



**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE (ESG)
REPORT**

FY 2024

About the Report

This Report offers an in-depth overview of APL Apollo's Environmental, Social, and Governance (ESG) activities for the fiscal year 2023-24, providing comparative insights with the previous year throughout. The scope covers our 11 manufacturing units in Bengaluru, Hyderabad, Hosur, Malur, Murbad, two plants in Raipur, and three plants in Sikandrabad and in Dubai, as well as our corporate offices in Delhi, Noida, and Ghaziabad. It is prepared following the Global Reporting Initiative (GRI) Universal Standards 2021. Additionally, it aligns with the United Nations Sustainable Development Goals (UNSDGs), which encompass 17 key areas identified by the UN in 2015, mapped to relevant sections of this document.

Every aspect of our business operations has been examined from an ESG perspective, with these elements thoroughly integrated across all business activities. This report captures these ESG components and their alignment with our corporate strategies comprehensively. Our future goals are also outlined alongside our achievements, highlighting clear and measurable targets that emphasise our dedication to continuous improvement and sustainable practices. This year's report represents a significant advancement in our commitment to combating climate change, compared to the FY 2023 ESG report. Additionally, we have prepared the report in line with the requirements of the IFRS Sustainability Disclosure Standards (ISSB Standards) in this document.

Reporting Principles and Framework

Besides following the guiding principles and content elements specified in the Sustainability Report Framework, this report has been carefully crafted in accordance with the GRI 2021 Standards. It also incorporates the relevant requirements and principles from the following frameworks and guidelines.

- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact (UNGC)
- IFRS Sustainability Disclosure Standards (ISSB Standards)
- Green House Gas Protocol (as applicable)
- National Guidelines on Responsible Business Conduct (NGRBC)
- Companies Act 2013 (along with the rules established therein) and Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, including compliance with the Business Responsibility and Sustainability Report (BRSR) framework.

External Assurance

In FY 2023-24, we have obtained a reasonable external assurance on SEBI BRSR Core Indicators as disclosed in the Annual Report FY 2023-24. The details of the Independent Assurance are available on 114 of this Report.

Reporting Scope and Boundary

The ESG report for FY 2024 covers the financial and non-financial performance of APL Apollo from 1 April 2023 to 31 March 2024, and enlists key highlights, goals, strategies,

and our journey towards accelerating sustainable growth. The scope covers our 11 manufacturing units in Bengaluru, Hyderabad, Hosur, Malur, Murbad, 2 plants in Raipur, 3 plants in Sikandrabad and in Dubai, as well as our corporate offices in Delhi, Noida, and Ghaziabad. All activities fully consolidated for financial reporting purposes are covered under this report. More specifically, for some of the reported Key Performance Indicators, figures of the last three years have been incorporated to provide a comprehensive overview and showcase our progress over the years.

Management's Responsibility

This Report has been thoroughly reviewed by our company's senior leadership team, including the Chairman and Managing Director, Executive Director, Chief Financial Officer, Chief Strategy Officer, Vice Presidents responsible for safety, health, and sustainability, other departmental heads, and the Company Secretary and Chief Legal Officer (Corporate and Compliance). This collaborative effort is intended to strengthen governance oversight, risk management, and overall controls.

This Report includes certain forward-looking statements that are subject to various risks, uncertainties, and other factors that could cause actual results to differ significantly from the anticipated projections. APL Apollo Tubes Ltd is not obligated to update these forward-looking statements to reflect events or circumstances occurring after the date of this report.

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About APL Apollo

APL Apollo Tubes Ltd, founded on 24 February 1986, is a leading public limited company listed on both the BSE Limited and the National Stock Exchange of India Limited. Our registered office is located at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. Specialising in the production of Electrical Resistance Welded (ERW) steel tubes, we are recognised as one of India's foremost steel tube manufacturers. Our reputation as the largest structural steel tubing company in India is bolstered by a well-established distribution network and an unwavering commitment to quality.

Our success is driven by an efficient three-tier distribution system that caters to dealers, wholesalers, and end consumers. Our manufacturing facilities boast a production capacity of 4.3 million tons of steel tubes. We have also developed an extensive distribution network, which includes warehouses, over 800 dealers and distributors, and more than 50,000 retailers and fabricators.

At APL Apollo, we are guided by passionate leadership that emphasizes continuous growth. Our objectives, vision, and core values shape our business practices and goals. Over the past three decades, we have significantly expanded our production capacity, leading the way in the structural steel tube industry. We are committed to sustainable solutions and serve both domestic and international markets, offering over 2,500 varieties of structural steel tubes to 30 countries worldwide.

With a dedicated and permanent workforce of 2,682 employees and workers in India along with 113 employees and workers in Dubai, across 11 locations. Our net sales in the private sector reached INR 18,119 Cr. We offer an extensive product and service portfolio with over 2,500 distinct SKUs and are affiliated with industry associations and advocacy groups such as the Confederation of Indian Industries (CII) and the Federation of Indian Export Organizations (FIEO).



Our Vision

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



Our Mission

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



Our Core Values



Leadership
by example



Commitment



Trust



Innovation



Integrity

Precautionary Principle

Our company operates within an environmentally friendly industry with minimal harm to the environment. Nonetheless, we have proactively embraced the most energy-efficient and environmentally sustainable technologies from around the world as part of our precautionary approach in all our operations. We consistently implement this precautionary strategy to reduce any potential adverse environmental impacts, actively striving to decrease our company's overall environmental footprint.

Leadership Note

I am delighted to present APL Apollo's fourth ESG Report for the financial year 2024. Closing out on yet another fruitful year, we have reported a sales volume increase by 15% and a 12% increase in Revenue from Operations. Being one of the largest structural tube players in the market, we continue to expand our market presence while remaining fully committed to prioritising the Environmental, Social, and Governance (ESG) framework.

SANJAY GUPTA
Chairman and
Managing Director

Strengthening our commitment to reducing environmental footprint

We have set ambitious targets, primarily aiming to achieve net-zero emissions by 2050, a goal validated by the Science Based Targets initiative (SBTi). Additionally, we aim to reduce scope 1 and 2 emissions by 25% per metric ton of steel produced by 2030 and ensure that all our manufacturing plants are powered by renewable energy by 2025. Through dedicated initiatives, we have already achieved a 28.2% share of renewable energy in our total electricity consumption, down from 37.2% in FY 2023. The decrease in the renewable energy share was due to the addition on the New Raipur plant which got recently commissioned which is dependent on grid electricity at the moment. Excluding the New Raipur plant, the renewable electricity share was 41% for FY 2024. However, we have undertaken a major renewable electricity expansion at the New Raipur plant that will cover more than 80% of the energy requirement of the plant for solar powered electricity. This will contribute to taking our overall share of renewable electricity beyond 50% by FY 2025, exceeding our previously taken target of 47%



renewable electricity by FY 2025.

We actively collaborate with our customers and business partners to integrate our sustainability commitments across all aspects of our operations. Notably, we have achieved Zero Liquid Discharge (ZLD) at three of our plants and are working towards making all our plants ZLD-compliant by 2025.

Becoming a people-driven Company

Our commitment to social responsibility extends far beyond mere compliance with legal requirements. It is driven by our desire to enhance societal welfare. As responsible corporate citizens, we strive to make a positive impact on the communities where we operate. We continuously evaluate our sustainability efforts, periodically reviewing and adjusting our priorities. This inclusive approach involves our investors, business partners, educators, and dedicated employees.

At APL Apollo, we believe in establishing reliable mechanisms for addressing grievances to proactively resolve issues and maintain the trust of local communities. Our interactions with these communities are grounded in mutual respect and open communication, allowing us to actively seek and incorporate their perspectives into our business operations.

Our workforce is crucial to our business operations, and it is our duty to ensure they have a healthy and safe work environment. In our commitment to employee welfare, we provide safety training to both plant workers and corporate staff, aiming to achieve a zero-incident and injury rate. We maintain ongoing dialogues with employees to understand their concerns, including issues related to sexual harassment, fair compensation, work-life balance, and career prospects. This not only helps identify areas for improvement but also acknowledges their valuable contributions.

Embedding good governance into our Company fabric

We have implemented a series of robust corporate policies, anti-corruption and anti-bribery measures, human rights standards, health and safety, and tax strategy, among others, along with corresponding guidelines that reinforce the principles of sound governance. These policies remain steadfast cornerstones of our operations, guiding us in responsible and sustainable decision making. Additionally, we are in the process of achieving ISO certifications across our operations. With a dedicated team of experts, we are grateful for the trust and support consistently placed in us as we continue our efforts to achieve business outcomes that create a positive impact for our employees, the environment, and our shareholders.

As India emerges as a key player on the global stage, APL Apollo is uniquely positioned to contribute to this significant journey. We aim to strengthen our existing foundations while exploring new opportunities for growth. In conclusion, I want to express my deep gratitude for the unwavering support. It has been my greatest strength, and we are committed to maintaining the trust placed in me and my team. We are dedicated to generating long-term value for all our stakeholders, and I believe there is much to look forward to.

Performance Snapshot and Key Highlights



Net Zero Commitment

We have committed to become net zero by 2050.



Alignment with IFRS S2 Climate Strategy

Aligned with our environmental pledges, this year's report demonstrates our commitment to sustainability. We have advanced our efforts by performing a climate-related risk analysis following the guidelines set by the ISSB Standard's S2 requirements for Climate Strategy.



Greenhouse Gas Emissions

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



SBTI Target Setting

We have committed to set a science-based target through the Science Based Targets initiative.



UNGC Signatory

In FY 2024, we have committed to the Ten Principles of United Nations Global Compact for Human Rights and become a UNGC signatory.



41%

Renewable electricity share (excluding New Raipur plant)



3 sites

with ISO 14001:2018 Environment Management Systems



1,06,015 MT

of waste recycled, re-used and recovered



24%

of CapEx incurred on investments in sustainability initiatives



3 sites

with ISO 45001:2018 Occupational Health and Safety Management Systems



12,285

no. of CSR beneficiaries



0.7

Lost Time Injury Frequency Rate



Zero

cases of Bribery and Corruption



90%

suppliers meeting sustainability requirements



2,682

Total Permanent Workforce (India)



113

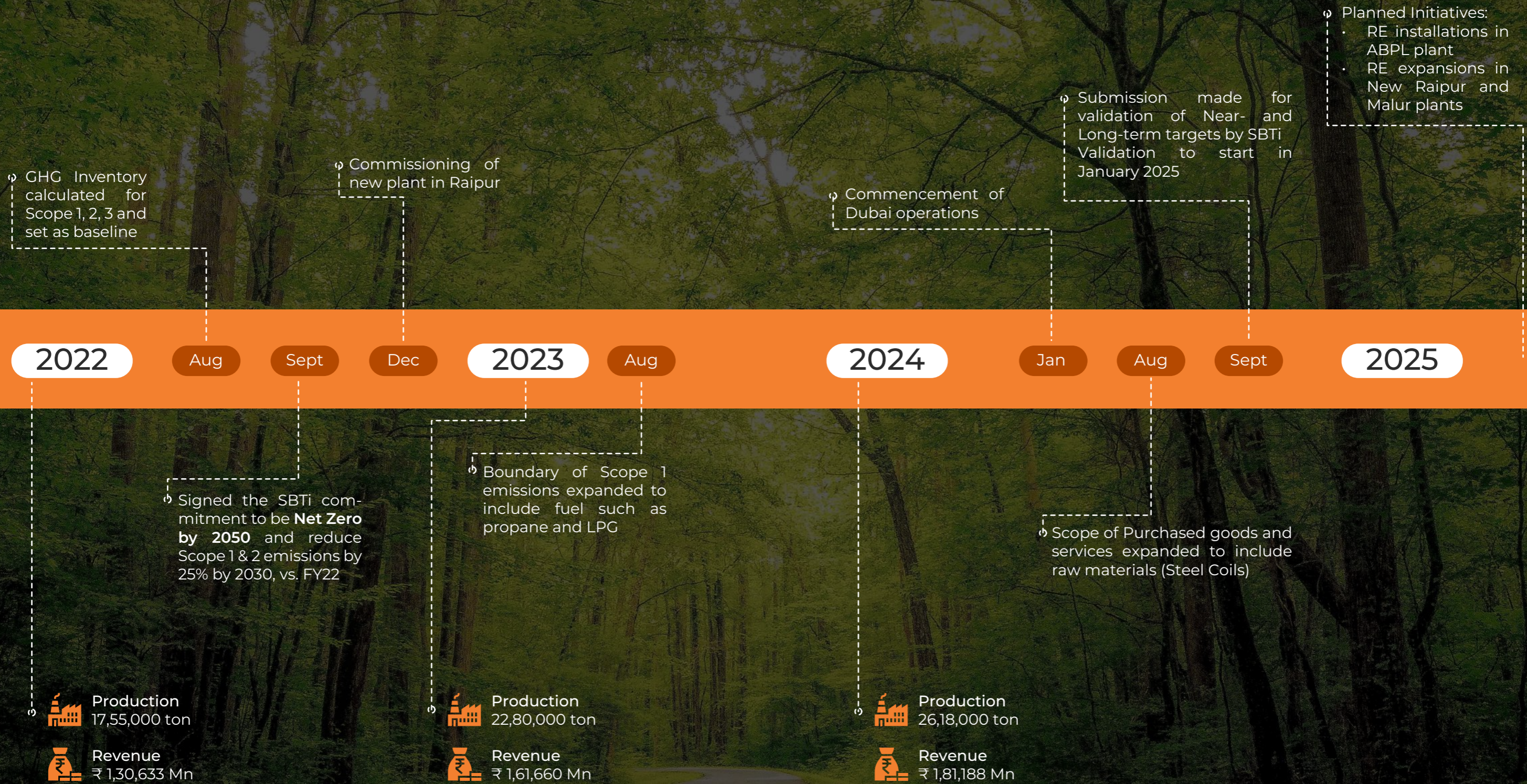
Total Permanent Workforce (Dubai)



2,795

Total Permanent Workforce

We have embarked on an ambitious Net Zero Journey



ESG Factbook

Environment						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
ENVIRONMENTAL VIOLATIONS						
Violations of Legal Obligations/regulations	There have been no violations of environmental regulations					
Number of fines/Penalties related to the Above	Zero number of fines					
Environmental Liability accrued at the year end	There have zero environmental liabilities					
EMISSIONS						
Scope 1 Emissions	Metric tonnes CO2e	14,906	10,844	24,486	29,260	52,852
Scope 2 Emissions	Metric tonnes CO2e	61,749	66,349	59,186	59,436	1,01,830
Scope 3 Emissions (Total)	Metric tonnes CO2e	-	-	42,661	47,535	11,78,906
▪ Scope 3- Purchased Goods & Services & Capital Goods	Metric tonnes CO2e	-	-	14,599	14,986	11,33,774
▪ Scope 3- Fuel & Energy related	Metric tonnes CO2e	-	-	16,210	18,413	33,431
▪ Scope 3- Waste generated in operations	Metric tonnes CO2e	-	-	619	975	344
▪ Scope 3- Business travel	Metric tonnes CO2e	-	-	62	119	1,101
▪ Scope 3- Employee Commute	Metric tonnes CO2e	-	-	2,927	1,825	1,817
▪ Scope 3- Downstream	Metric tonnes CO2e	-	-	6,720	9,026	-
▪ Scope 3- End of life treatment of sold products	Metric tonnes CO2e	-	-	1,526	2,191	2,084
NOx Emissions	Metric tonnes	1.76	4.78	3.9	3.9	43 ¹
SOx Emissions	Metric tonnes	2.40	3.08	2.6	2.6	39 ¹
Particulate matter (PM)						45.9 ¹

Environment						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
ENERGY CONSUMPTION						
Total Energy Consumption	GJ	551,952	370,026	807,365	925,167	1,575,900
Energy Consumed from Non-Renewable Sources	GJ	-	218,797	642,168	746,541	525,319
Energy Consumed from Electricity	GJ	-	-	269,707	301,368	525,319
Energy Consumed from Fuel	GJ	-	-	372,461	445,173	662,510
Energy Consumed from Renewable Sources (Electricity)	GJ	-	151,225	165,197	178,626	206,748
RAW MATERIAL						
Raw Material Consumption	Metric Tonnes	-	1,722,371	1,842,711	2,370,000	2,768,989
WATER MANAGEMENT						
Surface Water	Kilolitres	-	-	-	-	89,807
Third Party Water Withdrawal	Kilolitres	-	-	117,583	130,942	46,946
Groundwater Withdrawal	Kilolitres	-	-	529,498	458,919	419,315
Total Water Withdrawal	Kilolitres	-	-	647,081	589,861	556,068
Total Water Consumption	Kilolitres	-	-	647,081	589,861	556,068
WASTE MANAGEMENT						
Total Waste Generated	Metric Tonnes	-	-	113,265	102,900	114,050
Total Waste Recycled, Reused and Other Recovery Options	Metric Tonnes	-	48,363	53,038	47,750	106,015
Total Waste Disposed	Metric Tonnes	55,952	54,998	60,227	55,150	8,035

¹ Recorded in µg/m3

Social						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
WORKFORCE						
Total Workforce	Number	2024	3216	3606	4317	5071
Total contractual workers	Number	700	1259	2454	3119	3896
Total Permanent Workforce	Number	1324	1957	1152	1198	2795
Total Male Employees	Number	1315	1942	1141	1176	5027
Total Female Employees	Number	9	15	11	22	44
Share of Women in the total workforce	Percentage (%)	9	15	1.5%	1.8%	0.86%
Headcount by Nationality	Nationality (Indian)	100%	100%	100%	100%	100%
Headcount by Race/Ethnicity	Asian	100%	100%	100%	100%	100%
Workforce breakdown: Age group	<30 years old (In %)	-	-	33.9%	30%	23.58%
	30-50 years old (In %)	-	-	55.1%	65%	65.40%
	>50 years old (In %)	-	-	11%	5%	6.98%
Headcount by Management Level	Senior Management (in %)	10%	10%	12%	13%	5.11%
	Middle Management (In %)	50%	45%	48%	45%	15.15%
	Junior Management (In %)	40%	45%	40%	42%	62.72%
Median remuneration for women	INR	-	-	-	4,10,775	5,45,010
Median remuneration for men	INR	-	-	-	3,99,640	5,06,352
Ratio of median salary and remuneration of women to men	Median remuneration for (women / men)	-	-	-	1.03	1.08

Social						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
EMPLOYEE EGAGEMENT						
Average hours per FTE-Training & Development	Hours	-	-	4.22	9.4 ²	10.6
Average Hours spent on Training & Development by Gender	Male (In Hour)	-	-	8275	10735	11809
	Female (In Hour)	-	-	435	565	622
Total training hours	Hours	-	-	8710	11300	12430
Average Hours Spent on Training & Development by Training Type	Management	-	-	3049	3955	4351
	Technical	-	-	5661	7345	8080
Investment in training & development program	Million INR	100%	100%	50 million	50 million	50 million
Employee satisfaction Survey	Employee Participation (in %)	100%	100%	100%	100%	100%
HUMAN CAPITAL RETURN ON INVESTMENT						
Total Revenue	Million INR	77,232	84,998	1,30,633	1,61,660	1,81,188
Total Operating Expenses	Million INR	71,037	76,914	1,19,650	1,49,382	1,66,690
Total Employee Related Expenses (salaries & Benefits)	Million INR	1,422	1,296	1,530	2,062	2,576
Resulting HC ROI	Percentage	5.4%	7.2%	8.2%	7.0%	6.62%
GENDER DIVERSITY						
Female Workforce by Age Group	Less than 30 Years	8	9	9	19	11
	Between 30-50 years	1	2	2	3	15
	More than 50 Years	0	0	0	0	2
HIRING						
Female Workforce by Age Group	Less than 30 Years	8	9	9	19	11

²FTE working hours revised to 9.4 based on recalculation

Social						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
WORKFORCE						
Total employee turnover rate	Percentage (%)	15%	4.5%	4.4%	4.2%	20.34%
Employee Turnover Rate by Gender	Male Employees	-	4.1%	4.4%	4.2%	20.57%
	Female Employees	-	5%	0%	0%	20%
Employee Turnover Rate by Age Group	Less Than 30 Years	11%	14%	10%	2.2%	4.60%
	Between 30-50 years	4%	2%	2%	2%	14.30%
	More than 50 Years	nil	nil	nil	nil	62.72%
OCCUPATIONAL HEALTH & SAFETY						
Fatalities	Employees	0	0	0	0	0
	Contractors	0	0	0	0	0
High Consequences Work-Related Injury or Ill Health	Employees	-	-	2	2	0
	Workers	-	-	5	4	5
LTIFR-Employees	n/million hours worked	-	7.80	2.6	1.1	0.7
LTIFR-Workers	n/million hours worked	-	5.57	0	3.1	9.3
TRIFR-Employees	n/million hours worked	-	-	4	5	15
TRIFR-Workers	n/million hours worked	-	-	14	12	64
CORPORATE SOCIAL RESPONSIBILITY DATA						
PHILANTHROPIC CONTRIBUTIONS BY CATEGORY						
Community Contribution	INR Crore	0.13 crore INR (projects)	0.96 crore INR	2.82 crore INR	0.27 crore INR	13.66 crore INR
PHILANTHROPIC CONTRIBUTIONS BY TYPE						
Employee Volunteering Hours	Hours	-	-	-	24	200

Governance						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
WORKFORCE						
Executive Directors	Number	1	1	1	1	1
Other Non-Executive Directors	Number	4	4	4	4	4
Independent Directors on board	Number	5	5	5	5	5
Female Directors	Number	1	1	1	1	1
Board committees headed by Independent Directors in board	Number	5	5	4	5	5
Average Board Meeting Attendance	In %	95	95	95	95	95
Minimum Attendance Required of Board Members	In %	33	33	33	33	33
Average Board Tenure	Years	8	8	8	8	8
Number of Independent or Non-Executive Members with Industry Experience (e.g., Excludes Executives)	Number	4	4	5	5	5
CODE OF CONDUCT						
Written Acknowledgement from Employees	Percentage	100	100	100	100	100
Training Provided to Employees on Code of conduct	Percentage	100	100	100	100	100
Issues raised through whistleblower	Median remuneration for (women / men)	-	-	0	0	0
ANTI-COMPETITIVE PRACTICES & POLITICAL CONTRIBUTION						
Fines & Settlements	INR	No fines have been incurred by APL Apollo				
Corruption & Bribery Cases	Number	There were zero corruption and bribery cases over the financial years				
Lobbying	INR	No case has been incurred by APL Apollo				
Political Campaigns (Local, regional or National)	INR	Nil				
Trade Associations or Tax-exempt Groups (Think Tanks)	INR	Nil				

Governance						
Indicator	Unit of Measurement	FY20	FY21	FY22	FY23	FY24
TAX STRATEGY						
Revenue from operations	Million (INR)	77,232	84,998	130,633	161,660	181,118
Business Activity	USD million	931	1,024	1,574	1,948	2,155
Earnings Before Tax	Million INR	2,964	5,458	8,323	8,633	9,777
Reported Tax	Million INR	403	1,381	2,133	2,214	2,452
Effective Tax Rate	Percentage	14%	25%	26%	26%	25%
Cash Taxes Paid / (Refund)	Million INR	816	1,195	1,993	2,161	2,227
Cash Tax Rating	Percentage	28%	22%	24%	25%	23%
EBITDA	Million (INR)	4,774	6,787	9,452	10,215	11,922
Net Profit	Million (INR)	2,380	3,602	5,573	6,419	7,324
Market share	Percentage %	40%	50%	55%	55%	55%
Sales volume	'000 tonnes	1,633	1,640	1,755	2,280	2,618
Operating cash flow	Million INR	5,095	9,771	6,506	9,670	11,209
Net working capital days	Days	29	9	7	5	1
Dividend payout	Million (INR)	411	0	0	875	1,387
Net worth	Million (INR)	13,562	16,947	24,525	30,056	28,900
Voting rights	No of shares (million)	25	125	250	277	277
CAPEX	Million (INR)	3014	2,798	5,869	8,424	6,618
Market capitalization	Billion (INR)	31.0	174.9	228.6	333.5	414.9
Manufactured capital (installed capacity)	Million TPA	2.5	2.6	2.6	3.6	3.8
Capital employed	Million (INR)	24,251	21,995	28,801	35,067	38,864
INFORMATION SECURITY						
Cyber Security breach	-	-	-	-	-	-



Our Transformative Sustainability Strategy

Businesses are increasingly adopting ESG principles, which emphasise human rights, corporate conduct, and environmental stewardship. Adapting to ethical business trends is crucial for organisational sustainability. APL Apollo has developed a comprehensive ESG framework aligned with these evolving trends, demonstrating our commitment to improving lives. ESG principles are integral to our operations, supported by cross-functional governance and dedicated leadership.

