

📍 **Thermax Limited,**
Thermax House, 14 Mumbai - Pune Road,
Wakdevadi, Pune - 411 003, India

📍 **Regd. Office:**
D-13, MIDC Industrial Area, R D Aga Road,
Chinchwad, Pune 411019, India

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🌐 www.thermaxglobal.com

PAN AAAC 3910D

CIN L29299PN1980PLC022787

📄 27AAAC 3910D1ZS

✉ enquiry@thermaxglobal.com



July 5, 2023

To
The Secretary
BSE Limited
PJ Towers, Dalal Street
Mumbai: 400 001
Company Scrip Code: 500411

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051
Company Scrip Code: THERMAX EQ

Sub: Business Responsibility and Sustainability Reporting

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Company's Business Responsibility and Sustainability Report for Financial Year 2022- 23, which also forms part of the Integrated Annual Report of the Company for FY 2022-23, submitted to the Exchanges vide our intimation dated July 5, 2023.

This is for your information and record.

Thanking you,

Yours faithfully,
For **THERMAX LIMITED,**

Janhavi Khele
Company Secretary
Membership No: A20601
Encl: as above

Business Responsibility & Sustainability Report

Section A: General Disclosures

I. Details of the Listed Entity

1 Corporate Identity Number (CIN) of the Company	L29299PN1980PLC022787
2 Name of the Company	Thermax Limited
3 Year of incorporation	30/06/1980
4 Registered office address	D-13, MIDC, Industrial Area, R. D. Aga Road, Chinchwad, Pune - 411019, Maharashtra, India
5 Corporate office address	Thermax House 14, Mumbai-Pune Road, Wakdevadi, Pune - 411003, Maharashtra, India
6 E-mail id	cservice@thermaxglobal.com
7 Telephone	020-66051200
8 Website	www.thermaxglobal.com
9 Financial year for which reporting is being done	2022-23
10 Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange and National Stock Exchange
11 Paid-up capital	Rs. 23,83,12,600
12 Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Janhavi Khele cservice@thermaxglobal.com
13 Reporting boundary	Disclosures made in this report are on a consolidated basis for the following entities – Thermax Limited, Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES), Thermax Instrumentation Limited, Thermax Onsite Energy Solutions Limited (TOESL) – collectively referred to as "the Company" in the BRSR report. These entities cover the materiality disclosure as below: <ul style="list-style-type: none"> Revenue from Operations – 89.5% Net Fixed Assets – 92.0% Profit Before Tax – 94.1%

Introduction	Understanding Thermax	Leadership Messages	Our Board	Statutory Reports	Financial Statements
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II. Products/Services

14. Details of business activities (accounting for 90% of the turnover in FY 2022-23)

S. No.	Products/Services	NIC Code	% of Total Turnover Contributed
1	Industrial Products Segment: Boilers & Heating Equipment (small capacity), Absorption Chillers / Heat Pumps, Air Pollution Control Equipment/Systems, Water & Waste Recycle Including Associated Services and Engineering, Procurement and Construction (EPC)		35.9%
2	Industrial Infra Segment: EPC of Power Plants, Boiler & Heater (high capacity) Plants, Infra Projects, Flue Gas Desulphurisation Projects (Including Associated Services)	37003, 25131, 20119	52.1%
3	Green Solutions Segment: Build-Own-Operate (BOO) model of Green Solutions for Energy and Environment Utilities		4.4%
4	Chemical Segment: Ion Exchange Resins, Performance Chemicals, Construction Chemicals, Water Treatment Chemicals, Oil Field Chemicals, Paper Chemicals and Construction Chemicals and Related Services		7.6%

15. Products/services sold by the entity (accounting for 90% of the entity's turnover)

S. No.	Products/Services	NIC Code	% of Total Turnover Contributed
1	Industrial Products Segment: Boilers & Heating equipment (small capacity), Absorption Chillers / Heat Pumps, Air Pollution Control Equipment/Systems, Water & Waste Recycle Including Associated Services and Engineering, Procurement and Construction (EPC)		35.9%
2	Industrial Infra Segment: EPC of Power Plants, Boiler & Heater (high capacity) Plants, Infra Projects, Flue Gas Desulphurisation Projects (Including Associated Services)	37003, 25131, 20119	52.1%
3	Chemical Segment: Ion Exchange Resins, Performance Chemicals, Construction Chemicals, Water Treatment Chemicals, Oil Field Chemicals, Paper Chemicals and Construction Chemicals and Related Services		4.4%
4	Chemical Segment: Ion Exchange Resins, Performance Chemicals, Construction Chemicals, Water Treatment Chemicals, Oil Field Chemicals, Paper Chemicals and Related Services		7.6%

III. Operations

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

Location	Number of Plants	Number of Offices	Total
National	10	22	32
International	4	34	38

17. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	28
International (No. of countries)	85

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

19%

c. A brief on types of customers

The Company has a presence in both national and international markets, offering its products and services to customers predominantly in the manufacturing industry. These customers place a great emphasis on providing sustainable products that are both environmentally conscious and economically feasible. By providing sustainable products to these manufacturing customers, the Company is enabling them to make a positive impact on the environment while still maintaining their bottom line.

IV. Employees

18. Details as on March 31, 2023

a. Employees and workers (including differently-abled)

S. No.	Particulars	Total		Female		
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	3,497	3,230	92.36	267	7.64
2	Other than Permanent (E)	3,181	3,050	95.88	131	4.12
3	Total employees (D + E)	6,678	6,280	94.04	398	5.96
WORKERS						
4	Permanent (F)	915	913	99.78	2	0.22
5	Other than Permanent (G)	15,977	15,877	99.37	100	0.63
6	Total workers (F + G)	16,892	16,790	99.99	102	0.60

Note: The definition of employee clustering is as under:

- Permanent employees include managerial professionals and technical employees • Other than permanent employees include fixed-term contractual employees & third-party employees • Permanent workers include workers appointed on the Company's payroll
- Other than permanent workers include contractual workers & temporary workmen at manufacturing locations and at our project sites

b. Differently-abled employees and workers

S. No.	Particulars	Total		Female		
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	1	0	0	1	100
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently-abled employees (D + E)	1	0	0	1	100
WORKERS						
4	Permanent (F)	0	0	0	0	100
5	Other than Permanent (G)	2	0	0	2	100
6	Total differently-abled workers (F + G)	2	0	0	2	100

19. Participation/inclusion/representation of women

	Total		No. and Percentage of Females	
	(A)	No. (B)	% (B / A)	
Board of Directors	16	2	12.50	
Key Management Personnel	11	4	36.36	

Note: Details are provided as per the reporting boundary of the report

20. Turnover rate for permanent employees and workers

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.80	26.59	18.47	13.29	8.40	14.00	NA	NA	7.00
Permanent Workers	0.87	60*	1.19	0.32	0	0.32	0	0	0

Note: NA - For FY 2020-21, the turnover rate is recorded on a consolidated basis. *During FY 2022-23, out of five, three female workers left

V. Holdings, Subsidiaries, and Associate Companies (including Joint Ventures)

21.

