



HPCL-Mittal Energy Limited
Sustainability Report | 2022-2023



**Business Integrity
Accelerating Sustainable Growth
Caring for People**

BUSINESS INTEGRITY ACCELERATING SUSTAINABLE GROWTH CARING FOR PEOPLE

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We persistently
cultivate a diverse
and inclusive
workspace, not only
for our employees
and stakeholders
but also within all
our community
development
initiatives

Business Integrity

Our business decisions are steered by a definitive set of core principles, which remain unwavering regardless of the nature of the decisions we make. These principles are not only ingrained within our collective mindset but are also embodied by every member of our workforce. Our Code of Conduct and Ethics serves as the pillar of our business integrity, upholding the values that have enabled us to foster enduring trust with our stakeholders.

Accelerating Sustainable Growth

At HPCL-Mittal Energy Limited (H MEL), we are committed to the judicious and thoughtful utilization of resources, catalyzing economic progress, and fostering the Sustainable Growth of our organization. Our Sustainability Policy is pivotal in aligning our efforts with the goals and objectives aimed at achieving comprehensive development. This policy emphasizes not just the sustainable growth of H MEL but extends to encompass the well-being and progress of all our stakeholders. It ensures a synergy between organizational growth and sustainability, creating a balanced and responsible approach to business development.

Caring for People

The support of our stakeholders and employees is paramount for H MEL in realizing our sustainability objectives. A fundamental element of our vision is our unwavering commitment to establishing secure working environments and enhancing health and safety protocols. We persistently cultivate a diverse and inclusive workspace, not only for our employees and stakeholders but also within all our community development initiatives. This Sustainability approach ensures that every facet of our organization is aligned with modern, inclusive, and sustainable practices.

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APPROACH TO REPORT

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1.1 Scope of Report

This report summarizes our business strategy, approach and purpose to provide a comprehensive overview of the company's operations and activities. Particularly focusing on Environmental, Social and Governance (ESG) initiatives, outcomes, and strategy plans for the Company. This Sustainability Report includes financial and non-financial indicators allowing stakeholders to assess our efficiency across six capitals namely Financial, Manufactured, Intellectual, Human, Natural, Social and Relationship over the short-, medium-and long-term.

The scope of reporting encompasses HPCL-Mittal Energy Limited (HMEL) and HPCL-Mittal Pipelines Limited (HMPL) including Guru Gobind Singh Refinery (GGSR) at Bathinda, Punjab; Mundra Port, Gujarat and several offices around India.

1.2 Reporting Boundary

The report is aligned with the Integrated Reporting <IR> Framework, discloses performance against Global Reporting Initiative (GRI) Universal Standards 2021 and Sustainability Accounting Standards Board (SASB) – Oil and Gas Refining and Marketing. GRI and SASB standards have been used to reflect HMEL's ESG practices and adhere to the social and regulator regulations, allowing stakeholders to get a holistic overview of the organization. Moreover, HMEL has aligned with the recommendations of Task Force on Climate-Related Financial Disclosures (TCFD). The United Nations Sustainable Development Goals (UNSDGs) adopted by the United Nations in 2015 with a focus on 17 key goals, has also been mapped in the report.

Furthermore, HMEL is aligned with the NGRBC principles, which are the guiding principles for Business Responsibility and Sustainability Reporting (BRSR) as mandated by SEBI. This is to

enable a seamless transition to comply with national reporting guidelines, as and when the BRSR becomes applicable for non-listed entities.

There is no restatement of information during FY2022-23 including financial figures barring reclassification, if any as per the laid-out accounting standards.



1.3 Reporting Period

The report includes the financial and non-financial performance of HMEL from April 1, 2022, to March 31, 2023, covering key highlights, goals, strategies and the organization's journey towards accelerating sustainable growth. To provide a holistic overview and showcase our progress on ESG KPIs, three years of data has been reported for, where available.

1.4 Management's Responsibility

The report has been reviewed by the Company's management and Senior executives to optimize the governance oversight, risk management and controls. Contact point for all corporate governance and ESG related information shall be directed to the Company

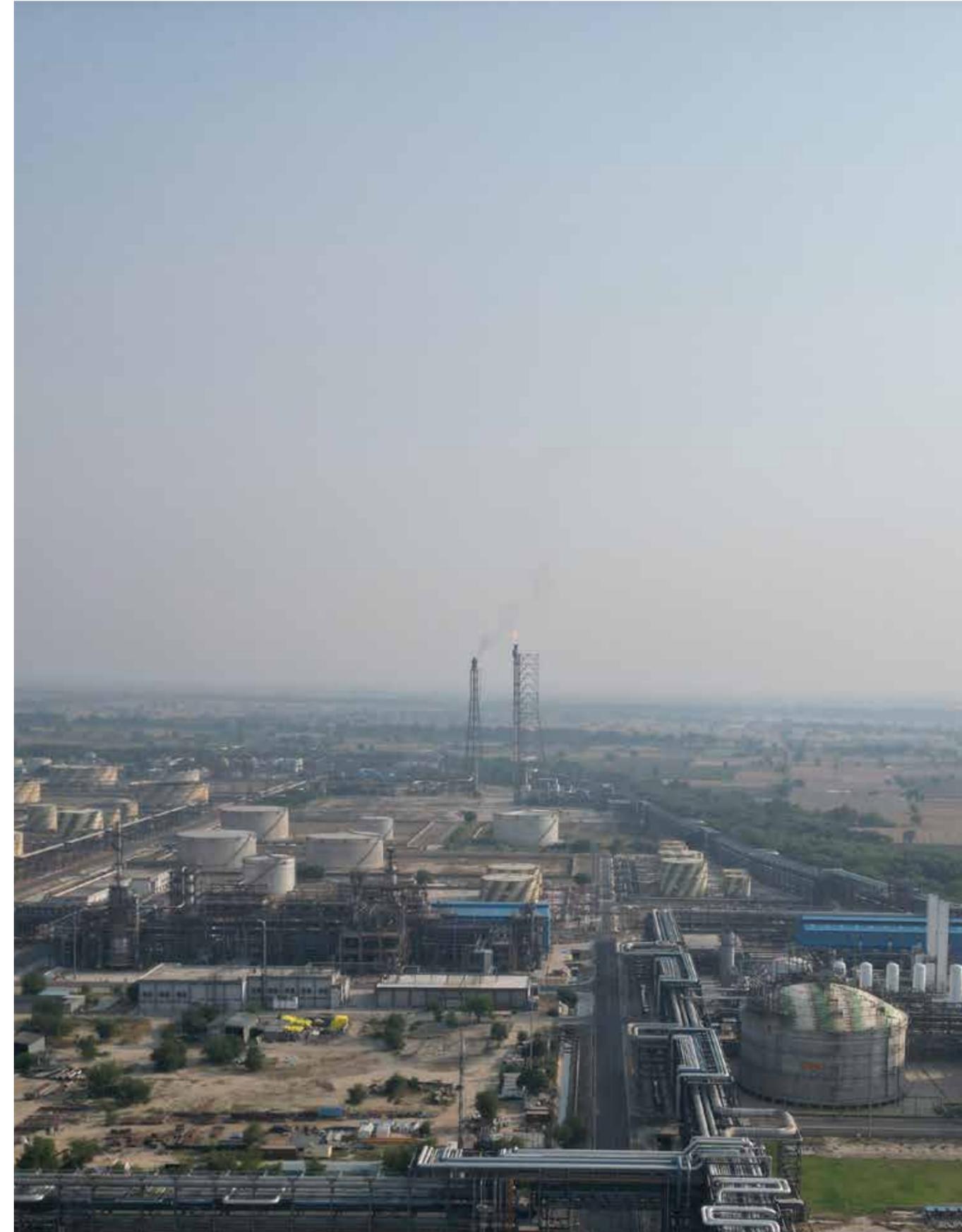
Secretary at sidhartha.tyagi@hmel.in and/ or Girish Ghildiyal at girish.ghildiyal@hmel.in

1.5 External Assurance

Non-financial indicators have been assured by TÜV SÜD South Asia Pvt Ltd. A limited assurance was performed on selected disclosures in accordance with the ISAE 3000 and ISO 17029 standards. The assurance has been provided for the report's adherence to the 2021 Sustainability Reporting Standards of the Global Reporting Initiative. The assurance process includes inquiries of personnel responsible for the stakeholder engagement and materiality analysis; evaluation of the systems and processes for compiling and analyzing sustainability information; assessment of data collection and management procedures; inquiries of personnel responsible for collecting and preparing sustainability information and inspection of sustainability information as reported by HMEL.

Kindly refer to the assurance statement on <https://www.hmel.in/reports> for more information.

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HME OVERVIEW

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HPCL-Mittal Energy Limited (HME) is one of the India's leading integrated refining and petrochemical company, with operations spanning crude oil refining, petrochemical manufacturing, and marketing.

2.1 Organizational Structure

HPCL-Mittal Energy Limited (HME) is one of the India's leading integrated refining and petrochemical company, with operations spanning crude oil refining, petrochemical manufacturing, and marketing. It is a public-private cooperation with a joint venture (JV) between Hindustan Petroleum Corporation Limited (HPCL) and Mittal Energy Investments Pte Limited (MEI), a part of the Lakshmi N. Mittal Group. HME formed a JV business in 2007 with equal involvement by HPCL and MEI, each of which currently own 49% of the company. The remaining 2% of equity stake is held by financial investors - State Bank of India, IFCI Limited and HDFC Life Insurance Company Limited.

HME owns and operates the world-class 11.3 MMTPA 'Guru Gobind Singh Refinery' and associated facilities at Bathinda. HME's Refinery is an energy-efficient, environment-friendly, high distillate-yielding complex that has been designed to produce high-value-added petroleum products and is

strategically located in Bathinda to address the growing energy demands of Northern India. Additionally, it also operates a 1017 km long crude pipeline from Gujarat to Punjab and a crude oil terminal at Mundra, Gujarat along with a Single Point Mooring System (SPM) for import of the crude oil feedstock.

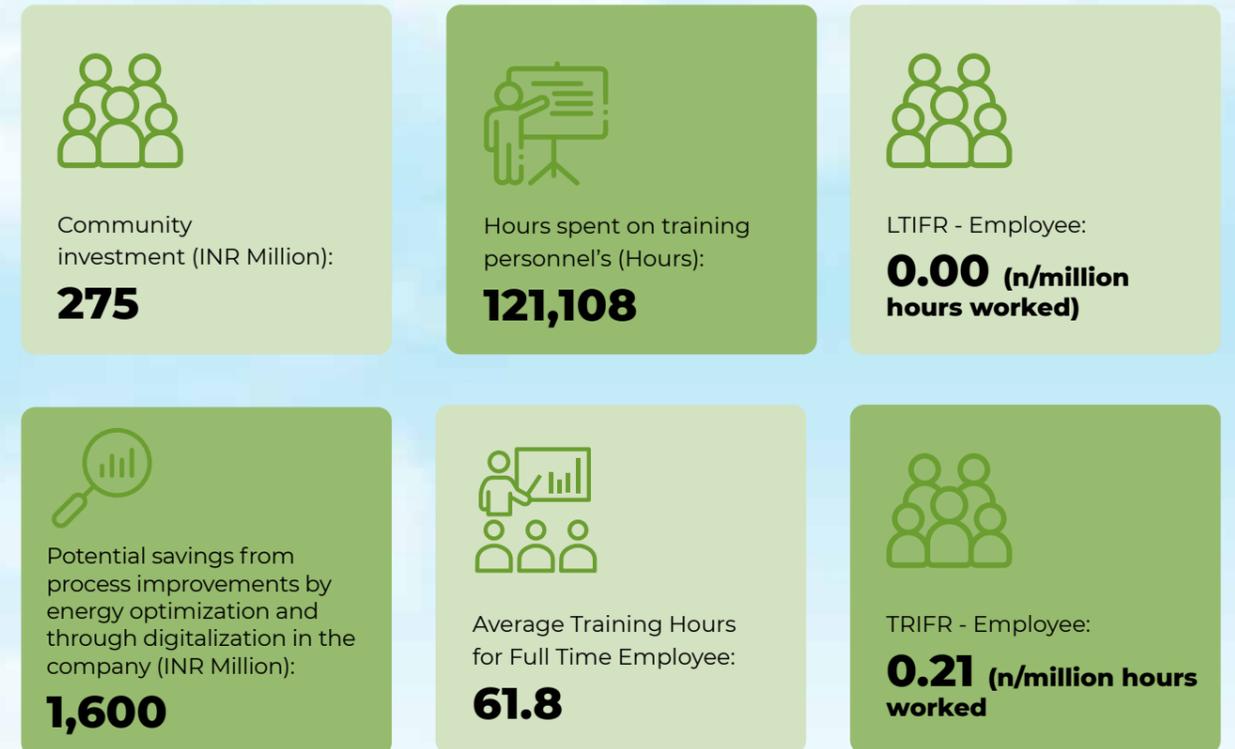
HME has expanded its operations into Petrochemicals in view of higher profitability and value addition. The Petrochemical facility includes a steam cracker unit and a downstream polymer block to produce derivatives of Ethylene and Propylene with a 1.2MMT capacity cracker. The mechanical completion of the project was accomplished in June 2022, followed by pre-commissioning activities. All units of the Petchem, with the exception of the Swing Unit (later in June 2023), have been commissioned in March 2023 and facility is being fully operated from FY24 onwards.

HME's corporate office is headquartered at Noida, Uttar Pradesh with the registered office in Bathinda, Punjab. The pipeline and sales offices are spread across India.



2.2 2023 Performance Highlights

Our performance for FY2022-23 presented in this section pertains to H MEL, including its subsidiaries. However, the non-financial disclosure is limited to H MEL's operations. Below are some key highlights:



2.3 Value Creation Model



OUTPUTS	OUTCOMES	UNSDG
LPG	<p>Financial Capital:</p> <ul style="list-style-type: none"> • EBITDA: INR 98,775 million • ROCE: 32.8% • Revenue: INR 961,506 million 	<p>17 PARTNERSHIPS FOR THE GOALS</p>
Naphtha		
Hexane	<p>Natural Capital:</p> <ul style="list-style-type: none"> • Reduction in GHG emission: 1.7% from previous year 	<p>6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION</p>
MS BS VI	<p>Human Capital:</p> <ul style="list-style-type: none"> • Fatality rate per million manhours reported in the refinery: 0 • LTIFR per manhour reported in the refinery: 0 • Gender Pay parity is being maintained • 235,000 hours spent on training personnel for health and safety 	<p>3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES</p>
SKO		
ATF		
MTO	<p>Intellectual Capital:</p> <ul style="list-style-type: none"> • Potential savings from process improvements by R&D activities and IT Optimization in the company: INR 1,600 Million 	<p>8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS</p>
HSD BS VI	<p>Manufactured Capital:</p> <ul style="list-style-type: none"> • Transitioning cloud has enabled us to achieve substantial carbon emission savings of ~ 99.9% compared to relying on on-premises IT infrastructure • 10,976KT of solid and liquid products • Contribution of polymer sales of top 10 customers has increased from 21.7% in FY22 to 22.4% in FY23 	<p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
Sulphur		
Petcoke		
Bitumen	<p>Social and Relationship Capital:</p> <ul style="list-style-type: none"> • Quantity of waste reprocessed in the DCU: 9,500 MT • Induction cooktops made and patented for distribution in the community 	<p>3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY</p>
Polypropylene		





Our engagement programmes are guided by the ideals of inclusion, materialism, responsiveness and yielding practical insights which inform our goals.

