

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L23109MP1972PLC008290
2. Name of the Listed Entity: HEG Limited
3. Year of incorporation: 1972
4. Registered office address: Mandideep, Near Bhopal Dist. Raisen MP- 462046
5. Corporate address: Bhilwara Towers, A-12, Sector-1, Noida - 201301
6. E-mail: heg.brsr@lnjbhilwara.com
7. Telephone: +91-120-4390300 (EPABX)
8. Website: www.hegltd.com
9. Financial year for which reporting is being done: 2023-24
10. Name of the Stock Exchange(s) where shares are listed: 1. BSE Limited 2. National Stock Exchange of India Limited.
11. Paid-up Capital: ₹38.60 Crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Mr. Manish Gulati, Executive Director  
Tel: 07480-405500, 233524 to 233527, E Mail: Manish.gulati@lnjbhilwara.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): The disclosures under this report are made on Standalone Basis.
14. Name of Assurance Provider: Since, HEG limited is not falling in the list of the top 150 listed companies based on the market capitalisation, therefore, it is not required to obtain assurance on BRSR, accordingly, this requirement would not be applicable.
15. Type of Assurance obtained: Not Applicable.

## II. Products/services

16. Details of business activities (*accounting for 90% of the turnover*):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Graphite Electrodes	Manufacturing of Graphite Electrodes	90.76%

17. Products/Services sold by the entity (*accounting for 90% of the entity's Turnover*):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Graphite Electrodes	23994	90.76%

## III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	1	3
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	42

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

The overall contribution of the exports to the total turnover is 67.95%.

c. A brief on types of customers.

HEG Limited is a leading manufacturer and exporter of graphite electrodes in India and operates world's largest single-site integrated graphite electrodes plant. The Company has a very renowned customer base. Some of them includes Jindal Steel & Power Limited (JSPL), Steel Authority of India Limited (SAIL), Arcelor Mittal, Qatar Steel, Emirates Steel, Tata Steel, CESLA Group, Jindal Stainless Limited, Acerinox Europa etc.

## IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	597	578	97%	19	3%
2.	Other than Permanent (E)	41	41	100%	0	0%
3.	<b>Total employees (D + E)</b>	<b>638</b>	<b>619</b>	<b>97%</b>	<b>19</b>	<b>3%</b>
<b>WORKERS</b>						
4.	Permanent (F)	478	478	100%	0	0%
5.	Other than Permanent (G)*	16	16	100%	0	0%
6.	<b>Total workers (F + G)</b>	<b>494</b>	<b>494</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

\*Excludes job-based workers, which are the workers that do not work on fixed number of days, instead they work to finish the specified given task, hired through contractors.

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel*	4	0	0%

\*Includes 2 Executive Directors which are also included in the Board of Directors.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	13%	12%	13%	9%	32%	10%	15%	25%	15%
<b>Permanent Workers</b>	3%	0%	3%	1%	0%	1%	4%	0%	4%

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	TACC Limited	Wholly Owned Subsidiary	100%	No
2.	Bhilwara Info technology Limited	Associate	38.59%	No
3.	Bhilwara Energy Limited	Associate	49.01%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) : 2394.9 Crores

(iii) Net worth (in ₹) : 4145.08 Crores

## VII. Transparency and Disclosures Compliances

25. 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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		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	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Investors (other than shareholders)	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Shareholders	Yes	40	0	-	34	Nil	-
Employees and Workers	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Customers	Yes	16	11	1. Improved material supplied and usage at Customer end and its feedback is awaited.  2. In some cases further Dispatch is planned.  3. In few cases, insufficient response from the customer.	25	20	Dispatch of new consignment awaited
Value chain partners	Yes	Nil	Not Applicable	-	Nil	Not Applicable	-
Others (please specify)	Not Applicable	Not Applicable	Not Applicable	-	Not Applicable	Not Applicable	-

\*The Company has a well-defined Business Ethics Policy, Anti-Bribery and Anti-Corruption Policy for all of its employees and stakeholders to report suspected violations of the Company's Code of Conduct, Supplier's Code of Conduct, or any other applicable Laws. In addition to this, the Company also has a separate department namely, "Secretarial Department" to take care the shareholders' grievances and resolve them appropriately on timely basis.

There is a specific email ID ([beg.investor@lnjbhilwara.com](mailto:beg.investor@lnjbhilwara.com)) for addressing queries by any Investors and Shareholders. The Secretarial Department is responsible to monitor and resolve the queries and concerns raised through this email ID, taking inputs and resolutions from the relevant departments within the Company.

The Company also has detailed HR Policies, covering different aspects related to grievance redressal including but not limited to Policy on Prevention of Sexual Harassment (POSH), Whistle Blower Policy to safeguard the interest of the employees and workers (including females).