a. Names of holdings/subsidiaries/associate companies/joint ventures

Sr. No.	Name of the Holding/Subsidiary/Associate Company/Joint Venture (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of Shares Held by the Listed Entity	Does the Entity indicated in Column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Thermax Onsite Energy Solutions Ltd.	Subsidiary	100	Yes
2	Thermax Instrumentation Limited	Subsidiary	100	Yes
3	Thermax Engineering Construction Company Ltd.	Subsidiary	100	No
4	Thermax Sustainable Energy Solutions Ltd.**	Subsidiary	100	No
5	Thermax International Ltd. (Mauritius)	Subsidiary	100	No
6	Thermax Europe Ltd. (U.K.)	Subsidiary	100	No
7	Thermax Inc. (U.S.A.)	Subsidiary	100	No
8	Thermax do Brasil Energia e Equipamentos Ltda. (Brazil)	Subsidiary	100	No
9	Thermax Netherlands BV	Subsidiary	100	No
10	Thermax Denmark ApS	Subsidiary	100	No
11	Danstoker A/S	Subsidiary	100	No
12	Ejendomsanpartsselskabet Industrivej Nord 13	Subsidiary	100	No
13	Boilerworks A/S	Subsidiary	100	No
14	Danstoker Poland Spółka Z Ograniczona Odpowiedzialnoscia	Subsidiary	100	No
15	Rifox-Hans Richter GmbH Spezialarmaturen	Subsidiary	100	No
16	Thermax Sdn. Bhd, Malaysia	Subsidiary	100	No
17	Thermax Engineering Singapore Pte. Ltd.	Subsidiary	100	No
18	PT Thermax International Indonesia	Subsidiary	100	No
19	Thermax Senegal S.A.R.L.#	Subsidiary	100	No
20	Thermax Energy & Environment Philippines Corporation	Subsidiary	100	No
21	Thermax Energy & Environment Lanka (Private) Limited	Subsidiary	100	No
22	Thermax Nigeria Limited	Subsidiary	100	No
23	Thermax Babcock & Wilcox Energy Solutions Ltd.	Subsidiary	100	Yes
24	Thermax Cooling Solutions Limited	Subsidiary	100	No
25	Thermax Engineering Construction FZE	Subsidiary	100	No
26	Thermax International Tanzania Limited	Subsidiary	100	No
27	Thermax (Thailand) Limited	Subsidiary	100	No
28	Enerxnt Private Limited*	Subsidiary	100	No
29	Thermax Bioenergy Solutions Private Limited	Subsidiary	65	No
30	First Energy Private Limited	Subsidiary	100	No
31	First Energy TN 1 Private Limited*	Subsidiary	73.82	No
32	First Energy 2 Private Limited*	Subsidiary	74	No
33	First Energy 3 Private Limited*	Subsidiary	73.99	No
34	First Energy 4 Private Limited*	Subsidiary	100	No
35	First Energy 5 Private Limited*	Subsidiary	100	No
36	First Energy 6 Private Limited*	Subsidiary	100	No

Sr. No.	Name of the Holding/Subsidiary/Associate Company/Joint Venture (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of Shares Held by the Listed Entity	Does the Entity indicated in Column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
37	First Energy 7 Private Limited*	Subsidiary	100	No
38	Jalansar Wind Energy Private Limited*	Subsidiary	74	No
39	Kanakal Wind Energy Private Limited*	Subsidiary	74	No

*Subsidiaries of wholly owned subsidiary

** Liquidated vide order passed by the NCLT issued on April 25, 2023

* Liquidated effective December 14, 2022

VI. CSR Details

The CSR activities of the Thermax Group of Companies are implemented through Thermax Foundation (TF) which is registered as a section 8 company under the Companies Act, 1956. TF prioritises providing quality education to economically underprivileged children. TF collaborates with NGOs, local governments, and other organisations to achieve this goal. Additionally, TF addresses social discrimination issues and is committed to providing relief during emergencies, such as pandemics, by providing foodgrains and essential health equipment.

22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes
(ii) Turnover (in Rs. crore 7,187.5)
(iii) Net worth (in Rs. crore 3,951)

VII. Transparency and Disclosure Compliances

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

Stakeholder Group from whom the Complaint is Received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then Provide Web-link for Grievance Redressal Policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of Complaints filed During the year	Number of Complaints Pending Resolution at the Close of the year	Remarks	Number of Complaints filed During the year	Number of Complaints Pending Resolution at the Close of the year	Remarks
Communities	No	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes*	0	0	NA	0	0	NA
Shareholders	Yes*	2	0	NA	2	0	NA
Employees and Workers	Yes**	7	1	One is under investigation	5	0	NA
Customers	Yes***	7,335	139	NA	6,265	25	NA
Value Chain Partners	Yes**	2	0	NA	4	0	NA

* <https://www.thermaxglobal.com/investor-services-contact/>

** <https://www.thermaxglobal.com/about-us/policies/>

*** <https://www.thermaxglobal.com/thermaxedge/>

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

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

S. 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	Energy management	O	Effective emissions management resulted into several advantages to the Company, such as cost reduction, increased efficiency, enhanced reputation, regulatory compliance, and innovation.		Positive
2	Design upgradation & improvements	O	Opportunity to develop & deliver state-of-the-art technology products and implement sustainability aspects in both products and services. The Company's strong internal engineering and R&D takes efforts to launch new products and services to meet customer needs.		Positive
3	Waste management	R	Waste management is a material issue due to growing regulatory pressure, as companies that fail to comply with regulations may face legal and financial consequences.	Improper disposal of waste can have detrimental effects on our ecosystems and public health. Waste management is one of the most pressing environmental issues of our time. The Company ensures adherence to the regulatory framework defined under applicable laws.	Negative
		O	The Company has taken proactive measures to incorporate sustainable waste management approaches such as recycling and waste reduction. By doing so, we seize the chance to minimise our environmental footprint, reduce expenses, explore fresh avenues for business growth, and ensure compliance with regulations.		Positive
4	Climate change-related risks	R	Climate change is a significant risk for companies due to the growing awareness of the negative impact of human activities on the environment. To mitigate this risk, companies must adopt more sustainable practices and offer environmentally friendly products to meet the changing demands of their customers and stakeholders.	The Company recognises the importance of being proactive in responding to the challenges and opportunities presented by climate change. To this end, the Company has developed a detailed strategy and created a dedicated business group to address these issues. By charting out this strategy, the Company is well-positioned to respond to climate change-related risks and opportunities.	Negative
		O	The increasing awareness of the negative impact of human activities on the environment, particularly climate change, presents a significant opportunity for companies. Responding to this concern, the Company is putting concentrated efforts to develop sustainable products and solutions that are environmentally friendly.		Positive

S. 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	Water management	R	The increasing scarcity of freshwater sources can disrupt the Company's operations, supply chain, and reputation, leading to potential economic losses. Additionally, companies that rely heavily on water for their operations, such as agriculture, energy, and manufacturing, are particularly vulnerable to water-related risks.	The Company has developed in-house expertise and solutions for optimising water usage in industrial plants.	Negative
		O	The Company's effective water management practices are helping to mitigate risks associated with water scarcity, such as disruptions to its operations, supply chain, and reputation. Furthermore, the Company considers water management as an opportunity to reduce its water consumption, save costs, and increase efficiency. Adopting sustainable water practices can mitigate risks associated with water scarcity, preserve vital ecosystems, and ensure access to safe and clean drinking water for communities.		Positive
6	Emission management	O	The Company's utmost priority is emission management through various activities that contribute to mitigating climate change while also reaping the benefits of a more sustainable and profitable business model.		Positive
7	Local employment	R	Lack of employment opportunities in the local area can impede economic development in the community, resulting in insufficient support from local stakeholders. Furthermore, businesses that fail to prioritise local employment may encounter challenges in accessing the skills and expertise of the local workforce, resulting in escalated costs and decreased efficiency.	The Company's emphasis on local hiring minimises the risks and establishes favourable relationships with the local community as a responsible corporate.	Negative
8	Occupational health & safety	R	Workplace accidents and illnesses can impact the productivity and increase cost. It may damage the reputation of the Company and may adversely impact the morale of employees and its culture. Deviations, if any, may result in action with respect to local legislation and may attract fines, and impact the Company's reputation.	The Company has implemented the OHSE policy and enforces strict adherence to it. Several initiatives and programmes have also been initiated to manage health and safety, which are continually monitored for improvement. One of the initiatives is the Behaviour Based Safety programme, which aims to bring about a cultural shift towards safety improvement. Furthermore, the Company has put in place several insurance and medical policies to safeguard its employees.	Negative