2.4 Stakeholder Engagement

Over the years, we have cultivated organizational practices that foster transparent, open and constructive dialogues with stakeholders, enhancing our understanding of crucial issues valuable for stakeholder characteristics, and the importance of meaningful involvement. Stakeholder feedback aids in prioritizing and aligning our strategy with their

expectations. We conducted an extensive stakeholder engagement exercise to evaluate ESG challenges which are crucial for value creation in the evolving global sustainability landscape.

Our engagement programmes are guided by the ideals of inclusion, materialism, responsiveness and yielding practical insights which inform our goals. The following table showcases our engagement with stakeholders:

Stakeholder group	Engagement topics	Communication channels
Shareholders/ Investors	Need goal approach Success stories Achievements	Sustainability Annual Reports
Customers/ Dealers		Social Media Customer meets
Suppliers/ Vendors		Social Media Supplier meets
Employees	ESG Upskilling on new initiatives and policies	Leadership communication Poster/Email
Communities	Goal approach partnership	Knowledge sessions ESG themed campaigns/ social media
Financial institutions	Impact achievements	Investment presentations
Regulators and Statutory Bodies		Website/ ESG Compliance filings

2.5 Material Issues Highlight

Materiality Assessment:

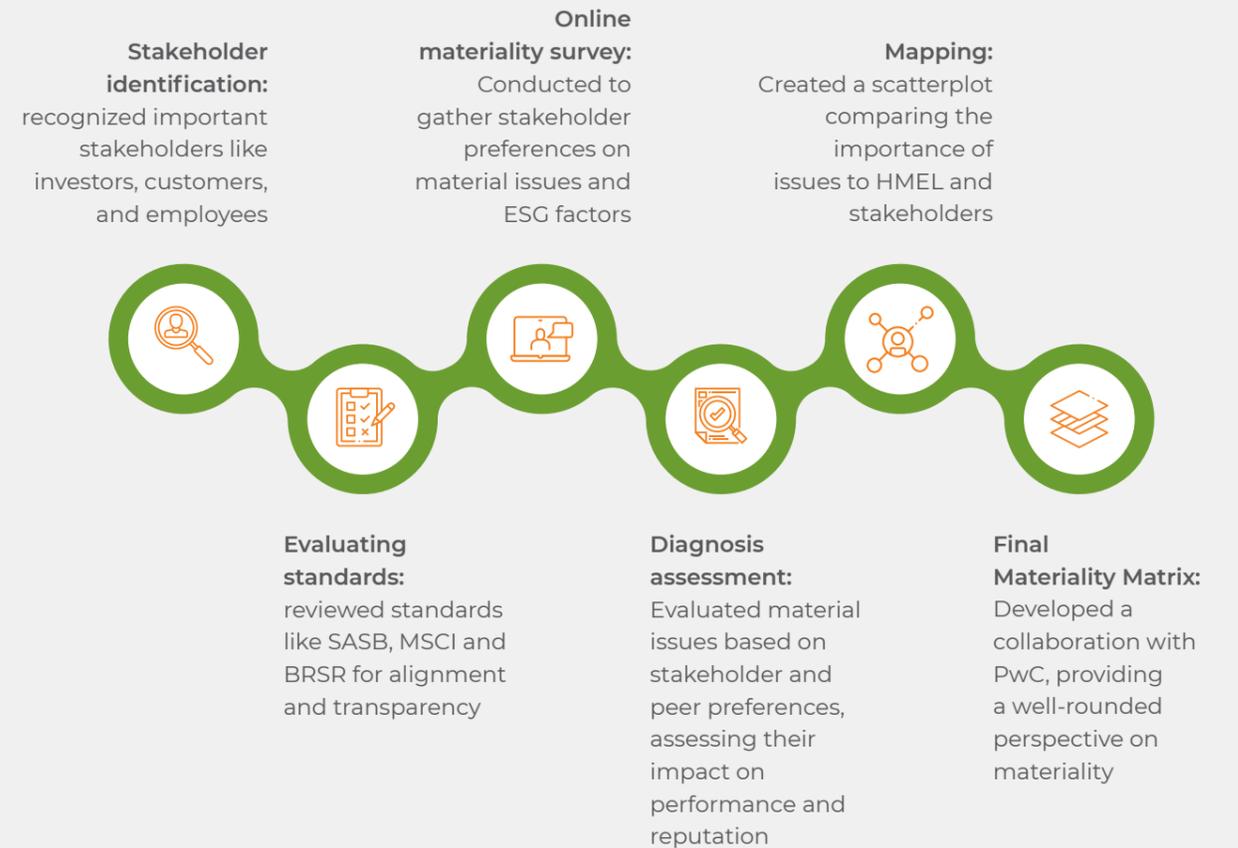
HMEL adopts the concept of Materiality from the GRI G4 Guidelines. This relates to the influence an organization has on the economic, environmental,

and social values for itself and its stakeholders.

In 2022, HMEL undertook a comprehensive evaluation of ESG-related issues affecting its operations and stakeholder interests. The goal of the assessment is to understand significant issues for stakeholders, ensuring

the alignment of HMEL's ESG strategy with these priorities. The 2022 assessment was integrated into the company's Risk Management process, ensuring that sustainability challenges were considered. An independent third party ensured the assessment's confidentiality and objectivity.

Materiality Procedure:

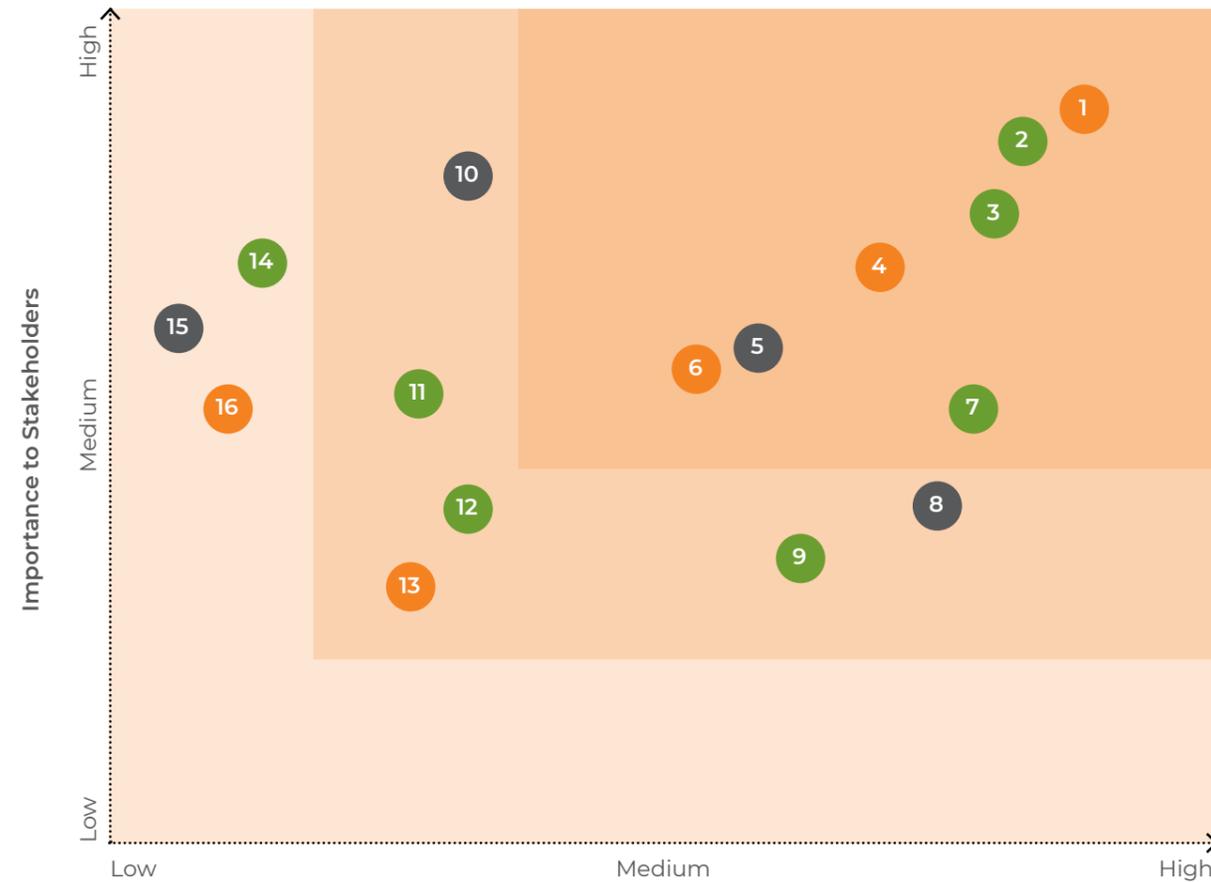


Our Materiality Matrix:

Offers an overview of HMEL's sustainability strategy, showing the importance of material aspects to both the company and stakeholders. The matrix helps HMEL focus on the most vital issues and adopt an integrated approach to sustainability management. HMEL has set goals for environmental health, societal progress, and sustainable development based on insights from the matrix.



● Environment ● Social ● Governance



- | | | |
|--|---|--|
| <p>High</p> <ol style="list-style-type: none"> 1. Health & Safety 2. GHG emissions and environment & social impact 3. Energy Management 4. HR Practices 5. Diversity & Inclusion 6. Code of Conduct 7. Market and business environment | <p>Medium</p> <ol style="list-style-type: none"> 8. Transparency 9. Opportunities in clean tech 10. Risk management 11. Water management 12. Waste management 13. Community Engagement | <p>Low</p> <ol style="list-style-type: none"> 14. Climate change strategy 15. Ethics and fair business practices 16. Supply chain management |
|--|---|--|

2.6 ESG Targets and Progress

Environmental

KPI	Aspirations	Target Year	Progress in FY 2022-23	Capitals Linkage
Renewable energy	10% of the total energy mix to be constituted by renewables	2027	In progress: 0.3% of energy mix is constituted by renewables	Natural Capital
GHG Emissions	15% reduction in GHG emissions	2027	In progress: 1.7% reduction in the current year	Natural Capital
Energy efficiency	Follow the PAT targets given by the Bureau of Efficiency, Government of India to achieve MBN	YoY	Achieved: MBN Target was 58.43 and our MBN was 56.60	Natural Capital
Environmental management policy	Publish environmental management policy of the company on the company website	YoY	Achieved	Natural Capital
Waste recycling & Generation	To achieve the EPR targets as given by the Government of India	YoY	Achieved: 70%	Natural Capital
Water consumption	20% reduction in withdrawal of freshwater use per unit of crude processed	2027	FY21-22: 1.32 m ³ /MT of Crude FY22-23: 1.95 m ³ /MT of Crude * Waste-water recycling improved. Steam requirement for the refinery reduced ultimately saving on energy and water	Natural Capital
Focus on ESG	Impact of R&D investment on ESG should be clearly delineated	2023	Applied 3 patents on process improvement & optimizations. Implemented ~300 kWh solar power plants at township to reduce the Scope 2 emissions	Intellectual Capital
	Increase R&D spending to 5% of EBITDA and measure the impact on financial indicators	YoY	FY22-23 R&D expenses increased more than 100% y-o-y	Financial Capital

* The increase in consumption is attributed to the commissioning activities of the petrochemical complex. Further, the baseline consumption for the complex, encompassing both the refinery and the petrochemical complex, can only be accurately determined once the complex operates at its full potential, which is expected from FY23-24.

KPI	Aspirations	Target Year	Progress in FY 2022-23	Capitals Linkage
	100% integration of ESG risks in capital allocation decisions - SOPs for investment appraisals and decisions need to be framed and incorporated in material ESG risks	2024	In progress We are currently in process of incorporating ESG risks in capital allocation decision	Financial Capital
Reporting	Sustainability-targets to be linked to annual remuneration for functional heads and management committee	YoY	Achieved: The targets are currently included in our KRA	Human Capital
	Undertake TCFD assessment and disclose findings annually	2024	Achieved	Natural Capital

Social

KPI	Aspirations	Target Year	Progress in FY 2022-23	Capitals Linkage
Health insurance	Recording and analysis of sickness absence with targeted initiatives based on findings	2025	In progress	Human Capital
	Free medical consultation to 100% contractual workers	2024	Achieved	Human Capital
Health and safety	Monitoring of injury statistics against international benchmarks - US Refinery in top Quartile Total Recordable Injury Rate (TRIR) <0.5	2025	In progress LTIFR - Employee 0 (FY22 - 0) & TRIFR - Employee 0.21 (FY22 - 0.62).	Social & Relationship Capital
	Continual improvement of safety culture through involvement of all employees and contractors in IIF initiatives	2025	Achieved	Human Capital
	Continual improvement of HMEL safety management systems through internal and external audits and learning from incidents and near misses	2025	In progress: Actual Audit completed – 18nos. Total Recommendations: - 318nos. Recommendations Closed: - 312nos. In Progress: - 6nos	Human Capital
	100% employees to be trained under health and safety including permanent and contractual workers	2025	Achieved	Human Capital

KPI	Aspirations	Target Year	Progress in FY 2022-23	Capitals Linkage
Health and safety	Monitoring of process safety incidents (as per API/CCPS methodology) against international benchmarks with the aim of being in the top quartile	2025	Achieved	Human Capital
Health and safety	Pre-prepared incident plans for all types of emergency scenario with regular mock drills to test effectiveness of plans	2025	Achieved	Human Capital
	100% employees to be trained under health and safety which extends to mental health trainings as well as depression, anxiety, stress etc.	2023	Already started conducting this training in FY24	Human Capital
Social Reporting	Publicly report on quantitative social indicators such as human capita, labor indicators, human rights issues, occupational health safety	2024	Achieved	Social & Relationship Capital
	Publish the average training spends of the company	YoY	Achieved Average training spend per employee for FY 22-23 is approx. INR 40,000	Social & Relationship Capital
Employee satisfaction	Improvement on score for each Cultural Transformation Matrix parameter by at least 1 point over previous years*	2026	Achieved improvement of more than 1 point	Human Capital
Employee turnover	Provide employee turnover information by gender, age and job role	YoY	Achieved Employee turnover data is being provided as part of fact book.	Social & Relationship Capital
Learning and development	For the senior management, implement development plans for broad areas of Leadership, Digital and Innovation	2025	In progress. IDPs of close to 50 senior leaders developed and follow up action by coaches continuing	Intellectual Capital
Gender pay	Maintain median pay level parity among female and male employees	YoY	Achieved. Gender Pay parity is being maintained	Human Capital
CSR	Continue to maintain CSR initiatives to 50% of the SDGs	YoY	Achieved HMEL CSR activities cover about 52% of the SDGs	Social & Relationship Capital

*From FY2023-2024, the Great Place to Work survey replaced by a new four-monthly survey carried out by external agency

Governance

KPI	Aspirations	Target Year	Progress in FY 2022-23	Capitals Linkage
Code of Conduct	100% employees to be trained on code of conduct	2023	Achieved All employees are required to write the code of conduct in their own handwriting once every two years. All new joiners are trained on the code of conduct during the induction program.	
Policy influence	Publish whistleblower policy	2023	Achieved Published on the corporate website	Social & Relationship Capital
Cybersecurity	Track and report cybersecurity and data breaches	YoY	Achieved There were no information security breaches reported in FY 23	Intellectual Capital
Supplier audit and assessment	Conduct 100% survey on human rights with suppliers	2025	In progress	Social & Relationship Capital
	Increase % procurement from MSMEs	2025	In progress – currently 16% of the procurement value is from MSMEs and 18% is from local suppliers	Social & Relationship Capital



3 Address by the MD & CEO – Sustainability Report 2023



Prabh Das
Managing Director And Chief Executive Officer

Imagine a world with energy security in harmony with the environment, where we can create products that enhance our lives without compromising on safety, where we can all work together while celebrating our diversity. That is the world we are striving to create at HMEL, and I am here to tell you how we are making it happen.