26. 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

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Carbon Reduction	Opportunity	Businesses have substantial opportunities to reduce their carbon footprint through strategic substitution and efficiency improvements. By understanding and applying these approaches, the organization can make meaningful progress toward sustainability and compliance with increasing environmental regulations.	Various initiatives have been taken for improving energy efficiency and renewable energy utilisation like installation of solar power panels, revamping of furnace for better fuel efficiency, tree plantation, replacing diesel operated vehicles by Electric Vehicles etc, which has resulted in reduction of the Company's carbon footprints.	Positive
2.	Employee well-being	Opportunity	Productivity growth is recognized as the most important long-term source of sustainable gains in the business operations. When individuals experience higher levels of well-being, they are most likely to be engaged and satisfied in their work. This can lead to higher levels of productivity, as individuals are motivated, focused and committed to their tasks.	Several initiatives for employees and workers well-being have been started. Medical examinations for workers, wellness and mental health ongoing services, and health-related services at Occupational Health centres are some of the main programmes. This is also ensured through regular training programmes on Healthy life style, Stress management and Work-life balance etc.	Positive
3.	Occupational Health and Safety	Risk	By integrating a robust framework for workplace safety, businesses not only comply with the law but also lay the foundation for sustainable growth. For achieving this, businesses must conduct a risk assessment to identify the hazards and dangers present in their workplaces and put appropriate management mechanisms to address the associated risks.	The organization has identified, anticipated and assessed hazards and risks to safety and health arising from the work environment and also determines the adequacy of existing controls to eliminate hazards or control risks.	Negative
4.	Responsible Sourcing	Risk	Responsible and sustainable sourcing can help to improve business reputation and attracts new customers. Environmental and social issues in the supply chain can pose a significant risk to the business. Responsible sourcing can help to mitigate these risks and ensure long-term business continuity.	The organization has policies and procedures to ensure suppliers follow sustainable practises and to mainstream supply chain sustainability.	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Data Privacy and Cyber Security	Risk	Applying strong data protection measures and safeguards protects organization's data, therefore avoiding considerable problems, which may impact organization's confidential information.	Respecting the rights to personal data privacy is a top priority for the Company. To ensure a standardised and high degree of protection for Personal Data processed by the Company's Group Companies, the Company has embraced global data protection standards.	Negative
6.	Operations Environment	Opportunity	Effective business operations help companies minimize wastes and losses to retain more profit. Regular audit of processes and output ensures optimization of resources and managing risks.	A compliance tool is used to ensure that all environmental compliance requirements are satisfied, and operational changes are made to address critical Key Performance Indicator (KPI) for environmental compliance.	Positive
7.	Diversity and Inclusion	Opportunity	The organisation examines diversity and develops an inclusive workplace culture based on a core sense of belonging, fairness, and equity in order to fully realise the potential of human variety. Diversity widens access to best talent. Inclusion allows engagement with talent effectively. Together this leads to innovation, creativity, productivity, reputation and business results.	The business prioritises diversity and inclusion and has a workable plan to do so. The Company aims to have a comprehensive diversity and inclusion framework and to increase the proportion of its female employees to the minimum extent possible.	Positive
8.	Human Rights and Labour Management	Risk	In order to gauge human rights risks, the organization identifies and assesses any actual or potential adverse human rights impacts and considers it as a foundational step for effective management of human right risks.	The organization has established a human rights policy, a thorough process, and diligence procedures to assess human rights concerns at all operational levels.	Negative
9.	Ethics	Risk	Upholding ethical standards helps organization ensure transparency, reliability and integrity in their day-to-day operations. It leads to strong bonds with internal and external stakeholders like investors, customers, employees etc.	The Company has an Ethics Policy that is applicable to all stakeholders. The Policy offers stakeholders and employees a framework for applying business principles with the utmost integrity. Compliance is tracked, and violations are strictly dealt with.	Negative
10.	Stakeholder engagement	Opportunity	Considering engagement with stakeholders as crucial for success, the organization has a clear vision derived from a robust strategic planning process.	The organizations maintain ongoing stakeholder engagement procedures. Periodic training programmes and interaction sessions are being organized to ensure stakeholder engagement.	Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Business Resilience	Risk	Business resilience ensures continuity and stability in the face of disruptions, allowing the business to withstand and recover from various challenges. This resilience enables the organization to maintain operations, serve customers, and meet obligations even during adverse events.	The Company has protocols, tools, and procedures in place to confront and manage crisis, including disaster-related elements with serious repercussions.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
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) <i>* Except for certain operational policies, which have been approved by the Executive Director of the Company, rest of the policies have been approved by the Board.</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<p># Link for Policies</p> <p><b>Code of Conduct for Directors and Senior Management</b>  <a href="http://hegltd.com/wp-content/uploads/2017/02/CODE_OF_CONDUCT_HEG_05-02-2015.pdf">http://hegltd.com/wp-content/uploads/2017/02/CODE_OF_CONDUCT_HEG_05-02-2015.pdf</a></p> <p><b>Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information</b>  <a href="https://hegltd.com/wp-content/uploads/2019/04/Code-of-Fair-Discloures-and-Conduct-final1-1.pdf">https://hegltd.com/wp-content/uploads/2019/04/Code-of-Fair-Discloures-and-Conduct-final1-1.pdf</a></p> <p><b>Dividend Distribution Policy</b>  <a href="http://hegltd.com/wp-content/uploads/2018/04/Dividend-Distribution-Policy.pdf">http://hegltd.com/wp-content/uploads/2018/04/Dividend-Distribution-Policy.pdf</a></p> <p><b>Whistle Blower Policy</b>  <a href="http://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf">http://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf</a></p> <p><b>Policy on Related Party Transactions</b>  <a href="https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf">https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf</a></p> <p><b>Policy on Disclosure on Material Events and Information</b>  <a href="https://hegltd.com/wp-content/uploads/2022/05/HEG_Determination-Materiality-of-Events_09.02.2022.pdf">https://hegltd.com/wp-content/uploads/2022/05/HEG_Determination-Materiality-of-Events_09.02.2022.pdf</a></p>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	<p><b>Quality and Safety Policy</b>  <a href="http://hegltd.com/quality-safety-policy/">http://hegltd.com/quality-safety-policy/</a>  <b>Prevention, Prohibition and Redressal Against Sexual Harassment of Women Employees</b>  <a href="http://hegltd.com/wp-content/uploads/2020/01/Sexual-Harrassment-Policy-January-2020.pdf">http://hegltd.com/wp-content/uploads/2020/01/Sexual-Harrassment-Policy-January-2020.pdf</a>            Rest of the Policies are available on Company's Intranet, accessible by all employees of the Company.</p>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Our Supplier Code of Conduct, which is applicable to our upstream value chain partners, incorporates numerous ethical and business requirements (e.g. human rights, Environment, Health and Safety, working condition) also extends to them.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	NEMA Stand-ards are fol-lowed	ISO 45001	-	-	ISO 14001, ISO 9001	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	HEG Limited is aiming to be net zero by 2050 or sooner and strive to progress towards energy efficiency, renewable energy utilisation, recovery of waste heat for usage in production process, fuel switching, and more effective material use and recycling while addressing climate change.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Several internal projects are in progress to concentrate on carbon reduction, improve efficiency, reduce emissions overall, and address climate change.								

**Governance, leadership, and oversight**

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

We at HEG Limited are committed to the inclusive growth goals, boosting our efforts to align with the 17 Sustainable Development Goals (SDGs) set forth by the 'United Nations'. HEG's sustainability platform is based on the 3P philosophy – People, Planet and Profit. These aspects have, over the years, emerged as key filter while formulating business strategies at the Company. HEG is committed to achieve growth by promoting integrity & ethics and co-prosperity to ensure that our success is mutually beneficial for our customer, employees and the community.

Businesses continuously face new risks and challenges in an environment that is becoming more complex and dynamic due to factors including climate change, environmental degradation, biodiversity loss, rising inequality, higher expectations of the local communities, and related regulatory changes.