To further our transformative sustainability strategy, we have set ambitious goals that extend beyond compliance and into innovation and impact. APL Apollo is committed to achieving net-zero carbon emissions by 2050, integrating renewable energy sources across our operations, and investing in cutting-edge technologies to reduce our environmental footprint.

We focus on social sustainability, actively fostering a diverse and inclusive workplace, and supporting community development initiatives that uplift and empower underserved populations. We regularly engage with stakeholders through transparent reporting and open dialogue, ensuring that our sustainability efforts are continually refined and aligned with global best practices. By embedding ESG deeply into our corporate culture and decision-making processes, APL Apollo is not just responding to the current demands but leading the way towards a more sustainable and equitable future.

In further strengthening our commitment to upholding human rights, we have become a signatory of United Nations Global Compact and aligned our people's strategy around the Ten Principles of UNGC. The details of our commitment can be found on the UNGC website.



1. ESG Vision and Mission



Vision

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



Mission

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

2. ESG Governance

Effective corporate governance establishes a foundation of ethical business conduct, which is essential for ensuring an enterprise's financial stability. It creates a comprehensive framework of regulations and principles that guide business operations while aligning the interests of various stakeholders. We have formed an internal sustainability team responsible for managing all aspects of Corporate Social Responsibility (CSR) and Environmental, Health, and Safety (EHS) activities. The oversight of our company's sustainability initiatives is delegated to the Chief Strategy Officer, who reports directly to the board of directors.

ESG Charter

The ESG Charter serves as a **guiding policy statement** that directs and informs ongoing voluntary initiatives.

It highlights the company's commitment to ESG and empowers stakeholders, especially operational managers at all levels, to **address key sustainability issues, set objectives, and regularly report on progress** towards short-, medium-, and long-term goals.

The primary aim of the Charter is to encourage excellence in the formulation, execution, and disclosure of ESG matters. It also seeks to facilitate collective knowledge enhancement within the organization. The Charter is strategically devised to accomplish the following:

- Showcase the company's dedication to sustainability for crucial stakeholders.
- Highlight the company's sustainability merits.
- Establish a clear framework for tracking advancements towards immediate, intermediate, and long-term objectives.
- Foster an organizational emphasis on enhancing performance.
- Cultivate an array of sustainability initiatives leading to efficiency and reduced costs.
- Stimulate the integration of optimal practices from peers and shared learning experiences.

Our Sustainability Principle



Corporate governance, which aims for sustainability, involves balancing the company entity's economic, environmental, and social goals in every decision-making, considering short-, medium-, and long-term perspectives.



Sound risk management should direct decision-making in circumstances where exact scientific guidance and predictions are unavailable to prevent unmanageable and terrible environmental repercussions on society and future generations.



Utilizing non-renewable resources should be restricted so that their eventual depletion is not anticipated soon. Offsets should be used concurrently if energy reduction is not practicable in the common techniques of manufacturing.



No emissions or discharges may be made that are greater than what the ecosystem can absorb.



Reactive judgments and ambiguous actions are preferable to planned, risk-mitigated, and proactive solutions that are clearly communicated to all stakeholders and the community at large.



Sustainability requires that all exchanges, policies, procedures, and company choices incorporate human rights issues and standards. The non-negotiable set of fundamental ideals that human rights represent.



Occupational health, safety, and employee well-being are crucial components for the firm to achieve its financial goals.



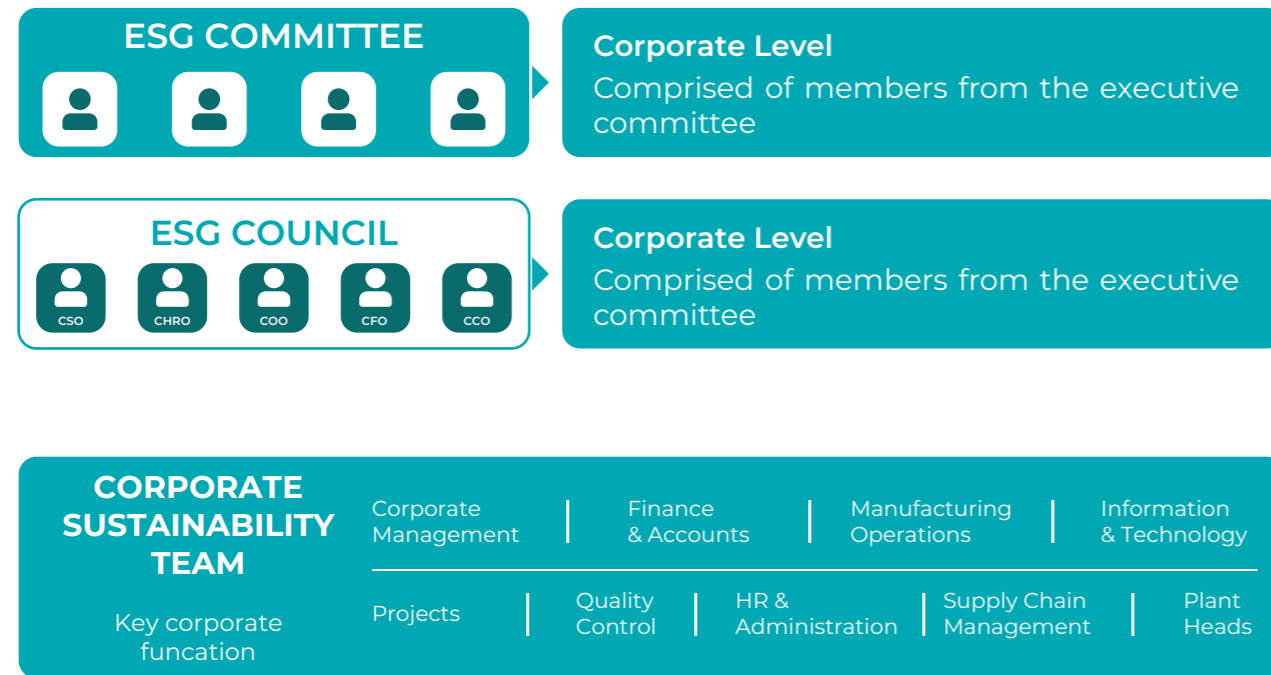
For a business to be successful over the long term, stakeholders must be engaged in an inclusive, communicative, and transparent manner.



Our corporate governance integrates & harmonizes financial performance, employee development, human rights, risk management, worker safety & well-being, business Ethics, Corporate Social Responsibility (CSR), supply chain engagement, environmental management, and compliance.

ESG Governance Architecture

We have established a strong top-down governance oversight to ensure that ESG is driven with rigour across all levels with determination. The core structure for oversight will be comprised of the ESG Committee, corporate management (known as the ESG Council), and site management (referred to as the Corporate Sustainability Taskforce). The ESG Committee of the Board will serve as the highest authority in guiding this effort.



- In a decisive move to strengthen the company's commitment to sustainability and integrate key ESG concerns, we have established an ESG committee. This committee is pivotal in identifying ESG priorities, setting targets, and developing a strategic plan to seamlessly incorporate sustainability into the company's policies and operations. The primary role of the committee is to implement the company's diverse ESG initiatives. Leading our corporate sustainability efforts, we have assembled a team with cross-functional expertise to provide various perspectives and insights into our decision-making process. This team will oversee all aspects of ESG-related responsibilities, reinforcing our dedication to a more sustainable future.
- At the corporate management level, the ESG Council, a standing body of senior executives, oversees decision-making on critical issues, set priorities, and monitor results. The Chief Strategy Officer chairs the ESG Council. For efficient functioning, the ESG Council may appoint a co-chair from among its members. The Committee ensures representation from all key departments, such as finance, human resources, operations, supply chain, and environmental health and safety. The Strategy Department provides secretarial support to the ESG Committee to advance the ESG agenda.
- The Corporate Sustainability Team comprises three to four individuals, including the plant head, who are responsible for implementing ESG initiatives at each site, following the general direction and guidance from the ESG Council. The plant head oversees the execution of the ESG framework at each site.

ESG Committee

Appointment and Reporting

- ESG Committee is appointed by and serves at the discretion of the Board.
- ESG Committee consists of no fewer than four (4) members with the majority being independent directors

Responsibility and Authority

- Supervise the creation of the company's ESG Vision and Ambitions and receive regular updates on these goals.
- Review the ESG Council and its activities. The ESG Committee may form and empower subcommittees when needed.
- Ensure the company is undertaking the required actions to implement its initiatives and meet its ESG vision and aspirations.
- Assess any regulatory requirements related to Sustainability reporting and ESG target setting.
- Possess the authority to seek advice and assistance from internal or external experts and advisers, and have access to any internal data needed to fulfill its responsibilities.

Meetings and Quorum

- ESG Committee meets at least twice a year.
- Two members present forms the quorum for the meeting of the ESG Committee
- Members of the ESG Council are the invitees to all the meetings of the ESG Committee

ESG Council

Appointment and Reporting

- The ESG Council reports to the Board on the following:
- The outcomes of the themes discussed in the ESG Council sessions, as well as recommendations as appropriate.
- The outcomes or findings of the ESG Council's ESG Matter reviews and evaluations
- The ESG Council must inform the ESG Committee of key changes in the areas of its responsibility in a clear and timely manner.

Responsibility and Authority

- Aid in crafting the organization's overall ESG strategy and propose rules, procedures, and disclosures that align with this strategy.
- Compile data and materials for Board meetings concerning Sustainability performance.
- Ensure consistency in the company's public disclosures on ESG issues, including sustainability reports.
- Conduct regular site visits, either collectively or individually, to familiarize themselves with operations and evaluate performance related to ESG matters.
- Assess all relevant information and documents from all departments within the company.
- Review and assess this Charter annually, submitting any proposed amendments for approval.
- Seek advice or information from selected experts as needed to fulfill its responsibilities.

Meetings and Quorum

- Meetings are held monthly or as deemed necessary.

Corporate Sustainability Team

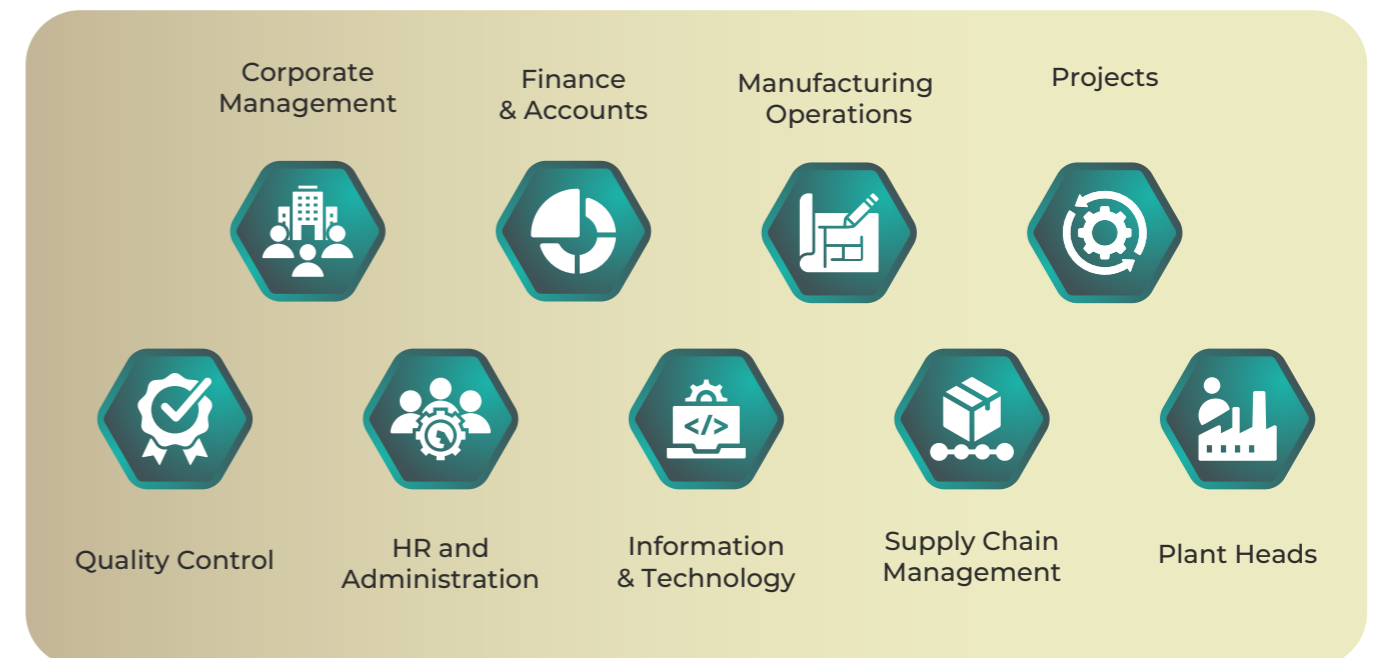
Appointment and Reporting

- At each site, a plant site, Plant head, or Unit head will be in charge of implementing the ESG framework and the corresponding site departments. Under the overarching direction and guidance provided by the ESG Council, the plant head shall assemble a team of 3-4 key individuals (including the plant head) to drive ESG implementation.

Responsibility and Authority

- Enable the execution of the Company's ESG strategy as advised by the ESG Council
- Stay aligned and informed on important risks, emerging trends, and stakeholder priorities.
- Collaborate with all essential departments to gather information, including Corporate Management, Finance & Accounts, Manufacturing Operations, Projects, HR & Admin, Quality Control, Information Technology, and Supply Chain Management.

- Prepare an ESG framework for each key department that is aligned with the company's ESG purpose statement, vision, and mission.
- The Corporate Sustainability Taskforce will present the framework to the ESG Council, who will then present it to the ESG Committee for approval.
- Once approved, the ESG framework will be implemented by the Unit Head in the individual site and respective site department at each of the company's ten plant locations.
- The Corporate Sustainability Taskforce will examine the success of the ESG framework on a regular basis, soliciting feedback from unit heads and department heads, and making required changes.
- The Corporate Sustainability Taskforce will oversee all ESG initiatives across the organization. A few examples of initiatives include:
 - Energy and pollution reduction
 - Reduced water usage and effluent treatment.
 - Waste reduction, increased recyclability, and reuse of recycled products
 - Biodiversity and land use
- e. Supply chain framework
- The Corporate Sustainability Taskforce will have access to all essential data and documents in all Company offices.
- The Corporate Sustainability Taskforce may seek assistance or information from experts and external consultants while fulfilling its obligations.
- Ensure accurate reporting of the company's ESG initiatives.
- Monitor success against ESG impact goals and priority ESG ratings, rankings, and awards from internationally known and independent agencies.



3. ESG Focus Areas

For effective ESG implementation and review, we have established four key pillars to manage our roadmap and closely monitor the continuous improvement of our performance metrics. The main concerns are systematically categorised under these pillars, reflecting our commitment to the essential ESG domains. Each focus area is paired with a distinct set of performance indicators, goals, and a timeline for completion. This framework underscores our unwavering dedication to comprehensive progress in all facets of environmental, social, and governance responsibility.

 <p>Responsible Business</p> <p>We believe that responsible business contributes to the creation of customer value by effectively caring for people, ethics, fairness while running a profitable business.</p>	 <p>Responsible Employment</p> <p>We emphasize on responsible employment because we believe that responsible employees work to advance the success of the company and strive to perform their daily duties well. responsible employees are involved in their daily activities and foster a culture that accelerates individual careers while increasing company productivity.</p>
 <p>Responsible Operations</p> <p>We strive to deliver high-quality products in an efficient manner while maintaining a safe and healthy culture. To ensure business continuity, we manage our environmental impact and plan for adverse conditions. Operating responsibly allows us to protect our people, customers, the environment, our company, and our good reputation.</p>	 <p>Responsible Towards the Community</p> <p>We believe that striving for social responsibilities enables individuals, organizations, and governments to positively impact development and business, so we focus on being socially accountable, acting ethically, and considering ourselves responsible for the society's development.</p>

4. ESG Performance Metrics and Targets

Establishing appropriate ESG goals and objectives enables our company to showcase our long-term business vision to customers, investors, and other key stakeholders. At APL Apollo, we hold ourselves accountable for long-term performance improvement, and therefore, we have set our ESG targets to reflect this commitment.



In the FY 2022, APL Apollo became a participant of the Science Based Targets Initiative (SBTi), and our objective is to fulfil our obligations and stand out as a company that excels in both environmental and social performance.

Performance Metrics	Performance Business	Responsible Operation	Responsible Employment	Responsibility toward Communities
	<ul style="list-style-type: none"> • Number of cases in violation of codes of conduct • Average training hours per employee on code on conduct 	<ul style="list-style-type: none"> • Number of units used from renewable energy sources (solar, wind) • Number of sites where rainwater water harvesting facility have been installed. • Number of sites where Zero Liquid Discharge (ZLD) Facilities have been installed • Measuring GHG emissions • Air emissions • Number of cases in violation of environmental regulations 	<ul style="list-style-type: none"> • Lost time injury • Average training hours per employee to site employees on health and safety • Average training hours per employee to corporate employees on health and safety • Regulatory compliance of labour laws • Average training hours per employee on human rights • Employee attrition • Average training hours per employee on behaviour and technical aspects • Female-to-male ratio in permanent employees 	<ul style="list-style-type: none"> • CSR Strategy

4. ESG Performance Metrics and Targets

Performance Metrics

Performance Business	Responsible Operation	Responsible Employment	Responsibility toward Communities
<ul style="list-style-type: none"> Zero cases of violation of code of conduct Yearly training on code of conduct for all employees 	<ul style="list-style-type: none"> All plants to have access to renewable energy by 2025. Rainwater harvesting to be installed at all unit by 2025. All unit to be ZLD facilities by 2025. Maintain Sox, NOx, and PM within permissible limits. Zero incident of non-compliance 	<ul style="list-style-type: none"> Achieving Zero Incident and Zero Harm by 2025 Provide two hours of safety training (per employee) to corporate employees. 100% compliance to all legal requirements pertaining to labour. Provide one hour of training per employee on human right per year. Maintain attrition rate below 5% Female workforce to be increased by 5% in the permanent employee category by 2025 	<ul style="list-style-type: none"> CSR Strategy by 2025

5. Responsible Communication

The core objective of stakeholder communication is to ensure that our company's goals and concerns are clearly understood. This process also helps in identifying the individuals or groups who might be impacted and understanding how they will engage with and interpret the information shared by the organisation. Additionally, it provides insight into potential stakeholder reactions.

We are committed to actively involve stakeholders, maintain transparent communication channels, and engage in meaningful dialogues. By doing so, we aim to shape stakeholder perceptions and foster increased support. Our dedication to this communication practice is reflected in our regular disclosures on our website, which serve as a platform for sharing information with our stakeholders. To ensure that all our employees are up to date with the latest developments in the sector, we have imparted ESG trainings across our manufacturing sites and corporate office. Through these trainings, we have covered topics such as climate change, energy and emissions management, water and waste management, human rights, diversity and inclusion, good governance, among others.

We annually communicate our progress on ESG goals and targets through the ESG Report and the Business Responsibility and Sustainability Report.



Training on ESG



Research and Development

At APL Apollo, we remain dedicated to innovation and progress. We have received esteemed recognitions and certifications from organisations like Underwriter Laboratories, CE, and SGS France. Our products have also been endorsed by reputable bodies such as the Bureau of Indian Standards and British Standards, reinforcing our commitment to quality.

We believe that innovation is essential for businesses to stand out. Our goal is to drive both organisational and economic growth through innovation, acknowledging its importance in succeeding in today's competitive market. Our dedication to this mission is evident in our ongoing research and development efforts. These innovative products include traditional construction materials like wood, aluminium, concrete, as well as conventional steel angles and channels, which are used in various construction applications. Currently, we have 18 approved designs for our transformative products.

Leading the way in adopting advanced technologies has been a cornerstone of our approach. Our adoption of advancements such as Strip Galvanizing lines, Cold Saws, High-speed mills from Europe, and the revolutionary Rotary Sizing Mills demonstrates our commitment to producing high-quality rolled tubes. We were the first to introduce 'Direct Forming Mill Technology' and 'In-Line Galvanizing of Tubes' in India, ushering in a new era of tube manufacturing in the country. At the heart of our production process is the use of High-Frequency Induction Welding (HFIW) technology, which is fundamental to all our products. This technique, known as the cold forming process (non-ex-

panded), involves integrating HR and HRPO strips sourced from modern hot strip mills. These strips smoothly pass through the MIG welder while maintaining a continuous flow via the horizontal/vertical coil accumulator, reflecting our unwavering commitment to precision. Our journey begins with cold embossing, the initial step that bears the APL Apollo seal of quality and reliability, setting the standard for the entire manufacturing process.

We are continuously looking for ways to improve the sustainability of our product portfolio. In FY 2024, we conducted a Life Cycle Assessment of our products to understand the environmental impact of our products on the environment. We undertook this activity for our products MS tubes, GI tubes, GP tubes, pre-painted alu zinc sheets, and pre-painted galvanised sheets. The scope of the LCA study extended from Cradle to Grave, covering raw material extraction, transportation, environmental impact throughout various processing stages, product usage, and end-of-life considerations.

Driving Innovation

At APL Apollo, our primary focus is the manufacturing and distribution of structural tubes. Over the past decade, we have been committed to introducing innovative products that not only expand the range of structural tubes but also strengthen our position and influence within this sector. In the current reporting period, we have spent INR 50 million while working towards improving the energy efficiency and waste and process management of our operations. The share of value-added products in our overall sales has seen a significant increase.

Collaborative research between IIT Roorkee and APL Apollo has demonstrated that tubes can serve as highly efficient structural steel components, improving the quality and sustainability of various infrastructure projects, such as high-rise buildings, factories, warehouses, data centres, and medical facilities. This approach offers a viable solution for constructing durable, long-lasting, and environmentally sustainable structures. Studies indicate that replacing reinforced concrete with steel structures could potentially reduce emissions by up to 60%.

Leading the way to an environmentally sustainable future

APL Apollo has been at the forefront of developing ready-made Chaukhat, fence, plank, and head rails using steel, promoting a sustainable and eco-friendly approach to construction. This innovative solution replaces traditional wood applications in building construction, resulting in the conservation of approximately 250,000 trees annually. As we progress, our commitment to a greener planet remains unwavering, with continuous efforts to preserve even more trees. Highlighting our dedication to environmentally conscious practices, APL Apollo is the first company to introduce narrow and thicker colour-coated galvanised sheets, furthering our mission to save trees.

Advancing the Green Steel movement

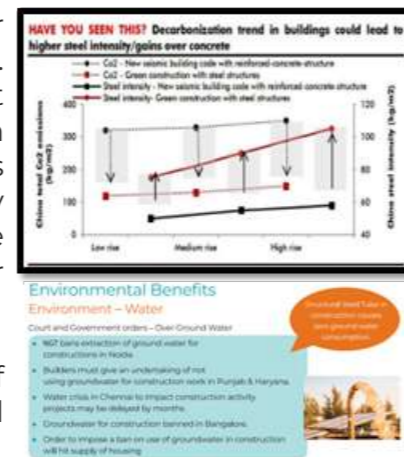


At APL Apollo, our ambition is to emerge as market leaders by prioritizing innovative and sustainable manufacturing practices. A quintessential testament to this dedication is APL Apollo's Tubular Steel—a transformative product poised to redefine the construction sector imminently. Available in cylindrical or elongated rectangular forms, this versatile material serves diverse applications, including water and gas conveyance, liquid waste disposal, medical, military, aerospace, transportation, scaffolding, and construction.

Structural Steel paving the way towards sustainable construction

Research indicates that the construction sector contributes 30% of direct and indirect Co2 emissions. Structural steel is recognized as one of the most eco-friendly construction materials, adhering to Indian Green Building Council (IGBC) standards. Steel structures provide the option of infinite recyclability, easy pre-fabrication, high volume to weight ratio while offering lighter yet strong structures allowing for better vertical gains.

Structural steel also helps in avoiding extraction of groundwater for constructions, thus reducing overall dependency on water.



Advantages of Hot Rolled (HR) Coil Tubes over Patra Iron Tubes

HR Coil Tubes -

- Crafted from premium iron ore
- Offer unmatched durability and performance, all while supporting a healthier planet
- Manufactured in blast furnaces fueled by coke contributing to lesser pollution as compared to Patra iron tubes
- Ultimate choice-engineered for excellence



Patra iron tubes -

- Made from sponge iron in induction furnace and fueled by coal
- Weaken and deteriorate over time
- Fueled by Coal in induction furnaces
- Additional costs incurred in disposing of Coal Ash

Manufacturing of Patra Iron Tubes relies on furnaces fired by coal which contribute to emissions of toxic gases, generation of excessive ash waste leading to air pollution, and water contamination.