We are proud to present the Sustainability Report for 2023, which showcases our achievements and aspirations in the realm of environment, social and governance initiatives. More than a compilation of facts and figures; it is a story of our journey, a reflection of our values, and a vision of our future.

This year, we have reached a major milestone in our journey. We have successfully commissioned our state-of-the-art petrochemical plant featuring a 1.2 MMTPA capacity. This plant is not just a marvel of engineering; it is a testament of our excellence, our efficiency, and our innovation.

Let me share with you how this plant came to be. It was a dream that started with a challenge: how to meet the growing demand for polymers in the market while matching the best-in-class sustainability goals of our industry? We took up this challenge with passion and determination. We assembled a team of experts from across the

globe, who worked tirelessly to design and build the plant within an unmatched time frame and budget. We followed the highest safety standards during the construction phase, ensuring zero fatalities and minimal injuries. We adopted the best practices and technologies from the industry, ensuring optimal performance and quality.

The result is a world-scale plant that produces high-quality polymers that are used in various sectors such as packaging, automotive, healthcare, and agriculture. A plant that contributes to the economic growth and social development of the region. A plant that sets a new benchmark for the industry.

We are proud of this achievement, but we are not complacent. We know that this is just one step in our journey towards sustainability. We know that there is more to be done, more to be learned, more to be improved. That is why we have embarked on the next phase of transformation, in which sustainability becomes not just an aspiration, but the cornerstone of our strategy.

Our Board's Sustainability Sub-Committee oversees the progress of our sustainability initiatives, providing support and direction to the management in formulating policies and guidelines. It evaluates sustainability opportunities, risks and issues to

ensure our continued alignment with our sustainability goals.

To support our commitment to Sustainability, we have adopted a comprehensive set of policies and guidelines that address multiple facets of Sustainability, such as Environment protection, Ethical conduct by employees and Suppliers, Human Rights, Diversity & Inclusion, Sustainability, and Cyber Security. These policies and guidelines define our principles, values, and expectations for ourselves and our partners.



Sustainability is not just a buzzword for us; it is a commitment, an integral part of our daily operations. It is a commitment that starts from the top and permeates through every level of our organization.

To facilitate a proactive approach in aligning our operations with environmental sustainability and resilience, we have initiated studies to assess impact of Climate change on our business and situations of water stress and loss of Biodiversity.

I would like to talk about our unwavering commitment to safety. Safety is a value that guides every decision and action we take at HMEL. Our efforts to continually enhance safety standards have positioned HMEL as an exemplar in the industry, with zero fatalities, LTIFR of 0 and TRIFR for employees down by 63% during the fiscal year 2022-23. These are testimonies of our culture of safety that pervades every aspect of our work.

In these times where climate concerns are paramount, HMEL acknowledges the importance of addressing emissions. We're not just stopping at acknowledgment; we strive towards achieving a net-near-zero emission status by the year 2050, a testament to our dedication to the planet.

Our resolve is translated to tangible actions and outcomes. We are proud to disclose that

HMEL has achieved a reduction in GHG emissions of 1.7% from the previous year. By transitioning our emails and non-SAP workloads to the cloud has enabled us to achieve substantial carbon emission savings, approximating 99.9% compared to relying on on-premises IT infrastructure. This also enables us to improve our efficiency, agility and collaboration across the organization.

To foster this culture of innovation and excellence, we have emphasized the importance of focused training on the IP generation process. We believe that intellectual property is not only a source of competitive advantage, but also a reflection of our creativity, ingenuity, and expertise. By providing our employees with the necessary skills and tools to generate and protect IP, we ensure that our innovations and solutions are not only cutting-edge, but also sustainable. We have carried out optimization in various units of our plants (DCU, FCC, VGO and CDU) which has potential for substantial benefits.

HMEL has expanded its operations with our new 300 KLPD bio-fuel unit, which we are excited to announce. This unit converts grain into bio-fuel, reducing the country's dependence on fossil fuels and lowering our carbon footprint. It is a unit that produces clean and renewable energy, enhancing our energy security and efficiency. It is a unit that supports the local farmers and communities, creating jobs and income opportunities.

HMEL takes immense pride in our advancements in Diversity and Inclusion. Despite the challenges posed by our remotely

located plant, we've successfully improved our gender ratio to 4%, with an ambitious goal of reaching 10%. Furthermore, our commitment to fostering an inclusive environment is evident in our dedicated D&I training sessions for all employees. Our unwavering focus remains on cultivating a workspace where diversity is not just acknowledged but celebrated. At HMEL, we believe that diversity and inclusion are essential for our success. We value the contributions of all our employees, regardless of their gender, race, religion, or background. We are committed to ensuring equal opportunities and fair compensation for everyone. That is why I am pleased to share with you that HMEL has maintained Gender Pay parity, meaning that there is no discrimination in pay of men and women for the same work at HMEL.

One of the core values of HMEL is continuous improvement and learning. We strive to achieve excellence in everything we do, from producing high-quality products to delivering outstanding customer service. To achieve this, we invest in the continuous learning and development of our employees. We have provided more than 0.35 million hours of training during the fiscal year 2022-23, with the majority being on safety. We have also introduced new learning platforms and programs to enhance the skills and competencies of our employees in line with the changing business needs and market trends.

HMEL has a well-structured leadership development program for developing future leadership and also identifying and meeting current development needs. These training programs include customized training programs

through reputed management institutes such as ISB, IIMs and others.

We also recognize that we have a responsibility to contribute to the social and economic development of the communities where we operate. We have increased our CSR spend by 87% during the fiscal year 2022-23. This amount has been invested in various initiatives related to education, health, sanitation, environment, and livelihoods. We plan to further increase our CSR spend by over 150% in FY2023-24, with a focus on enhancing the quality and impact of our interventions.

The collective expertise of the Board of Directors at HPCL-Mittal Energy Limited is a formidable asset, with each member well-versed and highly experienced in the intricate domains of Risk Management and the dynamic landscape of Cyber Security threats. Our Board comprises seasoned Directors from both the promoters viz. HPCL and 'Mittals' alongwith an Independent Woman Director who bring a wealth of knowledge and a deep understanding of the multifaceted challenges associated with these critical areas. Their extensive backgrounds encompass strategic risk assessment, proactive mitigation measures, and a comprehensive understanding of cybersecurity dynamics. This collective proficiency ensures that the Board is not only equipped to navigate the complexities of the energy industry but is also poised to address and proactively manage emerging risks in the ever-evolving cybersecurity landscape. The Board's commitment to staying abreast of the latest developments in risk management and cybersecurity is a testament to their dedication

to steering HPCL-Mittal Energy Limited toward sustained success in an increasingly digital and risk-sensitive environment.

Sustainability is not just an obligation that we hold for ourselves, but a duty we owe to the generations to come. It is a privilege that we enjoy as a part of this magnificent planet, which we do not take lightly. We are aware of opportunities and challenges and the expectations, as well as hopes and aspirations, that society and stakeholders have from us. We are aware of the impact and influence that our actions and decisions have on the environment and the world.

We openly share our performance and progress with you, our valued stakeholders, maintaining a steadfast belief in transparency and accountability – cornerstones for establishing trust and credibility. We value and welcome your feedback and suggestions, as they are crucial in improving our performance and achieving our goals.

We invite you to read this report and join us on our journey towards sustainability. We hope that you will find this report informative, insightful, and inspiring. We hope that you will share our vision, values, and passion. We look forward to your support in celebrating our achievements and addressing our shortcomings.

Together, we can make a difference. Together, we can create a world with energy security in harmony with the environment, where we can create products that enhance our lives without compromising on safety and where we can work together celebrating our diversity.

4.1 Board of Directors

The Board of Directors is the highest governing body in charge of overall supervision and control of the company's management and activities. They contribute extensive technical, financial management, and administrative knowledge that contributes to effective and smooth operations.

The Managing Director oversees the Company's policies and practices to ensure that the sustainability perspective is thoroughly ingrained in the Company's actions. The Managing Director is in charge of reporting the Company's adherence to external criteria.



Mr. Aditya Mittal

Chairman, Non-Executive Director

Mr. Aditya Mittal is Chief Executive Officer of ArcelorMittal. He was previously President and Chief Financial Officer of ArcelorMittal. He joined Mittal Steel in 1997 and was President and CFO of Mittal Steel Company from 2004 to 2006. As CFO of Mittal Steel, he initiated and led Mittal Steel's offer for Arcelor. In 2008, Mr. Aditya Mittal was named 'European Business Leader of the Future' by CNBC Europe, and he was ranked fourth in Fortune magazine's '40 under 40' list in 2011. He is a Board Member of the Wharton School and serves on the Board of Iconiq. He is also a significant supporter of the Great Ormond Street Hospital in London and works closely with UNICEF, focusing on Children's healthcare in India. He graduated with a bachelor's degree in Economics from the Wharton School in Pennsylvania, USA.

Committees:

Member of the Nomination and Remuneration Committee

Tenure: Since July 2016



Pushp Kumar Joshi

Non-Executive Director

Mr. Pushp Kumar Joshi is the Chairman and Managing Director of HPCL. Prior to this, Mr. Joshi was Director-Human Resource of HPCL since August 01, 2012. During his career, he had held key portfolios in Human Resources functions viz. Executive Director – Human Resource Department and Head-Human Resource of Marketing Division. Mr. Pushp Kumar Joshi is a Doctorate in Human Resource Management, Postgraduate in Human Resource Management from XLRI, Jamshedpur and Bachelor of Law from Andhra University. As Director-Human Resource, Mr. Joshi has been responsible for overseeing the design and deployment of key Human Resource policies and strategies while leading Human Resources practices that are employee-oriented and aimed at building high performance culture.

Committees: Chairman of the Nomination and Remuneration Committee

Tenure: Since May 2022

GOVERNANCE STRUCTURE

Dr. Asha Kaul

Independent Director

Dr. Asha Kaul is Professor in the Communication Area at the Indian Institute of Management, Ahmedabad ('IIMA'). She joined IIMA in 2002 and has occupied some key administrative positions as Chairperson, Communication Area, Warden and Placement Chairperson. She has been the recipient of many awards. She was felicitated with the "Best Professor – Communications" award by the Golden AIM Awards in June 2020. She was awarded the citation for "100 Most Dedicated Professors", 2019, "Prof. Indira Parikh 50 Women in Education Leaders" by World Education Congress, 2018. She has been recognized as one of the 50 Indian management thinkers who had made an impact on the theory of management and practice in the year 2015. She has also won the A. P. Chowdappa Memorial Award for Excellence in Communication in the Academic Sector for the year 2014-15. Dr. Asha Kaul is a Member of the High-Level Committee for Centre of Excellence for recommendation of Institutions/University to the status of Centre of Excellence by the Education Department, Government of Gujarat, and the Honorable President of India's nominee to the Executive Council of Central University of Gujarat. She is also on the Academic Council of various Institutes. She obtained her doctorate in stylistics from the Indian Institute of Technology, Kanpur in 1990. She is the author of many books, papers and cases published in peer-reviewed national and international journals. She has over 30 years of overall experience.

Committees: Nomination and Remuneration Committee, Audit Committee, CSR Committee, Sustainability Committee

Tenure: Since December 2020

Mr. Rajan Tandon

Non-Executive Director

Mr. Rajan Tandon is based in London for over 24 years and is Vice President of Finance at Mittal Investments UK and has over 35 years of industrial experience. Prior to his current role, he was Director-Finance at Mittal Steel. He has been a leading member of the Corporate Finance Team. He has also served as Treasurer for LNM Holdings NV until its merger with Ispat International (now known as ArcelorMittal) in December 2004. With a 30-year career within the Group, he has held various positions in Finance and Accounting. Mr. Tandon is an Honours Graduate in Commerce from St. Xavier's College, Kolkata, and a Fellow member of the Institute of Chartered Accountants of India. He also serves on the Board of various Group Companies and is also a member of the Governing Council of LNM Institute of Information Technology, Jaipur.

Committees: Audit Committee

Tenure: Since July 2009

Mr. Jagjeet Singh Bindra

Non-Executive Director

Mr. Jagjeet Singh Bindra has an extensive executive experience with large international organizations in the USA, Australia and India and is currently on the Supervisory Board of Lyondell Basell, one of the largest plastics, chemicals and refining companies in the world. He has been the President of Chevron Global Manufacturing, managing its worldwide manufacturing operations, comprising of 20 refineries across the globe. Among the many successes of his 32 years' career at Chevron, Mr. Bindra led an initiative to negotiate financing, design, and for construction of a critical pipeline to move crude oil from the Tengiz field in Kazakhstan to the Black Sea. Mr. Bindra brings extensive experience in research & development, refinery engineering & operations, project management, strategic planning and international business management. He was the chairman of the University of Washington College of Engineering Visiting Committee from 2013 to 2017 and past vice chairman of the Association of Oil Pipelines. His past Board of Directors affiliations also include Edison International/ Southern California Edison Company, WorleyParsons, Transocean, Caltex Australia Limited, GS Caltex (South Korea), Transfield Services Limited (Australia) along with Reliance Petroleum Limited and Larson & Toubro Limited. In 2008, Mr. Bindra received the prestigious Diamond Award from the University of Washington College of Engineering's in recognition of his career achievements. Mr. Bindra was named Distinguished Alumnus of the Indian Institute of Technology, Kanpur in 2000. Mr. Bindra has served as the Distinguished Honorary Professor at Rajiv Gandhi Institute of Petroleum Technology in the past. An Indian by birth, Mr. Bindra received his bachelor's degree with distinction in Chemical Engineering from the Indian Institute of Technology in Kanpur in 1969 and a master's degree in Chemical Engineering from the University of Washington at Seattle in 1970. He earned a master's degree in Business Administration with Honors from St. Mary's College in Moraga, California in 1979.