S. 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)
9	Talent acquisition and retention	R	The inability to attract and retain top talent can result in a shortage of skilled employees, leading to reduced productivity, increased costs, and potential quality issues. Additionally, the turnover of key employees can lead to a loss of institutional knowledge and expertise, which can negatively impact the Company's competitiveness and ability to innovate.	The Company has implemented various measures to attract and retain talent through initiatives such as job rotation, up-skilling, reskilling, training, fast-track promotion, leadership development programmes, etc. Moreover, the Company has taken steps to ensure the well-being of its employees.	Negative
10	Responsible supply chain management	R	Consumers are becoming increasingly aware of the ethical and environmental impacts of the products they purchase, and they are more likely to avoid brands that do not meet their expectations. This can lead to a loss of market share and reputational damage for companies. By prioritising responsible supply chain management practices, companies can mitigate these risks, improve their reputation, and gain a competitive advantage in the market. Failure to ensure that suppliers meet environmental and social standards can lead to legal and regulatory challenges, resulting in fines, legal action, and negative publicity.	The Company enforces a vendor code of conduct and actively collaborates with vendors to improve its operations. The vendor code of conduct lays down guidelines outlining expectations and standards for vendors who provide goods or services to the Company. It covers various areas such as labour practices, human rights, environmental sustainability, and business ethics. By having a vendor code of conduct, the Company sets clear expectations for its suppliers, ensuring they meet the necessary standards.	Negative
11	Labour management relations	R	Not adhering to labour laws not only violates human rights but can also lead to legal and reputational risks for industrial machinery manufacturing companies. Negative publicity resulting from labour disputes, strikes, or other labour-related issues can lead to a loss of customer confidence, reduced sales, and damage to the Company's reputation.	The Company ensures ongoing monitoring and audits which reveal compliance at all locations. This helps the Company to progressively move to the next level as envisioned through the Social Compact initiative.	Negative
12	Diversity and equal opportunity	O	A diverse workforce can bring new perspectives and ideas, which can lead to increased creativity and innovation. Different viewpoints and experiences can improve decision-making and lead to more thoughtful decisions. A diverse workforce can also help companies better understand and serve a diverse customer base, which can lead to improved customer satisfaction and financial performance.		Positive
13	Ethics & integrity	O	Prioritising ethics and integrity can lead to enhanced reputation, increased customer loyalty, improved employee morale, and better risk management. Companies that operate with ethics and integrity create a culture of trust and transparency, which can attract customers, investors, and top talent. Employees are more likely to feel engaged and committed to a company that operates with integrity, leading to increased productivity and retention.		Positive

Section B: Management and Process Disclosure

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

The National Guidelines for Responsible Business Conduct (NGRBC), as prescribed by the Ministry of Corporate Affairs advocates nine Principles referred to as P1-P9 given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question	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 NGRBC (Yes/No)					Yes				
b. Has the policy been approved by the Board? (Yes/No)					Yes*				
c. Web-link of the policies, if available	https://www.thermaxglobal.com/about-us/policies/ https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/								
2. Whether the entity has translated the policy into procedures (Yes/No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes				
4. Name the national and international codes/certifications/labels/ standards				ISO 9001, ISO 14001, ISO 45001					
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	By 2025, we aim to achieve a 25% reduction in our absolute carbon emissions compared to the base year of 2019.								
6. Performance of the entity against specific commitments, goals and targets	In order to attain this objective, we have identified four crucial areas: operational efficiency, along with the implementation of renewable energy generation, procurement of renewable energy, and fuel switch. As a result, the Company has already achieved a 17% reduction in carbon emissions compared to the base year.								

*The Board has approved the Thermax Code of Conduct, CSR, Terms of Reference of the Stakeholder Relationship Committee and Whistleblower Policy which covers each Principle and elements of NGRBC.

Governance, Leadership and Oversight

7. Statement by the Director responsible for the Business Responsibility & Sustainability Report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Thermax has been committed to environmental well-being since its inception, prioritising ESG long before it became a mainstream concept.

Aligned with the Paris Agreement, it has charted the decarbonisation path to reduce 25% of absolute carbon emissions from the base year 2019 by 2025. To achieve this, multiple initiatives with respect to improving operational efficiency, addition to renewable energy generation and its procurement, and fuel switch, are being implemented across its facilities.

On the business side, the Company offers a range of energy-efficient and environment-friendly products and solutions. This enables industries to optimise their energy consumption, and reduce greenhouse gas emissions as well as minimise their freshwater intake through reuse and recycling of water.

Cognisant of the change in the energy mix in recent times, and its ability to contribute to this transition, Thermax has concentrated its efforts towards green energy. It has proactively aligned its strategies with climate change mitigation and sustainability goals. Along with investing in R&D and digital capabilities, it has inked partnerships with global technology majors to strengthen its clean energy offerings and to solidify its presence as a trusted partner in energy transition to its customers.

On the social front, Thermax is actively engaged in social initiatives, striving to create equal opportunities through education and empowering the informal workforce through its SoCo initiative.

Although the Company is making persistent efforts to meet its ESG imperatives, there are many challenges that lie on its journey. These include dealing with the complexity of the infrastructure of existing industries and transitioning them into cleaner and more sustainable alternatives, cost implications for implementing the technological innovations, assessing and managing the sustainability practices of its suppliers and mitigating any environmental or associated social risks, and data collection and reporting on ESG performance metrics across the organisation.

Despite these challenges, Thermax remains dedicated to addressing them through ongoing innovation, strategic partnerships, stakeholder engagement, and continuous improvement of its ESG practices. We know we have come a long way, but there is still much that is to be done.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy

Managing Director and Chief Executive Officer Ashish Bhandari | DIN – 05291138

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.

Yes. Managing Director and Chief Executive Officer Ashish Bhandari | DIN – 05291138

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether Review was Undertaken by Director / Committee of the Board / any other Committee									Frequency: Annually (A) / Half Yearly (H) / Quarterly (Q) / any other – Please Specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow-up action	The policies of Thermax i.e. Code of Conduct, CSR and Whistleblower which cover the elements of the NGRBC Principles are reviewed periodically and approved by the Board.																	
Compliance with statutory requirements of relevance to the Principles, and rectification of any non-compliances	During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented. The Company complies with the extant regulations and principles as applicable.																	

11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

12. If the 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)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: Principle-Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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 Audits Impact	% of Persons in a Respective Category Covered by the Awareness Programmes
Board of Directors	2	On Code of Conduct & Sustainability	100
Key Managerial Personnel (KMP)	1	Code of Conduct (COBEC) & Prevention of Sexual Harassment at the Workplace	100
Employees other than BoD and KMP	4	Code of Conduct (COBEC) & Prevention of Sexual Harassment at the Workplace, & Information Security Awareness and all other policies	100
Workers	6	Prevention of Sexual Harassment at the Workplace	100

The Code of Business Ethics and Conduct training has had a positive impact on the organisation’s culture, reputation and legal compliance. By ensuring that all Key Management Personnel (KMP) understand the Company’s values and conduct expectations, we have been able to reduce the risk of unethical or illegal behaviour. Moreover, this training has helped protect the Company’s reputation and ensure legal compliance by providing KMP with a clear understanding of applicable laws and regulations.

Health-related training has significantly impacted workers and their work environment. It has contributed to the creation of a safer workplace by reducing the number of accidents, injuries, and illnesses. The Company can demonstrate this impact by providing statistics on the percentage of falls in the number of fatalities and injuries in the past year. In addition, a healthier workforce has improved the Company’s productivity and efficiency.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the Entity or by Directors/KMP) 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):

NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (in Rs.)	Brief of the Case	Has an Appeal been Preferred? (Yes/No)
Monetary				
Penalty/Fine				
Settlement		NIL		
Compounding Fee				
Non-Monetary				
Imprisonment				
Punishment		NIL		

The Company had no monetary and non-monetary fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMP) with regulators/law enforcement agencies/judicial institutions, in FY 2023 based on materiality thresholds.

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

Case Details	Name of the Regulatory/Enforcement Agencies/Judicial Institutions
	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, we have implemented a Code of Conduct that specifies the expected governance practices for all employees. The Code emphasises the Company’s zero-tolerance stance on bribery and corruption and its commitment to conducting all dealings professionally, fairly, and with integrity.