Environment	Economic	Social
<ul style="list-style-type: none"> • Zero-dust product • Fewer renovations and lower lifetime maintenance • Less amount of water is necessary for foundations • Minimal material waste since the steel is modified to specifications throughout the manufacturing process • The restriction on building activities imposed by the National Green Tribunal may not applicable if steel tubular is used • 37% less environmental pollution than the RCC frame • 24% less emissions generated by steel building as compared to concrete building, which has a substantial Warming Potential (GWP) 	<ul style="list-style-type: none"> • Construction at a faster pace • Modifications are possible at any point, resulting in more precise structures. • Larger span structures are easily achievable with optimal material and space usage. • Cost optimisation due to the symmetrical and uniform structure • Structures are built on time since most of the work is done in a factory, thus weather is seldom an issue. • No storage required 	<ul style="list-style-type: none"> • High resistance to dynamic loads, making it earthquake safe. • Light weight design • 50% of steel produced is consumed by housing and construction sector. • No leakage problem • Steel quality is maintained since it is produced in a controlled atmosphere in a plant under stringent quality control. • Workers are protected from respiratory infections during the manufacturing process. • Six million people are directly employed in steel manufacturing. • 12% less human toxicity (cancer effects and non-cancer effects) than RCC structures

Apollo Chaukhat

Traditionally, wood has been the material of choice for framing doors and windows in India. However, increasing demands for safety, durability, and eco-friendly options have shifted the preference towards steel frames, which surpass hardwood in long-term performance. Responding to this trend, APL Apollo presents the Apollo Chaukhat—one of India's first closed steel door and window frames, crafted from premium steel for straightforward installation.

Suitable for housing applications like fences, planks, and rails, Apollo Chaukhat is available in both modular and readymade styles. This innovative product offers notable advantages, combining strength, durability, and quality with aesthetic appeal. It exhibits high resistance to weathering and aging, requires minimal maintenance, and is impervious to water and moisture. Manufactured using Direct Forming Technology and customizable to specific dimensions, Apollo Chaukhat supports eco-friendly practices by reducing reliance on wood, thus preserving tree and lowering carbon emissions.



Economic Performance

We are steadfast in our mission to raise awareness about our range of value-added products. This initiative aims to promote the latest additions to our portfolio and foster a deeper understanding among our stakeholders. As a result, the proportion of value-added items in our sales mix has experienced significant and encouraging growth.

At APL Apollo, our core values are firmly anchored in the production and distribution of structural tubes. However, our true passion lies in the innovative creation of market-oriented solutions that contribute to a larger economic development of the society we operate in. This guiding principle has driven us over the past decade, and we remain committed to it as we look to the future.

This dedication to innovation and market responsiveness has delivered tangible results. Our revenue model has notably evolved, shifting from a focus on commodity-based products in FY 2018 to a strong emphasis on value-added products by FY 2024. This shift is more than just a numerical change. It exemplifies our commitment to developing meaningful solutions and advancing the industry.

Economic Value Retained

	FY 2024 (in INR Cr)	FY 2023 (in INR Cr)
Direct Economic Value Generated (A)	18,194	16,213
Revenue	18,119	16,166
Other Income	75	47
Economic Value Distributed (B)	16,927	15,144
Operating Costs	15,617	14,018
Employee Wages & Benefits	258	206
Other Expenses	1,052	920
Economic Value Retained (A-B)	1,267	1,069

Serial No.	Entities
1	Apollo Metalex Private Limited
2	Blue Ocean Projects Private Limited
3	APL Apollo Building Products Private Limited
4	APL Apollo Mart Limited
5	APL Apollo Tubes Company LLC

Tax Strategy

Tax strategy and governance are crucial elements of APL Apollo Tubes' operational framework, guiding the company in managing its tax responsibilities both effectively and responsibly. As a prominent entity in the steel industry, we recognise the importance of maintaining strong ethical standards and adhering to tax regulations.

Our tax strategy aims not only to ensure compliance with relevant tax laws but also to optimise our tax position in alignment with our commitment to sustainability and corporate responsibility. This involves careful planning, transparency, and a proactive stance on tax governance to support our long-term growth goals while making a positive impact on the communities where we operate. In this regard, our tax strategy and governance framework are essential parts of our overall corporate governance, consistent with our mission to create sustainable value for all stakeholders. Moreover, we are firmly committed to complying with all tax-related regulations and requirements, upholding the highest standards of corporate citizenship and responsibility.

Deferred income tax assets and liabilities

Significant managerial judgment is crucial in evaluating the recognition of deferred tax assets, which depends on the anticipated timing and magnitude of future taxable income. The total amount of deferred tax assets may vary if forecasts of future taxable income or tax regulations change.

The recognition of deferred tax assets hinges on the probability of realising deductible temporary differences. The company's evaluation of deferred tax assets and liabilities is grounded in current tax laws and rates, and occasionally, business strategies, including management's expectations about the recovery timing and method of the associated assets. Changes in these evaluations can influence the valuation of deferred tax assets or the amount of deferred tax liabilities, thereby impacting the tax expense reported in the Standalone Statement of Profit or Loss.

Provisions for tax liabilities require judgments regarding the interpretation of tax regulations, legal precedent developments, and potential outcomes of tax audits and appeals, all of which involve considerable uncertainties. Consequently, actual results may differ from expectations, necessitating adjustments in provisions, the valuation of deferred tax assets, cash tax settlements, and ultimately, the tax expense recorded in the Standalone Statement of Profit or Loss.

Tax Reporting	
Revenue	₹ 181,188 million
Profit Before Tax	₹ 9,777 million
Income Tax Accrued	₹ 2,453 million
Income Tax Paid	₹ 2,453 million

Stakeholder Engagement and Materiality Assessment

Stakeholder engagement

Stakeholders are crucial to our success, and we are dedicated to enhancing the value we offer them. We take pride in their development and actively interact with them to comprehend their challenges and needs, thereby fostering stronger relationships. This practice deepens our understanding of key issues and helps us identify the unique qualities that make stakeholders important to our company, justifying a meaningful engagement strategy. The valuable feedback we receive from these stakeholders also helps us prioritise challenges and align our strategic direction with their expectations.

Our stakeholder engagement process has rigorously evaluated the ESG issues vital for value creation, particularly in the context of the changing global sustainability landscape.

Stakeholder Group Importance to APL Apollo

Investors Investors are essential to the operations of APL Apollo, providing critical capital, expertise, and a sense of accountability to the company. Aligning with reputable shareholders and investors not only attracts new investments but also brings in new customers.

Employees Employees are key stakeholders and a major asset to APL Apollo. Their dedication is the driving force behind the company's achievements and growth over the years.

Suppliers Due to the nature of our operations, vendors and suppliers are integral to our supply and value chain. Their contributions help streamline and enhance our business processes, supporting our commitment to sustainable development.

Customers/Distributors Customers are of utmost importance as they purchase and utilise APL Apollo's products and services. They generate a significant portion of the revenue that sustains our business activities.

Communities Local communities nearby play a pivotal role in the company's ongoing success by granting us the Social License to Operate. By building stronger relationships, these communities gain better opportunities to develop employable skills and increase their income-generating potential.

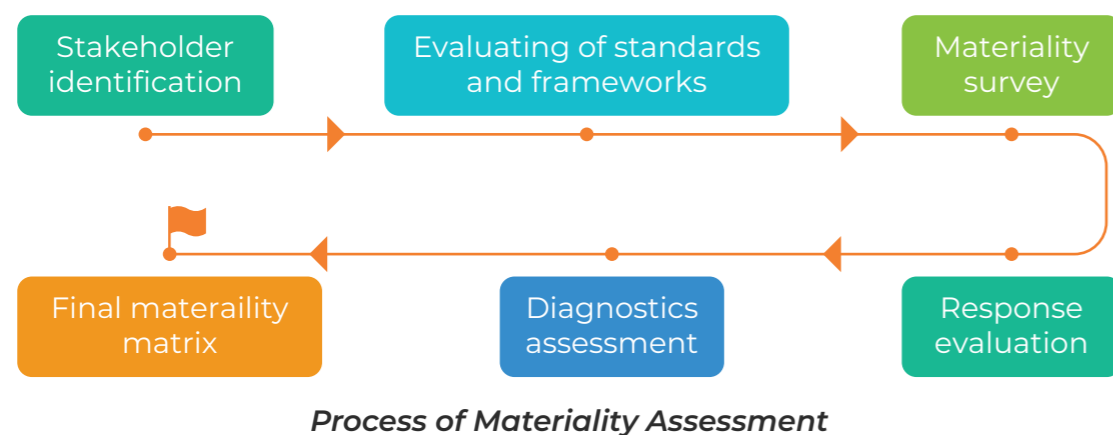
Government/Regulators They provide the company with insights into the legal framework and regulations that we must comply with as we strive to create value.

Stakeholder Group	Importance to APL Apollo	Material Needs	Forms of Engagement	Frequency	How We Create Value
Investors	Investors are essential to the operations of APL Apollo, providing critical capital, expertise, and a sense of accountability to the company. Aligning with reputable shareholders and investors not only attracts new investments but also brings in new customers.	Sustainable growth and profitability, mitigation of all significant risks, strong governance, and transparent reporting	<ul style="list-style-type: none"> Investor calls and presentations Press releases General meetings Dissemination of annual reports of our company. 	<ul style="list-style-type: none"> Quarterly Annually On-demand 	<ul style="list-style-type: none"> Sound and transparent corporate governance policies Timely engagement with the stakeholders Transparent financial disclosures
Employees	Employees are key stakeholders and a major asset to APL Apollo. Their dedication is the driving force behind the company's achievements and growth over the years.	Safe working environment, career growth opportunities, compensation packages, skill enhancement, diversity, equity, and inclusion	<ul style="list-style-type: none"> Trainings and coaching programmes Personal interactions Employee portal Grievance redressal mechanism 	<ul style="list-style-type: none"> Quarterly Annually On-demand 	<ul style="list-style-type: none"> Understanding employee needs and creating a conducive work environment. Creating exhaustive learning and development strategy and operational framework. Focus on health and safety of employees in the workplace
Suppliers	Due to the nature of our operations, vendors and suppliers are integral to our supply and value chain. Their contributions help streamline and enhance our business processes, supporting our commitment to sustainable development.	Supplier code of conduct, timely payments, commitment on responsible sourcing and business ethics	<ul style="list-style-type: none"> Regular meetings with key suppliers by senior management, supplier visits and meets and supplier tour of manufacturing facilities 	<ul style="list-style-type: none"> Quarterly Annually On-demand 	<ul style="list-style-type: none"> Regular meetings with the suppliers for product awareness Educating the suppliers on our company's code of conduct and human rights policies
Customers	Customers are of utmost importance as they purchase and utilise APL Apollo's products and services. They generate a significant portion of the revenue that sustains our business activities.	Quality products which are affordable and reliable	<ul style="list-style-type: none"> One on one interactions Meetings Surveys Customer hotline 	<ul style="list-style-type: none"> Quarterly Annually On-demand 	<ul style="list-style-type: none"> Developing products based on the market trends Institutionalizing the culture of qualitative perfection in the products Establishing a customer grievance redressal mechanism

Stakeholder Group	Importance to APL Apollo	Material Needs	Forms of Engagement	Frequency	How We Create Value
Communities	Local communities nearby play a pivotal role in the company's ongoing success by granting us the Social License to Operate. By building stronger relationships, these communities gain better opportunities to develop employable skills and increase their income-generating potential.	Health and community welfare, giving back to the society, and enhancing the livelihood and socio-economic development of individuals.	<ul style="list-style-type: none"> Need-based assessment surveys Field visits Trainings CSR initiatives Surveys 	<ul style="list-style-type: none"> Quarterly Annually On-demand 	<ul style="list-style-type: none"> Empowering communities with community welfare projects Being transparent in our environmental and social disclosures Reducing the environmental impact of our operations
Government Regulators	They provide the company with insights into the legal framework and regulations we must comply with as we strive to create value.	Compliances with all applicable laws and regulations, safeguarding natural assets, adhering to all labour laws and ethical standards of working	<ul style="list-style-type: none"> Filings, correspondences Investor calls Meetings 	<ul style="list-style-type: none"> Annually Quarterly Monthly On demand 	<ul style="list-style-type: none"> Transparent disclosures Timely filings and compliances Adhering to all the applicable labour laws and human rights practices

Materiality Assessment

Aligned with the GRI Guidelines, APL Apollo has adopted the principle of materiality, which involves prioritising factors that affect the organisation's ability to create, maintain, or reduce economic, environmental, and social value for itself, its stakeholders, and society as a whole. To better understand the key ESG issues relevant to our business and stakeholders, we have conducted a comprehensive materiality assessment. This process aims to identify critical issues for stakeholders over short, medium, and long-term periods. This process underscores the effectiveness of our ESG strategy and implementation, fostering positive impact and risk mitigation while aligning with stakeholder priorities. To achieve this, we have actively engaged with a wide range of internal and external stakeholders. The steps below highlight the approach we adopted for conducting the Materiality Assessment.

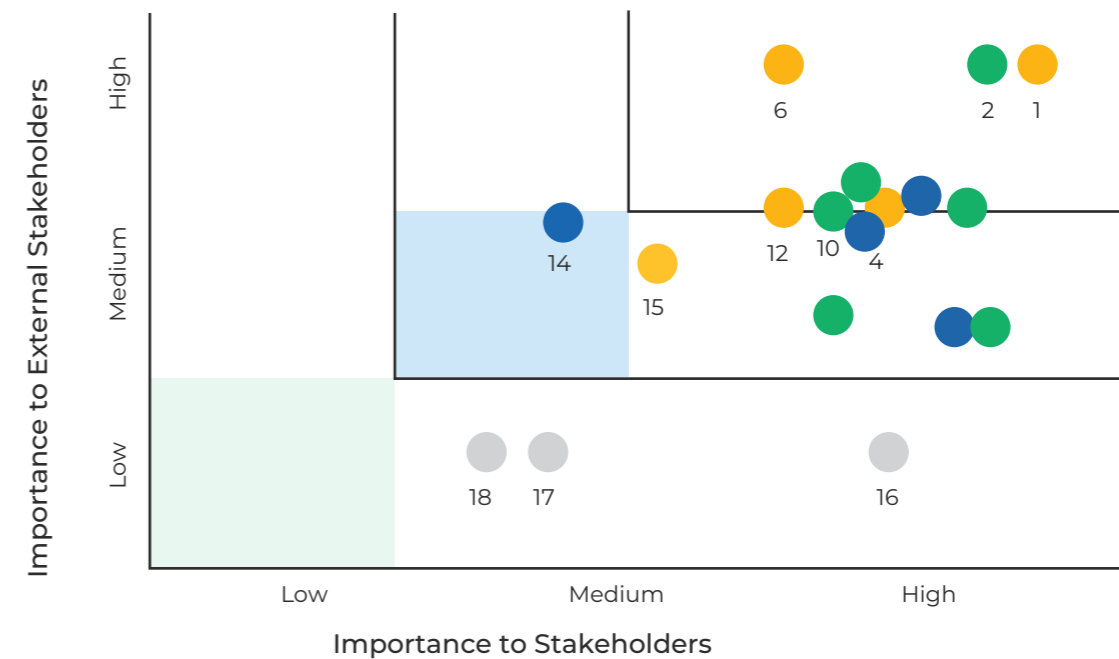


Formulation of Materiality Matrix

The Materiality Matrix provides an assessment of our sustainability strategy and performance, offering a detailed view of APL Apollo's operations. This matrix highlights the elements essential to our organisational management and significant to our stakeholders. An internal review of the topics is conducted every two years to assess progress and reprioritise initiatives.

These issues have been evaluated and ranked by their relevance, from high to low, considering the perspectives of both internal and external stakeholders. After analysing the matrix, we have adjusted our operations to prioritise issues that are crucial to our enterprise. It is important to recognise that these challenges are interconnected and should not be addressed in isolation, as they often have interrelated and adverse impacts on one another.

Addressing these concerns effectively requires an integrated approach to sustainability management. We commit to high standards in protecting our planet's well-being, promoting societal progress, and advancing sustainable development. The Board of Directors has reviewed and approved the materiality assessment.



High	Medium	Low
<ul style="list-style-type: none"> Market Presence Health and Safety Circular Economy Economic Performance Environmental Compliances Labor Rights 	<ul style="list-style-type: none"> Process Innovation Waste Management Corporate Governance Disclosures Supply chain Sustainability Water Management 	<ul style="list-style-type: none"> Local Communities Compliances Energy Management Training and Development Talent and skill upgradation Diversity

Fostering Environmental Stewardship



At APL Apollo, environmental stewardship drives our purpose of operating sustainably. As a responsible organisation, we are dedicated to reducing our environmental impact, reducing waste and conserving water. Our comprehensive environmental management system involves assessments of our operations, especially in production and distribution. This commitment is supported by regular internal audits conducted by company auditors and external audits by certified organisations.

We report our environmental performance for all facilities in the Indian operations. By adhering to environmental regulations, we manage chemical usage, emissions, and waste disposal to ensure compliance and promote environmental responsibility. Our systems are built on guidance provided by the ISO 14001:2018 Environment Management Systems, further guided by our **Business Responsibility Policy** that covers our management position for environment. By closely following such protocols, we have ensured zero environmental non-compliances in FY 2024. In FY 2024, 3 out of 11 of the locations have achieved ISO 14001:2018 certification and the remaining sites are in the process of achieving these certifications.

1. Climate change and management of climate-related risks and opportunities

At APL Apollo, we are cognizant of the urgent need to tackle climate change and its extensive impacts. The increasing frequency of extreme climatic events has spotlighted the issue of climate change, causing widespread economic disruption globally. A warming planet presents numerous risks to businesses, including disrupted supply chains and higher insurance and labour costs.

Our approach to mitigating climate change is firmly rooted in our dedication to sustainability. We proactively work to reduce our carbon footprint and strengthen our climate resilience. We have implemented a comprehensive strategy to lower our greenhouse gas emissions, which includes optimising our manufacturing processes, improving energy efficiency, and transitioning to cleaner energy sources.

We have closely assessed the impact of climate-related risks and opportunities on our operations based on the categories as defined by Taskforce on Climate-related Financial Disclosures (TCFD). We have fulfilled the suggestions of IFRS S2 – Climate Strategy and all 11 recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD) and shared our planned actions. In preparing this Disclosure, we considered the IPCC's Sixth Assessment Report and the updated TCFD criteria from October 2021.

We are committed to promoting innovation in low-carbon products, services, and resilient supply chains driven by renewable energy. By working together towards these goals, we are enhancing eco-efficiency and initiate new business opportunities.

Over time, we have significantly invested in renewable energy for our production sites and continue to do so. Transitioning from traditional furnace oil to LPG is another measure in our effort to reduce CO2 emissions.

Climate governance

We have formulated and implemented a comprehensive governance framework to consistently integrate climate change considerations into our business operations and strategic planning.

Board of Directors	The Board of Directors at APL Apollo has established specialised committees, such as the ESG Committee and The Risk Management Committee with executive directors focusing on different business aspects, to evaluate climate-related risks and opportunities and propose strategies.
ESG Committee	The ESG Committee directs and oversees the company's ESG initiatives, concentrating on sustainable strategies to tackle climate change challenges. The ESG Committee operates a robust ESG governance structure with three hierarchical levels: the Board (through the ESG Committee), Corporate Management (via the ESG Council), and the Sustainability Taskforce.
Corporate ESG Council	At the corporate level, the ESG Council, which includes senior management from key departments, establishes priorities and monitors results.
Sustainability Taskforce	The Corporate Sustainability Taskforce, composed of representatives from all plant and functional leadership roles, is responsible for executing initiatives under the ESG Council's guidance.

The ESG Framework, managed by the ESG Committee, directs the identification and management of climate-related risks, ensuring a systematic decision-making approach. The framework is updated as needed, incorporating insights from the IPCC's Assessment Reports. This structure is responsible for setting objectives, reviewing actions, monitoring performance, assessing risks, and developing mitigation plans. Additionally, the Governance Committee addresses both physical and transition risks within the ESG framework, ensuring effective oversight, risk management, and the pursuit of sustainable objectives across the organisation. More information about these committees and teams can be found in the section titled 'Driving Change: Sustainability Strategy and Performance'.

Climate strategy

At APL Apollo, we embrace a comprehensive approach to the critical issue of climate change. Our strategy focuses on pinpointing key areas where we can have the greatest impact. This involves our efforts to drive significant decarbonisation within the real economy, making meaningful progress towards ambitious net-zero goals. Additionally, our initiatives include active collaboration with partners and a diverse range of stakeholders. We demonstrate expertise in managing and mitigating climate-related risks, ensuring the sustainability and resilience of our company.

We have utilised globally recognised scenarios from two major sources



Physical Risks - IPCC's Representative Concentration Pathways (RCP8.5 and RCP4.5)



Transition Risks - International Energy Agency's (IEA) Net Zero Emissions by 2050 Scenario

- RCP 4.5 aims to stabilise radiative forcing at 4.5 W/m² by the year 2100, without surpassing this threshold. Modelled using the Global Change Assessment Model (GCAM), it encompasses global long-term greenhouse gas emissions, short-lived species, and land-use changes within a global economic framework.
- RCP 8.5 represents an extreme scenario characterised by a business-as-usual approach with little to no efforts to reduce emissions, leading to a temperature increase of 3.7°C by the end of the century

- The Net Zero Emissions by 2050 Scenario (NZE) is a prescriptive scenario from the IEA that maps out a global energy sector pathway to achieve net-zero CO₂ emissions by 2050. It expects advanced economies to reach net-zero emissions before others.
- The STEPS (Stated Policy Scenario) foresee a continued rise in global temperatures, with projections indicating a 2°C increase by 2050 and 2.6°C by 2100.

Further, we have classified these risks into three timeframes; short (0-5years), medium (5-10 years), and long (>10 years)

Physical Risk					
Risk Type	Risk Description	Possible Impacts	Time Horizon	Opportunities	Financial Implications
Acute Risk	Cyclone and Flooding: Many of APL Apollo's locations are prone to cyclones and their aftermath, which often results into flooding. These locations include Bangalore, Hosur, Malur, Murbad, Raipur, and Sikandrabad. Over the years, these areas have experienced the impact of cyclones. For example, in 2018,	Cyclone and Flooding can have several significant impacts: <ul style="list-style-type: none"> • Damage to infrastructure: The damages caused by heavy cyclones and flooding can lead to expensive repairs and downtime. • Disruption of supply chains: Transportation can be impacted during heavy cyclones leading to delays in the delivery of raw materials and the distribution of finished products. 	Short to medium-term measures	<ul style="list-style-type: none"> • Infrastructure resilience: Invest in resilient infrastructure design and construction, including flood barriers, elevated structures, and storm-resilient buildings. • Investing in measures which will facilitate the infiltration of surface runoff, reducing the risk of flooding while simultaneously contributing to the replenishment of the groundwater table. 	The financial impact of short to medium-term measures is expected to range from low to medium.

	<p>Cyclone Fani affected Bangalore. Hosur faced several cyclones like Vardah in 2016 and Gaja in 2018. Malur experienced Cyclone Nilam in 2021 and Cyclone Vayu in 2018. While Raipur wasn't directly hit by cyclones, but in May 2021, Cyclone Tauktae, originating in the Arabian Sea, caused significant damage in various parts of Chhattisgarh, including Raipur. In August 2018, several areas in Uttar Pradesh, including Sikandrabad, were severely affected by flooding.</p> <p>It's worth noting that APL Apollo's new venture in Kolkata is consistently impacted by cyclones. For instance, Cyclone Amphan, which made landfall in 2020, wreaked havoc in various parts of the city.</p>	<ul style="list-style-type: none"> • Production interruption: Severe weather events can force steel plants to shut down for safety reasons. 		<ul style="list-style-type: none"> • Actively implement measures that will enable proactive response planning, including the possibility of setting production targets before the cyclone's landfall, achieving them, and temporarily shutting down the plant for safety reasons during the risk period. • Inventory management: Maintain strategic stockpiles of key raw materials and finished products to mitigate production interruptions.
Chronic Risk	Heat Stress: Heatwaves could become a future concern due to the potential increase in the number of days with heat stress as temperatures rise. Plants in Dujana, Murbad, Raipur, and Sikandrabad locations have previously encountered extreme heat conditions. In 2019, Murbad and Raipur recorded temperatures as high as 48 degrees Celsius. In other locations, peak summer temperatures soar between 45 to 47 degrees Celsius.	<p>Extreme heat conditions can have the following impacts:</p> <ul style="list-style-type: none"> • Worker health & safety: exposure to high temperatures can lead to heat-related stroke, which can be life-threatening. This can result in absenteeism and potential legal liabilities for the company. • Reduced workforce productivity: workers operating in extreme heat may experience reduced productivity due to discomfort and fatigue. This can lead to lower output and efficiency. • Increased health care costs: APL Apollo might have to face increased healthcare costs due to workers heat related illnesses. • Heat stress could lead to an increase in the attrition rate, as employees may migrate to cooler parts of the country. 	Short-Medium Measures	<ul style="list-style-type: none"> • Invest in infrastructural changes that will build resilience against extreme heat conditions. • Work schedule adjustment: schedule all the physically demanding tasks during the cooler parts of the day. • Emergency response: establish clear instructions and procedures to tackle heat exhaustion and heat stroke. Ensure necessary supplies and personnel are readily available. • Cooling measures: provide access to cold water, isotonic drinks, and make sure to have dedicated resting areas for the employees and workers. • Medical monitoring: conduct regular medical check-ups for workers exposed to extreme heat due to their daily work.

