next 6 months, we plan to replace diesel gen-sets with PNG (Piped Natural Gas) in the NCR region, using retrofitted devices. The remaining units will undergo assessment to determine the feasibility of accessing PNG supply from the government.</li> </ol>	Implementing effective energy management practices can help reduce energy consumption and lower operational costs. Upon implementation of energy-efficient technologies and processes, optimizing equipment performance, and minimizing energy waste at all units, the company will significantly save on energy expenses.
3	Waste Management	Opportunity	By embracing waste management as an opportunity, we can reduce costs, enhance sustainability, comply with regulations, drive innovation, and contribute to a more circular economy. This not only benefits the company's bottom line but also strengthens its reputation and position in the market.	<ol style="list-style-type: none"> <li>1. With a timeline of over 12 months, the company is focused on streamlining packaging processes by adopting a unified layering approach that facilitates recycling and eliminates PVC packaging. Prototypes will be developed and presented internally for approval. The objectives include introducing recyclable packaging, reducing plastic consumption, and enhancing productivity. This initiative involves the elimination of PVC, resulting in reduced usage, improved recyclability, and increased efficiency.</li> <li>2. The company has successfully implemented a comprehensive recycling program for polythene and plastic materials utilized in product packaging, aiming to achieve 100% recycling rates.</li> <li>3. The company is committed to a paperless mission to conserve paper, trees, and water resources. Significant progress has already been made by digitizing invoices, packing lists, planning documents, and gate records. The next phase involves establishing a paperless shop floor and eventually transitioning the entire organization into a paperless environment.</li> </ol>	While there is increased cost of developing sustainable packaging alternatives but in the long run, the recycling and sustainable ways of packaging will be beneficial to the organization.
4	Human Rights	Risk	Adverse financial and reputational consequences may arise from instances of human rights violation or failure to comply with statutory norms.	<ol style="list-style-type: none"> <li>1. To cultivate a culture of trust, comprehensive policies and procedures, including the Code of Business Conduct, Whistle Blower Policy, Policy of SFL towards Society, and POSH policy, are implemented.</li> <li>2. Measures are in place to prevent workforce discrimination, sexual harassment, and ensure a free and fair working environment for employees.</li> </ol>	Human rights violations and regulatory non-compliance can cause reputation and financial implications
5	Human Capital Development	Opportunity	The success of the Company's operations relies on the ongoing dedication, skills, and expertise of its corporate and divisional executive teams, as well as other highly qualified employees who possess extensive knowledge in business, technology, and operations. The market for skilled professionals is highly competitive, and there is no guarantee that the Company will be able to retain these employees or recruit and train suitable replacements without incurring significant costs or experiencing delays.	<ol style="list-style-type: none"> <li>i. Investing in training and development programs</li> <li>ii. Offering opportunities for growth and development demonstrates our commitment to our employees' professional growth.</li> <li>iii. Building a robust talent pipeline across responsibility levels through requisite quality in key roles.</li> <li>iv. Maintaining the wages more than minimum wage as per applicable code.</li> <li>v. The company tries to maintain an employee friendly work environment.</li> </ol>	Human Capital Development can improve the skills and knowledge of employees. This can lead to increased productivity, improved product quality, and operational efficiency within the company.
6	Occupational Health & Safety	Risk	Providing comprehensive training on safety procedures, compliance regulations, and ethical practices fosters a secure work environment, reduces accidents, ensures adherence to regulatory requirements, and safeguards the company against legal and reputational risks.	The company has established an On-site Emergency Control Plan, encompassing bi-annual mock drills involving government authorities and neighboring large industries. Additionally, regular safety training sessions are conducted, and all employees at the manufacturing plants are equipped with necessary safety gear.	Non-adherence to the health and safety protocols can impact on health and well-being of employees at the Company.
7	Product Quality & Safety	Risk	Implementing robust quality control measures and adhering to safety regulations are vital in order to prevent product recalls, mitigate legal repercussions, and safeguard SFL's reputation. It is crucial for us to not only maintain our own adherence to these standards but also ensure that our suppliers and partners uphold similar quality and safety practices.	SFL guarantees compliance with Restriction of Hazardous Substances (RoHS) and REACH regulations, ensuring that all produced foams meet the required standards without the utilization of restricted or harmful chemicals. The company has incorporated NeemFresche technology, sourced from sustainable coconut plantations. This innovative solution physically eliminates pathogens and maintains long-lasting effectiveness. Unlike other protectants, NeemFresche forms durable bonds with cellular structures, ensuring continued protection even with prolonged use and frequent washes. Moreover, NeemFresche has no adverse environmental impact, making it safe for use without any leaching into the air, soil, or water.	Enhancing product quality always provide an enhancement to brand presence and reputation,