The policy can be accessed at:

<https://www.thermaxglobal.com/wp-content/uploads/2022/03/Code-of-Conduct-Alt-03.pdf>

<https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/>

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

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors		
KMP		
Employees	NIL	NIL
Workers		

6. Details of complaints about conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	Not Applicable	NIL	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMP				

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

Not Applicable

Leadership Indicators

1. Does the entity have processes in place to avoid/manage conflicts of interest involving members of the Board? (Yes / No) If Yes, provide details of the same.

Yes. The Company has adopted the Code of Conduct for the Board of Directors and Senior Management (Code). The Code is available on the website of the Company at <https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/>

The Code requires directors, key managerial personnel and senior management to avoid situations in which their personal interests could conflict with the interests of the Company. Further, the Board of Directors sign off on the Code on an annual basis. The directors, key managerial personnel and other senior management of the Company mandatorily disclose to the Board of Directors, on a yearly basis the conflict of interest.

Prior approval of the Audit Committee and Board, if required, is obtained for related party transactions where Directors are interested as per the related party transaction policy of the Company.

Directors or KMP abstain from participating in matters where they have a conflict of interest.

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 products and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of Improvements in Environmental and Social Impact
R&D	13.2%	13.1%	<p>Fuel cell: It serves as a substitute for diesel-powered generators. When fuelled by green hydrogen, fuel cells generate zero emissions. The current programme involves a 5 kW fuel cell system that utilises methanol as fuel. Using liquid fuels like methanol results in a lower carbon footprint compared to diesel generators.</p> <p>Thermally Activated Cooling (TAC): The TAC technology utilises waste heat from the automotive exhaust to provide cooling to the cabin. Compared to conventional HVAC systems that rely on diesel fuel, it not only improves fuel efficiency by 5-8% but also lowers CO₂ emissions.</p>

	FY 2022-23	FY 2021-22	Details of Improvements in Environmental and Social Impact
			Capacitive Deionisation (CDI): The CDI technology is superior to conventional RO used for drinking water. The technology is targeted to achieve lower water wastage (20% vs 40% for RO) and lower power consumption (60% lower vs RO) at an affordable price for various segments including rural India (e.g. Water ATMs). The technology promotes water and energy conservation due to improved desalination efficiency and low power requirements.
Capex	13.9%	15.2%	<p>Carbon-related investment (CEP)</p> <p>The Company has diversified its offerings to include 'operations and fuel' as an offering to cater to companies who have already invested in a biomass asset and look for assured biomass supply chain management and efficient operations and maintenance from technical experts</p> <p>The Company worked on a specific design project to treat the wastewater by providing equalisation, filtration membrane, and zero liquid discharge solutions to treat the wastewater generated during coating operations.</p> <p>Measures such as air & land pollution reduction, energy savings & increase in environmental quality and operator morale, alternative fuel usage, substitute of oxyacetylene cutting process and minimising O₂ utilisation have been undertaken.</p>

Additionally, the Group has invested in a group captive renewable solar and wind plant of Rs. 492.71 crore.

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

Yes, the Company has a procedure for sustainable sourcing where all the new and existing supply chain partners are evaluated on health, safety, environment and social parameters before onboarding. Also, the supplier/vendor Code of Conduct (CoC) covers HSE and Human Rights parameters to be adhered to, and value chain partners (supply chain partners) must sign the CoC as a part of the contract documents.

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

Yes, 42% of the input raw material by spend value was sourced from sustainable vendors.

2. 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.

The Company does not have any specific product to reclaim at the end of life. However, at the project and operation sites, there are systems in place to recycle, reuse and dispose of in line with the regulatory requirement for the above waste being generated during the course of construction and operation.

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

Yes, Extended Producer Responsibility (EPR) is applicable to the Company for certain products. The waste is collected and recycled through a Central Pollution Control Board (CPCB) registered recycler. In order to ensure compliance with the EPR, the Company has taken steps to register as a brand owner, the registration is in process. This indicates a commitment to responsibly manage waste in accordance with regulatory requirements and industry best practices.

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	% of Covered by										
	Total (A)	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)
Permanent Employees											
Male	3,230	3,230	100	3,230	100	Not Applicable		3,230	100	0	0
Female	267	267	100	267	100	267	100	Not Applicable		0	0
Total	3,497	3,497	100	3,497	100	267	8	3,230	92	0	0
Other than Permanent Employees											
Male	3,050	3,050	100	3,050	100	Not applicable		3,050	100	0	0
Female	131	131	100	131	100	131	100	Not Applicable		0	0
Total	3,181	3,181	100	3,181	100	131	4	3,050	96	0	0

The day care facility is outsourced and provided for certain locations i.e. managed through third-party service hence, mentioned as 0. For other locations, the facility will be provided soon.

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	913	913	100	913	100	0	0	0	0	0	0
Female	2	2	100	2	100	2	100	0	0	2	0.22
Total	915	915	100	915	100	2	0.22	0	0	0	0
Other than Permanent Workers											
Male											
Female						Not Applicable*					
Total											

Note: *The well-being of the workers other than permanent is the responsibility of the contractors engaged at the respective locations. The contractor covers their employees under ESIC benefit or WC Policy as applicable.

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 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	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	8	0	Y	9	0	Y
Others - please specify	Not Applicable			Not Applicable		

Note: All our workers in the permanent category are out of ESI purview, hence shown as NA.

3. Accessibility of workplaces

Are the premises/offices accessible to differently-abled employees 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.

Diversity, Equity and Inclusion is an integral part of the Company's core value.

The Company is continuously working towards improving infrastructure for eliminating barriers to accessibility for differently-abled people.

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, <https://www.thermaxglobal.com/about-us/policies/>

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	NA*	NA*
Female	100	100	0	0
Total	100	100	0	0

*Paternity leave & benefit facility is not provided for the permanent workers, hence, mentioned as NA and maternity leave is applicable to female workers, but none has availed the maternity leave during this period, hence mentioned as 0.

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

	Yes/No
Permanent employees	
Other than permanent employees	Yes (mechanism given below)
Permanent workers	
Other than permanent workers	

Grievance redressal procedure in brief:

The Company is committed to the highest standards of transparency, honesty and accountability in all of Thermax's affairs and to provide a workplace conducive to open discussion relating to its business practices. The whistleblower can make protected disclosure to either the Chairperson or the Managing Director or the Chairman of the Audit Committee through the defined reporting channels. Grievances can be raised through e-mails and all the grievances that are received through different platforms are directed to the Chairperson or the Managing Director or the Chairman of the Audit Committee. The Company has assigned e-mail IDs tlgovernance@gmail.com and nhm@nawshirmirza.com for reporting or sending a written complaint. The Whistleblower Policy is available on the website of the Company. The confidentiality of such reporting is maintained and the whistleblower is protected from any discriminatory action. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. To build awareness in this area, the Company has been carrying out online induction/refresher programmes across the organisation on a periodical basis.

Thermax Code of Conduct: The Company has adopted a Code of Conduct which is applicable to all its employees and business associates. Since, the adoption of this Code of Conduct, a series of training programmes have been conducted in which employees of all business divisions and regions have been covered. The day-to-day grievances are not covered under the Whistleblower Policy mentioned above. Instead, the Company conducts town hall meetings where employees can voice their concerns and grievances. Additionally, the Company has established other forums or channels for employees to raise their grievances in townhall meetings, new joinee induction sessions (Parichay) etc.

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

Category	FY 2022-23			FY 2021-22		
	Total Employees/Workers in the Respective Category (A)	No. of Employees/Workers in the Respective Category, who are part of the Association(s) or Union (B)	% (B / A)	Total Employees/Workers in the Respective Category (C)	No. of Employees/Workers in the Respective Category, who are part of the Association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers						
Male	913	843	92.33	873	797	91.29
Female	2	0	0	5	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 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)
Employees (Permanent + Other than Permanent)										
Male	6,280	4,621	73.6%	1,007	16%	4,961	3,477	70.1%	4,566	92%
Female	398	173	43.5%	98	25%	296	122	41.2%	296	100%
Total	6,678	4,794	72%	1,105	17%	5,257	3,599	68.5%	4,892	92%
Workers										
Male	16,790	14,952	89.0%	NA*	NA*	14,362	14,362	100%	NA*	NA*
Female	102	100	98.04%	NA*	NA*	5	5	100.0%	NA*	NA*
Total	16,892	15,052	89.1%	NA*	NA*	14,367	14,367	100%	NA*	NA*

- NA* means data is not available but the workmen are covered under the wage settlement agreement where skill upgradation requirements are agreed
- The count is regarding the people inducted during the year and for skill upgradation, the trainings conducted on a case-to-case basis.