Committees: CSR Committee, Sustainability Committee

Tenure: Since January 2018

Mr. Rajneesh Narang

Non-Executive Director

Mr. Rajneesh Narang, Executive Director-Corporate Finance has been appointed as the Chief Financial Officer of Hindustan Petroleum Corporation Limited (HPCL) with effect from July 1, 2021. Prior to this, he has held various key portfolios including that of Executive Director – Finance (Marketing), Executive Assistant to Chairman & Managing Director – HPCL among other assignments. He is on Board of several HPCL Joint Venture Companies. He is a member of the Institute of Chartered Accountants of India (ICAI) and holds a degree in master's in financial management. Mr. Narang brings with him rich and

varied professional exposure of more than 3 decades across various spectrum of Downstream Oil Company. He has held various key challenging assignments in HPCL in the field of Corporate Finance, Treasury, Risk Management, Margin Management, Marketing Finance, Budgeting, SBU Commercial, C&MD's Office and Refinery Project. Mr. Rajneesh Narang is known for his commercial acumen, innovative ideas, and people-centric leadership. In his various roles, he has been focused on investment in human capital for building successful teams and individuals and able to perform and deliver exceptional results through positive engagement and a shared vision. He has various academic distinctions to his credit and is a key technical speaker in In-house capability building seminars and workshops. He has over 30 years of overall experience.

Committees: Audit Committee, CSR Committee

Tenure: Since July 2021



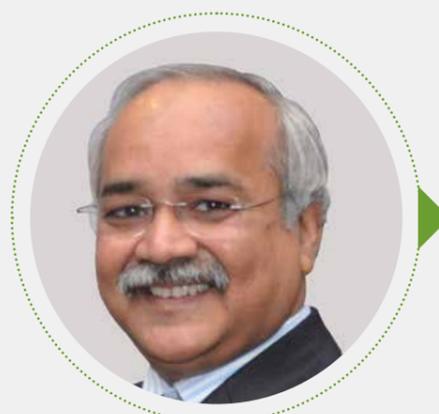
Mr. S. Bharathan

Non-Executive Director

Mr. S. Bharathan has taken charge as Director-Refineries of HPCL on October 1, 2022. Prior to this, he was the Executive Director – Refineries Coordination of HPCL with Additional Charge of R&D. Mr. Bharathan has wide exposure to the Refinery operations of HPCL and has worked in Operations and Technical Departments of Mumbai and Visakh Refinery for over 25 years. He has also worked in the Corporate Office of HPCL on Margin Management and Refinery Project Process for over 4 years. Further, he is also leading HPCL's Green R&D Centre in Bengaluru for the last 3 years. Under him, HPCL Green Research Development Centre (HPGRDC) has reaching filing of about 380 patents.

Committees: Sustainability Committee

Tenure: Since October 2022



Mr. Prabh Das

Managing Director and Chief-Executive Officer

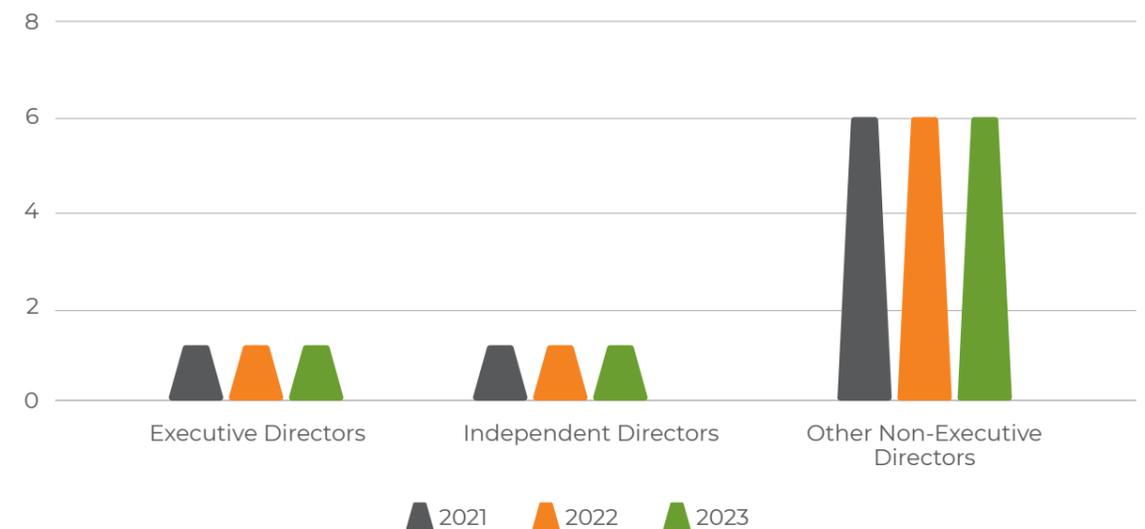
Mr. Prabh Das brings with him over 37 years of diverse experience and insight which encapsulates a rich blend of leadership roles in the prestigious Indian Administrative Services (IAS) as well as in the Oil & Gas Industry encompassing Oil Diplomacy & Administration, Project Management & Financing, Refinery Operations, Marketing and Corporate Governance. Prior to joining HMEL, during his 25-plus years' tenure in the IAS he served as the Chief Executive Commissioner of Calcutta Metropolitan Development Authority and has further held varied senior administrative positions in the Central Government. During his tenure as Joint Secretary - Refineries Division in the Ministry of Petroleum and Natural Gas, Government of India, he played a key role in the formulation and implementation of the Auto Fuel Policy, Strategic Storage and New Initiatives in Oil Diplomacy.

He was also on Board of Fortune 500 Companies like Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd. and other oil majors such as Mangalore Refineries and Petrochemicals Ltd., Chennai Petroleum Corp. Ltd. and Engineers India Ltd. Mr. Das is also a member of various prestigious Oil Industry Bodies and Institutions. He was instrumental in implementing the first FDI project in the Oil & Gas sector, a joint venture of HPCL and Mittal Energy Investments Ltd. and has been part of HMEL's growth story since its inception in July 2007. He has largely contributed in HMEL's growth from a greenfield 9 MMTPA Refinery to a 11.3 MMTPA Refinery which is built on the foundation of sound safety practices and robust processes leading to strengthening of HMEL's Refining capacity, improvement in Refining Operations and margins on a year-on-year basis. This is further being integrated to a 1.2 MMTPA DFCU petrochemical complex which is underway. Mr. Das is felicitated with the 'CEO of the Year Award' at the Downstream India Excellence Awards 2022 organized by Energy & Climate Initiatives Society in association with the Federation of Indian Petroleum Industry during the Global Refining & Petrochemicals Congress 2022 held in New Delhi. Mr. Das was also felicitated with the 'Distinguished Contribution to Indian Petrochemical Industry' Award by FICCI in 2017. He was also conferred with 'Outstanding Achievement Oil & Gas Leadership & Excellence Award 2014' at the Oil & Gas World Expo, 2014. He is an alumnus of Indian Institute of Technology, Kharagpur (B. Tech Hons.), Southern Cross University, Australia (MBA) and a Certified Project Director by International Project Management Association.

Committees: NA

Tenure: Since April 2011

Board Dynamics over years at HMEL



4.2 Board Committees

Nomination and Remuneration Committee

as of March 31, 2023:

Chairman:
Pushp Kumar Joshi

Members:
**Aditya Mittal,
Dr. Asha Kaul**

Roles and Responsibilities: The Nomination and Remuneration Committee (N&RC) of the Company has formulated remuneration policy for the appointment and determination of remuneration of Directors, senior management, KMP and other employees of the Company. The N&RC ensures that remuneration policies and practices are designed to attract, retain, and motivate the executive director(s) and the senior management group, while focusing on the delivery of the organization's strategic and business objectives.

The compensation and rewards at Company are directly linked to the individual performances, as well as to the performance of the Company. This helps in building a meritocratic culture and creating an incredibly powerful engine of growth coupled with professional work environment translating into business successes and performance excellence. N&RC also formulates the necessary amendments to the remuneration policy for the KMPs and senior executives of the Company from time to time.

Audit Committee

as of March 31, 2023:

Chairman:
Rajneesh Narang

Member:
**Rajan Tandon
Dr. Asha Kaul**

Roles and Responsibilities: Directors periodically declare their interest in other entities including directorship and shareholding. Interested Directors, if any, refrain from participating and discussions at the Committee/Board level. Furthermore, Audit Committee of Directors periodically reviews all Related Party Transactions and proposed RPTs are placed for the recommendation of the Audit Committee for approval of Board of Directors. List of Related Parties and transactions with them are disclosed in the Financial Statements under the RPT schedule. Moreover, there has been no 'conflict of interest' transactions with related parties during the year FY2022-23.

CSR Committee

as of March 31, 2023:

Chairman:
Jagjeet Singh Bindra

Member:
**Rajneesh Narang,
Dr. Asha Kaul**

Roles and Responsibilities: The CSR Committee is responsible to formulate and recommend to the Board, the Corporate Social Responsibility Policy, to recommend to the Board the CSR activities to be undertaken by the Company and to monitor the CSR activities. The Terms of Reference of the CSR Committee are to:-frame the CSR Policy and its review from time-to-time; ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget; and ensure compliance with the laws, rules and regulations governing the CSR and to periodically report to the Board of Directors.

Sustainability Committee

Members:
**Jagjeet Singh Bindra,
S.Bharathan
Dr. Asha Kaul**

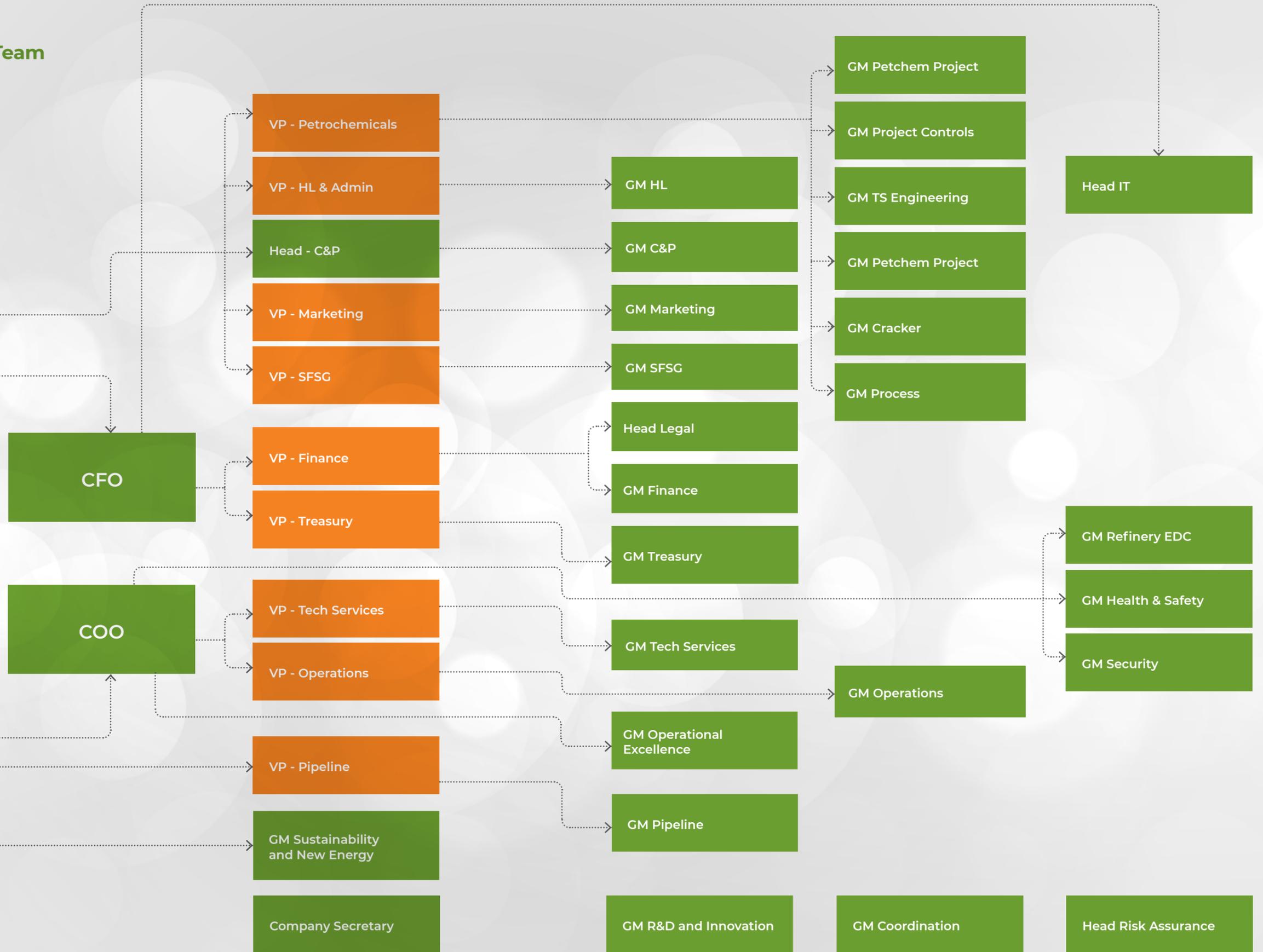
Roles and Responsibilities: The Committee examines the Group-level sustainability frameworks, policies, norms and recommendations. Conducts periodic reviews of the sustainability policies in the global context and the evolving statutory framework. Monitors several aspects of sustainability performance such as ethical governance, environmental stewardship, site safety performance, water and energy use. Supports and advises the management on the development and revision of policies and procedures relating to employee health and safety, the environment, climate change and community relations. Examines and makes recommendations to the Board regarding the sufficiency of reporting on sustainability opportunities, risks and issues in the Sustainability Report and other relevant public documents.



4.3 Organogram and Senior Management Team



MD & CEO
Prabh Das



4.4 Corporate Sustainability Team

HMEL has established a dedicated Sustainability Committee with the aim of translating ESG principles into actionable strategies and ingraining them within

our organizational culture. This Committee oversees all ESG initiatives, aligning them with HMEL's commitment to sustainable and inclusive progress, thereby enriching our core value proposition by integrating ESG considerations into our decision-making processes.

Additionally, HMEL has formed a new department, the "Sustainability and New Energy" team, consisting of six members. This department will fortify and centralize HMEL's efforts in clean energy solutions, reducing carbon footprint, and further elevating our dedication to ESG principles.