## 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 your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Some of our policies are available at <a href="https://www.sheelafoam.com/investor.html">https://www.sheelafoam.com/investor.html</a> . Other internal policies are placed on the intranet of the Company and are open to access by the relevant stakeholders.								
2 Whether the entity has translated the policy into procedures. (Yes / No)	The Company has translated the policies and incorporated the principles in its processes and procedures, as applicable.								
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company is in the process of documenting a Supplier's / Vendor's Code of Conduct that will largely cover the abovementioned principles, and the Company expects its suppliers/vendors to follow the same								
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 your entity and mapped to each principle.	ISO 9001, ISO 27001, ISO 20000-1, IATF 16949, LEED Certificate for corporate office, SEDEX, BIS Product Certification License IS 7953: 1975, Great Place To Work								
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ol style="list-style-type: none"> <li>1. Eliminate PVC from all our packaging</li> <li>2. All the polythene or plastic used in packaging of the products must be 100% recycled.</li> <li>3. Going paperless in our operations</li> </ol>								
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>We constantly monitor the performance towards ESG Goals and take adequate actions wherever required. We have a robust governance mechanism to monitor the progress of these goals. Various initiatives undertaken by the company to achieve sustainability goals include:</p> <ol style="list-style-type: none"> <li>1. PVC has been eliminated from all our packaging.</li> <li>2. Simplifying packaging from current multi-layer format to similar material layering for ease of recycling.</li> <li>3. We have digitized our invoicing, packing lists, planning documents and gate records. We aim to make our shop floor completely paperless.</li> </ol>								
<b>Governance, Leadership and Oversight</b>									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements Mr. Rahul Gautam (Chairman & Managing Director) As a value-driven and ethical organization, we are committed to embedding sustainability into our business and we will prioritize ESG considerations in our decision-making processes at Sheela Foam. This year we are also publishing the Business Responsibility and Sustainability Report (BRSR). We believe that this will enhance trust and transparency with our stakeholders. We are excited about the potential for positive impact and are dedicated to creating a more sustainable future for our company, our stakeholders, and the planet.									
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Rahul Gautam, Chairman & Managing Director (DIN: 00192999)								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes. The company has extended the 'Risk management committee' to 'Risk Management and ESG committee' to be responsible for decision making on sustainability related issues. The Risk management and ESG committee comprises of 5 members.</p> <p>Mr. Vijay Kumar Ahluwalia : Chairperson Mr. Som Mittal : Member Mr. Rakesh Chahar : Member Mr. Tushaar Gautam : Member Dr. Mahesh Narayanan Gopalamudram : ESG controller</p>								

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken 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	Policies, wherever stated, have been approved by the Board / functional heads. Polices are reviewed as and when required.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with all the statutory laws and regulations as applicable. Further, the compliance monitoring is done regularly.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	No, however, the Managing director along with the board evaluates the implementation of the policies. Polices are reviewed at periodic intervals depending on the statutory requirements or on need basis.								

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

Not applicable since the policies and procedures of the Company cover all principles of NGRBCs

## 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
Board of Directors Key Management Personnel	12	During the reporting year, the company presented a note on business review and a presentation on the business developments and financial performance of the Company to the Board and Management on a regular basis, to keep them apprised of the latest developments. The topics include but are not limited to risk management and mitigation plans, customer complaint management, sales and marketing, finance, inventory management and procurement, treasure management, information technology, online sales, production plan execution and control, export opportunities etc.	93%
Employees other than BODs and KMPs	14	1. Communication and listening 2. Workshop on Major Accidents and Hazards Control, 3. Employee health and safety - Fire safety, electrical safety, etc. 4. POSH (Prevention of Sexual Harassment) 5. Slabstock PU Foam 6. Enhancing safety through effective leadership 7. Cyber Security	51%
Workers (Contractual)		On the job trainings are mandatory. No special trainings	



**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, in the following format.**

a. Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

b. Non-Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment			Nil		

**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
Not applicable	Not Applicable

**4. Does the entity 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, Sheela Foam Limited has an anti-corruption and bribery policy as a part of our internal general policies. It is our policy to conduct all of our businesses in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption. We are committed to act professionally, fairly and with integrity in all our relationships and business dealings wherever we operate. We are also committed to implement and enforce effective systems to counter bribery. Some of our codes / policies are available at <https://www.sheelafoam.com/investor.html>. Other internal policies are placed on the intranet of the Company and are open to access by the pertinent stakeholders.

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

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

Topic	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

**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 conflicts of interest.**

Not Applicable

## LEADERSHIP INDICATORS

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

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
25	P5: Child Labor P3: Safety P9: Customer Complaints	44% (Suppliers)
20	P3: Saathi Skill Development Program	100% (distributors)
11	P9: Induction for Call Centre Team	100% (call center team)

### 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 a Code of Conduct for Board of Directors and senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. It states below:

The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing the personal interest involved. The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not take up any position or engagement that may be prejudicial to the interest of the Company. The Executive Director(s), Key Managerial Personnel and the Senior Management Personnel shall not take up any outside Employment.

The Code of Conduct can be accessed at: <https://www.sheelafoam.com/pdf/investor/code-of-conduct-sheela-foam.pdf>

## PRINCIPLE 2

**Businesses should provide goods and services in a manner that is sustainable and safe**

## ESSENTIAL INDICATORS

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

Type	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	~₹ 73.7 lacs		<ul style="list-style-type: none"> <li>Designing of product for Indian Railways involving special feature of complying with human safety in case of any fire incidents. This is achieved while complying with certain standards defined for the usage in the Railways.</li> <li>This product restricts the emissions during fire within the limits which are allowed for human exposure and allow them to escape safely.</li> </ul>
Capital Expenditure (CAPEX)	~₹ 108.9 lacs	~₹ 6.6 lacs	<ul style="list-style-type: none"> <li>VPF process is virtually emission free. VPF technology enables us with the foundation of many eco-friendly foam products with improved physical properties. No need of ABAs(Auxiliary Blowing Agents) as required in traditional foaming process due to its closed chamber process and eventually reducing emissions with maximum levels. This process reduces the usage of chemicals which are not environmentally friendly and has health hazards.</li> <li>VPF technology enables us to produce unique products with value enhancements leading to a competitive edge over other technologies.</li> <li>During production on VPF technology, persons working around are quite comfortable because of no emissions and closed chamber production.</li> <li>If any of the emissions generated, they are captured by carbon beds used in process before they are released to open environment making this production process completely clean and exceeding the most stringent environmental regulations.</li> </ul>

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

Though we do not have a formal sustainable sourcing policy, in practice, we carefully select and onboard vendors with robust infrastructure and good manufacturing practices. We strive to enhance vendor infrastructure by implementing solventless lamination in packaging, using compliant granules and inks, maintaining machines and Effluent Treatment Plants effectively, minimizing color dyeing in fabrics, and sourcing foaming inputs from reputable industry leaders. We also aim at eliminating/ minimizing restricted raw materials from products.