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (E/D)
Employees						
Male	6,280	6,280	100	4,961	4,961	100
Female	398	398	100	218	218	100
Total	6,678	6,678	100	5,257	5,257	100
Workers						
Male	913	47	5.1	873	48	5.49
Female	2	0	0	5	0	0
Total	915	47	5.1	878	48	5.46

Note: Under the workers' category, only permanent workers at Chinchwad are considered under wage settlement. Basis their performance on various criteria, an additional increment is given. All the workers are in the same category as per wage settlement with the Union.

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

Yes, ISO 45001:2018 Occupational Health and Safety Management System has been implemented at manufacturing, EPC and O&M sites to build positive OHS culture. There is a standard operating procedure in place for every activity to be carried out. Emergency management procedures are in place and mock drills are conducted regularly. Regular training is being provided to make employees aware of the occupational health and safety procedures and best practices.

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

Multiple methods are adopted to ensure that work-related and potential risks are identified in a proactive manner. Risk assessment, job safety analysis, HSE audits, site severity index rating, and daily site inspection are carried out on a routine and non-routine basis.

The IT-enabled platform "Thermax OHSE" is implemented for reporting hazards by Thermax employees and workers and track its closure.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks? (Yes/No)

Yes. The Company has processes for workers to report work-related hazards and to remove themselves from such risks. Continued usage of an HSE app for HSE observation reporting has helped in improving safety at our locations and reduced risks.

Initiatives being implemented for bettering safety culture are the implementation of a behaviour based safety programme wherein routine people practices are observed, and any inappropriate behaviour is corrected and flagged; digitising HSE management - to build accountability and better transparency in our operations; rewarding individuals demonstrating excellent safety standards and structuring the consequence management system.

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

Yes. Medical centres and first aid facilities are available for both employees and workers.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0.12	0.14
	Workers	0.17	0.38
Total recordable work-related injuries	Employees	5	2
	Workers	45	71
No. of fatalities	Employees	0	0
	Workers	2	7
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

The fatalities that occurred at customers' premises (sites) where Company has undertaken projects and the Company has taken precautionary measures wherever required to avoid repetition of such instances.

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

The Company values human life and believes all injuries are preventable and has implemented various measures to ensure a safe and healthy workplace. Providing a healthy, safe and secure workplace to all regular and contractual employees is a key priority for the Company.

The Company's OHSE Policy signed by the Managing Director & CEO is a binding document for everyone who works for or on behalf of Thermax Limited. Company performs hazard identification and assessment of risk and opportunities (HIARO) for all the activities and puts mitigation plan in place. Standardised SOPs are available for all activities. The Company provides regular HSE training to employees and has developed e-learning modules on various safety topics. Safety committees are formed as per the statutory requirements and safety council meetings are conducted at respective locations and business levels.

Medical fitness is ensured before hiring employees and workers. Adherence to the Health, Safety & Environment guidelines is confirmed by business heads and is regularly reviewed. Periodic safety inspections and audits on the high-risk area as work at height, material handling, confined space, and electrical and fire safety parameters are conducted by cross-function teams and appropriate measures are taken for rectification, if any.

Safety is the topmost priority in all Board meetings, permeating down to every employee.

The Company prioritises the safety of permanent, contractual and temporary workforce equally.

The Company will continue these initiatives and undertake many more to ensure the safety of our employees/workers.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2022-23			FY 2021-22		
	Filed During the Year	Pending Resolution at the End of Year	Remarks	Filed During the Year	Pending Resolution at the End of Year	Remarks
Working conditions	0	0	Not Applicable	0	0	Not Applicable
Health & safety	0	0	Not Applicable	0	0	Not Applicable

Note: The Company has a mechanism to track complaints and the numbers are mentioned under respective heads in the report. There are no other complaints received during the year. Other routine/miscellaneous complaints/concerns are not added here.

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
Working conditions	100

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

Below are some examples highlighting corrective actions to address safety-related incidents:

- All safety-related incidents are investigated and learning from such incidents is shared across the organisation for deployment of corrective action in order to stop the recurrence of such incidents.
- Implementation of Behaviour Based Safety (BBS) practices across the Company
- Strengthening confined space work monitoring and electrical safety
- Auditing and improving safety for conveyor belt

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)?

Employees	Yes. The Company extends life insurance coverage for work-related death of its employees
Workers	and workers*

*Only permanent workers are considered. The Company has started extending the life insurance coverage (term life) to the workers from January 2023 at one location. Workers at the remaining locations will be covered gradually. However, they are covered under the death benevolent fund as part of wage settlement, further in case of an accident they are covered under the GPA policy.

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

Adherence to the applicable statutory provisions including payment and deduction of statutory dues is incorporated in the contract agreement with the value chain partners. The Company makes sure that all the relevant clauses dealing with statutory compliance are validated and followed by both sides. The contractors are required to provide supporting documents against the payment of statutory dues e.g. PF, ESIC with their invoices. The GST payment of vendors is monitored while releasing the payments.

Principle 4 - Businesses should respect the interests of and be responsive to all their stakeholders

Essential Indicators

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

The Company recognises the importance of identifying and engaging with various stakeholders to gain insight into their expectations and develop effective strategies. Key stakeholders, both internal and external, are identified based on their impact on the Company's operations and functioning. These include employees, shareholders, customers, investors, communities, suppliers, and vendors. Channels of communication have been established to facilitate open dialogue and understanding of issues that are critical to their respective interests. This enables us to create shared value and make a positive contribution to building a sustainable society.

2. Each stakeholder group.

Key Stakeholders	Whether Identified as a Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of Engagement	Purpose and Scope of Engagement Including Key Topics and Concerns Raised During Such Engagement
Communities and academic groups	Yes	(1) CSR initiatives (2) Community development (3) Engaging with local authorities	Continuous	Purpose: (1) Contributing to the well-being of local communities through social activities (2) Educational initiatives (3) Health and skill development Concerns Raised: (1) Creating livelihoods (2) Developing community infrastructure (3) Improving living standards

Key Stakeholders	Whether Identified as a Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of Engagement	Purpose and Scope of Engagement Including Key Topics and Concerns Raised During Such Engagement
Owners & shareholders	No	(1) Annual Report (2) Company website (3) Quarterly calls (4) Investor relationship meetings and AGM (5) Various publications (6) Stock exchange notifications (7) Newspapers (8) Emails (9) Stakeholders Relationship Committee (10) Investor Relations (11) Registrar & Transfer Agent	Quarterly/Half yearly	Purpose: (1) Continuously elevating corporate value (2) Delivering better returns on investments Concerns Raised: (1) Company's financial health (2) Effective risk controls (3) Fair business practices - Improved return on investment
Employees	No	(1) Awards (2) Department meetings (3) Surveys (4) Town halls (5) Trainings (6) Workshops (7) Nomination & Remuneration Committee (8) Human Resource function	Continuous	Purpose: (1) Employee well-being (2) Functional and soft skill development (3) Structured Learning (4) Talent attraction and retention Concerns Raised: (1) Career growth (2) Employee benefits (3) Performance management
Customers	No	(1) Advertisement campaigns (2) Brochures (3) Company website (4) Customer care (5) Customer meets (6) Customer satisfaction survey (7) Feedback forms - Fireside (in-house magazine) (8) Events and exhibitions (9) Emailers (10) Social media webinars	Continuous	Purpose: (1) Providing a comprehensive portfolio of products and solutions aligned with their evolving requirements Concerns Raised: (1) Quality (2) Responsiveness (3) Timely project completion (4) Engineering technique
Vendors and Business Partners	No	(1) Enquiries via telephone and e-mail (2) Periodic partner meets (3) Publications (4) Supplier surveys (5) Tendering and procurement	Continuous	Purpose: (1) Assessment and audit of suppliers (2) Aligning suppliers with environmental and supplier code of conduct (3) Conforming to quality and HSE (Health, Safety and Environment) Concerns Raised: (1) Purchase processes (2) Repeat orders (3) Timely payments
Government Authorities	No	(1) Activities through business and industry groups (2) Industry associations (3) Participation in policy councils	Continuous	Purpose: (1) Building businesses contributing to the development (2) Making mandatory and non-mandatory disclosures Concerns Raised: (1) Compliance with regulations (2) CSR reporting (3) ESG performance