4.5 Compliance and Business Ethics

HMEL upholds responsible management practices in accordance with regional regulations. Ethical conduct is integral to our business ethos, guided by our Code of Conduct, global governance standards and best practices.

Our frameworks reflect our dedication to shared values,

underpinned by a zero-tolerance stance on infractions. We are unwavering in our commitment to compliance, given the ever-evolving regulatory landscape. We vigilantly monitor the legal changes and proactively adapt to maintain compliance. Our leadership is driving initiatives to adapt to the dynamic business environment, enhancing transparency and accountability. Our robust compliance mechanism provides frequent updates to senior management

and the Board, with quarterly evaluations of our adherence to all applicable laws. Our governance framework ensures effective internal controls and operational monitoring.

HMEL's policies prioritize compliance and ethics, fostering a balanced environment for employees and extending this commitment to internal and external stakeholders, optimizing our business operations. Our policies include:



4.6 Membership Associations

The company actively engages with numerous industrial and trade associations, participating in forums dedicated to addressing issues and policies that directly affect the interests of our stakeholders. It is important to note that our participation in these forums is focused on constructive discussions and not on lobbying for specific issues. As part of our industry involvement, HMEL proudly holds membership in prominent organizations like the India Energy Storage Alliance (IESA) and the Ammonia Energy Association. (AEA).

HMEL is also member of Industry Bodies like FICCI, CII, CPMA (Chemical & Petrochemicals Manufacturer's Association), AIPMA (All India Plastics Manufacturers Association), AEPW (Alliance to End plastics waste) & ASSOCHAM.

As a prominent member of Industry associations, HMEL actively contributes to shaping policy advocacy, promoting industry-best practices, and supporting economic growth. On these platforms we interact with various stakeholders for different policies like use of biofuels, green hydrogen, solar power, recycling of plastics waste & EPR etc.

These partnerships further reinforce HMEL's dedication to upholding environmental responsibility, fostering social

well-being, and maintaining high governance standards, positioning the company as a leader in sustainable and ethical business operations.

4.7 Risk Management

Recent global events have challenged businesses to reassess strategies, emphasizing safety and innovative solutions while mitigating substantial risks. Our Risk Management methodology adopts a top-down approach integrated into our organizational strategy, facilitating core business objectives. Effective communication between the Board of Directors and Management ensures prudent oversight.

At HMEL, we identify broad risk categories and align them with material concerns, recognizing their potential to impact our strategy, financial performance, operations, shareholder value, and reputation. Risk Management is integral to our long-term success.

The Board of Directors at HPCL-Mittal Energy Limited possesses extensive experience and expertise, particularly in the realms of Risk Management and Cybersecurity. This invaluable wealth of knowledge is harnessed to ensure the organization's robustness in the face of dynamic challenges. Through the diligent efforts of the Audit Committee, the Board undertakes a comprehensive and systematic review of the

company's Risk Management and Cybersecurity protocols on a quarterly basis. This periodic evaluation not only demonstrates our commitment to maintaining the highest standards of corporate governance but also underscores our proactive approach to identify, assess, and mitigate risks in an ever-evolving business landscape. The continuous evaluation and enhancement of these critical aspects underscore our Board's dedication to maintaining a secure and resilient business environment.

We have also identified climate change related Risk & Opportunities which can have a potential impact on HMEL's operation or revenue. These risks include physical risks like cyclones, floods, heat stress and water scarcity and transitions risks like market risk, policy risk, technology risk, reputational risk etc. These risks have been covered in detail in section 4.4.3 under Climate change and strategy.

A dedicated Risk Management Committee (RMC), chaired by the CEO and comprising of CXOs and Senior Executives, oversees risk assessments, ensuring compliance and evaluating the effectiveness of mitigation plans. The Chief Risk Officer (CRO) coordinates enterprise-level risk initiatives, providing regular briefings to the Board, Risk Management Committee (RMC) and the Audit Committee.

Below are tables detailing risk identification, mitigation measures for each category and their impact on our capitals.

Risk	Risk Description	Risk Type	Mitigation Measures	Capitals Impacted
Commodity Risk	Recent fluctuations in the commodity prices have given rise to uncertainty. Sudden changes in commodity prices can severely impact HMEL's profitability.	Strategic Risk	<ul style="list-style-type: none"> To adapt to evolving scenarios, the company has an optimization strategy which operates as per defined parameters. To efficiently monitor refinery margins, inter-crude differentials, temporal spreads, and inventory valuation as per our mandates 	Financial Capital
Occupational Safety of Employees & Contractors	We operate in a very hazardous industry and any non-adherence to occupational safety practices can impact human life. The handling of machines without proper safety training and focus can also lead to injuries to our employees and contractors	Health & Safety Risk	To mitigate this risk within our premises. Firstly, we have implemented new safety initiatives especially in our petrochemical project. Secondly, we have inculcated a safety culture change by continuously focusing on our vision to achieve an Incident and Injury Free (IIF) workplace. Thirdly, we have implemented IIF program in all our sites	Human Capital, Social & Relationship Capital
Liquidity Risk	The company cash is maintained by banks and that may pose a risk in case a bank fails to provide access to funds due to varied reasons.	Financial Risk	<ul style="list-style-type: none"> We keep our funds in financial institutions that can cope with financially instability and shocks. We're maintaining relationships with financial institutions which have been given favorable ratings from reliable rating organizations. That way, in the case of a need for withdrawal, there will be transparency on the location and access to our deposited funds. 	Financial Capital

Risk	Risk Description	Risk Type	Mitigation Measures	Capitals Impacted
ESG Risk	These risks are related to climate change, environmental practices, social standings in the community and the governance structure of the organisation to enable sustainability	Operations, Health & Safety, Strategic Risk	The Company is increasingly strategizing its ESG approach and improving on areas to mitigate our Environmental Impacts. Additionally, we are leveraging relationships with out stakeholders to develop our business with a value based approach	Social & Relationship Capital, Natural, Financial, Human & Intellectual Capital
Cyber Security Risk	Cyberattacks pose a serious risk to our IT systems. If our IT system is compromised, this could have a serious effect on business operations and increase the risk of data theft. Hence, HMEL has taken a strong interest in managing cybersecurity risks.	IT Risk	<p>HMEL prioritizes the implementation of awareness programs for its employees concerning potential spear-phishing targets. These programs emphasize the identification of unexpected email messages, education on recognizing phishing attempts, abstaining from using WhatsApp on official laptops/ computers, and refraining from sharing passwords.</p> <p>Developing an advanced Security Operations Center (SOC) by leveraging the NIST and CSF Framework for the analysis of cybersecurity risks and implementing methods to evaluate behavioral patterns. This initiative aims to enable the following:</p> <ol style="list-style-type: none"> 1. Use of Predictive analysis to generate security alerts. 2. Automatic detection and disruption of rogue network servers, strengthening the defense to growing cyber threats. 3. Staying ahead of emerging risks through an adaptive risk model. <p>HMEL is focused on strengthening overall cybersecurity systems.</p>	Social & Relationship Capital, Financial Capital, Intellectual Capital

Risk	Risk Description	Risk Type	Mitigation Measures	Capitals Impacted
Data Security	The importance of data thefts and security must be understood as we continue to focus on cybersecurity. The sensitive information of our organization resides on servers and presents a risk.	IT Risk	<ul style="list-style-type: none"> • We have data protection systems in place to protect sensitive and confidential data from leaks and exposure through emails and online gateways. • We have dedicated management committees for IT in place who are responsible for information, cybersecurity and business continuity management. • We conduct data privacy awareness programs at regular intervals to educate our employees about the significance of following compliance and practice cautiousness 	Social & Relationship Capital, Financial Capital, Intellectual Capital
Process Safety	It is crucial for our operations to follow safety protocols. As part of a high risk industry, non-compliance of safety operating procedures at refineries can have serious consequences on our assets and stakeholders.	Health & Safety Risk	<ul style="list-style-type: none"> • We have a hazard identification process in place which includes hazop studies , risk assessment and quantitative analysis. The process is also aligned with ISO 45001. • We have strictly employed a Permit to Work system which is integrated with our job safety analysis. 	Human Capital, Financial Capital, Manufactured Capital, Social & Relationship Capital



Risk	Risk Description	Risk Type	Mitigation Measures	Capitals Impacted
Manpower Management	In order to achieve long term success, it is important to recruit and retain the right talent. Satisfied employees are a catalyst for sustainable development, and an approach to working life that is balanced promotes efficiency, job satisfaction and overall competent well being.	Social Risk	<ul style="list-style-type: none"> For achieving our objectives, we ensure compliance with relevant labor laws and regulations. We work with our stakeholders through a range of interventions to strengthen their relationship. At HMEL, we are continuously monitoring and managing human resource practices, policies and employee welfare. This includes monitoring of health initiatives, gathering feedback and improving expertise in the area of technology as well as behavioural competencies to promote employee satisfaction and career development. 	Human Capital
Biodiversity	In recent years there has been a growing concern by regulators and stakeholders about environmental issues, the biodiversity impact, especially in relation to flora and fauna.	Environmental Risk	<ul style="list-style-type: none"> In order to maintain an ecological balance, we are maintaining the coverage of green belts at our locations so as to ensure a harmonious coexistence with local biodiversity. We also plan to undertake efforts to raise awareness among our stakeholders on the importance of biodiversity conservation 	Social and Relationship Capital
Human Rights, Diversity, and Inclusion	We may be placed at considerable risk of a negative reputation due to failure to comply with Human Rights and Working Conditions. We promote opportunities for livelihoods advancement which encourages equitable distribution and foster growth in society.	Social Risk	<ul style="list-style-type: none"> In order to demonstrate our respect for the principles of human rights set out in the UN Global Compact, we submit an annual report on our progress. We have added labor laws in our procurement contracts to address various aspects of human rights requirements 	Human Capital



HMEL'S SUSTAINABILITY STRATEGY

5.1 Financial Capital

4.1.1 Growth

We have achieved a revenue growth of more than 7% over the previous year, and Profit after Tax with the latter showing a staggering growth rate of ~290%. Our expenses on the other hand have increased by 29%. Our EBITDA for the year ended March 31, 2023 is INR 98,775 million, up from INR 61,681 million from the previous year, indicating a growth rate of more than 60%. The higher profits are due to good margins in the market and efficient sourcing of Crude.

Reported Revenue (INR Million)

FY20	FY21	FY22	FY23
580,053	517,305	895,512	961,506

5.1.2 Tax Strategy

The company adheres to the relevant tax regulations both for its products and corporate activities. While we maintain numerous international business associates, our operational and office presence is exclusively within India. As a result, our reporting jurisdiction is solely India.

Our EBITDA for the year ended March 31, 2023 has grown by more than 60%. The higher profits are due to good margins in the market and efficient sourcing of Crude.

(INR Million)

	FY20	FY21	FY22	FY23
Earnings before tax	(2,996)	3,423	40,888	60,738
Reported taxes	(2,340)	(613)	28,312	11,752
Cumulative acceptable adjustments	0	0	0	0
Effective Tax Rate	78.10%	(17.91%)	69.24%	19.35%
Cash taxes paid / (refund)	1,676	(458)	(284)	1,003
Cash Tax Rating	55.94%	(13.38%)	(0.69%)	1.65%

5.1.3 Economic Value Generated and Distributed

Economic Value Generated & Distributed (INR in Million)

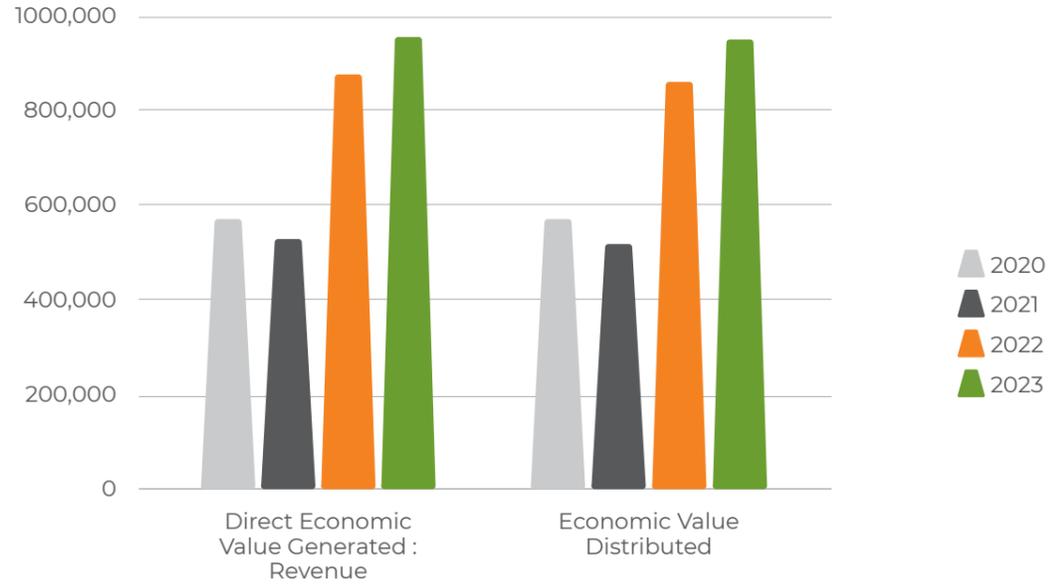
	FY20	FY21	FY22	FY23
Direct economic value generated: revenue (A)	580,053	517,305	895,512	961,506
Economic value distributed (B)	580,052	510,089	857,909	894,450
Economic value retained (A-B)	1	7,216	37,603	67,056

Economic value distributed (INR in Million):

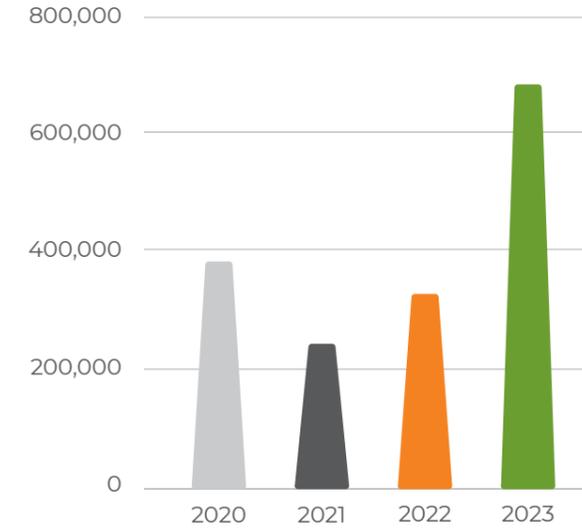
	FY20	FY21	FY22	FY23
Operating cost	391,070	229,678	520,977	669,334
Employee wages and benefits	3,070	2,970	3,401	3,892
Payments to providers of capital	23,647	19,301	26,054	36,556
Payments to government by country	161,702	257,917	307,330	184,393
Community investments	563	223	147	275