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

The Company is in the process of setting up governance mechanisms to track this data digitally.

**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): As a brand owner, we recycle the plastic waste being produced our manufacturing process (including packaging) through a government registered vendor.
- (b) E-waste: E-waste materials are sold out to authorized e-waste vendors only.
- (c) Hazardous waste: We have been procuring TDI in bulk quantity through tanker and rarely the procurement is made through the drum. Since drums contain stains of TDI therefore we take utmost care and sell them to government authorized agencies only, who further recycle the same.

- (d) Other waste: The wastepaper generated in the production process and from the units are being sold out to the authorized vendor, who further uses them in the manufacturing process of molded paper plates & bowl etc. Additionally, the waste foam- (offcuts/trims) generated from the production process is sold out to the recycling processor which further uses them in the production of rebonded foam. Units segregate all waste and store it separately for further disposal. Further non-hazardous waste is being sold out to local scrap dealers only.

**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, EPR is applicable to the company. As a leading manufacturer in the foam industry, it is important that we ensure the safe disposal of pre-consumer and post-consumer packaging.

**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?**

Nil

**2. 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.**

Since LCA is not conducted, Environmental and Social impacts of our products are presently not known.

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

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Recycled Fiber Pillows	100%	100%
Re-bonded Foam	91%	100%

4. 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:

	FY 2022-23 Current Financial Year			FY 2021-22 (Turnover rate in current FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	The Company is in the process of setting up governance mechanisms to track this data digitally.					
E-waste						
Hazardous waste						
Other waste						

5. 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
	Nil

**PRINCIPLE 3**

Businesses 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 (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent</b>									
Male	612	612	100%	-	-	Nil	Nil	Nil	Nil
Female	54	54	100%	54	100%	Nil	Nil	Nil	Nil
<b>Total</b>	<b>666</b>	<b>666</b>	<b>100%</b>	<b>54</b>	<b>100%</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Other than Permanent (Contractual)</b>									
Male	25	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	16	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>41</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Details of measures for the well-being of workers:

Category	Total (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	No.	%	Number (B)	% (B / A)
<b>Permanent</b>									
Male	1197	1197	100%	-	-	-	-	Nil	Nil
Female	59	59	100%	59	100%	-	-	Nil	Nil
<b>Total</b>	<b>1256</b>	<b>1256</b>	<b>100%</b>	<b>59</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>
<b>Other than Permanent (Contractual)</b>									
Male	741	741	100%	-	-	-	-	741	100%
Female	42	42	100%	42	100%	-	-	42	100%
<b>Total</b>	<b>783</b>	<b>783</b>	<b>100%</b>	<b>42</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>783</b>	<b>100%</b>

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

Sr. No.	Benefits	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	NA	100%	100%	NA
3	ESI	1.1%	57.3%	Y	1%	43%	Y
4	Others - please specify	-	-	-	-	-	-

**3. Accessibility of workplaces: Are the premises / offices of the entity 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 entity in this regard.**

We understand the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016. Our company has implemented various measures to provide accessible infrastructure at corporate office and plants to support differently abled employees and worker.

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

Yes, the company has an Equal Opportunity Policy as part of internal HR policies (Anti-Discrimination Policy). It states as following: Sheela Foam is an "equal opportunity employer." Sheela Foam will not discriminate and will take "affirmative action" measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, creed, color, national origin, or gender. Internal policies are accessible on the intranet to the pertinent stakeholders.

**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	-	-	-	-
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.**

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The company has an Employees Grievance Redressal Policy in place internally available to all employees and workers. An employee may face any problem or has concern about his/her work, working environment, or working relationships that he/she wish to raise with someone in the organization. The Company encourages free communication between the employee and the Supervisor / Manager / Head of Function to ensure such problems and concerns can be resolved in the quickest and fairest possible way and at the lowest possible level within the organization. The mechanism has 3 stages of escalation and grievance raised is treated in the strictest of confidence.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	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>Permanent Employees</b>						
Male	Nil			Nil		
Female						
Others						
<b>Total</b>						
<b>Permanent Workers</b>						
Male	Nil			Nil		
Female						
Others						
<b>Total</b>						

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

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	Total (A)	On Health & Safety measures		On Skill Upgradation		Total (D)	On Health & 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	637	637	100%	637	100%	647	647	100%	647	100%
Female	70	70	100%	70	100%	49	49	100%	49	100%
<b>Total</b>	<b>707</b>	<b>707</b>	<b>100%</b>	<b>707</b>	<b>100%</b>	<b>696</b>	<b>696</b>	<b>100%</b>	<b>696</b>	<b>100%</b>
<b>Workers</b>										
Male	1938	1938	100%	1938	100%	1997	1997	100%	1997	100%
Female	101	101	100%	101	100%	120	120	100%	120	100%
<b>Total</b>	<b>2039</b>	<b>2039</b>	<b>100%</b>	<b>2039</b>	<b>100%</b>	<b>2117</b>	<b>2117</b>	<b>100%</b>	<b>2117</b>	<b>100%</b>