Thermax embarked on the Social Compact (SoCo) initiative with NGOs and other like-minded corporates, to help design a framework to support informal workers live a life of dignity and equity. This initiative with NGO Dasra ensures greater dignity for the industrial workers in India. SoCo is trying to bring about a massive shift in mindset, policies and procedures within industries to enable government benefits and entitlements to the informal workforce through worker facilitation centres.

To further social equity, we are also partnering with communities around our manufacturing locations. During FY 2022-23, Thermax Foundation continued its partnership with NGOs such as Lokbharati and Manavlok as well as with like-minded corporates for upskilling of the youth and capacity-building programmes for the farmers.

Lokbharati: <https://lokbharti.com/partners/corporate/>

Manavlok: <https://manavlok.org/our-partners>

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board?**
The Company's management frequently engages with its key stakeholders, including investors, customers, suppliers, and employees. Progress updates are provided to the Board, and their inputs are sought on a periodic basis. The Board of Directors are periodically updated on various topics, including industry overviews, customer service updates, digital initiatives, Corporate Social Responsibility projects, financial performance, and strategy. Additionally, the Directors are briefed on the regulatory environment, including significant regulatory developments, circulars, and amendments by bodies such as the Securities & Exchange Board of India and the Ministry of Corporate Affairs. Feedback from the Board is also collected to ensure alignment and collaboration.
- 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 the policies and activities of the entity?**
Yes, the Company utilises materiality assessments to engage with stakeholders and priority issues related to economic, environmental, and social topics. In addition, the Company interacts with investors and analysts to gain an understanding of their expectations and incorporate them into the sustainability framework. This has led to the development of several initiatives focussed on responsible investing, equal opportunity, diversity and inclusion policies, privacy policies, human capital, environmental impact, and sustainability risk assessments.
- 3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalised stakeholder groups.**
The Company places a strong emphasis on education for economically underprivileged children, with Thermax Foundation supporting two Akanksha Foundation schools in Pune through a public-private partnership. Additionally, Thermax Foundation provides support to Akanksha Foundation alumni through mentorship and guidance to pursue higher education and careers. In addition to education, the Company is also involved in addressing social discrimination through affirmative action, skill development, and employability initiatives. The Company's social arm, Thermax Foundation, also addresses complex health, safety, and environmental issues faced by disadvantaged, vulnerable, and marginalised stakeholders.

Principle 5 - Businesses should respect and promote human rights

Essential Indicator

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of Employees/Workers Covered (B)	% (B/A)	Total (C)	No. of Employees/Workers Covered (D)	% (D/C)
Employees						
Permanent	3,497	707	20.22	3,475	437	12.58
Other than permanent	3,181	1,399	43.98	1,782	861	48.32
Total employees	6,678	2,106	31.54	5,257	1,298	24.69
Workers						
Permanent	915	915	100	878	878	100
Other than permanent	15,977	Not Applicable*		13,489	Not Applicable*	
Total workers	16,892	915	5.42	14,367	878	6.11

Note: Not Applicable* Although the implementation of the Human Rights Policy is ongoing, the company already incorporates aspects of human rights into its Code of Conduct, Child Labour Law, Prevention of Sexual Harassment at the Workplace, and other policies. As part of the induction process for new employees and permanent workers, the Company provides training and orientation sessions on these aspects. The number of people who received such training during the current financial year is indicated in the above mentioned count. For non-permanent workers, the respective contractors are responsible for training on aspects of human rights.

2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23 Current Financial Year				FY 2021-22 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)
Employees										
Permanent										
Male	3,230	0	0	3,230	100	3,257	0	0	3,257	100
Female	267	0	0	267	100	218	0	0	218	100
Other than Permanent										
Male	3,050	0	0	3,050	100	1,704	0	0	1,704	100
Female	131	0	0	131	100	78	0	0	78	100
Workers										
Permanent										
Male	913	0	0	913	100	873	0	0	873	100
Female	2	0	0	2	100	5	0	0	5	100
Other than Permanent										
Male	15,977	0	0	15,977	100	13,489	0	0	13,489	100
Female	0	0	0	0	0	0	0	0	0	0

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

	Male		Female	
	Number	Median Remuneration/Salary/Wages of Respective Category	Number	Median Remuneration/Salary/Wages of Respective Category
Board of Directors (BoD)	14	6,45,000	2	25,90,000
Key managerial personnel	7	59,02,951	4	2,52,669
Employees other than BoD and KMP	3,230	8,95,758	267	7,61,604
Permanent workers	913	3,30,038	2	22,012
Contractual workers	15,977		Not Applicable*	

Note: Although wages are subject to the rate contract with the contractor, the Company ensures that the wages paid comply with the applicable regulations. The minimum wage rate may differ depending on the location or state.

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

Yes. The Human Resources department of the Company has been designated as the focal point for resolving any issues pertaining to human rights.

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

Covered under COBEC, POSH and Whistleblower Policy, respective committees are formed to deal with any such instances. Thermax is committed to the highest standards of transparency, honesty and accountability in all Thermax's affairs and to providing a workplace conducive to open discussion relating to its business practices. The whistleblower can make protected disclosure to either the Chairperson or the Managing Director or the Chairman of the Audit Committee through the defined reporting channels. Grievances can be raised through e-mails and all the grievances that are received through different platforms are directed to the Chairperson or the Managing Director or the Chairman of the Audit Committee. The confidentiality of such reporting is maintained and the whistleblower is protected from any discriminatory action. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. To build awareness in this area, the Company has been carrying out online induction/refresher programmes across the organisation on a periodical basis. COBEC: The company has adopted the Code of Business Ethics & Conduct (COBEC) which is applicable to all its employees and business associates. Since, the adoption of COBEC, a series of training programmes have been conducted in which employees of all business divisions and regions have been covered.

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

Category	FY 2022-23			FY 2021-22		
	Filed During the Year	Pending Resolution at the End of the Year	Remarks	Filed During the Year	Pending Resolution at the End of the Year	Remarks
Sexual harassment						
Discrimination at workplace						
Child labour						
Forced/involuntary labour						NIL – Complaints not received related to the areas mentioned in the category.
Wages						
Other issues						

Note: The complaint count is provided under point no. VII. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct. With regard to other miscellaneous issues like complaints on issues like canteen service or queries/complaints on appraisals are handled at the appropriate level.

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

The Company believes in upholding fairness and meritocracy through a policy framework that strictly adheres to non-discriminatory practices and provides equal opportunities to all individuals regardless of their gender, religion, caste, race, age, community, physical ability or sexual orientation. To achieve this, the Company has implemented various policies such as the Code of Conduct, Prevention of Sexual Harassment, Rights of Persons with Disabilities, etc. These policies ensure a robust grievance redressal process and establish clear employee responsibilities and acceptable conduct. By upholding these policies, the Company promotes a diverse and inclusive culture in the workplace.

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

Yes.

9. Assessments for the year:

	% of Offices that were assessed (by Entity or Statutory Authorities or Third Parties)
Child labour	100% These aspects are assessed on an ongoing basis by the Company.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

Not Applicable.

Leadership Indicators

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

There were no human rights grievances/complaints and thus this is not applicable.