Transition Risk					
Risk Type	Risk Description	Possible Impacts	Time Horizon	Opportunities	Financial Implications
Technological Shift	Technological advancements in low-carbon alternatives, coupled with increasing carbon pricing and regulatory constraints, will drive a transition from traditional industrial products to low-carbon alternatives. These changes will have a profound impact on the feasibility of existing products, manufacturing processes, and associated costs. Given the growing popularity of green hydrogen, it's imperative to factor it into any fuel-switching strategy. Additionally, the rising demand for green steel necessitates that APL Apollo invests in R&D for innovative technologies; failure to do so could result in the loss of clients.	<ul style="list-style-type: none"> Transitioning to a low carbon technology often involves substantial upfront investments in new equipment, processes, and infrastructure. Implementing new technologies may require reskilling or upskilling the workforce. 	Medium to Long Term Measures	<ul style="list-style-type: none"> Allocate resources to research and develop innovative low-carbon technologies. Collaborate with research institutions, government agencies, and industry peers to share knowledge, resources, and best practices. Transition to more environmentally friendly fuels such as green hydrogen to minimise ecological impact. Invest in workforce development and training programmes to ensure employees have the necessary skills to work with new technologies. 	The financial implications for all the measures are significantly high because the shift in technology and its consequent installation, as well as employee upskilling, would require a heavy investment.
Policy Restrictions	Heightened industrial regulations will increase the environmental compliance pressure, pushing for decarbonization and tighter control of industrial emissions. Non-compliance with these regulations could result in significant financial penalties and potentially limit APL Apollo's access to global markets. Additionally, stringent rules regarding the carbon footprint of shipped goods may pose a significant challenge for the company.	<ul style="list-style-type: none"> Adhering to stricter environmental regulations often requires significant investment in pollution control equipment and emission reduction technology. The need to retrofit or upgrade existing facilities to meet regulatory requirements can lead to operational delays. Non-compliance will lead to legal penalties, fines. Policy restrictions can influence investment decisions. Carbon taxes or cap-and-trade systems can impact the cost of emissions, affecting the overall cost structure. 	Medium to Long Term Measures	<ul style="list-style-type: none"> Develop strategies to manage and optimize the impact of carbon pricing mechanisms, such as carbon taxes or cap-and-trade systems. Invest in technologies and processes such as carbon capture and storage (CCS) that ensure compliance with existing and anticipated environmental regulations. Diversify product portfolio to include low-carbon products to cater to markets with stringent environmental requirements and regulations. 	The financial implications for all the measures are significantly high because the shift in technology and its consequent installation, as well as employee upskilling, would require a heavy investment.

Reputational Risk	Exposure to cost or reputational risk as a result of political, economic, and regulatory activity. Companies in the industrial sector will suffer reputational harm if they are too late to respond to shifting consumer and shareholder demand for more sustainable materials, production processes, and disclosures.	<ul style="list-style-type: none"> Non-compliance to regulatory norms and shareholder expectations could negatively impact brand image. Such can eventually lead to a reduced customer and investor base. 	Short-, Medium- & Long-Term Measures	<ul style="list-style-type: none"> Transparent disclosures on website and yearly ESG report with set targets and progress tracker 	The financial implications can range from low to medium, as any breach in compliance will result in fines and penalties.
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Risk Management

APL Apollo has implemented a four-step strategy to manage climate-related risks and uncover opportunities. The ESG Committee and Risk Management Committee play pivotal roles in discussing and making decisions on climate-related risks, overseeing risk management at all levels, and adopting and executing mitigation measures. Further information about these committees can be found in the Corporate Governance section.



STEP 1

Thorough understanding of TCFD recommendation and deliberation

Our Board of Directors engaged in discussions regarding APL Apollo's approach to the recommendations of TCFD, resulting in the development of valuable strategies for transparent disclosure.



STEP 2

Climate Risk Assessment through scenario analysis

Globally recognised climate databases were employed to identify the physical and transition risks and plant locations with the highest vulnerability. For scenario analysis, we selected the IPCC's RCP scenario and scenarios from the International Energy Agency



STEP 3

Climate risk mitigation & valuation and target setting

Following an exhaustive analysis of the potential impacts of identified risks, we have carefully curated our mitigation strategies and estimated the financial implication for APL Apollo in consultation with our stakeholders and investors. Concurrently, we have established targets to better align our company with the TCFD recommendations.



STEP 4

TCFD Report

The final phase of our process involved transparent disclosure of our findings.

Metrics and Targets: Climate-related Metrics

We have established key performance indicators (KPIs) and objectives to track our progress in managing climate-related risks and seizing opportunities. These include metrics related to greenhouse gas emissions, energy consumption, and renewable energy capacity. We will regularly monitor and report these metrics to ensure transparency for our stakeholders. APL Apollo has calculated its greenhouse gas (GHG) metrics in accordance with the Greenhouse Gas Protocol, enabling the reporting of Scope 3 emissions across a detailed list of 15 categories. Our progress for FY 2024 is disclosed under the 'GHG Emissions Management' section of this chapter.


APL Apollo has implemented a uniform and standardised set of emission and energy metrics

- 01 Total emission, Scope 1, 2 and 3, as per the Greenhouse Gas Protocol
- 02 Emission Intensity in Metric Tonnes of CO2 Equivalent/INR Crore
- 03 Energy Consumption from Renewable Sources
- 04 Energy Intensity Per Rupee of Turnover

Net Zero Strategy and Emissions Management


We have pledged to reduce Scope 1 and 2 emissions per metric ton of steel production by 25% by 2030, using 2022 as the baseline. Beyond this, we are focused on setting short-term milestones and actively pursuing a net-zero emissions goal, adhering strictly to the Science-based Targets Initiative (SBTi) guidelines. This approach aligns APL Apollo's strategies with the larger aim of achieving a 1.5°C world.

APL Apollo aims to reach a 47% renewable energy consumption rate by 2024-2025, underscoring our commitment to sustainability and environmental responsibility. This presents a large financial opportunity for the company as we further reduce our dependency on non-renewable sources of electricity. We are steadfast in our resolute to become a net-zero emissions enterprise by 2050, showcasing a strong dedication to fighting climate change and fostering a greener world.




- Achieve 47% renewable energy consumption by 2024-2025.
- All plants to have access to renewable energy by 2025.

2025



Reduction of Scope 1 and Scope 2 emissions per metric ton of steel produced by 25% by 2030.

2030



Net Zero by 2050

2050

APL Apollo Climate Targets

GHG Emissions

As a company dedicated to social and environmental responsibility, we consistently prioritise managing our carbon footprint and environmental impact. Our success is rooted in responsible practices at all our facilities, regular monitoring of emissions, innovative products, and sustainable building materials. These efforts contribute to a

Table: Total GHG Emissions – 03-year trend				
Particulars	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Scope 1 emissions	MTCO ₂ e	52,852	29,260	24,486
Scope 2 emissions		1,01,830	59,436	66,349
Scope 3 emissions		11,78,906*	47,535	42,661
Total GHG emissions		13,33,588	1,36,231	1,33,496

* In FY24, emissions from raw material purchase (Steel) were added to the Purchased Goods and Services category, resulting in increase in Scope 3 emission. Details on methodology are provided in the consequent table.

Our overall GHG emissions have risen as we work to enhance the precision and thoroughness of our GHG emissions inventory, aiming to more accurately reflect emissions from our operations. As part of this effort, we have enhanced the quality of our Scope 1 emissions reporting by incorporating LPG and Furnace Oil consumption, alongside the previously reported diesel consumption, starting from the fiscal year 2022. Scope 2 emissions have increased due to the increased use of grid electricity because of the establishment of the New Raipur plant. The plant relies on non-renewable electricity and is slowly transitioning towards adopting renewable electricity, with plans to source more than 80% of the electricity requirements from solar power.

Table: Categories of Scope 3 emissions				
Particulars	Unit	FY 2023-24	Share in Scope 3 emissions	Calculation Methodology
Category 1:	MTCO ₂ e			
Purchased Goods & Services		11,33,774	96.17%	Spend-based method
Fuel & Energy		33,431	2.84%	Average data method
Downstream Transportation		5,161	0.44%	Spend-based method
End of Life		2,048	0.17%	Waste-type specific method
Employee Commute		1,817	0.15%	Distance-based method
Upstream Transportation		1,230	0.10%	Spend-based method
Business Travel		1,101	0.09%	Spend-based method
Waste		344	0.03%	Waste-type specific method
Total Scope 3 emissions			13,33,588	

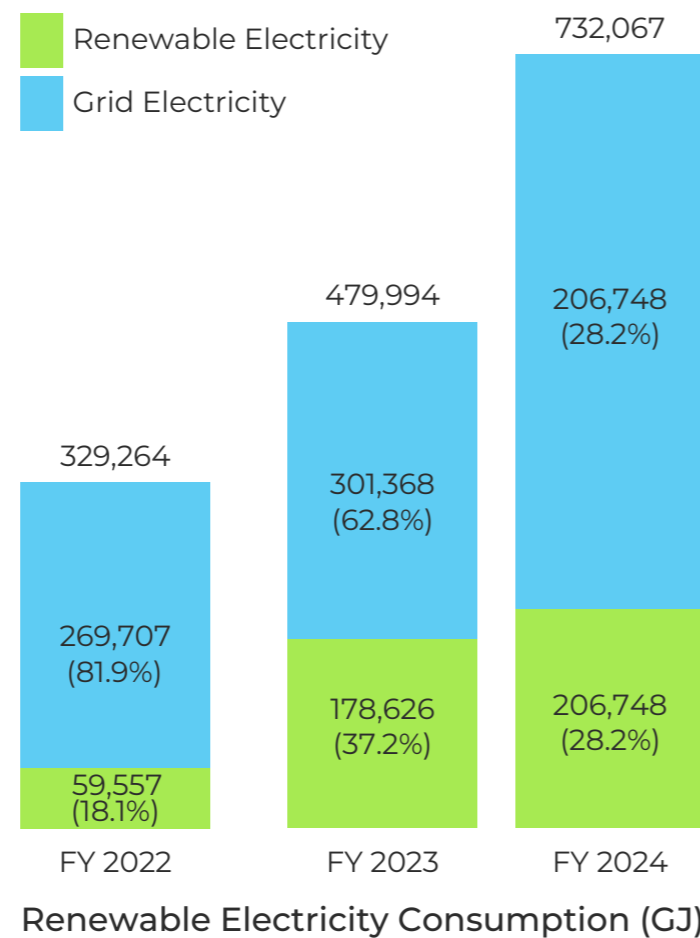
We diligently monitor Scope 3 emissions in 8 out of 15 categories. We constantly work towards enhancing our emissions calculation methodology. In doing so, in FY 2024, we have strengthened the calculation of the category 'Purchased Goods and Services'. We have included raw materials procured in our operations such as steel coils and slits of various grades and metals such as zinc. This was made possible through better data management systems and finetuning our calculations. We will continue to enhance our GHG emission inventory in the coming years.

Energy Management

Our operational strategies prioritise resource conservation. We understand the limited availability of non-renewable resources and aim to use renewable sources whenever feasible in our processes. We are dedicated to reducing overall energy consumption, improving energy efficiency, and integrating sustainable energy sources. Our overarching operational strategy is centred on energy conservation, acknowledging the finite nature of non-renewable resources.

In our endeavour to expand our renewable energy portfolio, we have planned installations of 72 MW of solar powered electricity up to FY 2025. More than 80% electricity needs of two plants in Raipur and one plant in Malur shall be met through solar-powered electricity. With these expansions, we will exceed our renewables target of 47% by FY 2025 as more than 50% of our electricity needs will be met through renewable electricity by FY 2025. Our Power Purchase Agreement with Bluepine Energies Limited has been vitally important in achieving our renewable energy targets.

We continuously strive to meet our needs through renewable sources in all our activities. We are dedicated to decreasing overall energy consumption, enhancing energy efficiency, and adopting sustainable energy solutions. We have a comprehensive plan to achieve our energy management objectives. Our business units have well-organised energy and carbon management programmes in place. To track energy usage during production, we have implemented effective monitoring systems. Our resource mix consists of renewable electricity from solar installations, grid electricity, and fuels such as diesel, petrol, CNG, LPG, PNG, propane, and furnace oil from fuels used in the manufacturing process and vehicle fuels.

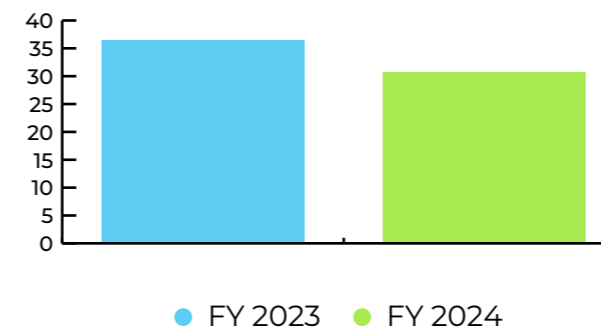


Particulars	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Renewable Electricity	GJ	2,06,748	1,78,626	59,557
Non-renewable Electricity		5,25,319	3,01,368	2,69,707
Fuel		6,62,510	4,45,173	3,27,461
Other Sources		1,81,323	-	-
Total Energy Consumption		15,75,900	9,25,167	6,56,725

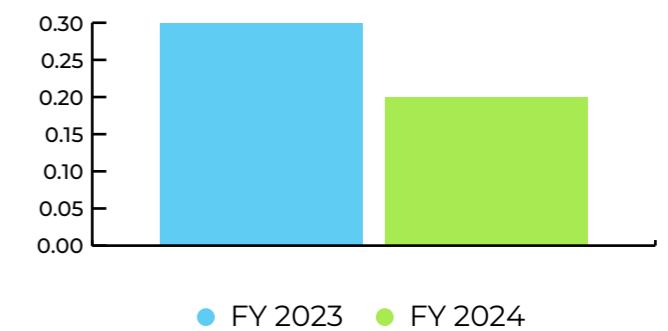
Water and Wastewater Management

Water is crucial for us, significantly impacting various aspects of our operations. At APL Apollo, our operations department has developed a thorough and multifaceted plan to ensure efficient water usage and effective disposal of discharge. We routinely assess and analyse our water resource management, documenting and publishing our findings along with effective strategies and targets to improve our practices annually. In doing so, we have analysed that our operations in Hyderabad, Sikandrabad, and Bengaluru fall in water stressed zones, stated as overexploited by the Central Groundwater Board.

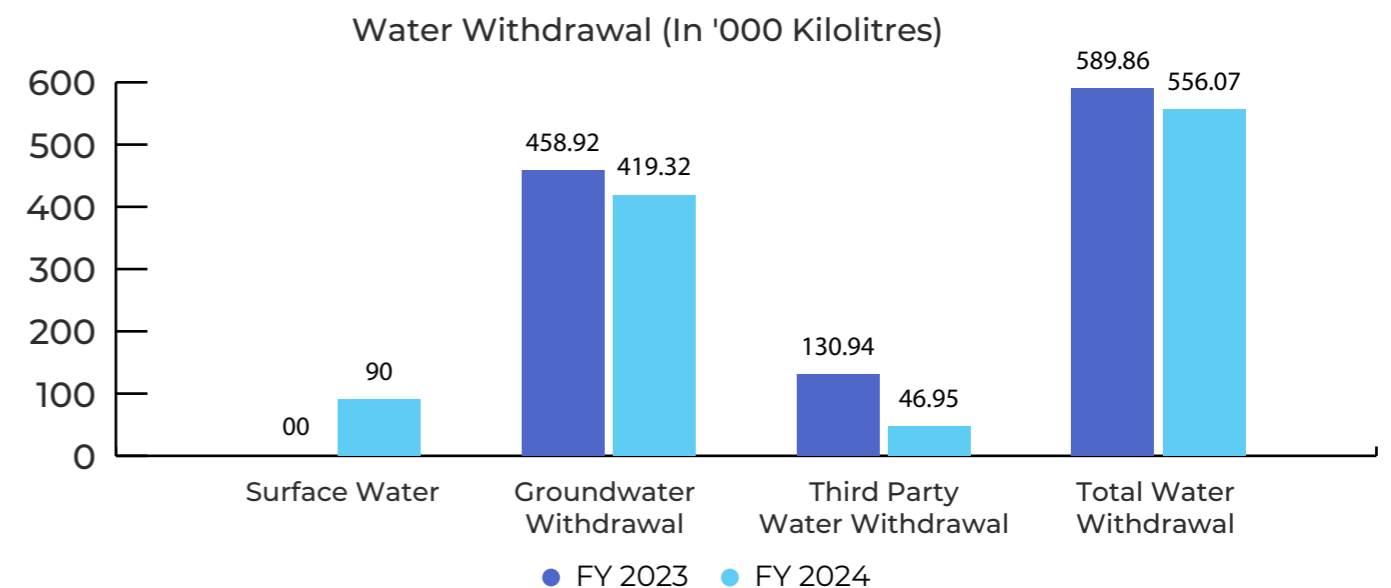
Water Intensity Per Rupee Turnover (Water Consumed (Kl)/Turnover (INR Crore))



Water Intensity Per Rupee Turnover (Water Consumed (Kl)/Production)



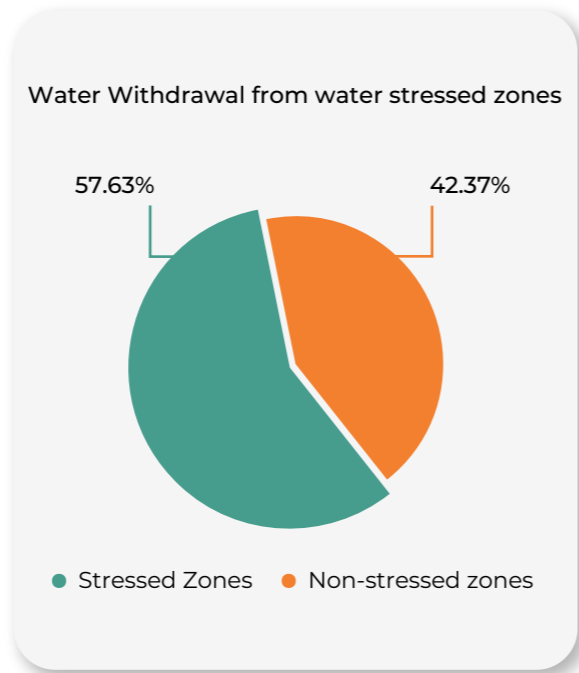
Particulars	Unit	FY 2024	FY 2023	FY 2022
Surface water	Kilolitres (KL)	89.81	0.00	0.00
Groundwater withdrawal		419.32	458.92	529.50
Third-party water withdrawal		46.95	130.94	117.58
Total water withdrawal		556.07	589.86	647.08



Our yearly efforts for reduction in usage of freshwater is evident from a decreasing water withdrawal trend over the past two years despite the increasing production trends. The total water withdrawal has reduced by 5.7% since the previous year and 14.1% since the baseline of FY 2022.

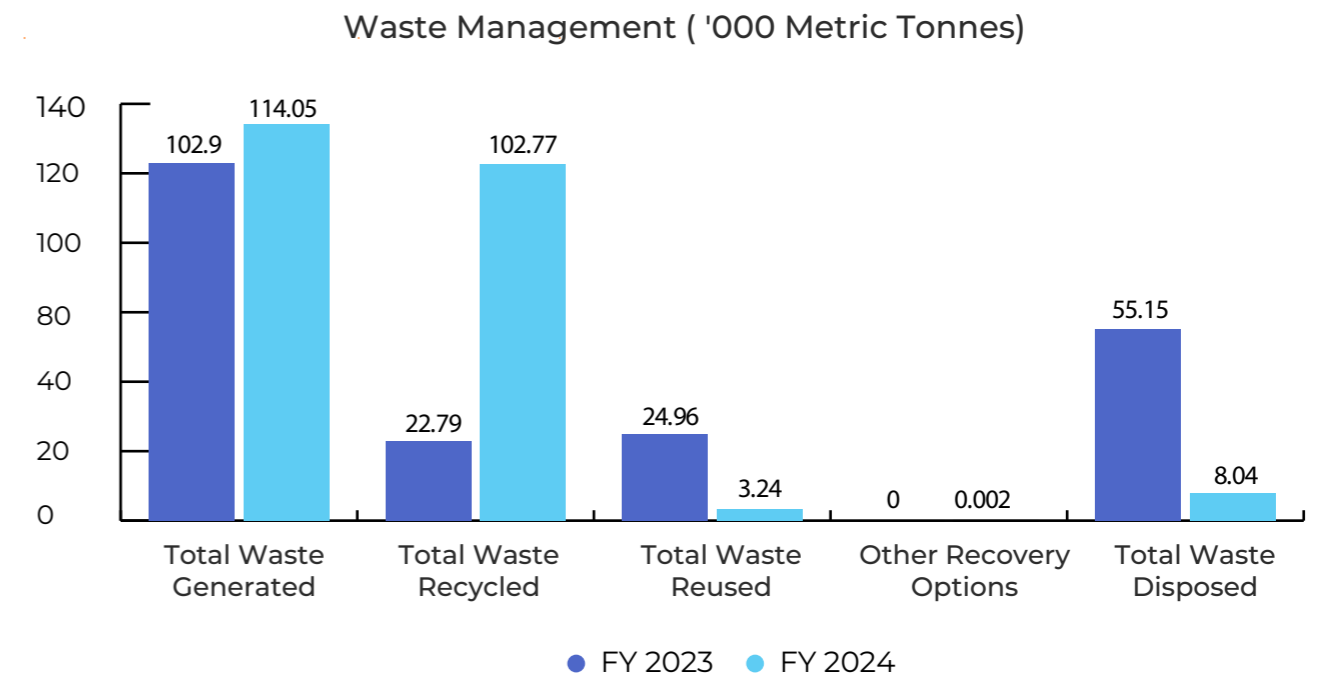
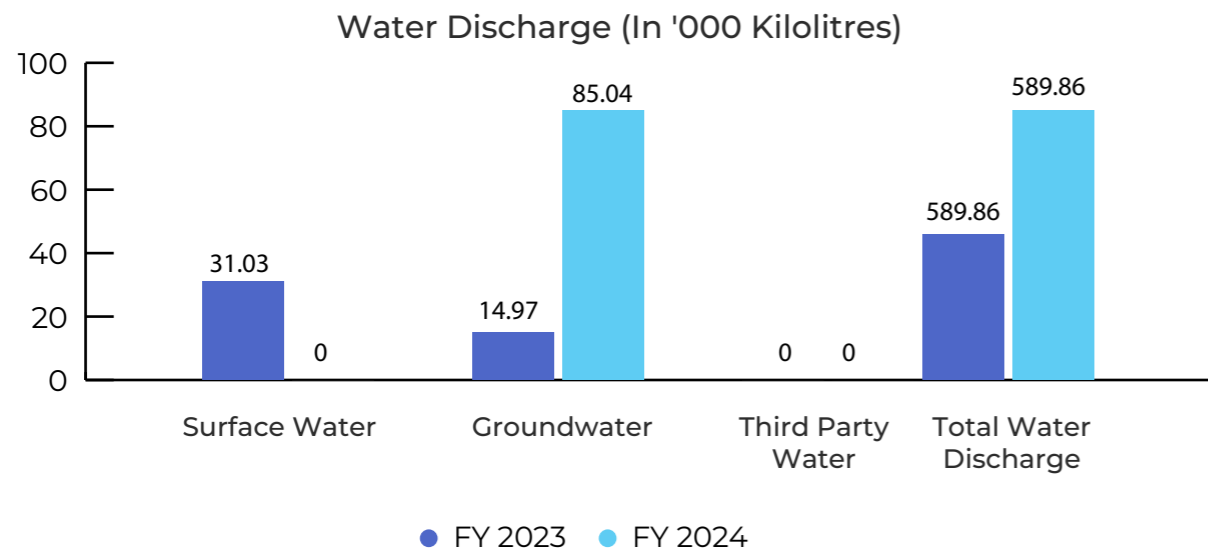
We are making headway in achieving our target of installing rainwater harvesting (RWH) pits at all our plants by 2025. We have also submitted No Objection Certificate (NOC) applications to the government for our other plants.