As a socially and environmentally conscious corporate citizen, we always work to enhance our performance while keeping a strong Corporate Governance as our main priority. Further, the Company's ESG / Sustainability initiatives are supervised closely by all the operational heads under the close monitoring by the Company's Board of Directors.

As top league leading players of graphite electrodes, sustainability is somewhat at the center of all we do. As we constantly offer best-in-class goods that surpass customer expectations, which allows us to forge enduring relationships within the graphite electrodes business, we have our eyes set firmly on assisting in hastening the introduction of the future of mobility to global consumers.

In terms of Environment initiatives, our focus is on minimizing climate change, reducing Green House Gas emission, bringing energy efficiency, reducing water consumption, recycling the waste products, creating a sustainable supply chain through sustainable sourcing.



Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
For Social initiatives, we place a strong emphasis on investing in growing our people by enhancing their skills and capabilities through various knowledge enhancing initiatives, a more positive Company's culture, and a balance between Diversity & Inclusion, Occupational Health & Safety, Human rights and Supplier diversity.									
In terms of Governance, we work to improve Board diversity, Business integrity, Cyber security, and policy & reporting.									
While the Company has always made an effort to embed and comply with our initiatives into ESG framework; we have started rebuilding and reworking most of our initiatives/activities to fit further better into particular ESG boundaries. This year, together with the ongoing ESG initiatives as reported in our this year's BRSR report, the Company is in the process of developing a detailed ESG Strategy, Roadmap and action plan for 3 years which inter-alia includes determining key stakeholders, calculating materiality assessment, conducting ESG due diligence for ensuring ESG Compliance. These would be soon implemented. This would help the Company in minimizing the negative environmental and social impacts of our operations and further strengthen the governance compliance.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Manish Gulati, Executive Director Tel: 07480-405500, 233524 to 233527 E Mail: <a href="mailto:Manish.gulati@lnjbhilwara.com">Manish.gulati@lnjbhilwara.com</a>								
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.	Mr. Ravi Jhunjhunwala (DIN: 00060972) Chairman, Managing Director & CEO and Mr. Manish Gulati, Executive Director are responsible for decision making on sustainability related issues.								

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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually							
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								

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.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9

The Company has carried out independent assessment/evaluation of the working of some of its polices, such as policies covered under ISO and Social audit, by an external agency Bureau Veritas.

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

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

## 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	4	<p><b>Topics:</b> Ethics, Transparency, Accountability, Environment Protection, Governance, Social Responsibility.</p> <p><b>Impact:</b> The Company considers Governance as an integral part of good management. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and its interaction with various stakeholders.</p>	100%
Key Managerial Personnel	4	<p><b>Topics:</b> Ethics, Transparency, Accountability, Environment Protection, Governance, Social Responsibility.</p> <p><b>Impact:</b> The Company considers Governance as an integral part of good management. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and its interaction with various stakeholders.</p>	100%
Employees other than BoD and KMPs	554	<p><b>Topics:</b></p> <ol style="list-style-type: none"> <li>1. Integrity and Governance Policy</li> <li>2. Policy for handling Goods &amp; Services and Product Safety</li> <li>3. Human Rights Policy</li> <li>4. Environmental Protection Policy</li> <li>5. Public Care and Regulatory Policy</li> <li>6. Code of Conduct</li> <li>7. Business Ethics</li> <li>8. POSH</li> </ol> <p><b>Impact:</b> Overall grooming and increase in functional efficiency of the employees.</p>	97.48%
Workers	554	<p><b>Topics:</b></p> <ol style="list-style-type: none"> <li>1. Integrity and Governance Policy</li> <li>2. Policy for handling Goods &amp; Services and Product Safety</li> <li>3. Human Rights Policy</li> <li>4. Environmental Protection Policy</li> <li>5. Public Care and Regulatory Policy</li> <li>6. Code of Conduct</li> <li>7. Business Ethics</li> <li>8. POSH</li> </ol> <p><b>Impact:</b> Overall grooming and increase in functional efficiency of the workers.</p>	67.57%

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

<b>Monetary</b>					
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Amount (In ₹)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Penalty/ Fine	No fines / penalties /punishment/ award/ compounding fees/ settlement amount were paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions during the current financial year.				
Settlement					
Compounding Fee					
<b>Non-Monetary</b>					
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>	
Imprisonment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	
Punishment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

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.

<b>Case Details</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>
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, the Company has an Anti-Corruption and Bribery Policy, which can be accessed at <https://hegltd.com/Policies/Anti%20Bribery%20anti%20corruption.pdf>.

We at HEG Limited are committed to apply the highest standards of ethical conduct and integrity in our business activities. HEG Limited does not stand any form of bribery by, or of, its employees or any persons or companies acting for it or on its behalf.

The Policy is mandatory for all our employees, other Business Partners working on the Company's behalf anywhere in the world.

The Policy sets out what we must all do to help prevent bribery in all its forms.

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

	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023-24 (Current Financial Year)		FY 2022-23 (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 the KMPs	Nil	-	Nil	-

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, as there were no cases of corruption and conflicts of interest which were reported during the year.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	70	76

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.0038%	0.0022%
	b. Sales (Sales to related parties / Total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	8.03%	1.51%

### Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
61	2,5,6,7	11.80%

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 have processes in place to avoid/manage conflict of interests involving members of the Board. HEG Limited has a detailed 'Code of Conduct for its Directors and Senior Management', which contains comprehensive guidelines and mechanism for avoiding the conflict of interest and for reporting any such situations that may trigger a potential conflict. Further, the Company also receives an annual declaration from its members of the Board and Key Managerial Personnel regarding the entities they are interested in, and before engaging in business with such entities or people, it makes sure that all necessary approvals are in place as required by law and the Company's policies.

The Code of Conduct is available on the Company's website, which can be accessed at [https://hegltd.com/wp-content/uploads/2017/02/CODE\\_OF\\_CONDUCT\\_HEG\\_05-02-2015.pdf](https://hegltd.com/wp-content/uploads/2017/02/CODE_OF_CONDUCT_HEG_05-02-2015.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.