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

The human rights aspects are covered under various laws like the prevention of sexual harassment at the workplace, child labour law, equal opportunity policy etc. The Company has ensured human rights aspects by adhering to the laws.

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

Yes. The Company has taken steps to improve accessibility to differently-abled persons. Amenities like wheelchairs, washrooms, and lifts are available at facilities and ramps are available at certain locations.

4. Details on assessment of value chain partners: Others – please specify

	% of Value Chain Partners (by the Value of Business Done with Such Partners) that were Assessed
Sexual harassment	NIL
Discrimination at workplace	
Child labour	
Forces labour/involuntary labour	
Wages	
Others – please specify	

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

Not Applicable.

Principle 6 - Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in giga joules (GJ)) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,20,704	1,20,770
Total fuel consumption (B)	1,82,795	1,97,725
Energy consumption through other sources (C)	15,187	16,390
Total energy consumption (A+B+C)*	3,18,686	3,34,884
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	41.1	55.8
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: By implementing efficiency projects during the year, the Company reduced its energy consumption by 5% compared to last year and reduced its carbon footprint positively impacting the environment.

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 assessment was carried out by an external agency during the year.

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

The Company does not fall within the purview of a Designated Consumer under the PAT scheme of Gol.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,46,432	1,62,137
(ii) Groundwater	0	0
(iii) Third-party water	6,40,194	7,18,795
(iv) Seawater/desalinated water	0	0
(v) Others (Rainwater use + bottled water)	23,178	12,635
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	8,09,804	8,93,567
Total volume of water consumption (in kilolitres)	8,09,804	8,93,567
Water intensity per rupee of turnover (water consumed/turnover) in litre per rupee	104.4	148.8
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: The Company's initiatives towards freshwater conservation resulted in a 9% reduction in freshwater consumption during the year. The initiatives like the use of treated water for dosing in the treatment at the manufacturing unit - Dahej, installation of waterless urinals in some offices, installation of low flow water aerators, and increased use of rainwater harvested at the manufacturing unit - Paudh, have contributed to reduction in freshwater intake.

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. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented the mechanism for zero liquid discharge (ZLD). Our 7 plants (Chinchwad-2, Bhosari, Shirwal, Savli, Solapur, Paudh) are zero liquid discharge compliant.

Note: The Company does not release treated water outside the plant and uses that treated water internally for gardening, flushing, and other applications.

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

Parameter	Please Specify Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	MT	350.89	21.08
SOx	MT	111.18	11.35
Particulate matter (PM)	MT	991.39	48.73
Persistent organic pollutants (POP)		Not Applicable*	Not Applicable*
Volatile organic compounds (VOC)		161.62	195.65
Hazardous air pollutants (HAP)		Not Applicable*	Not Applicable*
Others – please specify		Not Applicable	Not Applicable

* The requirement of measuring SOx, NOx, are not prescribed in some consents to operate obtained from the concerned pollution control boards. From 2022-23 as a best practice, we have started measuring these in all our manufacturing locations. Thus the numbers of corresponding years are not comparative.

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 assessment/evaluation/assurance was carried out by an external agency during the year.

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total scope 1 emissions (break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	12,180	13,000
Total scope 2 emissions (break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	24,037	26,072
Total scope 1 and scope 2 emissions per rupee of turnover		4.7	6.5
Total scope 1 and scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: The Company has identified four key areas to achieve the reduction in carbon emissions i.e. operational efficiency, addition to renewable energy generation, renewable energy procurement, and fuel switch.

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 assessment/evaluation/assurance was carried out by an external agency during the year.

7. Does the entity have any project related to reducing greenhouse gas emissions? If yes, then provide details.

Yes. As part of its commitment to reduce carbon emissions, Thermax has identified four key areas to achieve this goal - operational efficiency, renewable energy generation, renewable energy procurement, and fuel switch.

The Company has made significant progress through these initiatives.

Operational efficiency projects, such as installing VFDs on various equipment, optimising ETP blower operations and arresting compressor leakages, have been implemented to minimise energy consumption. Motion sensors have been installed to prevent excess usage, and energy-efficient pumps have replaced cooling water pumps at process cooling towers. LED lights have also been installed in shop floors that helps reduce energy consumption.

On renewable energy generation and procurement, the Company has commissioned 930 kWp solar rooftop capacity at Sri City, with another 297 kWp land-based solar capacity under commissioning at the Solapur plant. The Company has procured renewable energy through wind sources for three plants - Chinchwad, Shirwal, and Paudh in Maharashtra.

The fuel switch project at the Dahej plant is currently in the commissioning phase, which involves replacing the existing natural gas boiler with a biomass fired boiler.

The Company's overall commitment to sustainability and reducing its carbon footprint is evident through its various efforts.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	86	26
E-waste (B)	7	13
Bio-medical waste (C)	0	2
Construction and demolition waste (D)	0	20
Battery waste (E)	4	0
Radioactive waste (F)	0	0
Other hazardous waste. Please specify, if any. (G) metal scrap, wooden scrap, shop floor soil, garbage, corrugated scrap, non-hazardous ash etc.	9,605	9,032
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	6,379	4,037
Total (A+ B + C + D + E + F + G + H)	16,081	13,130
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	13,258	9,407
(ii) Re-used	0	0
(iii) Other recovery operations - (co-processing)	1,774	658
Total	15,032	10,065
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	109	305
(ii) Landfilling	940	2,760
(iii) Other disposal operations	0	0
Total	1,049	3,065

Note: During this year, the total waste recovered through recycling and other recovery options has significantly increased to 93% and the amount of waste sent to landfills and incineration facilities has decreased to 7%. This reflects the Company's proactive approach towards responsible waste management practices, with a focus on minimising waste disposal in landfills.

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 assessment was carried out by an external agency during the year.

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

Thermanx has incorporated a waste reduction strategy in its operations and has successfully implemented the following projects:

- Sustainable paint sludge recycling initiative: The Company has taken a sustainable approach towards hazardous waste management by recycling paint sludge. 10.6 MT of paint sludge from the Chinchwad and Shirwal plants was diverted from incineration to recycling for energy recovery. This process not only reduces the amount of waste that needs to be disposed of but also conserves natural resources and saves energy while reducing greenhouse gas emissions.
- Circular economy initiative at dahej chemical plant: The Company's initiative at the Dahej chemical plant exemplifies a circular economy in action. By repurposing 1,764 MT of hazardous waste as fuel for nearby cement plants, the Company has created a closed-loop system where waste is transformed into a valuable resource. This approach conserves natural resources and reduces carbon footprint and land contamination.
- 'Single-use plastic free' certification at Savli plant: In adherence to new regulations on plastic waste management, the Company has taken steps towards environmental conservation by implementing a single-use plastic (SUP) free facility. By identifying 14 SUP items used on the site and finding alternative solutions to eliminate them, the Savli plant became the Company's first site to receive a SUP free certification from CII, contributing to the Company's commitment to environmental conservation.

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

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
NIL			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2022

Name and Brief Details of Project	EIA Notification Number	Date	Whether Conducted by Independent External Agency (Yes/No)	Results Communicated in Public Domain (Yes/No)	Relevant Web-links
NIL					

Note: The Company has undertaken various projects across the states. The site premise belongs to the customer where EIA was conducted. Those details are not covered.

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder? (Y/N) If not, provide details of all such non-compliances.

S No.	Specify the Law/ Regulation/ Guidelines which were Not Complied With	Provide Details of the Non-Compliance	Any Fines/ Penalties/ Action Taken by Regulatory Agencies such as Pollution Control Boards or Courts	Corrective Action Taken, if Any
NIL				

Leadership Indicators

1. Provide break-up of the total energy consumed (in gigo joules (GJ)) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	11,481	2,073
Total fuel consumption (B)	4,428	2,225
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	15,909	4,298
From non-renewable sources		
Total electricity consumption (D)	1,09,223	1,18,697
Total fuel consumption (E)	1,78,367	1,95,500
Energy consumption through other sources (F)	15,187	16,390
Total energy consumed from non-renewable sources (D+E+F)	3,02,777	3,30,587

Note: The significant increase in renewable energy is credited to the increase in solar rooftops at Sri City and procurement of green energy from wind through open access mechanism at Chinchwad, Paudh and Shirwal.