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
<b>Employees</b>						
Male	612	612	100%	647	647	100%
Female	54	54	100%	49	49	100%
<b>Total</b>	<b>666</b>	<b>666</b>	<b>100%</b>	<b>678</b>	<b>678</b>	<b>100%</b>
<b>Workers</b>						
Male	1197	1197	100%	1997	1997	100%
Female	59	59	100%	120	120	100%
<b>Total</b>	<b>1256</b>	<b>1256</b>	<b>100%</b>	<b>2117</b>	<b>2117</b>	<b>100%</b>

**10. Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes
a. 1 What is the coverage of such system?	All employees and workers
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Check lists, SOPs, work permit systems, safety audits, regular safety committee meetings are some of the processes to identify work related hazards. HAZOP study and risk assessment of the plant is also conducted.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)	Yes
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

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

Safety Incident/Number	Category	FY 2022-23 (Current FY)	FY 2021-22 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NA	NA
	Workers	NA	NA
Total recordable work-related injuries	Employees	3	0
	Workers	20	33
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA
	Workers	NA	NA

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

To ensure a safe and healthy workplace, daily safety talks before the start of the routine activities are conducted. ‘Toolbox Talk’ on various safety topics of daily importance is organized by Shop Engineers / Shift In-charge to sensitize workers about workplace safety. Unit wise fire safety members called as ‘crew team members’ are aligned along with fire extinguisher attached to them. There is more than required stored water for fire prevention. We conduct regular trainings on good health and safety practices as well.

Safety audits are conducted regularly to ensure everything is in compliance. There is full compliance of OS&H (Occupational Safety and Health) and related applicable legal requirements and other requirements.

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

Topic	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	NA	-	0	NA	-
Health & Safety	0	NA	-	0	NA	-

**14. Assessments for the year:**

Topic	% of your 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.**

1. Wheel chokes were applied to arrest accidental movement of the chemical tankers.
2. Pipeline Color Codes followed by SFL displayed at vital places to know what contents are being carried across the pipelines.
3. Toe Board / Toe Guard provided on the first floor of process area to prevent fall of tool/material inadvertently.

**LEADERSHIP INDICATORS**

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

Yes, for all permanent employees.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

The Company is compliant with deduction of statutory dues of employees towards income tax, provident fund, ESIC etc. as applicable from time to time. Value chain partners (vendors, distributors) are also encouraged to comply as per the business agreements with the Company.

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

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

**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. The Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

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

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	44%
Working Conditions	

**Note:** Only suppliers are accounted in the calculation of the %age of value chain partners assessed on health & safety and working conditions.

**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.**

Not applicable



**PRINCIPLE 4**

**Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

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

SFL has mapped its internal and external stakeholders and based on the valuation provided in the value chain and relevance for the organization, the major/ key categories include:

- Investors
- Shareholders
- Employees
- Customers
- Community organizations/ NGOs
- Vendors / Suppliers / Contractors of goods and services
- Distributors & dealers
- Government & Regulatory Authority

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder	No	Website, Shareholder Meetings, Email, Central Telephone Number, Notice, Newspaper	Quarterly	<ul style="list-style-type: none"> <li>• Awareness (Q&amp;A) session on performance and results of the company</li> <li>• Annual General Meeting</li> </ul>
Investor	No	Meeting, Notice, Newspaper, Email, Website	Regularly	<ul style="list-style-type: none"> <li>• Resolve any queries received from investors.</li> <li>• Showcase an overview of SFL's business performance, strengths, future strategy, etc.</li> </ul>
Employees	No	Email, ERP, SMS, Townhall Meetings	As and when required	<ul style="list-style-type: none"> <li>• Career development, diversity and equal opportunity, health and safety, skill upgradation, learning and development, organisational culture/ workplace, grievances and remuneration</li> </ul>
Customers	No	Stores, Experience, Advertising, Newspaper, pamphlets, Hoarding/ banner, SMS, website, phone	As and when required	<ul style="list-style-type: none"> <li>• Offers</li> <li>• Brand awareness</li> <li>• New product development</li> <li>• Product feedback</li> </ul>
Community organizations / NGOs	Yes	Need assessments for CSR projects through surveys and focused group discussions	As and when required	<ul style="list-style-type: none"> <li>• Assessment of community needs</li> <li>• Selection of new projects based on needs</li> <li>• Monitoring and evaluation of on-going projects</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors / Suppliers / Contractors of goods and services	No	Physical meetings, Emails, Telephone	Frequent and as may be required	<ul style="list-style-type: none"> <li>• New business opportunities</li> <li>• Query Resolution &amp; Grievance Redressal.</li> <li>• Supplier performance assessment.</li> <li>• Addressing non-compliance issues</li> <li>• Signing / breach of contract.</li> </ul>
Distributors and dealers	No	Physical meetings, Emails, Telephone, conferences	Frequent and as may be required	<ul style="list-style-type: none"> <li>• Query Resolution &amp; Grievance Redressal.</li> <li>• Distributor's performance assessment.</li> <li>• Addressing non-compliance issues.</li> </ul>
Government and regulatory authorities	No	Written communications, Presentations, Industry associations, websites, advertisements	Frequent and as may be required	<ul style="list-style-type: none"> <li>• Understanding and adherence to local governance</li> <li>• Seeking clarifications and relaxation</li> <li>• Communicating challenges and providing recommendations.</li> </ul>