	2023-24 Current Financial Year	2022-23 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Not Applicable
Capex	69%	11%	<p>HEG Limited has undertaken various initiatives as mentioned below, which will help the Company in reducing its overall carbon footprint and to become more energy efficient:</p> <ul style="list-style-type: none"> <li>• Installation of solar power panels;</li> <li>• Revamping of furnace for better fuel efficiency;</li> <li>• Tree plantation;</li> <li>• Replacing diesel operated vehicles by Electric Vehicles .</li> <li>• Replacing existing/outdated machinery and equipment with energy-efficient alternatives.</li> </ul>

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

Yes, HEG Limited have procedures in place for sustainable sourcing, wherein, the Company assesses the sustainability parameters of its vendors before procurement of the major input material and maintain consistent sourcing from identified sources.

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

56.6% of the input material was sourced sustainably.

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.

We have a well-established procedure for the collection, segregation, storage and disposal of wastes, as per the legal requirements, to control their adverse impact on environment. For instance:

- 1) Waste oil / used oil are collected and stored in Hazardous waste storage area, from where it is sold only to parties having valid authorization from State Pollution Control Board, as per the frequency mentioned in the internal Standard Operating Procedures (SOP) for waste management.
- 2) All used Lead Acid Batteries are collected and stored in designated room/shed with cemented floor to prevent any possibility of land / water pollution, which are then disposed to supplier of batteries / parties authorized by the regulatory bodies.
- 3) E-waste is gathered at the designated location and disposed of by authorised e-waste recyclers.

In the same way, the procedure also defines the way for collection, storage, and disposal of all types of waste generated.

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.

Not Applicable.

### 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?

Last year, the Company had determined the respective life cycles of various products manufactured by the Company as per the details below:

#### Product Life Cycle Plan

Sl. No.	Contents in crate	Material	Nature of product	Action -1	Action -2
1	Graphite Electrode	Pure Carbon	100 % Consumable during use	Unpack the Electrodes with Nipple and keep all the packing items well segregated	Re-machine & use if possible / Reuse the broken pieces in process to maintain carbon percentage
2	Graphite Nipple	Pure Carbon	100 % Consumable during use		
3	Thermocol Cap	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
4	Thermocol Plug	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
5	Steel Strip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
6	Steel Clip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
7	Steel Nails	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
8	Wood / Ply Board	Cellulose composite	Recyclable / Reusable		Handover to recyclers
9	Wrap Film	LDPE, Low Density Poly Ethylene	Recyclable		Handover only to authorised recyclers
10	Metwrapp (polypropylene)	Corrugated PP, Poly Propylene	Recyclable / Reusable		Handover only to authorised recyclers

However, the Company is in the process of doing the life cycle assessment for each of its products (i.e., an analytical procedure that involves assessment of the potential environment or social impacts of a product or service, throughout its life cycle). Therefore, following information is currently not available

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
-	-	-	-	-	-

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.

Name of Product / Service	Description of the risk / concern	Action Taken
As mentioned in point no. 1 above, since the Company is in the process of doing the life cycle assessment for each of its products, therefore, currently this information is not available.		

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 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Green Scrap	10%	10%

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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	208.14	-	-	332.97	-
E-waste	-	2.32	-	-	5.19	-
Hazardous waste	28.67	10.46	1.31	0.17	58.2	3.80
Other waste	7700.203	1111.851	353.45	2772.046	1739.24	464.27

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
None	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)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	578	578	100%	578	100%	Not Applicable	Not Applicable	-	-	-	-
Female	19	19	100%	19	100%	19	100%	-	-	-	-
<b>Total</b>	<b>597</b>	<b>597</b>	<b>100%</b>	<b>597</b>	<b>100%</b>	<b>19</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	41	41	100%	41	100%	-	-	-	-	-	-
Female	0	0	0	0	0%	-	-	-	-	-	-
<b>Total</b>	<b>41</b>	<b>41</b>	<b>100</b>	<b>41</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	478	478	100%	478	100%	-	-	-	-	-	-
Female	0	0	0%	0	0%	-	-	-	-	-	-
<b>Total</b>	<b>478</b>	<b>478</b>	<b>100%</b>	<b>478</b>	<b>100%</b>	-	-	-	-	-	-
<b>Other than Permanent workers</b>											
Male	16	16	100%	16	100%	-	-	-	-	-	-
Female	0	0	0%	0	0%	-	-	-	-	-	-
<b>Total</b>	<b>16</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>100%</b>	-	-	-	-	-	-

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the Company*	0.0415%	0.0004%

\*Expenditure incurred on Health Insurance and Accident Insurance have been considered for the purpose of the aforesaid disclosure.

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

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity*	100%	100%	Yes	100%	100%	Yes
ESI#	50%	5%	Yes	33%	8%	Yes
Others – please specify	-	-	-	-	-	-

\*Employees who have successfully completed 5 years of tenure are entitled for Gratuity benefits.

# Applicable to employees as per the threshold limit prescribed under the Employees State Insurance Act, 1948.

 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.

Presently, majority of our premises / offices are accessible to differently abled employees and workers. However, the Company is attempting to make more improvements to the current system.



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 per the Rights of Person with Disabilities Act, 2016. The said policy is available on the website of the Company and can be accessed at <https://hegltd.com/wp-content/uploads/2023/05/EqualOpportunityPolicy.pdf>

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*	0%	0%	0%	0%
Female#	0%	0%	0%	0%
<b>Total</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

\*For males, return to work and retention rate is 0, because Company does not have the policy of paternity leave.

# For females, return to work and retention rate is 0, because none of the female employees have taken maternity leave in the current as well as previous financial year.

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, HEG Limited is dedicated to offering a secure and encouraging workplace to its employees and workers, wherein the employees and workers are given access to multiple mechanism through which, they may discuss the grievances (if any), which they are facing at their work, such as: <ul style="list-style-type: none"> <li>• There is a Grievance Register in place.</li> <li>• Grievance Boxes are being installed at various common places.</li> <li>• Union and its representative may raise their concerns via several committees.</li> <li>• Weekly meetings are being held at Shop Floor.</li> </ul>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	597	0	0%	410	0	0%
Male	578	0	0%	396	0	0%
Female	19	0	0%	14	0	0%
<b>Total Permanent Workers</b>	478	478	100%	493	493	100%
Male	478	478	100%	493	493	100%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	578	486	84%	372	64%	396	216	54%	259	65%
Female	19	15	79%	4	21%	14	6	43%	8	57%
<b>Total</b>	<b>597</b>	<b>501</b>	<b>84%</b>	<b>376</b>	<b>63%</b>	<b>410</b>	<b>222</b>	<b>54%</b>	<b>267</b>	<b>65%</b>
<b>Workers</b>										
Male	478	333	70%	158	33%	493	360	73%	117	24%
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>478</b>	<b>333</b>	<b>70%</b>	<b>158</b>	<b>33%</b>	<b>493</b>	<b>360</b>	<b>73%</b>	<b>117</b>	<b>24%</b>

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	578	511	88%	396	387	97%
Female	19	16	84%	14	14	100%
<b>Total</b>	<b>597</b>	<b>527</b>	<b>88%</b>	<b>410</b>	<b>401</b>	<b>98%</b>
<b>Workers</b>						
Male	478	478	100%	493	493	100%
Female	-	-	-	-	-	-
<b>Total</b>	<b>478</b>	<b>478</b>	<b>100%</b>	<b>493</b>	<b>493</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)**. If yes, the coverage such system?