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In our quest to diminish both financial expenditures and ecological footprints, we address waste management challenges through an all-encompassing strategy that includes meticulous monitoring, waste reduction, reuse, and the advanced recycling practices. Our recycling initiatives are a balance of diverse components, including End Cuts, Melting Scrap, Rejection Pipes, Side Cuts, Waste Steel Scraps, Zinc Scraps, Wood Residues, Pipe End Cuts, and Canteen Waste. Each of these materials is thoughtfully repurposed as raw materials, forwarding our unwavering commitment to the mindful utilisation of resources.

Particulars (in thousand MT)	FY 2022	FY 2023	FY 2024
Total waste generated	113.27	102.9	114.05
Total waste recycled	25.05	22.79	102.77
Total waste reused	27.99	24.96	3.24
Other recovery options	0	0	0.002
Total waste disposed	60.23	55.15	8.04



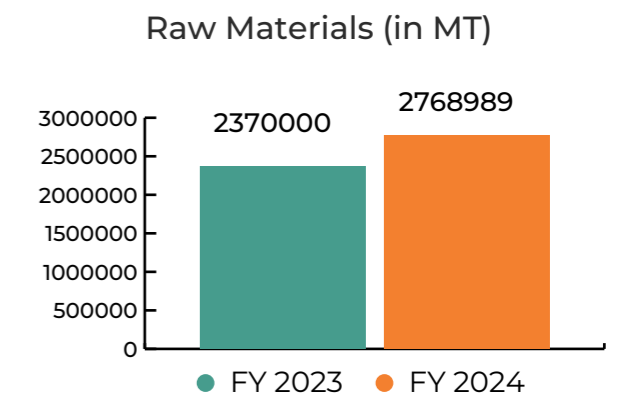
Nine of our facilities are equipped with Effluent Treatment Plants (ETP) to recycle water for operational purposes. The Murbad and Malur plants feature Sewage Treatment Plants (STP) for efficient sewage management. Additionally, we have implemented Zero Liquid Discharge (ZLD) units at our Murbad and Malur plants, and we plan to convert all our facilities to ZLD by 2025.

Waste Management

Improper waste management can lead to the spread of diseases and the contamination of essential air and water supplies. To address these issues, we have established collaborations with a group of certified vendors. These partners are responsible for various tasks such as waste disposal, wastewater and sludge management in specific locations, and careful recycling of scrap materials.

Raw Material Consumption

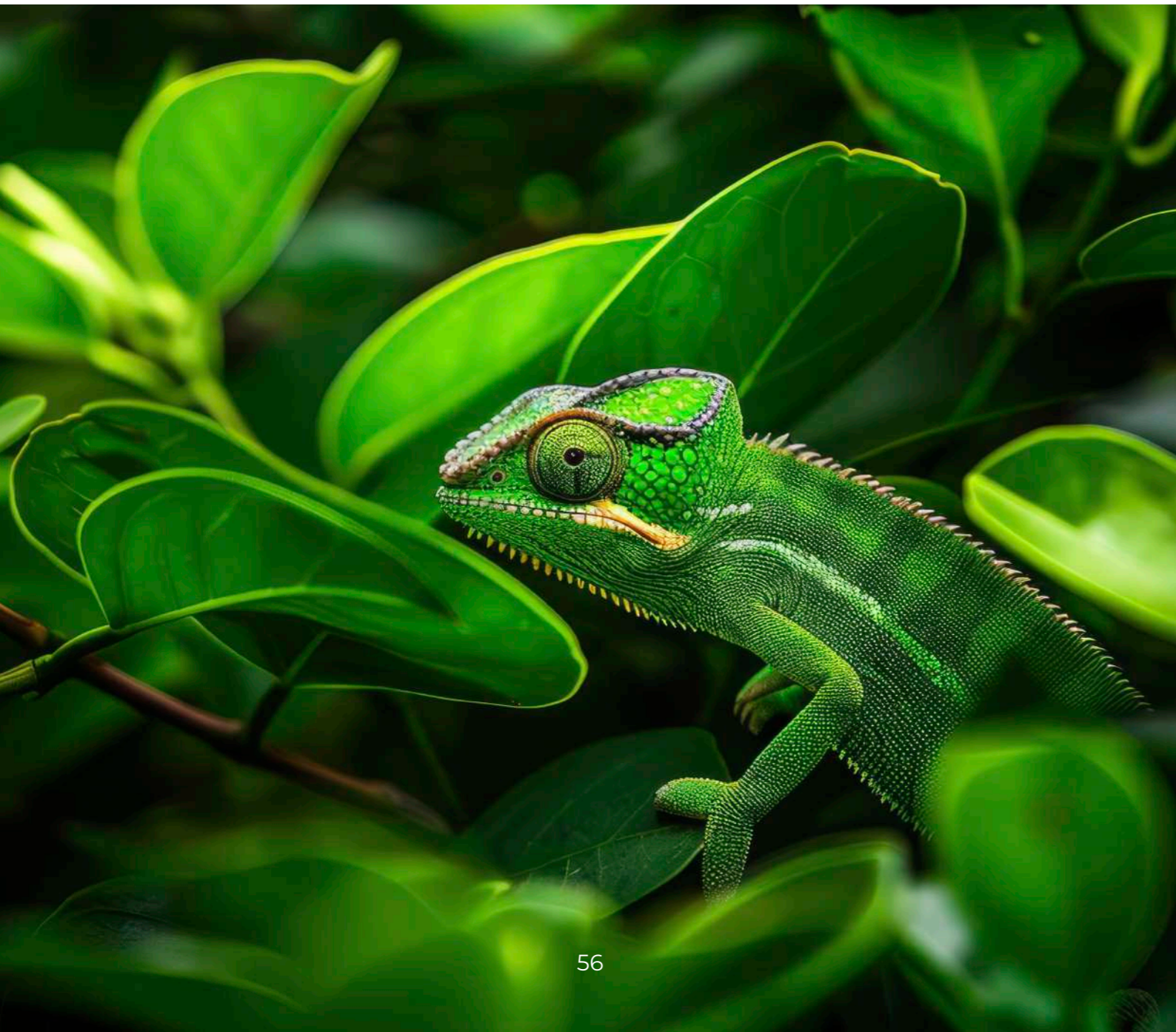
The management of raw materials is a critical standard in our organisation. Tracking raw materials and regularly producing consumption reports are crucial for developing our material flow and inventory control strategies at our sites. Establishing strong material management procedures is essential for delivering products to our customers on time. By promoting effective material management practices, we ensure timely deliveries, leading to increased sales and overall profitability.



Biodiversity

Acknowledging our duty to foster a greener environment, we have initiated several projects to increase tree cover. To enhance the success of our afforestation efforts, we have utilised the Miyawaki technique, developed by Japanese botanist Akira Miyawaki. This method promotes the creation of dense, natural forests and has involved an investment of INR 2,96,000. The Miyawaki technique accelerates plant growth by ten times and increases density by thirty times compared to traditional methods. Our strategy includes categorising 1,200 plants into four groups: Canopy Trees, Trees, Sub-trees, and Shrubs. This project spans three years, focusing on nurturing these mini forests.

Additionally, our commitment goes beyond planting; we continuously care for these mini forests. To further our impact, we organise plantation drives and gardening initiatives for our employees, encouraging active participation and environmental stewardship. APL Apollo ensures strict oversight across all its operations to prevent tree felling, reflecting our core principle of no deforestation. We are also engaging in discussions to formalise a company-wide commitment to no-deforestation and work towards restoration of ecosystems wherever possible. Importantly, none of our operational plants are located near or negatively affect reserved or protected forests.



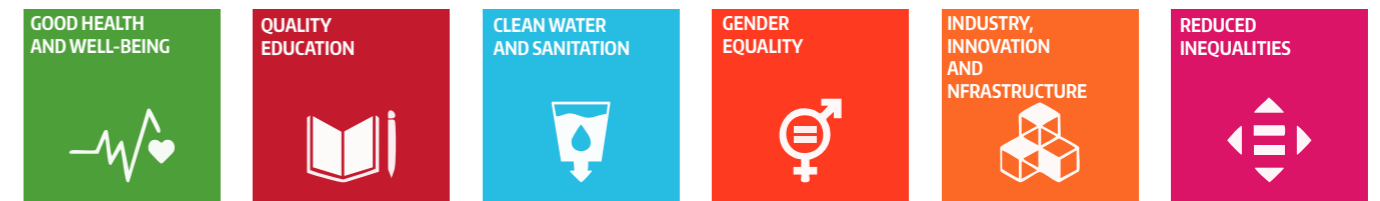
Social Responsibility

As we progress on our path to evolving into people driven organisation, our team members are the driving force behind our growth — they spark innovation and lead transformation. As we expand the horizons of manufacturing solutions and explore new markets, our employees and the community we operate in will be crucial in realising our growth potential. Their varied viewpoints and experiences enhance our decision-making processes and help us steer through a complex business environment.

We strongly believe that our mission goes beyond simply being leaders in manufacturing products that exceed industry standards. We enhance our value proposition by fostering a culture that empowers our valued employees, driving them towards excellence. To support their ability to consistently produce exceptional products, we are deeply committed to providing ample opportunities for each team member's growth, while prioritising their safety and prosperity.

At the heart of our sustainability strategy at APL Apollo lies a steadfast commitment to community development. Through our initiatives, we strive to address pressing challenges in crucial areas such as healthcare and education, leaving a lasting positive impact and significantly contributing to societal well-being.

Whether it is the communities we support, the employees we develop, the partners we collaborate with, or the investors who trust in us, the essence of our stakeholder relationships at APL Apollo is the seamless creation of value for all. This principle highlights our dedication to building relationships that go beyond mere transactions, enriching the lives of stakeholders and contributing to a brighter, more sustainable future.



Occupational Health and Safety (OHS)

At APL Apollo, the safety and welfare of our employees is our top priority. We are committed to ensuring that every employee returns home safely and in good health. This dedication not only reduces absenteeism but also promotes a highly efficient and productive workplace. Studies indicate that companies prioritising employee health and safety see increased productivity. Effective workplace health and safety involve comprehensive risk management and the active participation of leaders, managers, employees, suppliers, contractors, and customers. Strong leadership is essential for sustainable development.

Our Targets

- Zero Harm
- Zero Incident and Injury Rate

Our **Health and Safety Policy** enshrines our commitment of secure, safe, and clean working environment for all our employees, workers, contractors, customers and visitors to our facility.

OHS Management Systems

We are in the process of achieving ISO 45001:2018 certification across all our locations, having already attained it for 3 out of 11 locations in FY 2023-24. We have integrated its guidelines into our occupational health and safety management systems. Additionally, the Plant-level Safety Committees, which include worker participation, enhance safety awareness and empower employees to contribute to hazard mitigation. This ensures that all our employees and workers are aware of health and safety compliances.

We have established a robust system for hazard identification, risk management, and incident investigation. We monitor key metrics such as employee absenteeism, Total Recordable Incident Rates (TRIR), Lost-Time Injury Frequency Rates (LTIFR), fatality rates, and Near Miss Frequency Rates (NMFR) to minimise work-related accidents. These committees also receive training and access to information on work-related risks. We have instituted a mechanism for prompt accident and injury reporting to quickly implement corrective actions.

Through the OHS Management Systems, we have set strong safety protocols:

- Before and after safety Kaizen work is performed, assembly points and fire extinguishers are clearly marked, and safety education and training programmes are conducted regularly.
- Audit teams ensure the continuous evaluation and improvement of safety standards, supported by daily toolbox talks and audio-visual presentations on safety guidelines.
- Barricades are strategically placed near heavy machinery, and the mandatory use of personal protective equipment is enforced.
- New employees undergo comprehensive safety inductions, and continuous monitoring is maintained through CCTV surveillance and supervision by security personnel.
- All movable machinery is fitted with sensors to stop operations if human proximity is detected.
- Recognition and reward systems are in place to incentivise adherence to safety protocols.
- Internal infrastructure improvements, such as speed breakers, contribute to accident prevention, and strict compliance requirements for third-party contractors ensure that insurance and ESIC standards are met for any work conducted on the premises.

OHS Governance

Each location establishes a safety committee comprising up to five members from various departments, selected fairly by unit supervisors and front-line workers. The Committee convenes weekly with a set agenda, and the minutes are recorded and shared with Corporate HR, the COO, and the VP of Production within 48 hours. During meetings, the committee reviews past minutes, evaluates injury records from the previous month, and investigates recurring patterns.


The Safety Committee is responsible for a range of duties, including identifying hazards, enforcing safety rules, measuring performance, reducing injuries, promoting safety awareness, developing safety programmes, proposing safety measures, conducting self-inspections, reviewing employee hazard reports, supporting safety training, and establishing safety incentive programmes. Through these activities, the committee actively fosters a secure work environment. Members can anonymously report concerns about any committee member.

Occupational Hazards and Risk Identification

Our Safety Committee plays a crucial role in investigating accidents and incidents, reinforcing our commitment to proactive safety. We conduct internal and external safety audits. This dual-audit approach ensures a comprehensive evaluation of our operations, promoting accountability and continuous improvement.



Internal Audits
Conducted twice a month by the Plant Head or Head of Department, with audit reports reviewed by Corporate HR.



External Audits
Carried out quarterly by the ED Technical or VP Production for each location, with audit reports submitted to the COO.

Investigation and reporting of work-related accidents

The documentation and examination of accidents and incidents are vital elements of our safety measures.

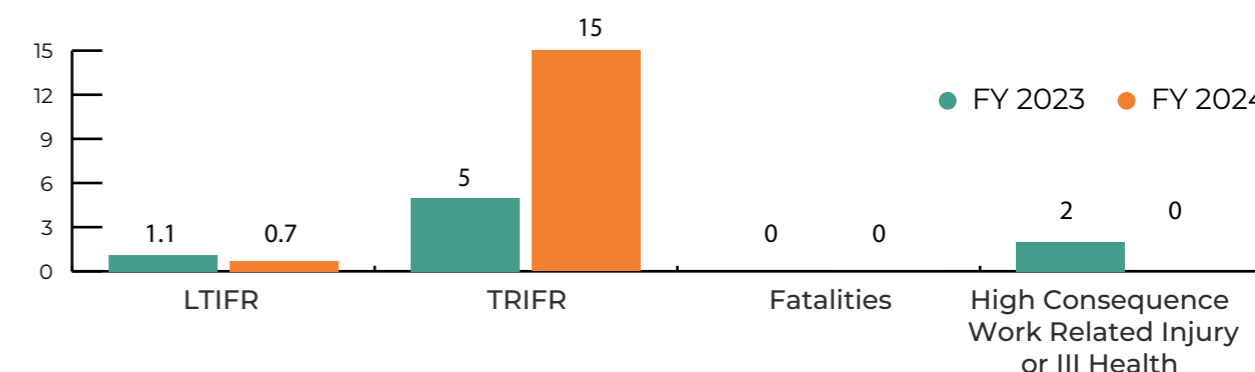
We follow a strong reporting protocol. Accidents must be reported immediately to Corporate HR at every level, including the head office, branch office, warehouse, or plant, whether they result in injuries or fatalities. These reports should also be part of the monthly safety report. Any intentional failure to report accidents will be taken very seriously and could result in disciplinary action.

We classify accidents for better understanding:

- Fatal: Result in death.
- Major: Cause serious injuries, loss of a body part, or hospitalisation for more than 48 hours.
- Minor: Result in absence from work for up to 48 hours.
- First aid accident: Require only first aid and at most one day off work.
- Dangerous occurrence: Unforeseen incidents that could cause harm or damage.
- Near-miss accident: Events that had the potential to cause harm but did not result in any.

For fatal accidents, the Head of Department (HOD) prepares a detailed fact-finding report, which is submitted to the Plant Head, Corporate HR, and Regional Head. This report includes details of the incident, identified systemic gaps, and recommended corrective actions. Reports for other types of accidents follow the same format and are submitted to the Plant Head, Corporate HR, Location HR, and Regional Head. These procedures underscore our commitment to safety and proactive accident prevention.

Health & Safety Indicator for Employees



Safety Trainings and Mock Drills

Focusing on the well-being of our employees, we provide safety training to both our plant workers and corporate staff, with the objective of attaining a zero incident and injury rate by the year 2025.

Safety coverage encompasses all manufacturing plants and personnel comprehensively.

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

We conduct mock drills to evaluate the efficiency of the Plant's Emergency Action/Response Plan, assess the performance of key Emergency Response Team Members, and identify any weaknesses or deviations in the Emergency Management System for improvement. This drill involves all manufacturing unit employees and workers with an aim of practicing emergency procedures in a controlled setting, ensure they understand and can perform their emergency duties, conduct headcounts, and review and improve evacuation processes. Fire drills are held quarterly, concentrating on emergency escape procedures, equipment shutdown processes, headcount procedures, and preferred methods for reporting emergencies.

Upholding Human Rights

Human rights are essential principles that include dignity, justice, equality, and respect, functioning as a universal language. As a key player in the steel industry, we look to seamlessly incorporate human rights into everyday operations, from corporate offices to manufacturing sites. We are dedicated to preventing child labour, harassment, forced labour, and discrimination at all levels, and we promptly address any violations with swift corrective actions.



United Nations
Global Compact

This year, we made a steadfast commitment to upholding human rights throughout our operations as we are now signatories to the United Nations Global Compact. In line with our commitment, we conducted a desk-based study to understand our operation's exposure to Human Rights.

Our approach to maintaining human rights is guided by the Human Rights Policy.

In the reporting year, we carried out a study to identify leading industry practices related to human rights, focusing on policies, assessments, and governance. As a result of these efforts, we have established a human rights framework across the organisation. This framework comprises the following elements:

- Human rights governance
- Risk identification and assessment
- Mitigation and corrective plan
- Communication plan

This framework will facilitate the seamless integration of human rights into our daily operations and enhance effective stakeholder engagement. We also performed

desk-based research to pinpoint potential human rights risks impacting our organisation. The following issues were identified as the most significant for our organisation:

Health and Safety

Health and safety are paramount human rights issues in our business. Workers in this sector are often exposed to hazardous conditions such as high temperatures, heavy machinery, and potentially toxic substances. Ensuring a safe working environment is not just a regulatory requirement but a fundamental human right. This involves providing adequate Personal Protective Equipment (PPE), comprehensive safety training, regular risk assessments, and prompt responses to any safety concerns. Neglecting health and safety can lead to severe injuries, chronic health issues, or even fatalities, violating the workers' right to a safe and healthy workplace.

Disciplinary Practices

Fair, transparent, and respectful disciplinary practices are of paramount importance for an employees' dignity and rights. Harsh or arbitrary disciplinary measures can lead to a hostile work environment, negatively impacting workers' mental and emotional contentment. It's crucial to have clear policies that outline acceptable behaviour and corresponding consequences, ensuring that any disciplinary actions are consistent and just.

Remuneration

Fair remuneration is a critical human rights issue, as it directly affects the quality of life of the employees. Workers in our company receive wages that reflect the risks, skills, and efforts associated with their roles. Adequate remuneration ensures that employees can meet their basic needs, including housing, food, healthcare, and education for their families. Failure to provide fair compensation can lead to economic insecurity and poverty, violating the workers' right to just and favourable conditions of work.

Management Systems

Effective management systems are essential to uphold and protect human rights within our firm. These systems should include clear policies on health and safety, fair disciplinary practices, and equitable remuneration. Mechanisms for reporting grievances without fear of retaliation, regular training on human rights and ethical practices, and continuous improvement processes are critical components. Poor management systems can lead to systemic issues, including discrimination, harassment, and exploitation, undermining the human rights of employees.

A preliminary set of mitigation measures for the identified potential human rights issues was developed, and trainings were undertaken throughout the year to address these risks.

Our objective is to foster a culture that respects and protects human rights across all our operations, and to address and mitigate any concerns that arise through the implementation of our framework.



Diversity and Inclusion

At APL Apollo, we are dedicated to promoting diversity, eliminating biases, and ensuring equal opportunities for all. We firmly reject discrimination based on age, colour, disability, origin, religion, race, gender, family/marital status, gender reassignment, sexual orientation, pregnancy, or maternity status. Our efforts are focused on increasing female representation at all levels and supporting their advancement through leadership programmes and a gender parity strategy.

We maintain ongoing dialogues with female employees to understand their concerns, such as sexual harassment, fair compensation, work-life balance, and career prospects. This continuous feedback helps us identify areas for improvement and recognise their contributions. Each year, we celebrate International Women's Day to advocate for gender equality, challenge biases, and encourage efforts to combat gender stereotyping and discrimination.

Aligned with our commitment, we aim to boost the representation of female employees in the permanent workforce category by 5% by 2025. This objective underscores our determination to build an inclusive and equitable workplace that values and leverages the potential of every individual, regardless of their background or gender.

Over the past year, we have made much progress in hiring female employees and workers. Our diversity ratio increased to 2% in FY 2024 from 1.8% in FY 2023 for female employees. We have successfully integrated 21 female workers, as compared to none in FY 2023. Additionally, we have successfully increased the number of women on our Board from one female director to two directors this year. We believe in providing fair compensation and wages to our employees and workers, irrespective of gender. The median gender pay ratio for female to male employees is 1.07 and workers is 0.79.



Human Capital Development

Employees form the foundation of our organisation. Our success is built on the dedication, expertise, and creativity of our team. We strive to create a safe and inclusive work environment for everyone while providing opportunities for growth. We are committed to fostering diversity and inclusion in our workplace and ensuring that the rights of our employees are recognised and protected.

At APL Apollo, our employees are integral to our achievements. We prioritise continuous skill development and thorough training to empower our team and drive shared success. Building trust and recognising their commitment is fundamental. Effective performance management, utilising the Balanced Scorecard method, aligns individual goals with our organisational objectives. A well-implemented Performance Management System (PMS) ensures clarity, promotes feedback, and boosts employee retention. We value acknowledging and rewarding contributions to inspire and cultivate a culture of ongoing improvement. Training is essential for expanding knowledge and enhancing skills, including safety measures. It enhances confidence, stimulates innovation, and improves performance. We provide continuous training to keep our employees at the industry's forefront, allowing us to excel in a competitive market. Our commitment to training underscores our dedication to equipping our team with the necessary skills and knowledge for innovation and excellence.