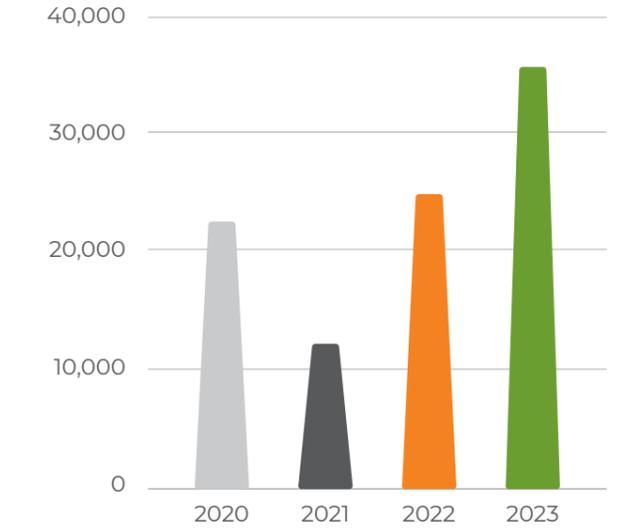
Economic Value Generated & Distributed (INR in Million)



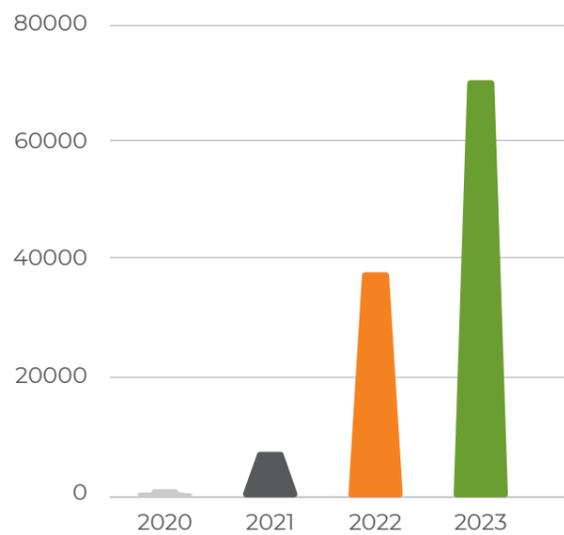
Operating Costs (INR in Million)



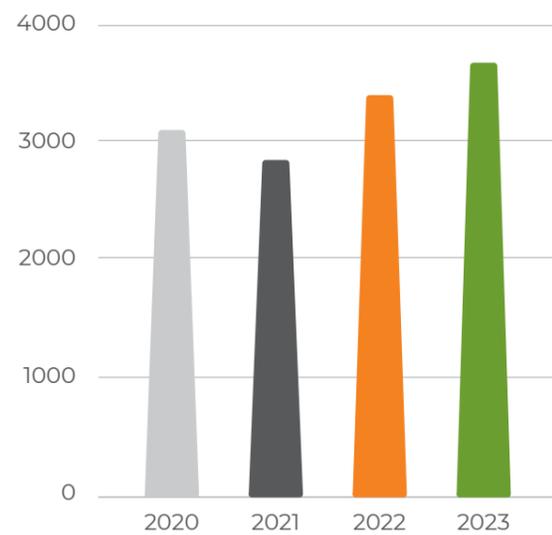
Payments to Providers of Capital (INR in Million)



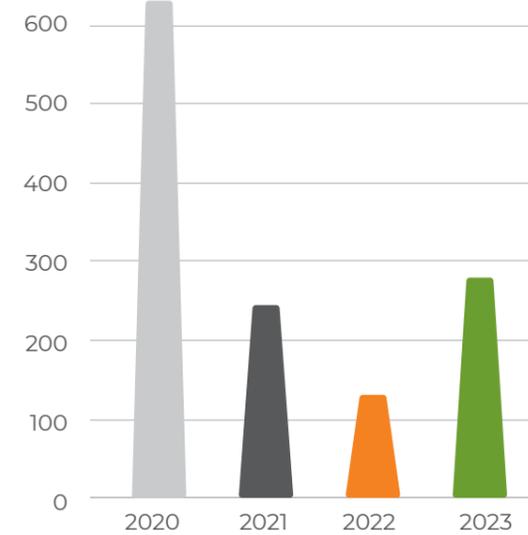
Economic Value Retained (INR in Million)



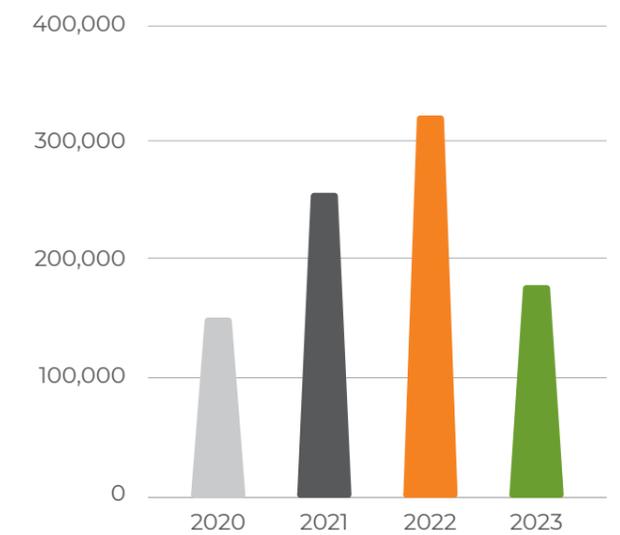
Employee Wages & Benefits (INR in Million)



Community Investments (INR in Million)



Payments to government (INR in Million)



5.2 Intellectual Capital

5.2.1 Research and Development

We are continuously enhancing process efficiency and environmental sustainability, and this is exemplified by our substantial increase in R&D spending this year, which surged by 100%. Our dedicated teams of experts, including scientists and researchers, tirelessly pursue technological advancements and product development specific to our refinery. We also foster collaborations with esteemed national institutions to achieve our objectives. In the past year, our R&D investments have primarily focused on valorizing Petchem streams, reducing our carbon footprint through green technologies, producing advanced materials like needle coke, and exploring energy storage via battery/ fuel cells and advanced optimization through Artificial Intelligence/ Machine Learning. Furthermore, our Customer Service and Development Centre (CSDC) has gained recognition as an R&D center by the Ministry of Science and Technology.

Our R&D investments encompass product development, patents, system enhancements, process optimization, dual-use technologies and green energy solutions. These efforts are geared towards creating value for our company and the society as a whole:

We are currently working on projects related to CO2 capture and utilization, SAF, green methanol and more, set to

commence in the upcoming year. These projects entail substantial R&D expenses and will impact our financial indicators.

5.2.2 Patents and New Initiatives

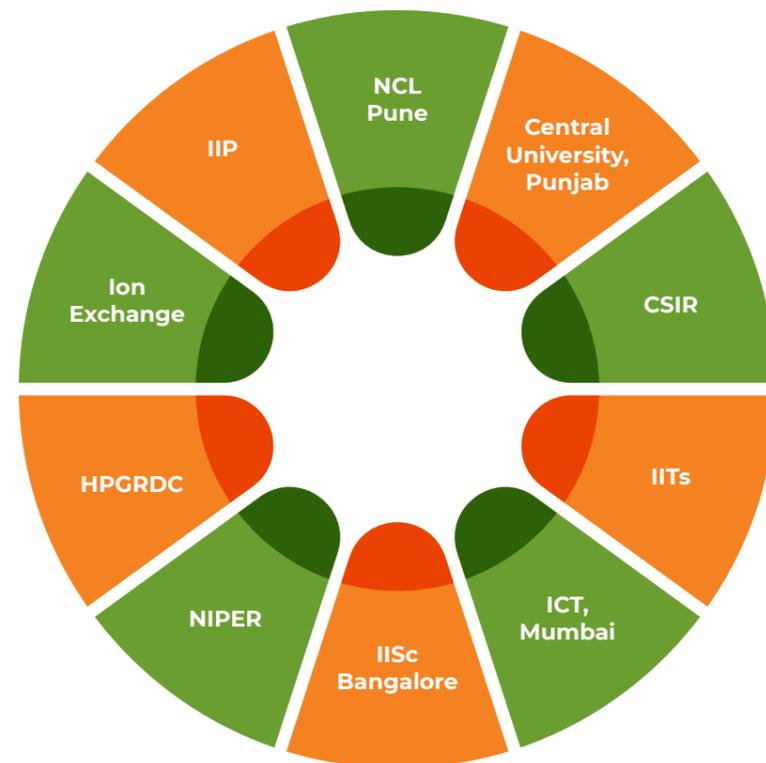
Our R&D team has successfully completed several projects, with one standout achievement being the patent granted for our Induction Cooktop by the Indian Patent Office. This innovative and efficient cooktop, developed within six months by our team is not only indigenous but also highly affordable. It holds significant potential for use by rural communities across the country.

In addition to the Induction Cooktop patent, we have filed 12 patent applications till date including 3 in FY22-23.

Our IT team has also made remarkable strides, launching paperless approval portals which streamline various employee requests, automating processes for User ID creation, folder access, VPN access and more. During FY23, we realized INR 1,600 million in potential savings from process improvements by energy optimization and through digitalization in the company.

5.2.3 Information Technology and Cybersecurity

The Apex Committee (comprising of CEO, CFO and COO) at HMEL is responsible for overseeing the company's Cybersecurity strategy also serves as the governing body for the Cybersecurity program. Reporting directly to the executive management team,



New product development:
We have successfully developed new products, such as flux oil from refinery streams and isopentane from light isomerate streams. These innovations have a total investment of Rs. 10 crores

New process development:
Our initiatives include the development of new processes for sulphide reduction from spent caustic, COD reduction in ETP water with a total investment of Rs. 4 crores. Our dedicated teams of experts, including scientists and researchers, tirelessly pursue technological advancements and product development specific to our refinery.

Intellectual property rights:
We safeguard our innovations through patent filings, with Increase number of patents applied to 13 filed to date, two of which have been granted, incurring a total expenditure of Rs. 50 lakhs

Initiatives in green fuels and renewable energy:
Our engagement with CSIR and Industrial R&D laboratories focuses on green initiatives like Sustainable Aviation Fuel (SAF), eMethanol and waste plastic recycling, aligning with circular and polymer concepts. We plan significant investments in developing these processes.

the Head-IT holds a pivotal role in supervising cybersecurity efforts within the organization. The Head-IT function operates as a specialized unit within the company's IT department.

HMEL maintains a comprehensive information security which includes Business Continuity Management within the policy. Routine awareness sessions are organized for all staff members through various communication channels, including mailers, posters, remote sessions, and town hall meetings. These sessions aim to keep employees aware of the latest security trends. In October, HMEL observes a cybersecurity week, during which company-wide awareness programs are conducted.

Additionally, HMEL is in the process of arranging leadership-level programs, both in-person and remote, to address IT and OT security trends and best practices. In a proactive measure to ensure preparedness, HMEL is initiating tabletop exercises tailored for cyber-crisis management and incident response, encouraging leadership teams' participation in future scenarios.

The company has established an escalation process facilitating prompt reporting of any information security incidents. Employees are incentivized to report such incidents to either the IT helpdesk or the dedicated cybersecurity team, utilizing appropriate communication channels such as voice calls, emails, or support portals.





5.3 Manufactured Capital

Despite the challenges posed by the pandemic, we achieved an impressive throughput of 12.735 MMT of crude oil this year. Remarkably, our production exceeded 10,000 million liters of liquid fuel, encompassing petrol, kerosene, aviation turbine fuel, and diesel.

5.3.1 Manufacturing Facilities

We boast a cutting-edge manufacturing facility with an impressive 11.3 MMTPA capacity located at Guru Gobind Singh Refinery in Bathinda. Furthermore, our integrated petrochemical plant operated within the refinery grounds, seamlessly connected through dedicated crude pipelines spanning an extensive 1,107 kilometers, all the way from Mundra to Bathinda. Mundra's substantial crude oil terminal includes a 7-kilometer Single Point Mooring-, facilitating the unloading of crude oil from very large crude carriers (VLCC) for onward processing at our Bathinda refinery.

5.3.2 Guru Gobind Singh Refinery

The Refinery in Bathinda stands as a pinnacle of state-of-the-art infrastructure. Over the years,

significant investments in the refinery and its ancillary facilities have earned its recognition as one of the nation's premier refineries. With a formidable crude oil processing capacity, the refinery processed 12.735 MMT of crude oil during FY22-23. It serves as a cornerstone in our national commitments, championing initiatives like "Make in India" and "Make for India".

5.3.3 Manufacturing Performance

Despite the challenges posed by the pandemic, we achieved an impressive throughput of 12.735 MMT of crude oil this year. Remarkably, our production exceeded 10,000 million liters of liquid fuel, encompassing petrol, kerosene, aviation turbine fuel, and diesel. Additionally, we manufactured over 3 MMT of various other products including LPG, naphtha, hexane, mineral turpentine oil, sulphur, pet coke, bitumen and polypropylene.

5.3.4 Clean Technology

HMEL is actively exploring Life Cycle Assessment (LCA) for emerging low-carbon products, including SAF, plastic waste-to-road, bioethanol, and circular polymers. These projects are in the initial stages of planning.



Low Carbon Products

HMEL has devised a Fuel Retail Policy aimed at promoting low-carbon energy sources like Bio-CNG and EV charging, across its fuel retail outlets whenever feasible. This initiative to build a network of low-carbon energy options will encourage the use of eco-friendly vehicles and contribute to the decarbonization of India's transportation sector.

HMEL has entered an understanding with CSIR-IIP Dehradun for studying the feasibility of setting up a unit to produce Sustainable Aviation Fuel (SAF). SAF is a low-carbon fuel increasingly being utilized by the aviation sector to decarbonize the industry. HMEL is exploring the method of Hydrotreated Esters and Fatty Acids (HEFA) pathway to produce SAF.

Essentially, HEFA refines vegetable oils, waste oils or fats to ultimately convert it into Sustainable Aviation Fuel through the use of hydrogenation. The next step is hydrodeoxygenation whereby the oxygen is removed, and the long chain carbon molecules are cracked and isomerized to jet fuel chain length. The blend ratio for this process is at a maximum of 50%.

5.4 Natural Capital

5.4.1 GHG Emissions

Minimizing our environmental footprint:

At HMEL, we are actively driving environmental progress by aligning our people, processes and products. Our commitment to minimize our environmental footprint is upheld through robust monitoring and reporting mechanisms.

Emission control:

In light of the imperative to limit global warming to 1.5 degrees Celsius, as advocated by the Paris Agreement, HMEL recognizes the urgency to reduce its carbon footprint. Our goal is to near net-zero emissions by 2050, with the primary focus on becoming a less-carbon intensive industry.