## 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.

The Company has in place a Stakeholders Relationship Committee of the Board ("SRC") which has been constituted by the Board for speedy redressal of grievances/ complaints relating to stakeholders / investors, and also has in place a Corporate Social Responsibility Committee, which identifies CSR activities to be undertaken by the Company, affecting communities in areas or subject as specified in Schedule VII of the Act and Rules made thereunder. Further, a dedicated email id is also available for community/ NGOs to register their grievances. The Risk Management Committee has also been constituted to identify elements of risk in different areas of operations. The committee evaluates significant risk exposures of the company and assess management's actions to mitigate the exposures in a timely manner. This also includes the ESG risks. The observations of each of these Committees are duly intimated to the Board at its respective meeting. Value Chain Partners may register their complaints / grievances / concerns directly with the head of the concerned department of the Company. All employees of the Company have direct access to the to the Chairman of the Audit Committee under the Vigil Mechanism implemented by the Company through which Directors, Senior Management & Employees may report breach of Code of Conduct including Code of Conduct for Insider Trading, unethical business practices, illegality, fraud, corruption, leak of unpublished price sensitive information pertaining to the Company etc. at workplace without fear of reprisal.

### 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.

Stakeholder consultation is eminent to in order to create long-term value and we take steps to understand each stakeholder group's needs and priorities through several mediums, including direct engagement or via delegated committees and forums.

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

#### EMOTIONAL WELLNESS PROGRAMME:

Sleepwell foundation is championing the advocacy of "substituting the term mental with emotional and bringing proactiveness in emotional wellness.

Our Initiative supports the IEC activities of the Government of India's National Mental Health Program (NMHP) for the purpose of increasing awareness of mental health. Through our initiatives we create literacy and build awareness of proactive emotional wellness. We have created a total reach of 435 million people.

Our interventions include conducting educational workshops for Children and Youth, organizing training programmes for Teachers and creating Counsellors at the community level. Topics like Gender Sensitization, Examination Stress Management, Menstruation Health and Hygiene,

Prevention of Bullying in Schools, Enhancing Perception and Communication are intended to educate children and adolescents and PROTECT THEM FROM VULNERABILITY IN LIFE AND CREATE AN EMOTIONALLY SAFE SPACE for their growth. We leverage social media to enhance Emotional Wellness through Information, Education and Communication. Our films on emotional wellness have millions of viewers and are bringing behavior and attitude change in society. Our program BCS - Barefoot Basic Counselling Skills Workshops CREATES MENTAL HEALTH COUNSELLORS AT THE GRASSROOTS LEVEL. It is a step toward addressing an acute shortage of counsellors in India.

**SKILL DEVELOPMENT PROGRAMME:**

Set up Sleepwell Foundation Skill Development Centre at Village Mirpur on the outskirts of Khurja, (UP). The Centre has TRAINED MORE THAN 8000 RURAL YOUTH and is helping to meet the objectives of the National Skill Development Corporation (NSDC) in filling the skill gap and achieving the vision of a 'Skilled India'.

Sleepwell Foundation is a firm believer in the power of Proactiveness and creating opportunities before even when the need arises. Preventive or proactive approach helps in alleviating many challenges much before they become acute issues and is many times able to nip the problem in the bud.

While recognizing the need for preparing the Rural Youth, Sleepwell Foundation was proactive in establishing Col Gautam Academy for armed forces, a training academy for recruitment in the Indian army and paramilitary forces. The Academy is focused on skilling both Girls and Boys desirous of joining the armed forces. It provides Physical and Classroom training along with all the necessary information and guidance regarding recruitment procedures of the Army, Navy, Air Force, Police, RPF, CISF, BSF, ITBP and other allied services. Sleepwell Foundation understands the social fabric of rural areas that puts various restrictions on young women to move out to distant locations for their livelihood. We introduce skilling courses that are meaningful, productive and sustainable in the context of the Rural and semi-urban economy. We aim at empowering the youth within the ambit of the social framework so that they not only get gainfully employed but also grow and contribute to the economy of the place.

MasterG fashion designing course for women is one such course in this direction.

Patternmaking in garment manufacturing has been a man's job and the role of a pattern maker, colloquially called 'Masterji', has always been passed from father to son in a traditional set-up. At MasterG, we democratize the art of pattern making to give women the tools for imagination that help them in redesigning their lives.

**PARAMEDICAL COURSES:** The Covid-19 pandemic has brought to light the acute shortage of healthcare

professionals in rural India and cast a spotlight on rural-urban health inequalities. Besides, the pandemic also highlighted a great scope in the paramedical sector because of the high number of job opportunities in the fast-growing medical industry. To capitalize on this emerging opportunity, we introduced Paramedical Courses at SDC Khurja. Our paramedical courses are affiliated with DPMI, a leader in providing healthcare training in India. The courses saw overwhelming participation, both male and female, and on course completion, almost all of our trainees are interned at Govt. Hospitals and other health care facilities in and around Khurja.

In conforming with SDG 3, our paramedical courses aim to achieve universal health coverage, that seeks equitable access to healthcare services for all men and women in the rural setting.

**SELLING SKILL COURSE:** Sales is the backbone of any business with millions of people employed under its ambit. In recognizing the vast potential this trade offers especially in view of upcoming "Noida International Airport" at Jewar (UP), we have introduced SELLING SKILL COURSE at our SDC Khurja campus. The course is intended to provide basic selling skills to the trainees in tandem with modern marketing principles to make them effective salespeople. The course is taught by an expert in the industry and is expected to open millions of opportunities and offer decent work for all those who pass out with this skillset.