Our workforce is a dedicated and permanent workforce of 2,682 employees and workers along with 113 employees and workers in Dubai across 11 locations

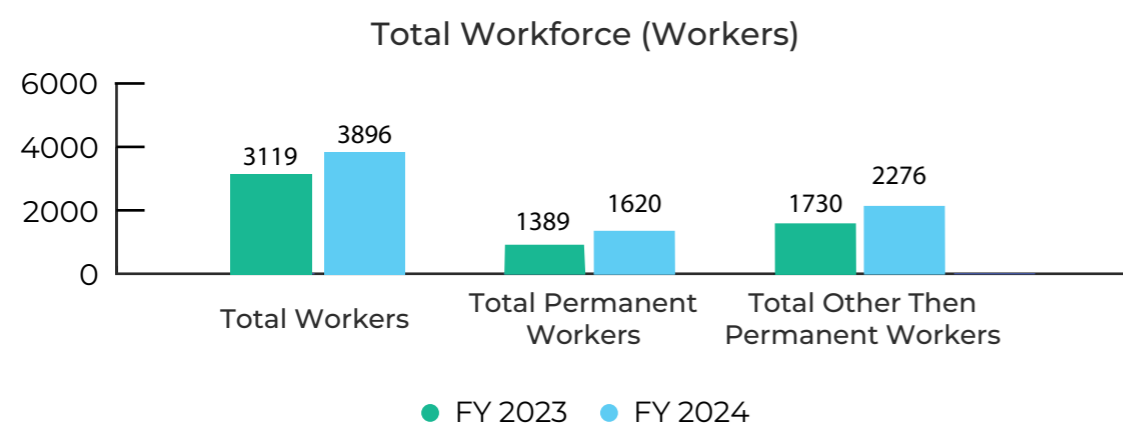
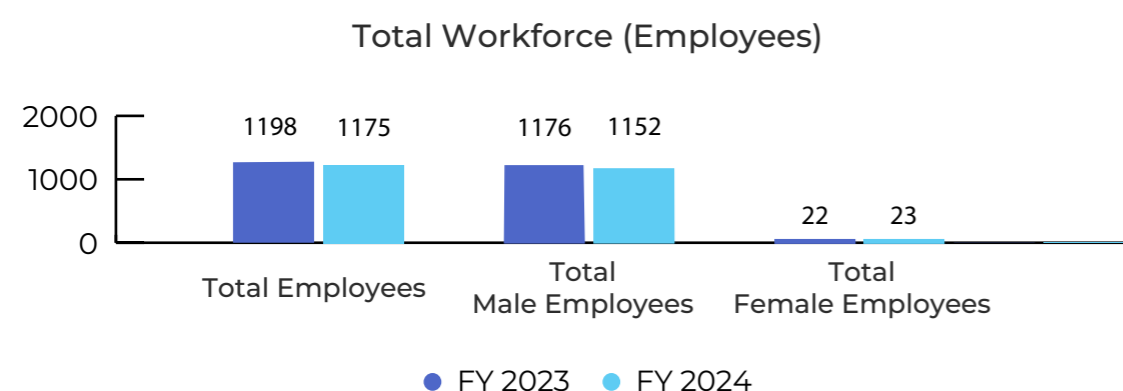
Permanent Workforce Composition (by location)	2023-2024
Total in India	2,682
Total in Dubai	113
Total Workforce	2,795

Workforce Composition	2023-2024		
	Male	Female	Total
Total Permanent Workforce (Employees + Workers)	2,767	28	2,795
Total Contractual Workers	2,260	16	2,276
Total Workforce	5,027	44	5,071

Workforce Composition by management	2023-2024		
	Male	Female	Total
Senior management	60	1	61
Middle management	192	1	193
Junior management	763	21	784
Non-Management (Workmen)	1,752	5	1,757
Total	2,767	28	2,795

Workforce Composition	2023-2024	
	Male	Female
Head Count By Nationality (Indian)	2,795	44
Head Count By Ethnicity	-	-

Age Diversity (Employees)	2023-2024		
	Male	Female	Total
<30 years	664	11	675
30 - 50 years	1890	15	1,905
> 50 years	213	2	215



Talent Attraction and Retention

At APL Apollo, we cultivate an environment that supports individual growth and active participation in our company's development. Our employees' dedication not only helps us overcome challenging commercial landscapes but also fortifies our resilience. Our culture is defined by innovation, excellence, collaboration, transparency, and open communication. We provide multiple channels for dialogue and feedback, promoting continuous improvement. By regularly assessing and adapting our HR policies based on insights from various communication channels and industry best practices, we ensure transparency, including during the onboarding process for new hires.

Our recruitment process focuses on selecting skilled professionals who align with our values, resulting in enhanced revenue generation, reduced turnover, lower rehiring costs, effective training utilisation, and increased company efficiency. We prioritise candidates with technical expertise who resonate with our organisational philosophy. We offer competitive compensation, diverse career advancement opportunities, and various benefits to cultivate a committed workforce. We offer opportunities for internal mobility to employees to explore different facets of the business and broaden their skill set. This approach highlights our commitment to creating an environment where employees can thrive, grow, and actively contribute to APL Apollo's sustained success.

Category	2023-2024		
	Male	Female	Total
Senior management	12	1	13
Middle management	64	-	64
Junior management	262	8	270
Non-Management (Workmen)	411	-	411

Category	2023-2024		
	<30 years	30 - 50 years	> 50 years
Senior management	-	9	4
Middle management	1	60	3
Junior management	125	145	-
Non-Management (Workmen)	198	208	5

Category	2023-2024		
	Male	Female	Total
Senior management	11	-	11
Middle management	35	-	35
Junior management	191	2	193
Non-Management (Workmen)	212	1	213

Workforce turnover by Age Diversity (Employees)	2023-2024	
	Male	Female
<30 years	127	-
30 - 50 years	290	3
> 50 years	32	-

Employee Career Growth and Upskilling

We believe that performance and career growth are pivotal considerations for employees and workers at APL Apollo. In such a dynamic and competitive industry, fostering an environment where employees feel valued and have opportunities for advancement is crucial for both individual and organisational success.

Performance appraisals play a crucial role in identifying employees' strengths and areas for improvement. We have adopted a structured appraisal system that includes regular feedback and performance reviews to help employees understand their progress and areas where they need to improve. We believe that recognising and rewarding high performers can motivate employees to strive for excellence and contribute more effectively to the company's objectives. In FY 2024, we have followed a management by objectives approach wherein employees were evaluated based on a pre-defined framework. They were assigned ratings ranging from 'far exceed expectations' to 'needs review', and performance grades from A to D. These appraisal cycles are conducted annually, towards the end of the financial year, and employees are informed of these cycles via email.



Performance and career development reviews (FY 2023-24)

One of the fundamental aspects of performance enhancement is continuous learning and development. We offer regular training programmes and workshops to ensure our employees stay updated with the latest technologies and industry best practices. To ensure that our employees are given an opportunity to constantly learn, we set out a trainings calendar at the start of the year with a theme for every month. In the past year, we have conducted trainings across topics such as technical, soft skills, and behavioural.



Case Study: Handling & Storing of Waste Management

Objective

The objective of this training programme was to educate employees on the best practices for handling and storing waste to ensure safety, regulatory compliance, and environmental protection.

The training programme was designed to be comprehensive, engaging, and interactive. It included the following modules:

- **Introduction to Waste Management:** Basics of waste management, types of waste (hazardous, non-hazardous, recyclable, etc.), and the importance of proper waste handling.
- **Segregation and Labelling:** Techniques for correctly segregating different types of waste and the importance of accurate labelling.
- **Handling Procedures:** Step-by-step instruction on safe handling techniques, including the use of personal protective equipment (PPE).
- **Storage Protocols:** Best practices for storage, including container selection, placement, and maintenance.
- **Regulatory Compliance:** Overview of relevant regulations (e.g., OSHA, EPA), and how to ensure compliance.
- **Emergency Response:** Procedures for dealing with spills, leaks, and other waste-related emergencies.

Conclusion

The training programme on Handling and Storing of Waste Management was a resounding success. It not only improved safety and compliance but also contributed to the Company's sustainability goals. Employees reported greater confidence and efficiency in handling waste, leading to faster processing times and reduced operational bottlenecks. By investing in comprehensive, ongoing training, we demonstrate a commitment to environmental stewardship and employee contentment.

Case Study: Behaviour-Based Safety

Objective

The primary objective of the Behaviour-Based Safety (BBS) training was to instill a proactive safety culture among employees and workers, reduce workplace incidents, and promote safe behaviours through observation and feedback.

The BBS training programme was meticulously designed to address observed needs and included the following components:

- **Introduction to BBS:** Overview of Behaviour-Based Safety principles, the importance of proactive safety behaviours, and the role of every employee in maintaining a safe workplace.
- **Behavioural Observations:** Training on how to conduct effective safety observations, identify at-risk behaviours, and reinforce safe practices.
- **Feedback and Reinforcement:** Techniques for providing constructive feedback, recognizing and rewarding safe behaviours, and addressing unsafe actions.
- **Role-Playing Exercises:** Scenarios where employees practiced observation and feedback techniques in a controlled environment.
- **Continuous Improvement:** Strategies for sustaining BBS initiatives, including regular follow-ups, refresher courses, and the use of BBS tools and software.

Conclusion

The Behaviour-Based Safety (BBS) training was a transformative initiative that significantly enhanced the company's safety culture and reduced workplace incidents. By focusing on proactive safety behaviours and fostering a collaborative environment, we showcase our commitment to the prosperity of employees and the overall safety of operations.

Case Study: Training on Time Management

The Time Management training programme aimed at enhancing employee productivity, reducing stress, and improving operational efficiency. The programme was developed in response to performance reviews and supervisor feedback that highlighted struggles with workload management and meeting deadlines.

The training covered fundamental time management principles, goal setting, task prioritisation, planning and scheduling, effective delegation, and strategies to minimise distractions and maintain work-life balance. Delivered through workshops, the programme engaged employees at all levels.

Supervisors observed more organised workflows and widespread use of team planning. Through this initiative, we have fostered a more efficient and harmonious workplace. Moving forward, we plan to implement regular refresher courses, engage leadership in reinforcing time management principles, and utilise advanced software tools to sustain and build on these improvements.

Case Study: Training On Use of Personal Protective Equipment

The training was initiated following a series of internal safety audits and incident reports, indicating inconsistent PPE usage and resulting injuries. The programme's objective was to ensure all employees understood the importance of PPE, correct usage techniques, and compliance with safety regulations.

The training programme included modules on the types of PPE (helmets, gloves, goggles, etc.), proper usage and maintenance, recognising job-specific PPE requirements, and emergency response procedures. It was delivered through a blend of in-person workshops, hands-on demonstrations, e-learning modules, and instructional manuals. The workshops were led by safety experts who provided real-life scenarios and practical exercises to reinforce learning.

Supervisors reported a noticeable increase in safety awareness and proactive behaviour among workers. This training initiative underscored APL Apollo's commitment to fostering a safe working environment and protecting its workforce. Future plans include regular refresher courses and continuous monitoring to sustain high safety standards.



Employee Engagement and Prosperity

In today's environment, ensuring effective employee engagement and involvement is crucial. At APL Apollo, we actively promote engagement to help individuals achieve their goals. This strategy leads to lower retention rates, increased productivity, better communication, and a vibrant workplace culture. We are dedicated to supporting work-life balance and mental well-being, resulting in a satisfied and efficient workforce. Our principles are rooted in fostering a healthy, inclusive, empathetic, tolerant, and respectful corporate culture. We appreciate the unique qualities, perspectives, and skills our employees bring, acknowledging their collective role in our success as an inclusive organisation. Greater involvement boosts revenue, job satisfaction, and employee retention.

Our commitment to the overall welfare of our employees aligns seamlessly with the determination for caring for employees. We are dedicated to nurturing every aspect of our employees' welfare, which includes not only their physical health but also their mental and financial wellness. To this extent we have implemented the Group General Insurance Policy for our full-time permanent employees. We value the financial well-being of our employees and offer Employee Stock Options and Stock Appreciation Rights (SAR) to junior, middle, and senior employees.

Group General Insurance Policy

Group General Insurance (GGI) provides health coverage to employees under a single policy, often at a lower cost than individual plans. APL Apollo's GGI offers benefits such as comprehensive medical care and preventive services, against high medical expenses, thereby enhancing employee well-being. Some of the features of the GGI are:

- Coverage for hospitalisation up to INR 10 lakhs.
- In-patient hospitalisations
- INR 50,000 coverage for normal and C-section deliveries for female employees



Celebrating culture is an integral part of our organisation. We organise and celebrate all major Indian cultural events as well as organise sporting tournaments to ensure our employee satisfaction and well-being. We believe that by supporting our employees in these key areas, we foster a healthier, more engaged, and productive workforce.



Our parental leaves programme is designed to assist employees during important life stages such as becoming a parent. From this year onwards, male employees are eligible for up to three calendar days of paternity leave. Female employees are entitled to up to six months of paid maternity leave, which can be taken flexibly. This approach aims to support a balanced integration of family and career responsibilities. This year, no employees availed maternity benefits.

Employee Grievance Mechanism

An effective grievance management system enables employees to express their concerns. We believe that without a robust grievance procedure, unresolved dissatisfaction can lead to negative outcomes and disruptive behaviour. Promptly addressing and resolving issues is essential. We equip our managers with grievance management training to minimise the negative impact on employee well-being and performance, fostering a harmonious work environment. Skilled managers handle grievances by collecting and documenting data to understand their nature and devise solutions, preventing dissatisfaction from escalating.

We encourage our employees and workers to raise any concerns or grievances through the Whistle Blower Mechanism entailed in our **Whistle Blower Policy**. The Vigilance Officer can be reached through the following lines of communication-
Name and Address – Mr. Gaurav Sharma, DGM APL Apollo Tubes Limited, SG Centre, Plot no. 37-C, Block-B, Sector-132, Noida, Dist. Gautam Budh Nagar, U.P – 201 301
Email- vigilanceofficer@aplapollo.com

We have implemented an employee grievance system across all our office and factory locations. In our factories, the HR Department conducts regular meetings with workers to record and resolve grievances within a 48-hour turnaround time. If the HR Department cannot resolve the issue, it is escalated to the Plant Head. Our clear escalation matrix ensures the prompt and effective resolution of employee concerns, demonstrating our commitment to a supportive and responsive work environment.

Local Community Development

At APL Apollo, we ensure that we act in a socially responsible manner for the prosperity of our community. We actively engage with community members, especially in areas where we operate, to gather their feedback on our activities and leave a positive impact. All our operations are in industrial zones or clusters and there was no requirement for resettlement or relocation issues for local or indigenous communities.

The CSR Committee, approved by the board, guides us on APL Apollo's CSR ideology and guided by a detailed CSR Policy. This policy outlines the committee's composition, roles, responsibilities, and a framework for uplifting marginalised segments of the society. The Committee periodically reviews the CSR Policy, sets up a transparent regulatory mechanism, and recommends funding for CSR initiatives. Our CSR efforts transcend profit margins, showcasing our dedication as responsible corporate citizens addressing broader social issues.

In April 2022, we established the APL Apollo Foundation. Although our current CSR obligations fall below statutory impact assessment thresholds, we meticulously monitor expenditures, validate them through direct verification, and certify them via designated chartered accountants. We are also progressing towards large-scale initiatives such as hospitals and schools through the APL Apollo Foundation, aiming to directly reach beneficiaries and create a meaningful and lasting societal impact.

INR 136.3 million
CSR Expenditure

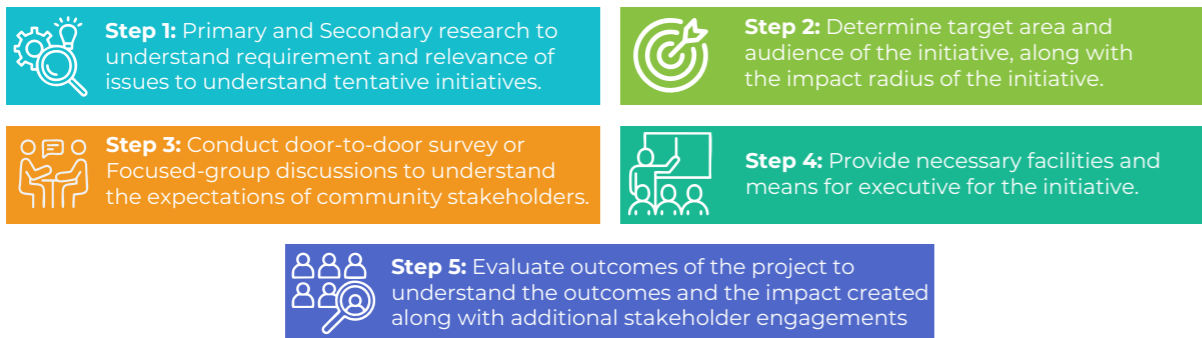
12,285+
No. of Beneficiaries in
FY 2024

11
CSR projects imple-
mented

Community Consultations and Engagement

To draw maximum value out of the initiatives we plan for the community, we believe it is important to understand the needs of the community and cater to them accordingly. Before the start of a project, we engage with major stakeholder groups of the community such as the Sarpanch or the Pachayat or the local administrative bodies, to understand their concerns and needs. Through this we set the approach and objectives of our initiatives.

In this reporting period, we conducted a needs-based assessment to determine our flagship initiative for the year for Project 'Aarohi'



Process to conduct needs-based assessment and determine initiatives

Our CSR Projects

While we are preparing an all-encompassing CSR strategy by 2025, our current initiatives are planned around the following areas:

- **Education and skill training initiatives:** APL Apollo firmly believes that everyone should have access to quality education and knowledge, as these are essential for social advancement and encompass all the key elements of a civilised society, including equality, dignity, and career development.
- **Rural development:** By focusing on rural development projects through multi-stakeholder engagements and partnerships, CSR initiatives can bring contemporary relevance and immense value. These projects can leverage resources, skills-sharing, technical expertise, strategic and sustainable outlooks, and employee volunteering to make a meaningful impact.
- **Food and nutrition:** Nutrition influences the growth and progress of both individuals and nations. A diet lacking in essential nutrients can cause long-term health problems, leading to diet-related disorders and reduced productivity due to decreased physical ability. This results in economic losses that affect families and hinder national development.
- **Health:** Despite significant advancements in various aspects of healthcare, India still faces major challenges and deficiencies. Consequently, healthcare services remain insufficient, underutilized, and unaffordable for the majority of the population, particularly due to high out-of-pocket expenses. APL Apollo believes that Corporate Social Responsibility (CSR) initiatives can lead healthcare innovations by strengthening infrastructure, fostering innovation, and delivering direct care to underserved communities. Therefore, the company has prioritized this area in its CSR efforts.
- **Animal welfare:** The 2030 SDG Agenda envisions a development model where humanity coexists harmoniously with nature and other living species are safeguarded. Despite growing research and evidence highlighting the interconnection between animal welfare, environmental health, and human development, this relationship and the vital role of animal welfare in achieving sustainable development for people and the planet are still largely unrecognized. Consequently, APL Apollo has identified this as a significant focus area for its CSR initiatives.

CSR Project		No. of beneficiaries
1	Aarohi: A programme dedicated to skill development for women, providing training in fields such as beauty parlours, nutrition, and other specialised skills to empower them to achieve financial independence in collaboration with AMBA Foundation	280
2	Shikshana Pragati: Enhanced the basic infrastructure of Junior Primary schools in the identified villages to create a safer environment for students and teachers, aiming to ensure student retention and provide a quality learning experience for children.	300
3	Karuna: In partnership with the Noida Authority, APL Apollo has organised anti-rabies vaccination drives for stray dogs in the area.	11,650
4	Vidya Jyoti-1 in Kesda: A community room has been constructed in Ringni and Kesda villages to provide vocational training for women and other residents. This space is available for use by both the government and APL Apollo for training sessions. Additionally, APL Apollo plans to maintain an orchard around the Bhawan in the future.	525
5	Ujjwal-1 in Ringni & Kesda: The localities of Ringni and Kesda have faced high crime rates due to inadequate street lighting, posing significant dangers, especially at night. Recognising this issue, the village Sar Panch sought assistance from APL Apollo. In response, APL Apollo launched a street lighting project, installing LED lights throughout the villages to enhance safety and security.	7,175
6	Samuday Bhawan I in Ringni and Mahila Shakti Bhawan- Kesda: A community room has been constructed in Ringni and Kesda villages to facilitate vocational training for women and other residents. This space is available for use by both the government and APL Apollo for training sessions. Additionally, APL Apollo plans to maintain an orchard around the Bhawan in the future.	4,000
7	Umeed: The underprivileged community has struggled to afford medical treatments for their terminal illnesses. In response to this critical issue, APL Apollo has identified individuals in need of treatment and assisted them in accessing medical care.	5

1. Issues Identified

- High socio-economic vulnerability in the community
- Nutritional inadequacy in homes due to low income

2. Socio-economic condition of women

- Financial dependency on earning male in the family
- No education to female child
- Domestic violence

3. Rationale for Project Aarohi

The choice to undertake this project is strongly influenced by the socio-economic and cultural background of the region, with a particular emphasis on its impact on women

4. Choosing the right skill

The task was to determine which vocational course, or skill would be the most advantageous for them. This decision needed to be based on two key factors: 1) the demand for the skill in nearby areas 2) and the potential for sufficient earnings from these skills

5. Survey/Baseline study

1:1 interviews and Focused Group Discussions with community members

6. Workshops planned

- Advance Mehndi Course
- Advance Hair Dressing
- Nail art & extension
- Advance Make-up including bridal makeup and air-brush make-up.

7. Outcomes

- Students had the opportunity to learn a skill of their choice or interest to become self-reliant and pursue specialized advanced courses.
- They gained exposure to work culture through internships and practical training.
- They learned about financial planning, social media management, employability skills, self-grooming, and various life skills.

Project Aarohi

No. of beneficiaries: 280



Supply Chain Management

In the global steel industry, supply chain management is crucial for handling economic, social, and environmental risks that can affect our operations and the industries we support. We are dedicated to maintaining stakeholder trust by upholding high standards in supply chain management. Our procurement and contracting processes are designed to align our long-term goals with those of our suppliers and industry clients.

The supply chain team manages these processes, utilising market intelligence and technical expertise to evaluate potential vendors and customers. Building strong relationships with key suppliers and customers is a top priority. We assess our supply chain against Environmental, Social, and Governance (ESG) criteria to ensure ethical collaborations. We emphasise local sourcing to improve operational efficiency, support communities, and ensure timely product deliveries.

Our Supplier Chain Policy, available on our official website (www.aplapollo.com), demonstrates our commitment to excellence and ethical practices in the supply chain. Around 95% of our procurement of Tier-1 supplier is through two of the largest steel manufacturers of India, and both companies meet high environmental and social compliance standards. We rigorously evaluate new suppliers before bringing them on board. We procure 2% of our materials from MSMEs and small-scale producers.

Sustainability snapshots of our suppliers covering 90% of the value chain.

Sustainability Performance of top 90% Suppliers (by Spend)	
Net-zero target	Suppliers have taken targets on reduction of Net Zero Emissions between 2045-2050
Energy reduction	Suppliers have attained ISO 50001 Energy Management Systems
Environment Management System certifications	Suppliers EMS systems are certified for ISO 14001:2018 Environment Management Systems
ResponsibleSteel Membership	Suppliers are members of the Responsible Steel association
Social accountability	Suppliers are certified for SA8000:2014 Social Accountability
Health and safety	Suppliers are ISO 45001:2018 Occupational Health and Safety Management Systems certified

Governance

APL Apollo's activities depend on a solid framework, effective leadership, and comprehensive guidelines. We maintain a tradition of transparency and fair governance, which fosters long-term value for stakeholders and wealth creation. We emphasise delivering timely and precise information to shareholders regarding our financial and operational status. Our dedication to ethical corporate governance is a core principle that shapes our decision-making process. For us, corporate governance transcends mere compliance, it is an inherent practice that motivates us to generate enduring value for our shareholders, customers, employees, and the community we engage with.



Corporate Governance

We comply with corporate governance requirements as specified by SEBI Listing Regulations. These requirements include shareholder rights, stakeholder engagement, transparency, disclosure, board duties, and regulatory compliance. Corporate governance encompasses the structures, mechanisms, procedures, and relationships that direct and manage the organisation. APL Apollo is dedicated to upholding the highest governance standards, ensuring accountability, ethical behaviour, transparency, and fairness among stakeholders. This commitment is demonstrated through stringent board governance, internal controls, and audit processes. Our approach to corporate governance extends beyond mere compliance. It fosters fairness, civic responsibility, and integrity as the bedrock of all our operations. These principles have guided our journey, shaped our actions, and highlighted the importance of our employees and stakeholders in our continued success.



Uphold Highest Level of Integrity and Transparency While Orchestrating Company's ESG Initiatives



Ensure Compliance to Business Code of Conduct and Ethics Across Our Value Chain



Promote Equal Opportunity For All



Continue to Comply with Regulatory Frameworks

APL Apollo's Code of Governance

At APL Apollo, we emphasise maintaining a fair and transparent business process. We are dedicated to conducting our operations with the highest level of integrity while adhering to all relevant rules and regulations. Our commitment ensures alignment with industry best practices in corporate governance, focusing on accountability, transparency, and ethical conduct.

Our corporate governance structure includes legal frameworks, regulations, best practices, and systematic structures that facilitate efficient and ethical organisational operations, leading to value creation for stakeholders. It is grounded in the ethical foundation of business activities, promoting sustainable value. APL Apollo's culture is deeply ingrained with strong Corporate Governance practices. The company maintains a tradition of fairness, transparency, and ethical conduct. Effective Corporate Governance is an ongoing journey, prioritising transparency, accountability, fairness, and ethics. The company's framework, transactions, protocols, and disclosures adhere to these principles, supported by a robust system of checks and balances.

The Nomination and Remuneration Committee has implemented a comprehensive remuneration policy to ensure competitive, performance-based compensation for directors, key managerial personnel, and employees, fostering motivation and aligning with the company's goals. APL Apollo incorporates ESG factors into performance evaluations for senior leadership and provides performance-linked bonuses and incentives to employees across corporate and plant operations.