To achieve this, our dedicated team continually researches and implements energy-

saving projects while assessing greenhouse gas (GHG) inventories to identify areas for potential reduction. We regularly review our emission data to establish firm-wide goals. Our comprehensive approach covers emissions from both direct (Scope 1) and indirect (Scope 2) activities, including gases like CO₂, CH₄, N₂O and SO₂. We prioritize Scope 1 emissions, which constitute a significant portion of our carbon emissions. To mitigate both direct and indirect emissions, we employ clean technologies and energy-efficient practices, such as sourcing electricity from renewable sources, thereby reducing HMEL's overall carbon footprint.

We currently report on the Specific Intensity Ratio, which is calculated using crude throughput (metric million tonnes of oil processed per year). This ratio encompasses both Scope 1 and 2 emissions.

To calculate our GHG footprint, we employed emission factors provided by the UK Government for GHG conversion, in conjunction with the Global Warming potential data from the IPCC (Fifth Assessment Report, 2014). We selected FY2021-22 as the base year for GHG emissions in both Scope 1 and 2, coinciding with our refinery operating at its maximum capacity since commissioning.

At HMEL, we prioritize precautionary measures and ensure our supply chain partners adhere to these practices. We provide relevant material handling and safety data sheets for all products to internal and external stakeholders. Our products not only meet statutory health and safety requirements but also comply with regulatory standards such as FDA, RoHS and SVHC, particularly our polymer products.

GHG Emissions:

	FY20	FY21	FY22	FY23
Scope 1 Emission (Million MT)	3.91	3.49	4.34	4.29
Scope 2 Emission (Million MT)	0.16	0.10	0.16	0.13
GHG Intensity (MT/Revenue in INR million)	7.02	6.94	5.02	4.59

Disclaimer: There has been a change in the baseline year for emissions. Previously it was 2018-19 however, this has now changed to 2021-22. As a result of internal methodology change in emissions, we have restated our Scope 1 and Scope 2 emission numbers for FY22 and FY23.

Note: Emission figures for the fiscal year 2022-23 and prior years have been computed basis actual operating data in accordance with the GHG Protocol and the methodology outlined by the American Petroleum Institute (API). The reported emissions for this period encompass only those from HMEL Refinery and HMPL. Furthermore, HMEL's 1.2 MMT DFCU capacity Petrochemical plant has been commissioned in the subsequent reporting cycle (2023-24), with this the overall emissions profile of HMEL is expected to undergo a significant change, thereby impacting the comparability with the emissions recorded in the fiscal year 2022-23.

Other Emissions:

	FY20	FY21	FY22	FY23
NOx Emission (MT)	3,908	4,142	3,696	4,600
SOx Emission (MT)	3,334	2,840	2,995	4,378
CH ₄ Emission (MT)	400	430	1,050	990

The adoption of cloud computing by HMEL, particularly for emails and non-SAP workloads, has led to remarkable savings in carbon emissions, achieving a reduction of approximately 99.9% compared to utilizing on-premises IT infrastructure. This significant decrease in carbon footprint is attributed to several advantageous aspects of cloud computing.

Firstly, cloud service providers operate more efficient data centers compared to traditional

on-premises deployments. Secondly, the scalable nature of cloud infrastructure allows providers to adjust computing resources based on the demand, optimizing energy consumption.

Lastly, many cloud service providers are increasingly investing in renewable energy sources to power their data centers, further mitigating environmental impact.

This strategic shift to cloud computing reflects HMEL

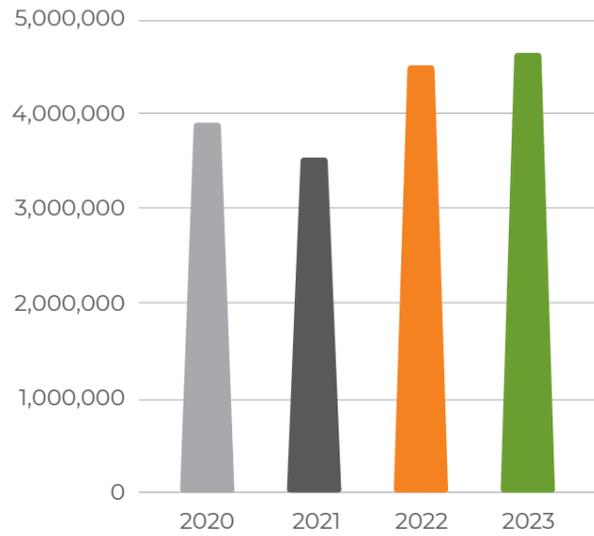
commitment to leveraging advanced technologies to achieve operational efficiency while minimizing environmental repercussions.

Our Net Zero Roadmap

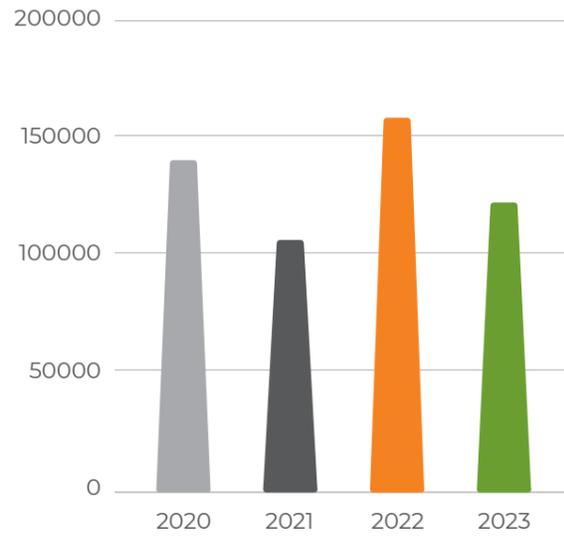
To streamline our emission reduction efforts, we have formulated a near Net Zero roadmap which will provide a comprehensive view of our decarbonization journey and will help guide our efforts and investments in the right direction.



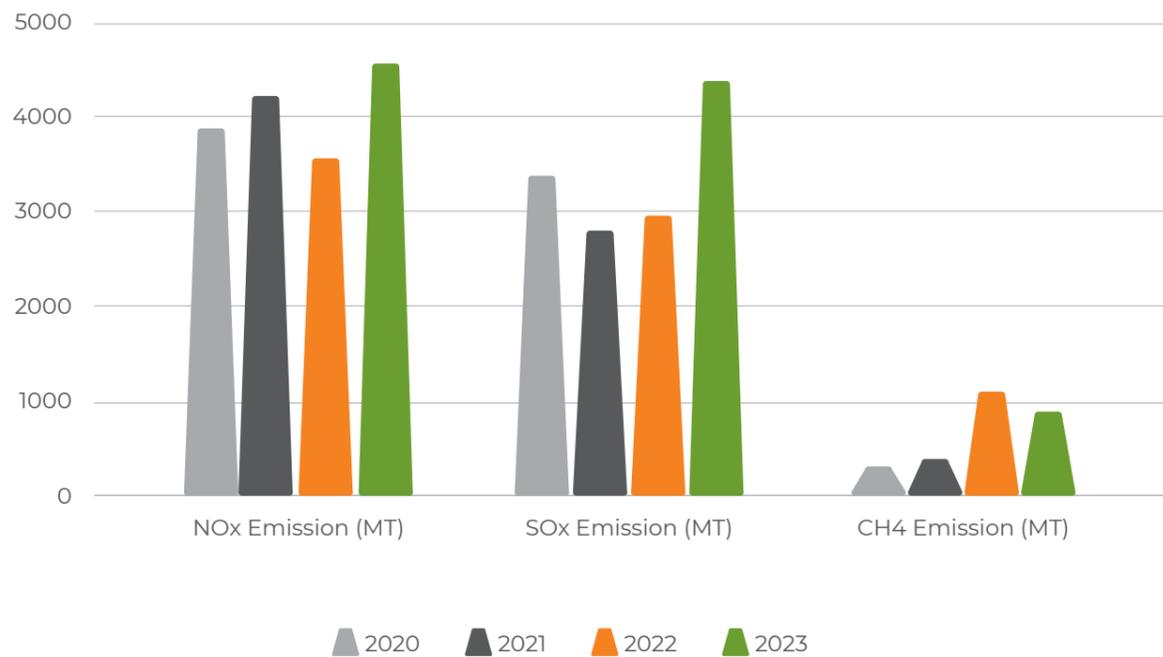
Scope 1 Emission (MT)



Scope 2 Emission (MT)



Other Air Emissions (MT)



5.4.2 Energy Management

Electricity consumption standards as the largest contributor to our refinery's carbon footprint, encompassing our industrial units and office spaces. Recognizing the pivotal role of renewable energy and energy efficiency in curbing GHG emissions and optimizing resource use. The Refinery operated under PAT cycle, with an assigned MBN target of 58.4 for FY2022-23, a target which we achieved during the year.

This fiscal year, we witnessed a substantial increase in renewable energy consumption, soaring from 2014MWh to 3830 Mw, signifying a pronounced shift towards renewable energy sources. To reduce our reliance on non-renewable energy, we are exploring opportunities in ethanol, green chemicals, green hydrogen and solar energy. We've successfully completed over 30 energy and fuel-efficient projects. Our Technology team within the Environmental Department have been instrumental in designing innovative energy and

fuel efficiency initiatives. These initiatives not only enhance process productivity but also contribute to a cleaner and more sustainable environment.

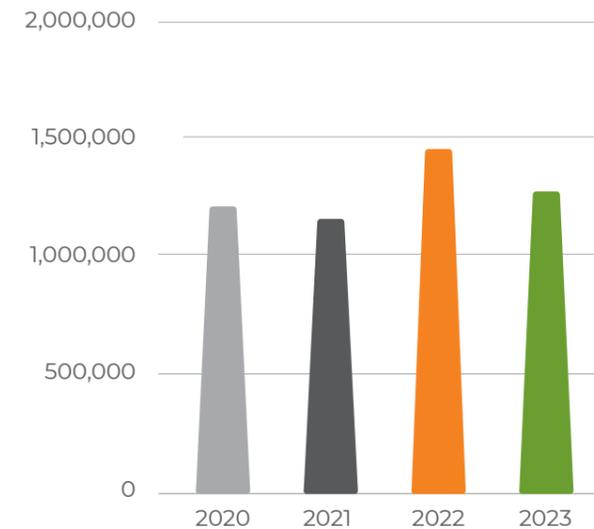
Key projects like green hydrogen, ethanol plants and solar energy are regularly reviewed to ensure environmental and social benefits. To guide our energy management endeavors, we have a publicly available Environmental Policy.

Energy Consumption:

	FY20	FY21	FY22	FY23
Non-renewable energy consumption (MWh)	1,306,782	1,129,699	1,373,435	1,329,132
Renewable energy consumption (MWh)	7,146	7,068	2,014	3,803
Total energy consumption (MWh)	1,313,928	1,136,768	1,375,449	1,332,936
Energy intensity (MWh/ Revenue in INR Million)	2.2	2.2	1.5	1.4

As a result of internal methodology change in energy calculations, we have restated our energy consumption figures.

Energy Consumption (MWh)





5.4.3 Climate Change Strategy

The global economy is rapidly depleting natural resources and generating waste at an alarming rate. The escalating climate crisis is causing unprecedented disruptions worldwide, affecting companies, communities, and government alike. In this context, sustainability practices have gained paramount importance.

The aim is to regulate the use of critical resources and minimize or eliminate the impact on our natural systems.

To address environmental pollution in urban areas, HMEL has established a green belt covering 163 acres in Bathinda, Rampura, Bir Talab and Talwandi Sabo.

We have conducted a Climate Risk Assessment for our

refinery and Mundra port and are publishing our first Task Force on Climate-related Financial Disclosure (TCFD) report. This aims to assess our company's climate-related risks and opportunities, evaluates the effectiveness of current mitigation efforts and investments, and disclose our approach to climate-related financial risks, aligning with TCFD guidelines.

Risk	Rationale	Impact	Mitigation
Physical			
Cyclone and flooding	Coastal regions are most vulnerable to cyclonic storms, high winds and flash flooding. In June 2023, Cyclone Biparjoy made a landfall in Kutch district of Gujarat causing high rainfall and high wind speed. HMEL's crude oil port at Mundra lies in the Kutch district and is at risk.	<ul style="list-style-type: none"> Fuel and/ or power supply delays/ interruptions Damage to roads, bridges, and rail crossings Impact on employee health and well-being Damage to structural elements leading to operation shutdown Damage to Single Point Mooring system (SPM) and its associated infrastructure Sinking of storage tanks and flooding of the internal plant drainage systems, increasing the risk of a fire threat Interruptions and delays to the delivery and distribution system 	<ul style="list-style-type: none"> HMEL has Standard Operations Procedures and emergency plans in place Employees and workers are directed to stay inside the plant premise where food and other facilities are made available To mitigate the impact of power disruptions, HMEL top up crude oil tank at its Bathinda refinery while also looking at increasing its crude oil storage capacity at Bathinda Maintenance crafts take shelter near the port and are provided with adequate fuel, water and food HMEL ensures that storage tanks are not empty in order to avoid floating of tanks HMEL exploring the feasibility of using bio-medical agents for combating oil spills HMEL is exploring the feasibility of adding power backup for the pumping stations at the port

Risk	Rationale	Impact	Mitigation
Heat Stress	Heatwave might be a risk in the future as the number of days for heat stress may increase with rising temperature	<ul style="list-style-type: none"> Workers may experience heat rash, heat cramps, heat exhaustion, and potentially fatal heatstroke Higher out-migration among workers Higher cost of operations and maintenance Widening gender gap as heat exposure adds to the health and productivity risks faced by pregnant women. Increased turnaround time for transportation of materials impacting the downstream distribution network Higher water demand in the region leading to water scarcity 	<ul style="list-style-type: none"> Isotonic drinks are provided for all workforce on heat-affected days Night shifts for construction related activities Ensuring sufficient manpower during heat-affected days Loading and unloading of products can be planned during night-time HMEL is working on measures such as climate adapted clothing for its workers Development of an emergency plan in the event of heatwave
Water	The likelihood of water stress and water depletion are extremely high for HMEL facilities especially in its refinery at Bathinda	<ul style="list-style-type: none"> Non availability of water for a long period may result in plant shutdown Labour migration and higher attrition rate Greater competition for water leading to water conflict with local communities 	<ul style="list-style-type: none"> Several water efficiency and recycling measures have been undertaken to reduce consumption of freshwater HMEL has capacity to store water to meet its operational needs for 14-16 days. It is also exploring the feasibility of increasing water storage capacity HMEL is planning to install floating solar photovoltaic panels over water reservoirs to reduce evaporation losses. HMEL is exploring alternate sources of water.