**COMPUTER AND ENGLISH LESSONS:** Finally, all our trainees at SDC Khurja undergo Computer and English lessons mandatorily. It is perceived that knowledge of Computers and English are the currencies of the world. Without these, our youth from Rural India would always be lagging behind. We want them to be always at home, wherever they go, whatever they do in their lives. In the last 4 years of the inception of SDC Khurja, thousands of youth were trained our trainees are well placed in the Armed forces and leading Corporates. Many have chosen the path of entrepreneurship and set up businesses that provide self-employment and improve the economy as well as their quality of living.

**ON & OFFLINE WORKSHOPS:** We conduct on & offline workshops for youth at national level

**HOW TO START A BUSINESS WORKSHOPS :** (A series of 3-Day Workshop, conducted for ITI/Diploma Students, Graduates & Pursuing Graduates etc. of various colleges) to prepare and motivate youth to set-up their own business, thereby addressing unemployment issues.

**ENHANCE YOUR PROFESSIONAL EFFECTIVENESS WORKSHOPS:** A series of 4-Day Workshop, conducted for Supervisors and middle management team of SMEs to enhance their soft skills and thereby increasing productivity of the organizations where they are employed.

**PRINCIPLE 5**

Businesses should respect and promote human rights

**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	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	666	Nil	Nil	637	Nil	Nil
Other than permanent	41	Nil	Nil	24	-	-
<b>Total Employees</b>	<b>707</b>	<b>Nil</b>	<b>Nil</b>	<b>661</b>	<b>Nil</b>	<b>Nil</b>
<b>Workers</b>						
Permanent	1256	Nil	Nil	1427	Nil	Nil
Other than permanent	783	Nil	Nil	818	Nil	Nil
<b>Total Workers</b>	<b>2039</b>	<b>Nil</b>	<b>Nil</b>	<b>2245</b>	<b>Nil</b>	<b>Nil</b>

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

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total Count in Current FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage	Total Count in Previous FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage
<b>Employees</b>										
<b>Permanent</b>										
Male	612	-	-	612	100%	585	-	-	585	100%
Female	54	-	-	54	100%	52	-	-	52	100%
<b>Other than permanent</b>										
Male	25	-	-	25	100%	14	-	-	14	100%
Female	16	-	-	16	100%	10	-	-	7	100%
<b>Workers</b>										
<b>Permanent</b>										
Male	1197	-	-	1197	100%	1367	-	-	1367	100%
Female	59	-	-	59	100%	60	-	-	60	100%
<b>Other than Permanent</b>										
Male	741	-	-	741	100%	760	-	-	760	100%
Female	42	-	-	42	100%	58	-	-	58	100%

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

	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors	7*	23,480,000	2	22,736,000
Key Managerial Personnel (1)	2#	685894	-	-
Employees other than BoD and KMP	608	51355	53	50968
Workers	1197	20069	59	20184

**Note:** \* Independent directors are excluded from the remuneration calculation due to their non- involvement in day-to- day activities.

# KMPs includes CS and CFO.

**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 Chief Human Resource Officer (CHRO) is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

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

The company has the Employee grievance mechanism policy internally accessible on the intranet to all the employees. Under these policies, we have established 4 levels of escalation.

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour / Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

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

The Company has an Anti-Social Harassment policy in place which is in line with the requirements of Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal system has been set up to redress complaints received regarding sexual harassment.

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

SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees as well as in their decisions to select subcontractors.

**9. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	The Company recognizes that the success of Company’s business, quality of work and brand perception depends on the ability and commitment of its employees. Human rights practices like prevention of Child labour, Forced/involuntary labour, are taken care during hiring process.
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	The Company has policy relating to Anti-Social Harassment, which is committed to creating a healthy and safe working environment that enables employees to work without fear of prejudice, bias and sexual harassment.

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

Not applicable

## Leadership Indicators

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

Not Applicable, as the Company has not received any grievance/complaint

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

Please refer response to Question number 9 of Principle 5.

**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?**

Yes, offices and plants are accessible to differently abled visitors.

**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	44% of suppliers
Discrimination at workplace	
Child labour	SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees. SFL on board vendors who have operations in formal industrial areas i.e. aspects like child labor, forced labor etc. are continuously monitored by assigned authorities of the industrial areas.
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.**

Not applicable

### PRINCIPLE 6

**Businesses should respect and make efforts to protect and restore the environment**

## Essential Indicators

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

<b>Parameter</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
Total electricity consumption (A)	30197.4 GJ	27148.9 GJ
Total fuel consumption (B)	3361.5 GJ	6134 GJ
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>33558.9 GJ</b>	<b>33282.9 GJ</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)		
Energy 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 yeas, name of the external agency.

No

**2. Does the entity 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.**

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0 KL	0 KL
(ii) Groundwater	35571 KL	74251 KL
(iii) Third party water	20817 KL	2402 KL
(iv) Seawater / desalinated water	0 KL	0 KL
(v) Others	0 KL	0 KL
<b>Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)</b>	<b>56388 KL</b>	<b>76653 KL</b>
Water intensity per rupee of turnover (Water consumed in kilolitres / turnover in crores)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	No	No

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

We do not have any water discharge generating from our operations. We have installed STP at our Corporate Office and plants at Greater Noida, Hyderabad, Jalpaiguri, Kalamb, Erode and Talwada, which treats the water used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	kg	Not available	Not available
SOx	-	Not available	Not available
Particulate matter (PM)	-	Not available	Not available
Persistent organic pollutants (POP)	-	Not available	Not available
Volatile organic compounds (VOC)	-	Not available	Not available
Hazardous air pollutants (HAP)	-	Not available	Not available
Others - please specify (CO)	kg	Not available	Not available

Note: SFL is compliant with the state pollution control board recommended industrial air quality norms

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

No.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	The Company is in the process of computing the GHG emissions generated	
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		



Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 and Scope 2 emissions intensity	Metric tonnes of CO2 equivalent / crore of turnover		
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.