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 assessment was carried out by an external agency during the year.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water	0	0
No treatment		
With treatment – please specify the level of treatment		
(ii) To groundwater	0	0
No treatment		
With treatment – please specify the level of treatment		
(iii) To seawater	2,74,771	3,95,188
No treatment		
With treatment – please specify the level of treatment		
(iv) Sent to third-parties	3,666	3,869
No treatment	3,666	3,869
With treatment – please specify the level of treatment		
(v) Others	0	0
No treatment		
With treatment – please specify the level of treatment		
Total water discharged (in kilolitres)	2,78,437	3,99,057

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 assessment was carried out by an external agency during the year.

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

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

(i) Name of the area

Not Applicable

(ii) Nature of operations

Not Applicable

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

Parameter	FY 2022-23	FY 2020-21
Water withdrawal by source (in kilolitres)		
i. Surface water	Not Applicable	Not Applicable
ii. Groundwater	Not Applicable	Not Applicable
iii. Third-party water	Not Applicable	Not Applicable
iv. Seawater/desalinated water	Not Applicable	Not Applicable
v. Others	Not Applicable	Not Applicable
Total volume of water withdrawal (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed/ turnover)	Not Applicable	Not Applicable
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
i. Into surface water	0	0
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify the level of treatment	Not Applicable	Not Applicable
ii. Into groundwater	0	0
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify the level of treatment	Not Applicable	Not Applicable
iii. Into seawater	0	0
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify the level of treatment	Not Applicable	Not Applicable
iv. Sent to third-parties	0	0
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify the level of treatment	Not Applicable	Not Applicable
v. Others	0	0
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify the level of treatment	Not Applicable	Not Applicable
Total water discharged (in Kilolitres)	0	0

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 assessment was carried out by an external agency during the year

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	NA	NA
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/INR	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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 assessment was carried out by an external agency during the year.

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

Not Applicable

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

S. No.	Initiative Undertaken	Details of the Initiative (Web-link, if any, may be Provided Along with Summary)	Outcome of the Initiative
1	At Dahej, the co-processing of waste for energy purposes	Diversion of ETP waste to co-processing for the cement industry. Total of 1,764 MT of landfill waste was diverted towards co-processing	Diversion of waste from landfill Resource conservation
2	At Dahej, reduction in freshwater consumption in the ETP process	Reduction of freshwater consumption in the ETP process by using treated water for the preparation of ETP chemicals	Resource conservation Reduction in pollution
3	At Shirwal and Chinchwad, recycling of paint sludge	Diversion of hazardous paint waste going for incineration to recycling for making powder	Resource recovery by eliminating incineration
4	At Savli, eliminated single-use plastic from plant	Elimination of single-use plastic from the Savli plant	Reduced plastic pollution and received certification from CII

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

Yes. The Company has an Enterprise Risk Management (ERM) framework to identify, assess, mitigate, and report on risks. The Company's Risk Management Council and Committee conduct a thorough review of key risks, including their impact on strategic decisions and potential mitigation measures. This review is conducted in response to significant changes in the external environment that could have an impact on these risks. To remain vigilant, the Company closely monitors developments in the domestic economic environment, geopolitical events, commodity prices such as oil, coal, and steel, currency fluctuations, and interest rates. In addition to risk mitigation efforts, the Company continuously monitors these risks for any emerging business opportunities.

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

Essential Indicator

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.

S. No. Associations	Name of the Trade and Industry Chambers /	Reach of Trade and Industry Chambers/Associations (State/National)
1	CII's National Committee for Capital Goods & Engineering	National
2	Mahratta Chamber of Commerce, Industries and Agriculture	State
3	Boilers and Pressure Vessels Sectional Committee, MED01, BIS	National
4	National Safety Council	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 the Authority	Brief of the Case	Corrective Action Taken
NIL	NA	NA

NIL. There is no litigation filed /pending or completed against Thermax Limited regarding any anti-competitive behaviour and violations of anti-trust provisions under the Competition Act, 2002.

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
No such project was initiated which requires social impact assessment.					

Note: The Company has undertaken various projects across the states. The site premise belongs to the customer where SIA was conducted. Those details are not covered.

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

S. No. for which R&R is Ongoing	Name of Project	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts Paid to PAFs in FY (In Rs.)
No rehabilitation and resettlement were undertaken by the entity during this reporting period.						

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

Any community member can raise a complaint on Company's toll-free number and email address provided on the Company's website which is monitored, addressed, and a proper record is maintained under the Whistleblower Policy.

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	47.4	45.9
Sourced directly from within the district and neighbouring districts	NA*	NA*

Note: NA* Data will be tracked going forward.

Leadership Indicators

1. Details of beneficiaries of CSR projects

S. No.	CSR Projects (in FY 2022-23)	No. of Persons Benefitted from CSR Projects	% of Beneficiaries from Vulnerable and Marginalised Groups
1	School Project - Thermax Foundation (TF) funds two Pune Municipal Corporation (PMC) Schools run by NGO Akanksha Foundation through public-private partnership (PPP). Through this project, students from underprivileged economic families receive access to quality education.	1,807	100
2	Alumni Project - TF supports the alumni from Akanksha Foundation as well as another NGO iTeach to continue higher education after school. Since most of the students are first-generation learners, through alumni projects they receive career guidance, academic mentoring and support for junior college enrolment.	2,301	100
3	Skill Building - TF supports (based on identified need) the community youth from villages near Thermax factories, who have dropped out from education after class 10 th to develop skills, and take on roles like electrician, data entry operator. The NGO partner provides training and placement to a minimum of 75% among them in nearby companies.	400	100

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:

Customer complaints are received through email, transmittal letters, and verbal communications. All complaints raised by customers through Thermax Channel Associates (TCAs) are logged in Salesforce.com (SFDC) and reviewed by the service team. Resolutions are also recorded on SFDC. Any other complaints received directly from customers at the Customer Relationship Centre (CRC) are forwarded to relevant teams for their response. By monitoring customer complaints through Salesforce.com's service cloud, we have improved our responsiveness and efficiency in managing complaints, while effectively tracking and addressing recurring issues.

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

As a Percentage of Total Turnover	
Environmental and social parameters relevant to the product	All the products of the Company contain relevant information as required under applicable laws.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received During the Year	Pending Resolution at End of Year		Received During the Year	Pending Resolution at End of Year	
Data Privacy	NIL		No such complaint was received in FY 2022-23	NIL	No such complaint was received in FY 2021-22	
Advertising						
Cyber security						
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other	Kindly refer to Section A General Disclosure Point No. VII Transparency and Disclosures Compliances					

4. Details of instances of product recall on accounts of safety issues

	Number	Reasons for recall
Voluntary recalls		
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 regularly provides training on security awareness to its employees. Unused information is archived and purged according to the Company's Data Retention Policy. Role-specific access to IT equipment is created and controlled. Implementation of identity and access management through single sign-on and multi-factor authentication is underway. Servers and databases for all hosted applications are currently being upgraded for high availability. The Company regularly tests its disaster recovery plan for critical applications.

Web-link: <https://www.thermaxglobal.com/>

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 the safety of products/services.

Not Applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the Company can be accessed.

The details of the product and services are available on <https://www.thermaxglobal.com/>

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

The Company's tech-enabled assets/products drive operational efficiency and sustainable growth for its customers. Additionally, the Company places a strong emphasis on educating the customers about the responsible usage of its products and services.

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

The Company has the necessary mechanisms in place to inform consumers if any major discontinuation happens. This includes updating and replacing outdated information on the website, publishing articles about upgraded or new versions of products and solutions in publications, and disseminating information on social media accounts.

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)

No. All the products of the Company contain relevant information as required under applicable laws.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with the impact

There were no data breaches during the year.

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

NIL