We at HEG, are committed to being a safe and eco-friendly organisation. We believe that protection of our personnel and the environment is one of our prime responsibilities. Yes, the entire plant of HEG Limited is certified Occupational Health and Safety Management Systems as per ISO 45001.

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

As per ISO 45001:2018, we have a defined method i.e., Hazard Identification and Risk Assessment (HIRA) to identify occupational health and safety hazards and their associated risk on the employees and workers. We also ensure that the occupational health and safety hazards and risks are reviewed periodically and kept up to date. The main outline of the procedure is as follows:

1. Identification of processes / operation / maintenance / utility/ relevant to the functional area.
2. Defining occupations involved / highlight involvement of human force.
3. Identify all the occupational hazards i.e., biological, chemical, physical, electrical, mechanical, fire, ergonomically.

4. Identify all the Health and Safety risks.
  5. Identify the number of employees and workers exposed to the risk.
  6. Check any Emergency Situations.
  7. Adopting additional Control from Hierarchy of controls.
  8. Hazard Identification and risk assessment is reviewed once in year or as and when required.
- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)
- Yes, the Company has Incident Reporting and Investigation System (IRIS) and Accident Reporting and Investigation System (ARIS) which ensures that all work-related incidents are reported and closed after taking necessary corrective actions.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**
- Yes, the employees/workers of the Company have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category*	FY 2023-24 Current Financial Year	FY 2022-23# Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	9.71
	Workers	2.48	5.99
Total recordable work-related injuries	Employees	0	1
	Workers	1	3
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	1

\* Including the contract workforce

# The previous year's figures have been recalculated after considering the number of such incidents for the contractual workforce.

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

We at HEG Limited believe that the protection of our personnel and providing them a safe and healthy environment is one of our prime responsibilities. HEG Limited is taking the following measures to ensure a safe and healthy workplace:

1. Compliance of legal requirements for safety as outlined in the Factories Act, 1948 and maintenance of ISO 45001:2015 Management system.
2. Hazard Identification and Risk Assessment is performed on a regular basis in accordance with the internal SOP of HIRA.
3. A Detailed Safety Policy is in place.
4. Hierarchy of controls is being adopted to arrest the risks.
5. The Safety Committees are in place at various levels to review the adequacy of resources for safety and to provide support for safety management system deployment.
6. Periodic safety audits and inspections across all sites are being conducted to ensure Safe and Healthy system of work.
7. Regular mock drills for fire as well as other emergency conditions are also being organised at regular intervals within the Company's premises.
8. Regular training programs on occupational health & safety are being conducted to sensitize our employees on Occupational Health and Safety (OHS) aspects to inculcate a culture of safety.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

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

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.

Not Applicable, as there were no significant risks/concerns which have arisen from assessments of health and safety practices and working conditions.

#### 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, at HEG Limited, there is a provision of Death Relief Fund (DRF) in which the Company provides financial assistance of ₹5 Lacs to family of deceased employees and workers.

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 conducts Supplier/Customer survey to ensure that the statutory dues are being timely deducted and deposited by them.

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:

	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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (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. Through this program, the Company provides awareness sessions to the eligible candidates and selects them for this program on the basis of merits.

5. Details on assessment of value chain partners:

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and safety practices	12%
Working Conditions	12%

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, as there were no significant risks / concerns which have arisen from assessments of health and safety practices and working conditions of value chain partners.

**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.

HEG is a globally reputed organisation, which deals with a sizeable number of stakeholder groups each with distinct priorities and diverse interests. The Company has a robust system for identification of key stakeholders groups, which includes understanding their concerns and incorporating their views in its sustainability strategy. The senior and middle management teams actively engage with all stakeholder groups throughout the year. Material matters arising from stakeholder engagements are managed as part of the risk management process.

The Company has mapped its internal and external stakeholders.

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

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other</b>	<b>Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Employees and Workers	No	Email, Presentations, Notice Board, Website and one to one meeting	Frequently	Getting employee feedback and resolving their issues
Shareholders/ Investors	No	Email, Newspaper advertisement, notice board, website, annual general meeting, intimation to stock exchanges, annual/quarterly financials, and investor meeting/conferences/transcript/audio call recording	Frequent and need based	Disseminating and sharing of information with the shareholders with respect to key developments, business performance, financial results, with a view to update and also to seek their approval, etc. as may be required
Customer	No	Multiple Channel-Physical and digital	Frequent and need based	- Business related discussions - Customer Satisfaction - Customer complaints
Suppliers and Service Providers	No	Multiple Channel-Physical and digital	Frequent and need based	Business related discussions, training and awareness programmes
Government/ Regulators	No	Plant Visit, Symposia and Advocacy Platforms	Need based	Discussion w.r.t various regulation and amendments, compliance, corporate governance, ethics etc.
Communities and NGO's others	Yes	Directly or through LNJ Bhilwara Lok Nyas trust	Frequent and need based	CSR Programmes and other initiatives

### 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.

Stakeholder consultations are typically undertaken by respective groups, business heads and relevant Company officers on a regular basis. The feedbacks / identified issues of corporate concern are escalated to the Board-level either through direct channels or through various Board Committees like Audit Committee, CSR Committee, Risk Management Committee and Stakeholders Relationship Committee, wherever required. The Company has always maintained that a constant and proactive engagement through con calls with our key stakeholders enables it to better communicate its strategies and performance. A continuous engagement enables the Company to promote the idea of shared growth and a common prosperous future for the Company and society at large.