Board of Directors

The Company recognises the importance of a diverse board in guiding and overseeing management, placing significant value on this aspect. The Board's central role within the Corporate Governance Framework involves vigilant oversight to ensure management actions consistently align with the interests of all stakeholders. The board of directors is made up of people with varied backgrounds and experiences. The Company adheres to a policy that encourages board diversity by selecting directors from different sectors. These members provide expertise and valuable perspectives, significantly contributing to the company's development and success. The board of directors holds relevant skills, experience, and knowledge in various areas such as finance, law, management, sales and marketing, operations, research, corporate governance, education, community service, or other fields.

The Board plays a vital role in overseeing the Company's operations, convening regularly to meet its responsibilities. It carefully reviews information according to applicable laws and SEBI Listing Regulations, addressing issues outlined in Schedule II. Directors receive a detailed agenda well in advance, enabling thorough preparation. This agenda includes crucial information, and supplementary documents are provided during meetings if necessary. The Board makes timely strategic decisions, emphasising financial accuracy, control systems, risk management, and talent identification. Independent Directors offer valuable expertise and advice. Meetings are held at least quarterly, with additional sessions as required, often at the corporate office in Ghaziabad. Urgent matters or situations that prevent physical meetings are addressed through a circulation process, with records kept for the future meetings. We have a one-tiered Board structure.

The Board of Directors comprised 13 (Thirteen) directors of which 2 (Two) are Executive Directors and 11 (Eleven) are Non-executive Directors. Out of 11 (Eleven) Non-executive Directors, 8 (Eight) are Independent Directors. The average Board tenure is 7.5 years. Of these, the Board has 2 (Two) independent female directors.



SANJAY GUPTA
Chairman & Managing Director

With approximately 27 years of extensive experience spanning various segments of the steel industry, Shri Sanjay Gupta has played a significant role. Under his visionary and dynamic leadership, the company has undergone a remarkable transformation, progressing from a manufacturer of structural steel tubes to a worldwide leader in branded steel products. His entrepreneurship skills, inherited from his late father, Shri Sudesh Gupta, have been instrumental in guiding the company's growth. Under his stewardship, the organisation continues to expand significantly, striving to attain international recognition. He holds no other Board mandates outside the firm.



Mr Vinay Gupta
Director

Drawing upon over 20 years of industry experience, Mr Vinay Gupta possesses extensive expertise in the manufacturing and trading of various steel products, including pipes, tubes, sheets, and more. He has been entrusted with the role of spearheading the company's endeavours in the pre-galvanised sector and international markets.



Mr Rahul Gupta
Director

Mr Rahul Gupta holds a B.Com. (Hons.) degree from Delhi University. He has further enriched his knowledge through executive courses in Management from renowned B-Schools such as the London School of Economics and the Indian Institute of Management, Ahmedabad (IIMA).

With approximately eight years of experience in the structural steel tubes manufacturing industry, Mr Gupta has made his mark as a promising entrepreneur. His expertise encompasses various aspects, including operational management, marketing, and institutional sales. His contributions were recognised when he received the 'Young Achiever Award' for Organisation Building at the Global HR Summit in 2017. Presently, he serves on the Board of SG Finserve Limited and various other group companies.



Mr. Ashok K. Gupta
Vice Chairman

Mr Ashok K. Gupta possesses a master's degree in physics and has successfully completed his PGDBA from AIMA. As an industry veteran, he boasts an impressive career spanning over three decades, during which he has held management roles in esteemed organisations in the industrials sector such as SAIL, Jindal, Bhushan Steel, the L.N. Mittal Group, Apollo Pipes Ltd, and Shalimar Paints Limited. He has consistently served as the driving force behind the company's growth engine, delivering consistently profitable results for the organisation.

Other Mandates Held:

- Shalimar Paints Limited – Managing Director
- Apollo Pipes Limited – Non-executive Director



Mr. Deepak Goyal
Director Operations

Mr Deepak Goyal has served as the Chief Financial Officer of the company since 18 February 2015. His association with the company spans a decade, having joined APL in 2013. Prior to this, he gained valuable experience during his nine-year tenure with Surya Roshni Limited. He is also a member of Institute of Chartered Accountants of India with experience in the financial industry.

With nearly two decades of expertise in the structural steel tubes manufacturing business, Mr Goyal has taken on various roles, including operational management, marketing, and institutional sales. He played an exceptional role in formulating corporate strategy, financial planning, overseeing corporate affairs, managing information technology, human resources, and investor relations for the APL Group.



Mr. H.S. Upendra Kamath
Independent Director

Kamath is a distinguished banking professional with an illustrious career spanning over four decades in the Indian Banking and Financial Services Industry. With a remarkable tenure of 35 years at Union Bank of India (UBI), he began his journey in 1973 as a Probationary Officer and served to various departments and eventually to the position of General Manager in UBI. Thereafter, he served in two other public sector banks namely Canara Bank as ED and in Vijaya Bank as CMD. Throughout his extensive career, he held diverse roles and successfully managed operations at various levels, including zonal office, branch offices, regional office and the head office of UBI. His outstanding contributions to the banking sector have earned him numerous accolades and recognitions. Notable among these are the 'Best Customer Friendly Banker Award 2012', SIDBI's CGFTMSE award, 'National award for excellence in lending to Micro Enterprises', and the 'IT Leadership Award 2013' by Amity University. With a Certified Associate of Indian Institute of Bankers (CAIIB) qualification and a Bachelor of Commerce (B. Com) degree, he possesses a wealth of expertise in critical areas such as MSME, retail banking, priority sector, recovery and legal, risk management, international banking, treasury, credit-monitoring, and administration.



Ms Asha Anil Agarwal

Independent Director

Asha Anil Agarwal is a former Principal Chief Commissioner of Income Tax in the Indian Revenue Service, Ministry of Finance, Central Government India. Ms Agarwal brings with her around four decades of rich experience in the Indian Revenue Service. Her impressive knowledge of taxation, finance, and general management are strongly backed by her rich professional expert..



Mr Anil Kumar Bansal

Independent Director

As a former executive director of the Indian Overseas Bank, Mr Anil Kumar Bansal brings a wealth of experience spanning four decades in the banking and financial services industry. His invaluable expertise aids the organisation in making critical financial decisions, underpinned by his extensive knowledge of banking practices, the Indian economy, corporate affairs, and risk assessment, which are firmly rooted in his extensive professional background.

Presently, Mr Bansal holds the position of Director at GVFL Trustee Co Pvt Ltd and SG Finserve Ltd. He has also previously served as an independent director on the boards of Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, CARE Ratings Limited, NABARD, IFCI Venture Capital Funds Limited, and GVFL Trustee Co Pvt. Ltd.

Note: Mr. Anil Kumar Bansal has retired on 27th September 2024.



Ms Neeru Abrol

Independent Director

As a Chartered Accountant, Ms Abrol brings nearly four decades of extensive professional experience in diverse sectors and roles. She has a distinguished career that includes 26 years of dedicated service with the Steel Authority of India Ltd, where she held critical management positions. This tenure has afforded her insights into the intricacies of the steel industry and its operational intricacies. She brings a distinguished experience set from the Materials and Financial Services industry.

Ms Abrol's remarkable career also features her past roles as the chairperson and managing director, as well as Director of Finance, at National Fertilisers Ltd. Presently, she serves as a director on the boards of TCNS Clothing Co Limited, Apollo Pipes Ltd, Stecol International Pvt Ltd, among other companies. Additionally, she actively participates in various non-governmental organisations (NGOs).

Throughout her illustrious career, Ms Abrol has garnered multiple awards and accolades, including the prestigious 'Business Achiever' recognition twice from ICAI and the 'Outstanding Woman Manager in Public Sector Enterprises' accolade from SCOPE.



Mr Abhilash Lal

Independent Director

Possessing a background in mechanical engineering and a postgraduate degree from IIM Bangalore, Mr Abhilash Lal boasts an impressive professional career spanning 33 years. Throughout his journey, he has held senior positions in a wide spectrum of financial services domains, encompassing banking, consulting, real estate, private equity, and restructuring. His leadership roles have encompassed various aspects, including business development, strategic planning, and operational management across different institutions.

Note: Mr. Abhilash Lal has retired on 27th September 2024.



Mr Virendra Singh Jain

Independent Director

Mr V.S. Jain has successfully completed his tenure as a member of the Public Enterprises Selection Board (PESB), an entity established by the government to formulate effective managerial policies for central public sector enterprises and offer recommendations to the government regarding appointments to senior management positions at the board level.

Throughout his distinguished career, he has held several key roles, including Chairman of the Steel Authority of India (SAIL) and the position of Executive Director at the Indian Oil Corporation (IOC). He has also contributed his expertise as an independent director on the boards of Rashtriya Ispat Nigam Ltd, Essar Oil Ltd, and the National Multi-Commodity Exchange of India. Currently, he serves on the Board of Dalmia Bharat Ltd. With experience in the energy, materials and industrials industry, Mr Jain brings a rich cross-sectoral experience to the Board of APL Apollo.

Mr Jain holds fellow membership status with both the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India.

Note: Mr. Virendra Singh Jain has retired on 30th September 2024.



Mr Rajeev Anand

Independent Director

With 12 years of experience as a P&L leader and CEO, Mr Anand possesses significant expertise in manufacturing, operations, and general management. He currently serves as the Chairman and Non-Executive Board Member at DIC India Limited (since November 2020), Senior Advisor and Board Member at Mahansaria Tyres Pvt. Ltd. (since May 2021) and Haldiram Group (since November 2021), Co-Chairman at Hydrolines India Pvt. Ltd. (since January 2023), and a Member of the University Court at Amity University – UP (since January 2017).

He earned a Diploma in Mechanical Engineering from Haryana Polytechnic (1977-1980), a Business Team Management Program Certification from the University of Tennessee (1992), and is a member of the Director's Club, a board certification programme by Hunt Partners (2017).

Having served as chairman and managing director of a multinational public limited company for 12 years, he demonstrates a proven track record of decisive leadership across sectors such as materials.



Mr Dinesh Kumar Mittal

Independent Director

Mr Dinesh Kumar Mittal, a former IAS officer from the 1977 batch (UP cadre), has served in various high-level roles within the Indian government. As Secretary of the Department of Financial Services, he oversaw banking, insurance, and pension policies, and served on the boards of RBI, LIC, State Bank of India, IIFCL, and IIFCL (UK). As Secretary of the Ministry of Corporate Affairs, he collaborated with ICAI, ICSI, and ICWAI. In the Department of Commerce, he was India's chief negotiator for WTO talks and managed SEZs, FDI, and overseas investments. Mr Mittal also formulated India's first SEZ policy in 2000. He has extensive experience in infrastructure, international trade, urban development, renewable energy, and finance. Currently, he serves on the boards of Max Estates Limited, Max Financial Services Limited, Niva Bupa Health Insurance Company Limited, and New Delhi Television Limited. He holds a master's degree in physics from the University of Allahabad.

Evaluation of the Board

The Board of Directors carried out an annual performance review in compliance with the Companies Act 2013, and Listing Regulations. The evaluation of the Board's performance involved feedback from all directors and considered factors such as composition, procedures, information flow, and overall functionality. The performance of committees was assessed based on criteria like composition, terms of reference, meeting effectiveness, and member participation. Individual directors were evaluated on aspects such as attendance, contributions, and diligent execution of their duties. Independent directors assessed all non-independent directors. Following this thorough evaluation process, the Board expressed satisfaction with its own performance, that of its committees, and the collective performance of the individual directors.

Compliance management

APL Apollo places a high emphasis on corporate governance, which steers the Company's direction and management. This governance framework aligns the interests of diverse stakeholders such as shareholders, management, customers, suppliers, financiers, government bodies, and the community. The Board is central to APL's governance structure, bringing together a mix of skills, knowledge, and industry expertise to guide the company effectively and generate lasting value for shareholders. APL Apollo has also set up committees that regularly report to the Board to enhance corporate governance practices.

Committees of the Board

The board committees have been established to focus on particular issues or activities that are important to the company and require detailed attention. These committees play a vital role in the Company's governance framework. They are created with the Board's explicit approval to carry out their clearly defined roles. The Board is accountable for the actions of these committees and oversees the execution of their responsibilities.

Committee	Responsibilities	Date of meetings	Members and Designations	No. of meeting attended by each members
Audit Committee	<ul style="list-style-type: none"> Supervises financial reporting for quarterly, semi-annual, and annual financial outcomes Oversight on financial and risk management policies Maintains internal audit systems and control mechanism 	<ul style="list-style-type: none"> 12 May 2023 5 August 2023 30 October 2023 27 January 2024 	Mr Anil Kumar Bansal - Chairperson	4
			Mr Abhilash Lal - Member	4
			Mr Vinay Gupta - Member	4
			Ms Neeru Abrol - Member	4
Nomination and Remuneration Committee	<ul style="list-style-type: none"> Recommendations to the board on appointment of new directors Formulate the criteria for evaluation of board members Steering the Board Diversity Policy Recommendations to the board on remuneration payable to senior management 	<ul style="list-style-type: none"> 12 May 2023 30 October 2023 23 January 2024 	Ms. Neeru Abrol - Chairperson	3
			Mr Vinay Gupta - Member	3
			Mr Virendra Singh Jain - Member	2
Stakeholders Relationship Committee	<ul style="list-style-type: none"> Resolving concerns and grievances of shareholders Ensuring timely receipt of dividends for the shareholders Ensuring that the voting rights of shareholders are maintained 	23 January 2024	Mr Anil Kumar Bansal - Chairperson	1
			Mr Abhilash Lal - Member	1
			Mr Ashok Kumar Gupta - Member	1
Corporate Social Responsibility Committee	<ul style="list-style-type: none"> Oversee amount of expenditure on CSR activities Monitor CSR Policy time-to-time 	12 May 2023	Mr Anil Kumar Bansal - Chairperson	1
			Mr Ashok Kumar Gupta - Member	1
			Mr Virendra Singh Jain - Member	1

Committee	Responsibilities	Date of meetings	Members and Designations	No. of member attended by each member
Risk Management Committee	<ul style="list-style-type: none"> Formulation and monitoring of risk management policy Evaluate and monitor risks associated with the business of the Company 	<ul style="list-style-type: none"> 10 July 2023 27 December 2023 	<ul style="list-style-type: none"> Mr Virendra Singh Jain - Chairperson Mr Anil Kumar Bansal - Member Mr Abhilash Lal - Member Mr Ashok Kumar Gupta - Member Ms Neeru Abrol - Member 	<ul style="list-style-type: none"> 2 2 2 2 2

Further details of the committees can be found in the Corporate Governance Report in the Annual Report FY 2023-24 on page 144 of the report.

Board Diversity

APL Apollo recognises its responsibility to maintain a diverse board of directors, which includes a variety of professional backgrounds, business perspectives, skills, knowledge, gender, age, cultural and educational backgrounds, ethnicity, and tenure. A varied board enhances decision-making abilities. The ideal board composition features a blend of executive and non-executive directors, including independent directors with expertise in different fields. The Board should include at least three members with financial literacy and one member with expertise in accounting or related financial management. Additionally, the Board must have at least one female director.

Management Ownership

The Chairman and Managing Director, Mr Sanjay Gupta, of APL Apollo owns 4,535 shares of the Company. The management ownership as per the calculation methodology as suggested by S&P Global is about 15 times that of the base salary of INR 4.75 crores. There is no clawback policy for the Chairman and Managing Director of the company. Additionally, the CEO-to-Employee Pay Ratio is 134:1 where in fees for sitting on the Board have not been considered in the remuneration calculation.

Business Ethics

At APL Apollo, we firmly believe that strong corporate governance and ethical business practices significantly influence stakeholder support. We are committed to continuously improve our systems and procedures to keep pace with the evolving business environment, ensuring accountability and transparency.



Our Code of Conduct adheres to the National Guidelines on Responsible Business Conduct (NGRBC), and we comply with legal requirements, corporate governance standards, and industry best practices. We maintain a strict stance against any violations to protect our reputation and promote a positive workplace environment.

As a publicly traded company, compliance is a top priority for us. We meet all regulatory requirements set by governments and regulatory bodies, supported by a robust internal control framework. The Board oversees compliance activities, and a dedicated team ensures adherence to regulations. Our commitment to compliance is integrated into the key performance indicators (KPIs) of senior management, and we have compliance teams stationed at our plants. We have met all compliance obligations for the fiscal year ending 31 March 2024.

We do not fund political campaigns, parties, or lobbyists, and we discourage activities that could compromise our integrity. Our anti-bribery and anti-corruption policy, along with training modules, fosters a vigilant corporate culture. Agreements with vendors and third-party providers include anti-bribery and anti-corruption clauses, underscoring our dedication to ethical business conduct.



Steering strong corporate governance through our robust policies

 <p>Committee Our Code of Conduct functions as a set of principles that acquaints colleagues with the workplace protocols we adhere to. It encompasses various aspects including anti-corruption measures, technology utilization, managing conflicts of interest, and upholding the privacy of consumers, among others.</p>	 <p>Whistle Blower Policy The Company has established a whistleblower policy or vigil mechanism that serves as a channel for Directors and employees to reach out to the Chairman of the Audit Committee on the Board. This mechanism enables the reporting of valid concerns related to unethical conduct, confirmed, or suspected fraudulent activities, breaches of the Code of Conduct or Ethics Policy, as well as any other instances of unethical or improper behavior.</p>
 <p>Committee APL Apollo has implemented a comprehensive policy to prevent gender-based misconduct and promote an inclusive workplace for female employees. The policy outlines clear guidelines, processes, and procedures for submitting, addressing, and resolving complaints of sexual harassment. A dedicated Complaints Committee has been formed by management to review and address these complaints.</p>	 <p>Investor Protection Policy At APL Apollo, our investor protection policy employs a dual-window approach to deliver investor services and swiftly address grievances, ensuring complete transparency in our operations. Abhipra Capital Limited, our Registrar and Share Transfer Agent (RTA), is tasked with managing shareholder requests and resolving any issues that may arise. Additionally, we have a dedicated Stakeholders Relationship Committee committed to addressing complaints from shareholders and investors.</p>
 <p>Stakeholder Grievance Mechanism APL Apollo is committed to promoting ethical behavior and contributing positively to society and the environment. The company follows an extensive Code of Conduct that applies to all employees and partners within its value chain. A structured mechanism for handling stakeholder grievances is established, offering stakeholders an open platform to voice their concerns and complaints with the company.</p>	 <p>Health and Safety Policy A well-defined health and safety policy sets the framework for making workplace decisions, focusing on improving well-being, and ensuring the highest standards in workplace health and safety are upheld.</p>
 <p>Human Rights Policy At APL Apollo Tubes Limited, we are dedicated to sustainable development, which includes safeguarding human rights, enhancing employee well-being and dignity, and ensuring equal rights for everyone. Our policy aligns with international frameworks such as SA8000, the United Nations Guiding Principles on Business and Human Rights, the Principles of the UN Global Compact, and the Universal Declaration of Human Rights (UDHR).</p>	 <p>Collective Bargaining Agreements Our company has implemented a comprehensive collective bargaining policy that includes agreements between an employer, a group of employers, or one or more employers' organizations. This policy clearly outlines the rights and responsibilities of all parties involved, fostering harmonious and productive industries and workplaces. It also plays a crucial role in eliminating disparities and improving labor protections at a higher level.</p>
 <p>Business Responsibility Policy The Policy aims to ensure that the Company actively contributes to sustainable development and meets its social, environmental, and economic obligations. In accordance with Regulation 34 (as periodically updated) and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is mandated to provide an Annual Business Responsibility Report to its shareholders.</p>	 <p>Tax Policy The Tax Policy considers all necessary regulatory norms necessary to maintain a business ethics value system around tax reporting. The Policy explains our position on Tax Compliance, Transfer Pricing, Tax Strategy, Engagement with Government Authority and Risk Management.</p>
 <p>Supplier Code of Conduct Suppliers play a crucial role in our business value chain and significantly contribute to the company's growth. We aim to foster long-term strategic partnerships to ensure business sustainability. This Supplier Code of Conduct is aligned with the principles of the United Nations Global Compact (UNGC), covering areas such as anti-corruption, environmental protection, human rights, and labor. The labor principles and norms detailed in this code adhere to the standards set by the International Labour Organization (ILO).</p>	 <p>CSR Policy Corporate Social Responsibility (CSR) establishes a dynamic connection between a company and the society and environment it operates within. Initially motivated by a sense of moral duty and philanthropy, CSR has evolved into a fundamental aspect of business operations. APL Apollo has actively participated in charitable and philanthropic activities, as well as various other social initiatives. The primary goals are to promote education, combat hunger, offer medical assistance, help fight chronic diseases, and address environmental concerns.</p>

Risk Management

In recent years, businesses have encountered unprecedented challenges within a shifting global environment. To successfully navigate this landscape and ensure our people's welfare, effective risk management has become indispensable. Our Risk Management Policy guides our risk identification and mitigation processes. The Risk Management Committee maintains complete oversight of the process. Additionally, functional heads are responsible for identifying and monitoring risks in their respective departments. We categorise these risks in risk registers into clusters, addressing areas such as strategy, operations, financial performance, liquidity, shareholder value, and reputation. These risks can affect various facets of our business, making effective risk management vital for long-term success.



Risk Management Process

We offer specialised risk management training throughout our organisation, taking environmental risks into account and complying with standards like OHSAS 18001, ISO 9001, and ISO 14001. Cybersecurity risks are managed by our dedicated Chief Information Officer.

Through our robust risk monitoring, we have identified risks and mitigation plans a few of the following emerging risks.

Emerging Risk	Description of Impact	Risk Category	Mitigation Measures
Uninterrupted supply of raw material	An uninterrupted supply of raw material can become an emerging risk as the business relies on two-three suppliers for 90% of its raw material needs. This dependence creates vulnerability to disruptions such as natural disasters, political instability, shortage of supply or logistical issues. If either of the suppliers face any problems, it could severely impact the business's ability to maintain production, leading to delays, increased costs, and potential loss of revenue. Diversifying the supplier base and developing contingency plans are strategies that can mitigate this risk.	Supply Chain Risks	<p>To mitigate the risk of relying heavily on two-three suppliers for 90% of raw material requirements, we take the following mitigative measures:</p> <ul style="list-style-type: none"> • Maintain an inventory buffer or safety stock of critical raw materials to cover potential supply disruptions. This ensures production can continue while alternative supply solutions are sought. • Formulate and regularly update detailed contingency plans for various disruption scenarios, including natural disasters, political instability, and logistical issues. Ensure these plans include clear communication channels and steps to activate alternative suppliers quickly. • Source from various plants of the suppliers to ensure continued supply.
Climate change and environmental degradation	India's commitment to achieving net-zero emissions by 2070 necessitates the decarbonisation of steelmaking for environmental sustainability. While climate action is intensifying globally, any significant changes in carbon emission regulations could negatively affect our business and operations. Compliance with stricter environmental obligations related to greenhouse gas (GHG) emissions may require additional capital expenditure, changes in operating practices, and increased reporting obligations. Capacity expansion projects must adhere to legal requirements such as environmental assessments, impact studies, and development plans before commencing work. Additionally, water availability, exacerbated by climate change, poses a risk to our operations due to its critical role in steelmaking. Changing weather patterns related to climate change may further challenge water availability for operations. Lastly, delays or expirations in approvals could hinder our ability to fully carry out our operations.	Sustainability Risk	<ul style="list-style-type: none"> • We have adopted a Business Responsibility Policy that ensures a company-wide commitment for safe and optimal use of natural resources, adoption of clear production methods, promote energy efficiency and ensure regular monitoring of environmental performance. • APL Apollo has taken a target of reduction of Scope 1 and Scope 2 emissions by 25% of per ton steel produced by 2030 and a net-zero target by 2050. • We have committed to the SBTi and will soon validate our targets of SBTi. • We are committed to transparent information disclosure through multiple platforms, including this ESG Report and S&P Global Corporate Sustainability Assessment, as well as public disclosures in our annual report. • We have adopted water-efficient technologies and maintain Zero Liquid Discharge in our operations. • We are aligning with the IFRS ISSB's requirements of S2 for climate strategy recommendations, enabling us to address climate-related risks and opportunities.

Additionally, we categorise the following as other prominent risks.