Not applicable

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail**

1. Installation of solar plants and LED lights.
2. Solar power project, project on conversion of DG sets from diesel to PNG in Greater Noida plant.
3. Vertical Variable Pressure Foaming (VPF) technology to reduce fumes and GHG emissions
4. 95% of lighting is with LED in Rajpura plant

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
<b>Plastic waste</b>	107.45 MT	23.2 MT
E-waste	13.78 MT	14.3 MT
Bio-medical waste	Nil	Nil
Construction and demolition waste	4.5 MT	Nil
Battery waste	2.52 MT	Nil
Radioactive waste	Nil	Nil
Other Hazardous waste. Please specify, if any.	34.4 MT	0.272
<b>Other Non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</b>	<b>1259.6 MT</b>	<b>3051.80 MT</b>
<b>Total</b>	<b>1422.30 MT</b>	<b>3107.83 MT</b>

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
<b>Total</b>		Nil

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	1422.30 MT (authorised vendor)	Nil
<b>Total</b>	<b>1422.30 MT</b>	<b>Nil</b>

**Note:** Includes iron, tin, quilting & other scrap

**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



**9. Briefly describe the waste management practices adopted in your establishments. 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.**

Given the nature of the business, the generation of hazardous and toxic waste by the Company is minimal.

We are the manufacturer of polyurethane foam and its product. The TDI is the main raw material which is used for the production of foam. To ensure social & environmental responsibility following waste management actions have been taken us:-

1. We have been procuring TDI in bulk quantity through tanker and rear of the rear cases procurement is made through the drum. Since drums contain stains of TDI therefore we take utmost care and sell them to Government authorized agencies only, who further recycle the same.
2. The wastepaper generated in the production process and from the units are being sold out to the authorized vendor, who further uses them in the manufacturing process of molded paper plates & bowl etc.
3. Waste Foam - Waste foam generated from the production process is sold out to the recycling processor which further uses them in the production of rebonded foam
4. Other E-waste materials are sold out to authorized vendors only.

5. We have obtained the required license from the Government Department as a brand owner for the plastic waste being produced in the manufacturing process. Further, the waste is recycled by M/s ICPL on our behalf.
6. Units segregate all waste and store it separately for further disposal. Further non-hazardous waste is being sold out to local scrap dealers only.

**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:**

Not applicable

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

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.**

Yes, the Company is generally compliant with the applicable environmental laws / regulations/ guidelines in India.

**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	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>From renewable sources (GJ)</b>		
Total electricity consumption	2768.03 GJ	1399.20 GJ
Total fuel consumption		
Energy consumption through other sources		
<b>Total energy consumed from renewable sources</b>	<b>2768.03 GJ</b>	<b>1399.20 GJ</b>
<b>From non-renewable sources (GJ)</b>		
Total electricity consumption	27429.40 GJ	25749.76 GJ
Total fuel consumption	3361.53 GJ	6133.76 GJ
Energy consumption through other sources		
<b>Total energy consumed from non-renewable sources</b>	<b>30790.93 GJ</b>	<b>31883.52 GJ</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

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	10446 KL*	8616 KL*
	STP treatment	STP Treatment
<b>Total water discharged (in kilolitres)</b>	<b>10446 KL</b>	<b>8616 KL</b>

\* We have installed STP at our Corporate Office and plants, which treats the water used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

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

Water consumption is reported for the following offices / plants where the water stress is over-exploited or critical: Hyderabad, Ghaziabad, Greater Noida, Patiala and Erode.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	22,426 KL	60,767 KL
(iii) Third party water	20,817 KL	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>43,243 KL</b>	<b>60,767 KL</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>43,243 KL</b>	<b>60,767 KL</b>
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (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	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(ii) into Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iii) into Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to Third parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	6590 KL*	7672 KL*
	STP Treatment	STP Treatment
<b>Total water discharged (in kilolitres)</b>	<b>6590 KL</b>	<b>7672 KL</b>

\* We have installed STP at our Corporate Office and plants which treats the water used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

**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

Not applicable

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO <sub>2</sub> e	Not Measured	Not Measured
Total Scope 3 emissions per rupee of turnover	tCO <sub>2</sub> e / INR	-	-
Total Scope 3 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.

No

**5. With respect to the ecologically sensitive areas reported at 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.**

N.A., as the Company does not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required