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

Yes, stakeholder consultation is used to support the identification and management of environmental, social and governance related topics. This is done through various means, including close group meetings, taking suggestions from them and considering to build future strategies around the triple bottom approach (i.e., E, S and G). The instances include strategies around minimising climate change, reducing carbon footprints, bringing energy efficiency, reducing water consumption, waste management, creating a sustainable chain through sustainable sourcing, investing in growing our people by enhancing their skills and capabilities through various knowledge enhancing initiatives, creating a balance between Diversity & Inclusion, Occupational Health & Safety, Human rights, and Supplier diversity etc.

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

The Company identifies communities around its manufacturing facilities at Mandideep, Bhopal and Tawa Nagar. The Company offers the marginalized/vulnerable communities the help they need through its CSR initiatives. For further details of engagement with them, refer Annexure VI of Annual Report – 2023-24.

### 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 2023-24 Current Financial Year			FY 2022-23 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	597	204	34%	410	182	44%
Other than permanent	41	3	7%	-	-	-
<b>Total Employees</b>	<b>638</b>	<b>207</b>	<b>32%</b>	<b>410</b>	<b>182</b>	<b>44%</b>
<b>Workers</b>						
Permanent	478	83	17%	493	32	6%
Other than permanent	16	3	19%	-	-	-
<b>Total Workers</b>	<b>494</b>	<b>86</b>	<b>17%</b>	<b>493</b>	<b>32</b>	<b>6%</b>

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

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>	597	-	-	597	100%	410	-	-	410	100%
Male	578	-	-	578	100%	396	-	-	396	100%
Female	19	-	-	19	100%	14	-	-	14	100%
<b>Other than Permanent</b>	41	-	-	41	100%	32	-	-	32	100%
Male	41	-	-	41	100%	32	-	-	32	100%
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	478	-	-	478	100%	493	-	-	493	100%
Male	478	-	-	478	100%	493	-	-	493	100%
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>	16	-	-	16	100%	734	734	100%	-	-
Male	16	-	-	16	100%	719	719	100%	-	-
Female	-	-	-	-	-	15	15	100%	-	-

3. Details of remuneration/salary/wages

a. Median remuneration\* / Wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In ₹)	Number	Median remuneration/ salary/ wages of respective category (In ₹)
Board of Directors (BoD)	8**	12,00,000	2	7,12,500
Key Managerial Personnel	2#	57,12,034	0	-
Employees other than BoD and KMP	575	3,03,612	19	4,11,840
Workers	478	4,14,240	0	0

\*The aforesaid calculations have been provided on the basis of Cost to the Company.

\*\*Includes 2 Executive Directors who are paid compensation including Commission and 6 Non-Executive Directors (including Independent Directors) who are paid only sitting fee. Hence the median is calculated considering the same.

#Only CS & CFO are considered as KMP for this calculation, as the median remuneration of 2 Executive Directors (KMPs) is covered as a part of Board of Directors, therefore not included in the median remuneration paid to KMPs.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages*	1.78%	1.49%

\*The aforesaid calculations have been provided on the basis of Cost to the Company.

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. As per the clause no. 17 of the Code of Conduct Policy, HR Head is 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 following internal mechanisms in place to redress grievances related to human rights issues:

- Code of Conduct for Employees
- POSH Policy
- Grievance Register in place
- Grievances Boxes are installed at various common places
- Union and its representative may raise their concerns via several committees
- Weekly meetings are being held at Shop Floor

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

	FY 2023-24 Current Financial Year			FY 2022-23 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. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	0	0

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

We at HEG Limited assures that the complainants in discrimination and harassment cases are fully safeguarded against retaliation, punishments, or any other form of action for raising legitimate concerns in good faith. There are specific clauses w.r.t. confidentiality of complainant in the Company's Grievance Redressal Policy, Whistle Blower Policy, and POSH, which states that all the reports/records associated with complaints together with the information exchanged during a particular process/investigation would be considered as confidential and access of the same would be restricted by the Company as deemed fit.

9. Do human rights requirements form part of your business agreements and contracts?

No, currently, human rights requirements do not form part of our business agreements and contracts; however, the Company is in the process of implementing the same in the coming years.



10. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	100% of the plants and offices were assessed by third parties.
Forced/involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 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 no grievances/complaints were received with respect to human rights during the reporting period.

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

During the current Financial Year, no such Human Rights Due-Diligence was conducted.

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?

Presently, majority of our premises / offices are accessible to differently abled visitors. However, the Company is attempting to make more improvements to the current system.

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	12%
Discrimination at workplace	12%
Child Labour	12%
Forced Labour/Involuntary Labour	12%
Wages	12%
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.

No significant risks/ concerns were identified from assessments of the value chain partners at Question 4 above.

**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 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
<b>From Renewable sources</b>		
Total electricity consumption (A) (In Giga Joules)	14,310	15,133
Total fuel consumption (B) (In Giga Joules)	Nil	Nil
Energy consumption through other sources (C) (In Giga Joules)	Nil	Nil
<b>Total energy consumption from renewable sources (A+B+C)</b> (In Giga Joules)	<b>14,310</b>	<b>15,133</b>
<b>From Non-Renewable sources</b>		
Total electricity consumption (D) (In Giga Joules)	13,41,646	13,49,508
Total fuel consumption (E) (In Giga Joules)	6,23,304	6,71,803
Energy consumption through other sources (F) (In Giga Joules)	Nil	Nil
<b>Total energy consumption from non- renewable sources (D+E+F)</b> (In Giga Joules)	<b>19,64,950</b>	<b>20,21,311</b>
<b>Total energy consumed (A+B+C+D+E+F)</b> (In Giga Joules)	<b>19,79,260</b>	<b>20,36,444</b>
Energy intensity per rupee of turnover ( <i>Total energy consumed (Giga Joules)/ Revenue from operations</i> )	0.000083	0.000083
<b>Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP)</b> (Total energy consumed (Giga Joules) / Revenue from operations adjusted for PPP)*	0.001851243	0.001848882
<b>Energy intensity in terms of physical output (Giga Joules/ Metric Tonnes)</b>	28.9	28.8
Energy intensity ( <i>optional</i> ) – the relevant metric may be selected by the entity	-	-

\* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 22.4 as per the 2024 update.

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. 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.