Risk Heading	Description	Risk Category	Mitigation Measures
Growth Risk	Sustaining business growth	Financial Risk	<ul style="list-style-type: none"> • Expand the production capacity of current products to boost business volumes, while also broadening and enhancing the distribution network. • Boost the sales of high-value products in the upcoming years. • Extend the geographic reach into international markets.
Margin Risk	Persistent inflationary headwinds could dent business profitability	Financial Risk	<ul style="list-style-type: none"> • Enhance efforts to create market demand for super-value-added products from the Raipur facility, aiming to increase their share in the overall sales mix. • Maintain cost optimisation initiatives across all plants. • Increase utilisation rates at the Raipur facility in fiscal years 2024 and 2025
Capacity Risk	A lack of adequate manufacturing capacity hinders business growth.	Operational Risk	<ul style="list-style-type: none"> • Conduct de-bottlenecking efforts to enhance capacity at select plants. • Expect increased volumes from the Raipur facility as asset utilisation improves
Dealer Attrition Risk	A reduction in the dealer base could hinder the ability to sell higher volumes.	Operational Risk, Financial Risk	<ul style="list-style-type: none"> • Continue expansion of product lineup with a greater focus on value-added products. • Offer additional services, such as financing, to support business growth. • Increase investment in branding to generate demand and boost product volumes.

Risk Heading	Description	Risk Category	Mitigation Measures
Loss of Talent Risk	Attrition of skilled and committed people could impact business performance	Human Capital Risk, Operational Risk	<ul style="list-style-type: none"> • Role clarity: Implemented the concept of defining role-based KRAs and KPIs across functions within the organisation, empowering employees to take ownership. • Performance management system: Introduced a quarterly appraisal process to align employee performance with organisational objectives. • Rewarding performance: Launched an attractive incentive policy (in addition to CTC) to motivate employees to exceed expectations. • Policies: Fostering an inclusive culture by gathering employee feedback on HR policies and updating them to align with industry best practices. • Employee well-being: Organising health check-up camps across manufacturing units and strongly promoting safety compliance. • Engagement initiatives: Involving employees in various sports activities to foster healthy competition and teamwork, and developing a comprehensive engagement plan to enhance employee bonding.
Cyber Security	Cyber security risks can harm a company's reputation and result in financial losses. These threats include the theft of corporate and financial information (such as financial results and bank details), ransomware attacks leading to cyber extortion, business disruptions (like the inability to perform SAP transactions or online payments), and the potential loss of business or contracts.	IT Risk	<ul style="list-style-type: none"> • Identify and assess risks: Conduct a thorough risk assessment to identify potential cybersecurity threats and vulnerabilities. • Implement strong access controls: Ensure that access to critical systems and sensitive data is limited to authorised individuals. Implement multi-factor authentication (MFA) for all user accounts, regularly review and update user privileges, and enforce strong password policies. • Educate employees: Conduct regular cybersecurity awareness training for all employees. Promote a culture of security consciousness throughout the organisation. • Use strong encryption and secure network protocols: Encrypt sensitive data both in transit and at rest to prevent unauthorised access. Utilise secure network protocols and virtual private networks to protect data while in transit.

			<ul style="list-style-type: none"> • Perform security testing and audits: Regularly conduct vulnerability assessments, penetration testing, and security audits to identify weaknesses in our systems and address them proactively. • Stay informed and adapt: Stay updated on the latest cybersecurity threats, trends, and best practices
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Information Technology and Cybersecurity Management

At APL, we prioritise cybersecurity and take proactive measures to protect our operations from the increasing risks of cyberattacks, particularly given the expanding landscape of online trade and transactions. Our business relies significantly on IT infrastructure, making us more vulnerable to cyber threats. To strengthen our defences, we have established comprehensive policies and plans. Our cybersecurity management team performs breach assessments through various methods, including protection against phishing attacks, enhancing our cybersecurity ecosystem, implementing continuous self-assessment and monitoring, and benchmarking against industry peers.

We recorded zero cases of customer data breaches and no significant IT-related incidents

We adopt a structured and comprehensive approach to identify, assess, and mitigate IT-related risks, including cybersecurity threats. The process involves the following key steps:

1. Risk identification

- **Asset inventory:** We maintain an up-to-date inventory of all essential IT assets, such as hardware, software, and data, enabling us to identify what requires protection.
- **Threat intelligence monitoring:** We employ threat intelligence platforms and ongoing network monitoring tools, like SIEM systems, to identify potential security threats such as malware, phishing attempts, and unusual activities. This keeps us informed about new cyber threats.

2. Risk assessment

- **Threat and impact assessment:** For every identified risk, we evaluate its possible impact on the organisation, taking into account financial, operational, and reputational effects. We also assess the likelihood of occurrence by considering threat actors and historical trends.
- **Risk classification:** Risks are prioritised based on their likelihood and potential impact. High-risk items receive immediate attention, while medium and low risks are monitored and scheduled for future mitigation.
- **Business Impact Analysis (BIA):** This is incorporated into our risk assessment process to comprehend the wider implications of IT risks on essential business operations.

3. Risk mitigation

Technical controls

- We use firewalls, intrusion prevention systems, and encryption to secure network traffic and sensitive information.
- Our patch management procedures keep all software and systems current, minimising vulnerabilities.

- We perform regular backups and maintain a tested **disaster recovery plan** to mitigate the impact of potential data loss or ransomware attacks

Policy controls

- Our organisation has established a comprehensive set of cybersecurity policies, which include acceptable use policies, access control policies, and incident response protocols.

Employee training and awareness

- We routinely conduct cybersecurity training programmes, such as phishing simulations and incident response drills, to ensure all employees are informed about current threats and know how to respond effectively.



Training on Cyber Attacks for employees

Customer Centricity

At APL Apollo, we believe that the sustainability of our business depends on satisfied consumers, with exceptional customer experiences enhancing brand recognition. We understand that strengthened customer relationships contribute to a robust company culture. Valuable customer insights are crucial for refining processes, improving quality standards, optimising service performance, and achieving cost efficiencies.

We are proud to report that during this fiscal year, we successfully resolved 100% of customer concerns related to products and services.

Our engagement with clients is an ongoing effort that includes sharing information, understanding market dynamics, addressing consumer complaints and grievances, hosting regional meetings, conducting dealer visits, undertaking need-based interactions, and facilitating customer engagements through visits by our marketing team and senior management. The feedback is tracked in an SAP-based consumer complaint management system. This comprehensive approach not only helps in developing products based on customer feedback and demands but also fosters a culture of continuous quality improvement and establishes an effective claims and complaint management system. Furthermore, it underscores our commitment to treating consumers fairly.

Certifications

The subsequent certifications validate the quality of our company's products and processes:

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

Future plans for IT and Cybersecurity Enhancement

Multifactor Authentication

To be implemented across all critical systems to prevent unauthorised access.

Continuous Monitoring solutions

To continuously track network traffic and alert the security team of any abnormal activity, enabling quick response and remediation.












Zero Trust Architecture

Implementation of Zero Trust models to further strengthen access controls

Product Portfolio

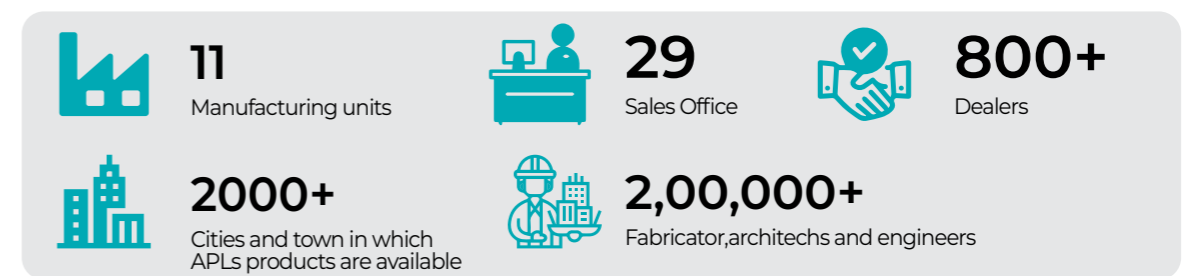
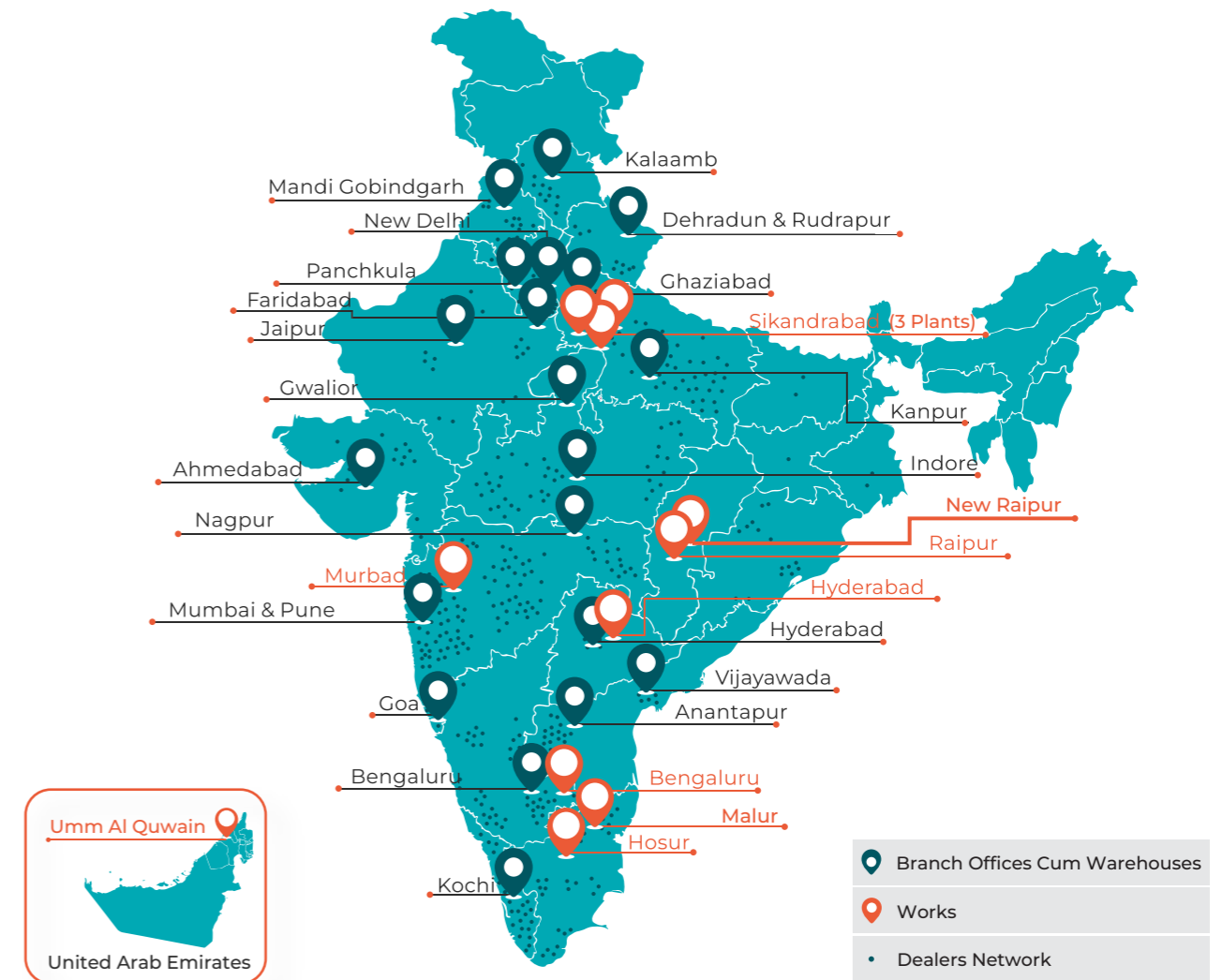
We prioritise the creation of exceptional products and invest heavily in research and development to drive innovation. Understanding our customers' needs is essential for developing products that resonate with them and cultivate loyalty. We strive to reduce our carbon footprint by integrating technology with a carefully balanced product portfolio.

Below are some of our key products that demonstrate our commitment to sustainability:

Product Category	Construction Type	Application	Brands
Apollo Structural	Residential buildings and independent homes commercial buildings, warehouses and factories	Structural, piling, sheds, handrails, gates, fencing, balcony grills, staircase, light structures	 Steel Building Solutions  Built to last
Commercial Building, Warehouse and Factories	Infrastructure	Structural for metros, airports, stadiums, stations, etc.	  Fights fire fearlessly
Apollo Mechanical	Industrial and agriculture	Structural for metros, airports, stadiums, stations, etc.	
Apollo Z	Residential buildings and independent homes commercial buildings, warehouses and factories	Galvanised structural steel tubes for coastal markets	 Keeps the rust out
Apollo Tricoat	Residential buildings and independent homes commercial buildings	Door frame, staircase steps, furniture, plank, designer tubes, fencing, electrical conduits	 STEEL DOOR & WINDOW FRAMES 
Apollo Galv	Commercial buildings industrial and agricultural	Galvanised structural, greenhouse structures, plumbing, firefighting, etc.	  Transporting water was never this easy  Keep your buildings Corrosion-free with Galvanized Iron

Market Presence

Our ability to efficiently serve markets across the entire nation relies heavily on the strength of our supply chain networks. The visual representation below illustrates the strategic integration of our administrative centres, production sites, and distribution networks, which together define our extensive geographical reach. This complex network of strategically located entities confirms our widespread presence throughout the nation. Our branch offices, notably situated in 29 cities, serve as a crucial component of our overall operational structure. Through this extensive network, we effectively deliver our services to over 2000 cities and towns nationwide



Awards and Accolades



Presented by: ET Edge

Award Category: Sustainable organization of the year



Presented by: BARC

Award Category: Brand of the decade

Awards and Accolades



Presented by: Construction & Infra award 9th edition award

Category: Best Company in construction for street pipe



Presented by: Indian Brand & leadership Conclave

Category: Most Trusted Brand of the Nation 2024



Presented by: National Awards for excellence in branding and marketing

Award Category: Marketing campaign of the year



Presented by: EY

Award Category: EY Entrepreneur of the year 2023



Presented by: Global marketing excellence award

Award Category: Global Marketing Excellence Award

Mapping with UN SDGs

		UN SDG Material Issue																	
		Market Presence	Health & Safety	Good Health & Well-Being	Process Innovation	Training and Education	Corporate Governance	Circular Economy	Supply Chain Sustainability	Waste Management	Water and Efficient Management	Gain & Beyond Compliance	Local Communities	Environmental compliance	Diversity & Equal Opportunity	Energy Management	Talent Development	Greater Sustainability Discloser	Labour Relation & Human Rights
1	NO POVERTY												✓						
2	ZERO HUNGER												✓						
3	GOOD HEALTH AND WELL-BEING		✓																
4	QUALITY EDUCATION					✓													
5	GENDER EQUALITY											✓			✓				
6	CLEAN WATER AND SANITATION							✓		✓									
7	AFFORDABLE AND CLEAN ENERGY	✓	✓	✓												✓			
8	DECENT WORK AND ECONOMIC GROWTH							✓						✓			✓		
9	INDUSTRIAL INNOVATION AND INFRASTRUCTURE				✓														
10	REDUCED INEQUALITIES											✓		✓					
11	SUSTAINABLE CITIES AND COMMUNITIES							✓	✓			✓							
12	RESPONSIBLE CONSUMPTION AND PRODUCTION						✓					✓							
13	CLIMATE ACTION							✓	✓				✓						
14	LIFE BELOW WATER								✓				✓						
15	LIFE ON LAND												✓						
16	PEACE, JUSTICE AND STRONG INSTITUTIONS											✓							
17	PARTNERSHIPS FOR THE GOALS							✓										✓	✓

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Topic Standard - Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Performance	38
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance	38
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Strategy	45-48
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report	229
	201-4 Financial assistance received from government	NA	-
GRI 202 - Market presence			
	3-3 Management of material topics	Market Presence	95
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not reported this year	-
	202-2 Proportion of senior management hired from the local community	Not reported this year	-

Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	Local Community Development	72
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Local Community Development	72
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Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain Management	75
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management	75
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics	85
	205-1 Operations assessed for risks related to corruption	Not reported this year	-
	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance	76
	205-3 Confirmed incidents of corruption and actions taken	Annual Report - Business Responsibility and Sustainability Report	181
Anti-competitive behaviour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics	86
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Annual Report - Business Responsibility and Sustainability Report	202

Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics	Tax Strategy	39
GRI 207: Tax 2019	207-1 Approach to tax	Tax Strategy	39
	207-2 Tax governance, control, and risk management	Tax Strategy	39
	207-3 Stakeholder engagement and management of concerns related to tax	Tax Strategy	39
	207-4 Country-by-country reporting	Tax Strategy	39
Topic Standard - Environment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Raw Material Consumption	55
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Raw Material Consumption	55
	301-2 Recycled input materials used	Raw Material Consumption	55
	301-3 Reclaimed products and their packaging materials	Not reported this year	-
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management	52
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management	52
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Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water and Wastewater Management	53
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water and Wastewater Management	53
	303-2 Management of water discharge-related impacts	Water and Wastewater Management	53
	303-3 Water withdrawal	Water and Wastewater Management	53
	303-4 Water discharge	Water and Wastewater Management	53
	303-5 Water consumption	Water and Wastewater Management	53
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity	56
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NA	-
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity	56

	304-3 Habitats protected or restored	Biodiversity	56
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Applicable, IUCN Red List species and national conservation list species with habitat in areas that have not been impacted by APL Apollo's operations	-
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Net Zero Strategy and Emissions Management	50
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Net Zero Strategy and Emissions Management	50
	305-2 Energy indirect (Scope 2) GHG emissions	Net Zero Strategy and Emissions Management	50
	305-3 Other indirect (Scope 3) GHG emissions	Net Zero Strategy and Emissions Management	50
	305-4 GHG emissions intensity	Net Zero Strategy and Emissions Management	50
	305-5 Reduction of GHG emissions	Net Zero Strategy and Emissions Management	50
	305-6 Emissions of ozone-depleting substances (ODS)	NA	-
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ESG Factbook	14

Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment	43
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	54, 55
	306-2 Management of significant waste-related impacts	Waste Management	54, 55
	306-3 Waste generated	Waste Management, ESG Factbook	54, 55, 14
	306-4 Waste diverted from disposal	Waste Management, ESG Factbook	54, 55, 14
	306-5 Waste directed to disposal	Waste Management, ESG Factbook	54, 55, 14
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain Management	75
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management	75
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	75
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GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital Development	63
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Talent Attraction and Retention	65

	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Engagement and Prosperity	70
	401-3 Parental leave	Annual Report - Business Responsibility and Sustainability Report	186
Labor/management relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Engagement	70
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Employee Engagement	70
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	OHS Management Systems	58
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	OHS Management Systems	58
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Hazards and Risk Identification	59
	403-3 Occupational health services	OHS Management Systems	58
	403-4 Worker participation, consultation, and communication on occupational health and safety	OHS Management Systems	58
	403-5 Worker training on occupational health and safety	OHS Management Systems	58

	403-6 Promotion of worker health	Safety Trainings and Mock Drills	60
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety Trainings and Mock Drills	60
	403-8 Workers covered by an occupational health and safety management system	OHS Management Systems	58
	403-9 Work-related injuries	Investigation and reporting of work-related accidents	59
	403-10 Work-related ill health	Investigation and reporting of work-related accidents	59
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment	43
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital Development, ESG Factbook	16
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Career Growth and Upskilling	66
	404-3 Percentage of employees receiving regular performance and career development reviews	Annual Report - Business Responsibility and Sustainability Report	188

Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment	43
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion	62
	405-2 Ratio of basic salary and remuneration of women to men	ESG Factbook, Diversity and Inclusion	15, 62
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Upholding Human Rights	60
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Annual Report - Business Responsibility and Sustainability Report	196
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	Upholding Human Rights	60
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Upholding Human Rights	60
Child labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Upholding Human Rights	60
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Upholding Human Rights	60

Forced or compulsory labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Upholding Human Rights	60
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Upholding Human Rights	60
Forced or compulsory labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	NA	-
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not reported this year	-
Rights of indigenous peoples			
GRI 3: Material Topics 2021	3-3 Management of material topics	Local Community Development	72
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Local Community Development	72
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Local Community Development	72
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Local Community Development	72
	413-2 Operations with significant actual and potential negative impacts on local communities	Local Community Development	72

Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain Management	75
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management	75
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management	75
Public policy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics, ESG Factbook	85
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GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Centricity	93
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Customer Centricity	93
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Centricity	93
Marketing and labelling			
GRI 3: Material Topics 2021	3-3 Management of material topics	NA	-
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	NA	-

	417-2 Incidents of non-compliance concerning product and service information and labelling	NA	-
	417-3 Incidents of non-compliance concerning marketing communications	NA	-
Customer privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Centricity	93
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Annual Report - Business Responsibility and Sustainability Report	205

To,
The Board,
APL Apollo Tubes Limited
SG Centre, 37C, Block A, Sector 132,
Noida, Uttar Pradesh - 201304

Independent Assurance Statement

Scope and Approach

Sustainability Actions Private Limited ("SAPL") has been engaged by management of APL Apollo Tubes Limited ("APL" or "the Company"), to perform an independent reasonable assurance engagement of the Company's Business Responsibility and Sustainability Report (BRSR) Core Matrices (refer to annexure 1) for the FY23-24.

Reporting Criteria

The Report is prepared based on BRSR Core Framework (Annexure I of the SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR2023/122 dated July12, 2023 and "Guidance Note for Business Responsibility and Sustainability Reporting Format" by Securities and Exchange Board of India (SEBI)

Management Responsibilities

The Company's Management is responsible for identification of key aspects,, content and presentation of the Business Responsibility and Sustainability Report in accordance with the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Business Responsibility and Sustainability Report and measurement of BRSR Core Matrices which are free from material misstatement, whether due to fraud or error.

Independence and Quality Control

We are independent from the entity in accordance with the requirements of independence and quality assurance set out in BRSR provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Our assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and free from material misstatements. We were not involved in the preparation of any statements or data included in the report except for Assurance Statement.

Our firm applies International Standard on Quality Management and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the BRSR Core Matrices, based on the procedures we have performed and the evidence we have obtained. We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical

Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with APL. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Basis of our Opinion

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion and the process did not involve engagement with external stakeholders. We carried out one-to-one discussions, onsite and remote assessments. As part of our assurance process, a multi-disciplinary team of sustainability and assurance specialists reviewed the disclosures presented within the Report and referenced information and sampled the disclosures and were reviewed through the APL's customised sustainability information management system.

We undertook the following activities:

- Obtained an understanding of the BRSR core matrices ;
- Interviewed selected senior managers responsible for management of sustainability topics and reviewed selected evidences to support issues disclosed in Integrated the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver APL's Sustainability objectives;
- Reviewed processes and systems for aggregating site level sustainability information, that is, reviewed sustainability disclosures for selected sites as well as the overall data aggregated and consolidated at the Corporate level from the Company's sustainability management system;
- Review of the processes for gathering and consolidating the selected performance data related to identified material topics and, for a sample, checking the data consolidation in context under the Principle of Completeness.

Based on the above understanding and the risks that the matrices may be materially misstated, determined the nature, timing and the extent of further procedures, reviewed records and performed testing including recalculation of sample data to establish an audit trail.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the company's identified sustainability criteria as per BRSR core framework (refer to annexure 1) for the year ended 31st March 2024 are not prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent Limitations

We have relied on the information, documents, records, data, and explanations provided to us by the Company for the purpose of our review. The assurance scope excludes:

- Any disclosure other than those mentioned in the scope section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Report.
- The reported financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial data from the Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
- The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems

For and behalf of Sustainability Actions Pvt. Ltd.
(CIN – U74999HR2021PTC093811)

Dt:- 11th May'24
Gurgaon, India

Saket Sinha.
(Director)

Annexure – 1

BRSR Core attributes

	BRSR Indicator	Type of Assurance
P1 E8	Number of days of accounts payable	Reasonable
P1 E9	Concentration of purchases & sales done with trading houses, dealers and related parties Loans and advances & investments with related parties	Reasonable
P3 E1c	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	Reasonable
P3 E11	Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities	Reasonable
P5 E3b	Gross wages paid to females as % of wages paid	Reasonable
P5 E7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees and complaints upheld	Reasonable
P6 E1	Details of total energy consumption (in Joules or multiples)	Reasonable
P6 E1	Details of total energy intensity	Reasonable
P6 E3	Provide details of water withdrawal by source	Reasonable
P6 E3	Provide details of water consumption	Reasonable
P6 E4	Provide details of water discharged	Reasonable
P6 E6	Details of Air Emissions (Other than GHG emissions)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 2)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2) intensity	Reasonable
P6 E9	Provide details related to waste generated by category of waste	Reasonable
P6 E9	Provide details related to waste recovered through recycling, re-using or other recovery operations	Reasonable
P6 E9	Provide details related to waste disposed by nature of disposal method	Reasonable
P8 E4	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	Reasonable
P8 E5	Job creation in smaller towns	Reasonable
P9 E7	Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events	Reasonable