**6. If the entity has undertaken 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	Switching to renewable source of energy	Installation of solar plants and LED lights.	Energy efficiency and lower GHG emissions
2	Switching to renewable source of energy	Solar power project, project on conversion of DG sets from diesel to PNG in Greater Noida plant.	Energy efficiency and lower GHG emissions
3	Better Technology Adoption	Vertical Variable Pressure Foaming (VPF) technology to reduce fumes and GHG emissions	Reduced fumes and GHG emissions,
4	Switching to renewable source of energy	95% of lighting is with LED in Rajpura plant	Energy efficiency and lower GHG emissions
5	LEED Certification	Sheela foam’s corporate office building is certified as LEED BD+C (Core and shell) Platinum rating that provides a cost effective, energy, and resource efficient framework for all commercial buildings.	Less energy and water usage, Green building mechanism which supports the climate, Shrink carbon footprint
6	Reduced occupancy sensor delays in lift and toilet lights	We reduced the occupancy sensor delay time in lift lobby and toilets from 15 mins to 5 mins	Energy efficiency
7	Sensor taps for washroom area	Sensor taps come with built-in sensors that allow it to detect motion and when an object appears in the front of tap, it automatically lets the water out.	Less water consumption and water wastage upto 70%
8	Automated streetlights and tube lights	100% streetlights and tube lights at the mezzanine tunnels are automated for timely switch on/off to reduce unnecessary energy wastage	Energy Efficiency
9	Trainings on re-use and recycle	Trainings have been provided to the company associates for ‘Out of the box thinking’ on how to reuse and recycle the used/ scrap materials.	Circularity, Reduced waste
10	Procurement of electrical equipment	Procuring electrical equipment such as switch-gears and appliances for better utilization and minimum wastage of any kind.	Reduced waste
11	Trees plantation and water harvesting	Plantation of trees for greenery and installation of water harvesting pits	Mitigation of climate change risks, water saving

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

Sheela Foam Limited has a comprehensive Business Continuity Plan (BCP) in place to ensure continuity of operations and manage disasters effectively. The BCP includes standby databases, redundancy on hardware, regular database backups, and security measures such as firewalls. The plan is reviewed annually and updated when necessary. Data leakage prevention tools are deployed, and BCP testing is conducted every six months. The BCP leader coordinates the development and maintenance of the plan, declares disaster scenarios, conducts audits and testing, and ensures training for team members.

**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.**

No significant adverse impacts have been reported from any value chain partners. Suppliers are expected to provide a safe and healthy working environment and, if applicable, safe and healthy company living quarters, and to operate in an environmentally responsible and efficient manner.

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

SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees. We are currently in process of selecting the assessment criterion for value chain partners.

**PRINCIPLE 7**

**Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

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

The Company is affiliated with 5 trade and industry chambers/ associations

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

S. no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Polyurethane Association	National
2	Industrial associations located at respective units	State
3	Indian Sleep Products Federation	National
4	ASSOCHEM	International
5	CII	National

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

No significant adverse impacts have been reported from any value chain partners.

**LEADERSHIP INDICATORS**

**1. Details of public policy positions advocated by the entity**

SFL participates in public policy advocacy at various forums as CII, ISFB through concerned departments in consultation with management.

**PRINCIPLE 8**

**Businesses should promote inclusive growth and equitable development.**

**ESSENTIAL INDICATORS**

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

Not Applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Not Applicable

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

We have a dedicated email ID for handling community grievances. The e-mail id is [grievances@sleepwellfoundation.com](mailto:grievances@sleepwellfoundation.com) and it is available on our website also.

**4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ Small producers	4.9%	7%
Sourced directly from within the district and neighboring districts	79.9%	80%

**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):**

Nil.

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

CSR activities are not done in the aspirational districts identified by Government.

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

SFL does not differentiate / discriminate while selecting its vendors. The company procures its foaming inputs from reputed chemical industry players, while for other inputs such as fabrics , packaging , rebonded foam, etc they have mostly MSME vendors.

They developed trusted relationship with local vendors and works with them to develop quality product that

meets its as well as industry needs, thereby enabling local vendors to grow their business.

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

Not Applicable

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

Not Applicable

**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**

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.**

Nil

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

S. no	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Skill Development Centre in Khurja	890	100%
2	Emotional Wellness Workshops	5293	Mixed beneficiaries
3	Soft Skills Workshops for MSMEs & Youth	3595	Mixed beneficiaries
4	Development of basic facilities in schools	2000	Mixed beneficiaries

**PRINCIPLE 8**

Businesses should engage with and provide value to their consumers in responsible manner

**ESSENTIAL INDICATORS**
**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Consumer Complaints are attended at centralized customer care center called 'Sleepwell Care' and are resolved expeditiously. Contact number and e-mail id are available on our website <https://mysleepwell.com/sleepwell-at-home> for consumers to register complaints or provide any review/feedback. Consumers can register a complaint through Sleepwell care or with the Dealer.

**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
Environment and Social parameters relevant to product	Nil
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints:**

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the 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	-
Others	35264	640		41644	549	-

**4. Details of instances of product recalls on account of safety issues**

	Number	Reason for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

**5. Does the entity 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 framed its cyber security & data privacy policy under its IT policies which is applicable to all the Employees (Full Time, Part Time, Contractual, Consultants, Auditors, etc.) and stakeholders (in some cases Customers & Vendors) of SFL. It considers customer information safety as a critical aspect. This policy is available on the intranet portal.

- 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.**

Since there are no complaints, there was no need for any corrective action.

## LEADERSHIP INDICATORS

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

Corporate Website at <https://www.sheelafoam.com/home-comfort-porducts.html> and <https://mysleepwell.com/>

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

Steps for responsible usage are available on the packaging of the products.

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

In case of any disruption/discontinuation of essential services, BCP leader shall invoke the BCP process in consultation with the BCP Team Members. Thereafter, consumers are informed through website about disruption/ discontinuation if any.

For e.g., during the covid, due to disruption in production and transportation services, customers were informed via website and Sleepwell@Home Initiative was started.

- 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.**

Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further the product information can also be referred from our website.

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 a whole? (Yes/No)

Yes, surveys are carried out to study satisfaction level with reference to Products, Customer handling at Dealers end and by Customer Care Department

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

**a. Number of instances of data breaches along-with impact** - No Data Breaches have occurred

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