Not Applicable

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

<b>Parameter</b>	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	77,180	69,470
(iii) Third party water	3,51,351	3,30,067
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>4,28,531</b>	<b>3,99,537</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>4,28,531</b>	<b>3,99,537</b>
<b>Water intensity per rupee of turnover (Total water consumption (kilolitres) /Revenue from Operations)</b>	<b>0.00002</b>	<b>0.00002</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption (kilolitres) / Revenue from operations adjusted for PPP)</b>	<b>0.000400814</b>	<b>0.000448</b>
<b>Water intensity in terms of physical output (Kilolitres/Metric Tonnes)</b>	<b>6.3</b>	<b>5.6</b>
<b>Water intensity (optional) –the relevant metric may be selected by the entity</b>	<b>-</b>	<b>-</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

4. Provide the following details related to water discharged:

<b>Parameter</b>	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To surface water</b>		
- No treatment	0	0
- With treatment -please specify level of treatment	0	0
<b>(ii) To Groundwater</b>		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
<b>(iv) Sent to third parties</b>		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
<b>(v) Others</b>		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
<b>Total water discharge (in kilolitres)</b>	<b>0</b>	<b>0</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

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

Yes. HEG Limited recognises the need of efficient water resource management both within and outside of its operating sites. Effluent Treatment Plants (ETPs) have been installed at our manufacturing location for treating 100% wastewater/effluents. The treated water is re-used for gardening and other non-potable uses in the plant.

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

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NO <sub>x</sub>	MT	34.38	31.8
Sox	MT	112.92	108.2
Particulate matter (PM)	MT	160.36	140.75
Persistent organic pollutants (POP)	-	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	-	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	-	Not Applicable	Not Applicable
Others – please specify	-	Not Applicable	Not Applicable

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

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23* (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	46,304.7	48,415.01
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,66,838.54	2,68,385.85
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO <sub>2</sub> e/rupee turnover	0.000013	0.000013
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO <sub>2</sub> e/rupee turnover adjusted for PPP	0.000292889	0.000287623
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	tCO <sub>2</sub> e/Metric Tonnes	4.6	4.5
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity		-	-

\* The previous year's figures have been recalculated as per the IPCC guidelines based on SEBI's directives.

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

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

Yes, the Company has taken various measures to reduce GHG emission. The major projects undertaken by the Company during the FY 2023-24 are as below:

- 2 Nos diesel forklifts are replaced with battery operated forklifts of same capacity to eliminate CO<sub>2</sub> emission due to fuel combustion.
- Installation of solar plant of 3 MW capacity to increase contribution of Green energy in the total plant energy consumption.
- 3 Nos passenger cars are replaced with Electric Vehicles to reduce CO<sub>2</sub> emission due to fuel combustion.

- Replacement of mixer water metering system to reduce process fume emissions.
- Revamping of one of the baking furnaces for efficient fuel consumption and better emission control.
- Plantation of more than 12,500 trees was completed inside the plant during the year to offset part of our GHG emission.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	208.14	332.97
E-waste (B)	2.32	5.19
Bio-medical waste (C)	0.003312	0.00572
Construction and demolition waste (D)	5	63.58
Battery waste (E)	0	2.82
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G) (Oil waste, oil drums waste, cotton waste & Chemical waste)	40.44	59.34
Other Non-hazardous waste generated (H). Please specify, if any. (Garbage, paper waste, process waste, metallic scrap, electrical waste, old machinery, refractory waste, wood waste, horticulture waste.)	9,160.504	4,911.976
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>9,416.41</b>	<b>5,375.88</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated (Metric Tonnes) / Revenue from operations)	0.0000004	0.0000002
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated (Metric Tonnes) / Revenue from operations adjusted for PPP)	0.00000881	0.00000488
<b>Waste intensity in terms of physical output</b> (Metric Tonnes/ Metric Tonnes)	0.14	0.08
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	1,332.77	2,135.60
(ii) Re-used	7,728.87	2,772.22
(iii) Other recovery operations	0	2.82
<b>Total</b>	<b>9,061.64</b>	<b>4,910.64</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0.003312	0.00572
(ii) Landfilling	349.76	401.66
(iii) Other disposal operations	5	63.58
<b>Total</b>	<b>354.76</b>	<b>465.25</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

10. 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.

We at HEG Limited have a detailed Waste Management Policy, which demonstrates our commitment to the implementation of the widely accepted “waste hierarchy” as part of our efforts to achieve our sustainability vision:

- Preventing waste;
- Reusing waste;
- Recycling waste;
- Disposing of waste responsibly.

We have a well-established procedure for the collection, storage and disposal of wastes, as per the Legal requirement, so as to control their adverse impact on environment.

For instance:

1. Waste oil / used oil are collected and stored in Hazardous waste storage area, from where it is sold only to parties having valid authorization from State Pollution Control Board, as per the frequency mentioned in the internal SOP on Waste Management.
2. All used Lead Acid Batteries are collected and stored in designated room/shed with cemented floor to prevent any possibility of land / water pollution, which are then disposed to supplier of batteries / parties authorized by regulatory bodies.

In the same way, we have detailed procedures w.r.t. collection, storage and disposal of all other types of waste generated.

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

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No environmental impact assessment of projects was undertaken by the Company during the current Financial Year. Hence, this requirement is not applicable.					

13. 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, HEG Limited has complied with the applicable environmental laws/regulations/guidelines applicable in India.

Sl. No.	Specify the law / regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable, since there is no non-compliance with the applicable environmental laws/ regulations/ guidelines in India.				

## Leadership Indicators

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

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

- (i) Name of the area:
- (ii) Nature of operations:
- (iii) Water withdrawal, consumption, and discharge in the following format:

Not Applicable, as we do not have any operations in areas of water stress.

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover</b> <i>(Water consumed / turnover)</i>	-	-
<b>Water intensity (optional)</b> – 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	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Not Applicable.

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> Equivalent	Presently, the Company has not considered the details of Scope 3 emissions and its intensity for its GHG inventory, however the Company has started gathering the relevant data and has plans to include the same in the BRSR Report from the next financial year.	
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity</b> (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

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

4. 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:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Replacement of diesel forklifts with battery operated forklifts.	2 Diesel Forklifts have been replaced with the battery-operated forklifts.	Reduction in annual diesel consumption by 22,200 Litres, which will indirectly help the Company in reduction of its carbon footprints.
2.	Installation of Solar Plants	Installation of 3 MW solar plant will help the Company to reduce its dependence on non-renewable sources which will further result in lower carbon footprints and reduced energy costs.	Generation of Annual Green Power of approximately- 36 Lacs kWh.
3.	Plantation of tress	Planted 12,500 trees.	Reduction of carbon footprints.
4.	Installation of LED lighting	Replaced conventional lights with LED lights, which will result in less energy consumption.	Estimated annual power saving of 2.93 Lacs kWh.
5.	Furnace Revamping	Revamped one of the baking furnace for efficient fuel consumption and better emission control.	Overall reduction of carbon footprints.
6.	Replacement of diesel vehicles with electric vehicles.	3 passenger cars have been replaced with the Electric Vehicles.	Reduction in annual diesel consumption by 15,600 Litres, which will indirectly help the Company in reduction of its carbon footprints.

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

We at HEG Limited have a Business Continuity Policy and Onsite Emergency Plan. The purpose of having such Policy and Plan is to make sure that, in the event of an occurrence that might disrupt or endanger the Company, all business operations can be maintained at normal or nearly normal performance levels.

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

The Company being into the manufacturing process has multiple layers of upstream and downstream value chain partners ranging from raw material suppliers, service providers, customers etc. Therefore, evidently entire life cycle of the product lines in which the Company deals in would have certain impacts on the environment at various levels. However, since the Company is in the process of doing the life cycle assessment of its products, therefore, disclosing significant adverse impact to the environment, arising from the value chain of the entity currently is not possible.



7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.  
HEG Limited has assessed 56.6% of its Value Chain Partners for environmental impacts.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.  
4
- 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.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Export Organisations (FIEO)	National
2	Chemical and Allied Export Promotion Council (CAPEXIL)	National
3	PHD Chamber of Commerce and Industry (PHDCCI)	National
4	Federation of India Chambers of Commerce and Industry (FICCI)	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.

Name of authority	Brief of the case	Corrective action taken
Not Applicable, as the Company has not received any adverse orders from regulatory authorities.		

**Leadership Indicators**

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

Sl. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others-please specify)	Web Link, if available
HEG Limited is a member of various industrial and trade bodies and is part of task forces and forums within these bodies, wherein the Company actively participates in these forums to promote and pursue numerous issues that are in the greater interests of its stakeholders, industry as a whole, economy, society and general public.					

**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.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable, as there were no projects that required SIA based on applicable laws in the current year.					

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

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable, as there were no projects requiring R&R.						

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

Any complaints can be sent to [heg.mbp@lnjbhilwara.com](mailto:heg.mbp@lnjbhilwara.com). Further, community complaints may also be directed to the HR team at any plant location.

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	15.8%	14.6%*
Directly from within India	66.8%	58.6%

\* The previous year's figures have been rectified and recalculated.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	1.59%	1.61%
Semi-Urban	88.86%	88.58%
Urban	-	
Metropolitan	9.56%	9.81%

(Place to be categorized as per RBI classification system – rural / semi – urban / urban / metropolitan)

\*The aforesaid calculations have been provided on the basis of Cost to the Company.

#### Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable, as there were no projects that required SIA based on applicable laws in the current year.	

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

Sl. No.	State	Aspirational District	Amount Spent (In ₹)
The Company has not undertaken any CSR projects in designated aspirational districts as identified by the government bodies during the current financial year.			

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

No, as of now the Company does not have a preferential procurement policy where it gives preference to purchase from suppliers comprising marginalized/vulnerable groups.

- (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:

Sl. No.	Intellectual Property based on traditional knowledge	Owned Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Projects	No. of persons benefitted from CSR Projects	%of beneficiaries from vulnerable and marginalized groups
1	Apna Ghar Ashram	425	100%
2	Akshay Patra Foundation	50,000	100%
3	Global Vikas Trust	21,000	100%
4	Graphite Higher Secondary School	1,814*	12%

\*Note: Includes 66 as School staffs

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

##### Essential Indicators

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

The consumer's complaints are handled in accordance with the established SOP for processing complaints, and each complaint receives a response within 48 hours. In addition to this, the Company collects customer satisfaction feedback on regular basis. To ensure customer grievances are redressed promptly and effectively, the Company has put in place a grievance redressal policy and has a special team, which is responsible for managing customer grievances. The team works closely with the management and provides regular feedback on process, policies and people related complaints. This leads to improvements and ensures complaints are reduced.

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

	As a percentage of total turnover
Environmental and social parameters relevant to the product.	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential Services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Others (Technical Complaints)	16	11	1. Improved material supplied and usage at Customer end and its feedback is awaited. 2. In some cases further Dispatch is planned. 3. In few cases, insufficient response from the customer.	25	20	Dispatch of new consignment awaited.

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	

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 a Policy on Cyber Security and risks related to data privacy, which can be accessed at [https://hegltd.com/wp-content/uploads/2023/06/Information-Security-Policy-Ver\\_3.8.pdf](https://hegltd.com/wp-content/uploads/2023/06/Information-Security-Policy-Ver_3.8.pdf)

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.

Not Applicable, as neither any complaints with respect to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls were received during the reporting period nor any penalties were paid to, or actions were taken by regulatory authorities on account of safety of products / services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	No instances of data breaches were identified.
b. Percentage of data breaches involving personally identifiable information of customers	Not Applicable, as no instances of data breaches were identified.
c. Impact, if any, of the data breaches	Not Applicable, as no instances of data breaches were identified.

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## Leadership Indicators

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

Information on products and services of the Company can be accessed at the Company's official website i.e., [www.hegltd.com](http://www.hegltd.com)

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

The Company takes the following steps to inform and educate consumers about safe and responsible usage of products and/or services:

- Customer Trainings – The Company educates its customers on how to utilise its products effectively and about optimum utilisation of energy.
- Material safety data sheet – The material safety data sheet contains the information on how to handle the product safely.
- Product marking – Through product marking, the Company provides the information about the mass, size, and location of the products.
- Handling & packing instructions – Through these instructions, the Company offers safe methods for handling the product, packing, and unpacking.

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

To deal with any kind of disruption/ discontinuation, the Company has a Business Continuity Plan. Customers are informed through various media channels, in case of disruption/discontinuation of essential services.

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

Yes, each and every product is marked with unique identification number for its traceability up to the end use. The product packages are marked with adequate information related to safe handling and usages.

Yes, we carry out surveys to assess consumer satisfaction for our products. The survey enables us to comprehensively understand the customer's expectations and needs and serves as one of the inputs for us to make investment decisions. The survey framework includes a structured questionnaire and customer the feedbacks are then analysed. The survey is designed to provide the following insights:

- Product Quality,
- Delivery,
- Container Stuffing,
- Packing, Technical Service (Material & Operation),
- Documentation, Communication Response