Risk	Rationale	Impact	Mitigation
Transitional			
Market risk	Oil demand to peak in India in mid-2030s and decline after 2040. Crude oil price increases till 2040 and then expected to decline	<ul style="list-style-type: none"> Reduced sales Reduced revenues 	Diversification of product portfolio through investments in production of biofuels and green hydrogen
Policy risk	Carbon Tax Policies: Carbon taxes are projected to be in place in all regions, globally	<ul style="list-style-type: none"> Increase in operational costs 	<ul style="list-style-type: none"> Investment in low carbon technologies such as carbon capture utilization and storage Purchase of carbon offsets
Technology	<ul style="list-style-type: none"> Global hydrogen use is expected to expand from less than 90Mt in 2020 to more than 200Mt in 2030. In India, the Union Cabinet approved the National Green Hydrogen Mission in 2022 which has the objective of development of the green hydrogen production capacity of at least 5MMT (million metric tonnes) per annum with an associated renewable energy Low carbon energy generation: India has set a target of meeting 50% of energy requirements from renewables by 2030 Transition to biofuels: India's National Policy on Biofuels is aimed at reducing the import of petroleum products by fostering domestic biofuel production 	<ul style="list-style-type: none"> Increase in capital expenditure 	<ul style="list-style-type: none"> Product portfolio diversification to include renewables Commitment to the research on renewable technologies and green business Exploring opportunities to invest in Green Hydrogen projects

5.4.4 Water

HMEL acknowledges the significance of a systematic approach to water management, particularly in a water-scarce environment. As water is integral to our industry, we prioritize its mindful consumption and responsible disposal across our operations. Utilizing scientific tools such as WRI's Aqueduct

tool, WWF's Water Risk Filter, Encore and RepRisk, HMEL has conducted a comprehensive Water Risk Assessment for its refinery, the Mundra Port and pumping stations.

Given the scarcity of water in our region, we have implemented several initiatives to minimize water usage and enhance conservation practices through a 'reduce, reuse and recycle'

approach. We continually monitor and analyze our water-related actions, reporting our progress annually, with the vision to enhance efficiency year after year.

Our effluent discharge practices align with the Environmental Protection Rule, 1986, applicable to the Petroleum Oil Refinery sector.

Our water management strategy is based on these pillars

Efficient management of wastewater

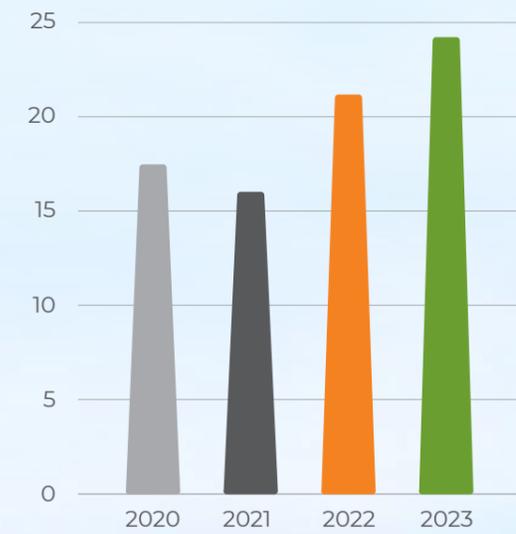
By recycling 100% of its wastewater through sewage treatment plants and effluent treatment plants, HMEL protects local water sources and the environment from pollutants and contamination.

Investing in water conservation projects

Installation of community-based wastewater treatment plant in Phulokhari village in Bhatinda, shows HMEL's commitment in investing in long-term water projects that aims to enhance water quality.

	FY20	FY21	FY22	FY23
Fresh surface water (MCM)	17.40	17.71	22.29	26.44
Evaporation (MCM)	0.19	1.41	0.93	1.55
Total net freshwater consumption (MCM)	17.21	16.29	21.36	24.89

Water Consumption (MCM)



5.4.5 Waste

HMEL is accomplished to advance in the transition towards circular economy, promoting a society built on resource recycling. Our waste management practices are both environmentally sound and compliant. We adhere to municipal regulations in Noida and follow the national guidelines and principles set forth by CPCB and SPCB.

Non-hazardous waste:

	FY20	FY21	FY22	FY23
Total non-hazardous waste recycled/ reused (MT)	0	0	0	0
Total non-hazardous waste disposed (MT)	2,498	4,845	7,149	9,318

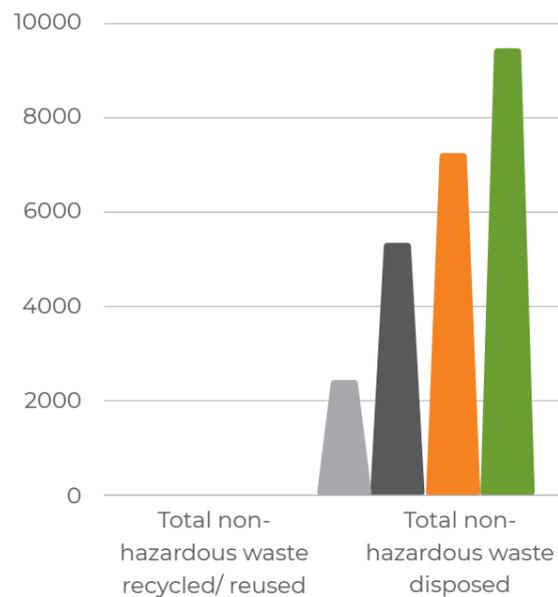
Plastic Waste Management

HMEL has signed a Memorandum of Understanding with KK Plastic Waste Management Company for using plastic waste in road construction. HMEL will be offering shredded plastic waste for road construction

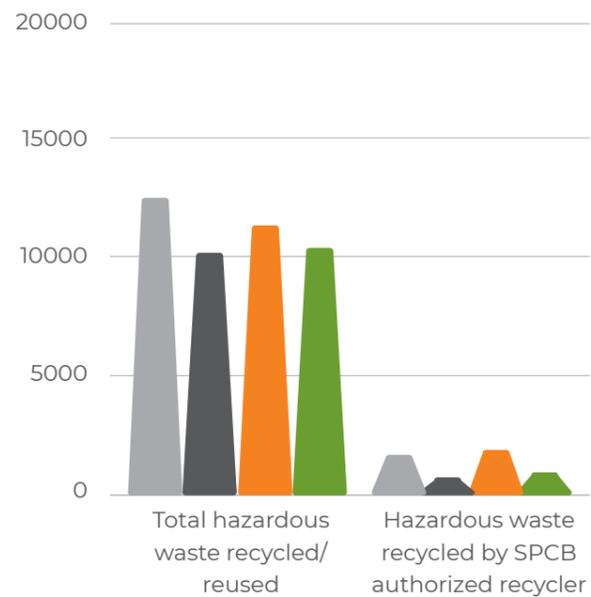
projects. This will provide an end-of-life disposal for plastic wastes that cannot otherwise be recycled. Usage of plastic waste in road construction may replace some quantity of fossil-fuel based bitumen and aid the emissions reduction goals of the infrastructure sector of the economy.

	FY20	FY21	FY22	FY23
Total hazardous waste recycled/ reused (MT)	18,906	12,242	12,966	10,168
Hazardous waste otherwise recycled (Recycled with SPCB approved recyclers) (MT)	1465	1008	1216	668
Hazard waste landfilled (MT)	4000	0	0	0

Non-hazardous waste (MT):



Hazardous waste (MT):



2020 2021 2022 2023

5.4.6 Biodiversity

HMEL recognizes the critical importance of biodiversity management in preserving and supporting ecosystems and safeguarding species survival. Our operational area span 1945 acres of land where the refinery produces crude oil. Over the years, Environmental Impact Assessments have been conducted in 1998, 2008 and most recently in 2017.

HMEL has had a positive impact on the natural environment surrounding the refinery as there has been a 13% increase in flora and remarkable 75% increase in fauna in the area since the refinery's establishment. This can be largely attributed to our planned industrial premises and an additional 163 acres outside the refinery. The 2017 Environmental Impact Assessment confirmed the absence of critically endangered, vulnerable or rare species listed in the IUNC Redlist in the study area.

Furthermore, HMEL has conducted biodiversity assessments to assess risks using tools such as WWF's Biodiversity Risk Filter, IBAT and RepRisk for our refinery, Mundra Port and pumping stations.

We acknowledge the potential negative impacts of our products like polypropylene (PP), High Density Polyethylene (HDPE) and Liner Low-Density Polyethylene (LLDPE) on local biodiversity. To mitigate this, we ensure the responsible recycling of these products by authorized recyclers, minimizing their exposure to the natural environment.

Our 2008 Environmental Impact Assessment revealed that no pipelines or proposed facilities intersect ecologically sensitive areas in the Coastal Regulator Zone (CRZ), expected for a 100-square-meter patch of mangroves habitat, HMEL initiated a phased mangrove plantation covering over 100 hectares in Kutch, with an INR 40.6 lakh investment, approved in 2015.

5.5 Human Capital

5.5.1 Employment Generation

Our ability to attract, develop and retain top talent is paramount to our ongoing success, much like any other leading organization. We regard our human capital as our most invaluable asset, serving as the primary engine of our company's achievements. Our workforce is the driving force binding our commitment to all stakeholders. To nurture their morale and sustain their motivation, we have implemented an employee engagement framework known as 'Employee First'. This framework is designed to foster trust, collaboration, and camaraderie among our teams through best practices, engagement and communication. The Employee First Framework is structured around four pillars: i) Appreciate, ii) Connect, iii) Engage and iv) Celebrate.

Workforce:

		FY20 (in %)	FY21 (in %)	FY22 (in %)	FY23 (in %)
Total permanent workers		1844	1902	1928	1956
Headcount by Age Group	Less than 30 years	33.6%	43.9%	38.7%	33.6%
	Between 30-50 years	58.5%	50.3%	55.2%	59.7%
	More than 50 years	7.9%	5.8%	6.1%	6.7%
Headcount by Management Level	Senior Management	2.0%	2.4%	2.2%	2.5%
	Middle Management	12.3%	11.7%	13.1%	12.0%
	Junior Management	40.1%	42.2%	41.2%	43.6%
	Others	45.7%	43.7%	43.5%	41.8%
Headcount by Nationality	Indian	99.8%	99.7%	99.8%	99.9%
	Foreign	0.2%	0.3%	0.2%	0.1%
Headcount by Race/Ethnicity	Asian	99.8%	99.7%	99.8%	99.7%

In FY2022-23, we welcomed approximately 229 new team members to HMEL including trainees.

5.5.2 Employee Wellbeing

Wellbeing of employees is essential to us for a sustainable growth here at HMEL. We are making every effort to initiate the development of a safe work environment for our employees. We have implemented various programmes to improve the mental and physical well-being of our employees, such as 'We Care' in which several leadership-employee connect sessions were organized for employees to directly communicate with the leadership. Female employees benefit from 26 weeks of fully paid leave, aligning with the Maternity Benefit Act. We understand the significance of this special phase in their lives and believe in providing comprehensive support and care to ensure their happiness and success in both their personal and professional journeys. At

HMEL, we take pride in offering a dedicated creche facility, strategically positioned in close proximity to our medical team. This well-appointed creche is thoughtfully designed, equipped with essential amenities and maintained to ensure the wellbeing and comfort of our female employees and their children.

In the wake of the post-COVID era, we grappled with the significant impact of increased attrition rates. In response, we initiated a strategic program known as the 'Long Service Retention Scheme' designed to incentive our employees to consider longer tenures with HMEL. Launched in March 2023, the schemes were made available to employees at the Managerial and below levels, and we are delighted to report that an impressive 97% of eligible employees opted to participate in the program.

Recognizing the importance of employee satisfaction

	FY20	FY21	FY22	FY23
Employee engagement survey (%)	88	89	90	93

Based on the results of an internal survey

and engagement, we have collaborated with an external agency to craft a customized survey. This survey, aptly named 'PRIDE' (People's Role in Designing Employee Experience), serves as a vital tool for measuring employee satisfaction. To ensure a comprehensive assessment, we conduct this survey once every four months. Alongside the various committees, the Sports Committee orchestrates an array of sporting events, open to both employees and their families within the Township. Notably, we recently organized a significant 52-day cricket tournament that drew active participation from 465 employees. Our Bathinda refinery extends healthcare services through our Onsite Health Centre (OHC) and Township Medical Centre (TMC). We regularly conduct sessions on healthy living practices and providing routine medical assessments.

5.5.3 Health and Safety

At HMEL, employee health and safety are important. We operate in a high-risk industry and maintain a vigilant Health and Safety Committee. We actively monitor safety records, investigate incidents, and engage in open dialogues with employees and stakeholders. Our core principle is to maintain an 'Injury and Incident Free' workplace. We encourage our workforce to participate through Reward and Recognition and

Suggestion schemes.

Last year, we conducted 235,000 hours of comprehensive safety training in FY2022-23 for our employees and workers. This included mock fire drills, process safety, near-miss reporting, personal safety and risk analysis. Our leadership team also received training. We extended the training to contractual employees within

our value chain, including supervisors, safety officers, helpers and drivers.

Our hazard identification processes align with ISO 45001 standards and include hazop studies, risk assessment and quantitative analysis. We employ a permit-to-work system integrated with job safety analysis. Rigorous competency criteria are defined for workforce recruitment, and training is a priority to instill safety awareness. We collaborate with third-party experts to enhance our standard operating procedures.



To ensure safety, we:



	FY20	FY21	FY22	FY23
Fatalities – Employees	0	0	0	0
Fatalities – Contractors	1	2	1	0
LTIFR – Employees (n/million hours worked)	0.00	0.21	0.00	0.00
LTIFR – Contractors (n/million hours worked)	0.21	0.29	0.22	0.23
TRIFR – Employees (n/million hours worked)	1.10	0.42	0.62	0.21
TRIFR – Contractors (n/million hours worked)	0.83	0.84	0.85	0.90
Process Safety Events Tier 1 (n/million hours worked)	0.00	0.03	0.00	0.08



We envision to create an 'Incident and Injury Free' workplace. There have been no non-compliance incidents related to our product safety. We have well-documented procedures for work permits, job safety analysis, and incident reporting, investigation, and corrective actions. We provide immediate medical assistance

through our Occupational Health Centre and cover 100% of employees and workers with a fatalities management system. Any injury cases reported, undergo a root cause analysis, and learnings are disseminated to raise awareness and promote preventive measures for worker and refinery safety.

5.5.4 Human Rights

HMEL is aligned and a signatory to the United Nations Global Compact (UNGC). We have a formalized governance framework in place, with the Human Leadership and Procurement Team addressing each of the human right issues and adapting mitigation strategies from the Human Rights issues which are reported through the Whistleblower Policy. We have a Human Rights Policy with the principles of sustainable development which include protecting human rights, respecting the dignity and well-being of employees, and ensuring equal rights to all people. In addition, a human rights risk management framework has been developed which will ensure that HMEL thoroughly evaluates and mitigates

potential human right risks and assesses the likelihood and seriousness of issues identified. An internal system has been set up for information gathering and accountability, and the information has been made accessible to all stakeholders through a dedicated outreach. With this, HMEL will continue pursuing measures to champion the cause of human rights in its value chain.

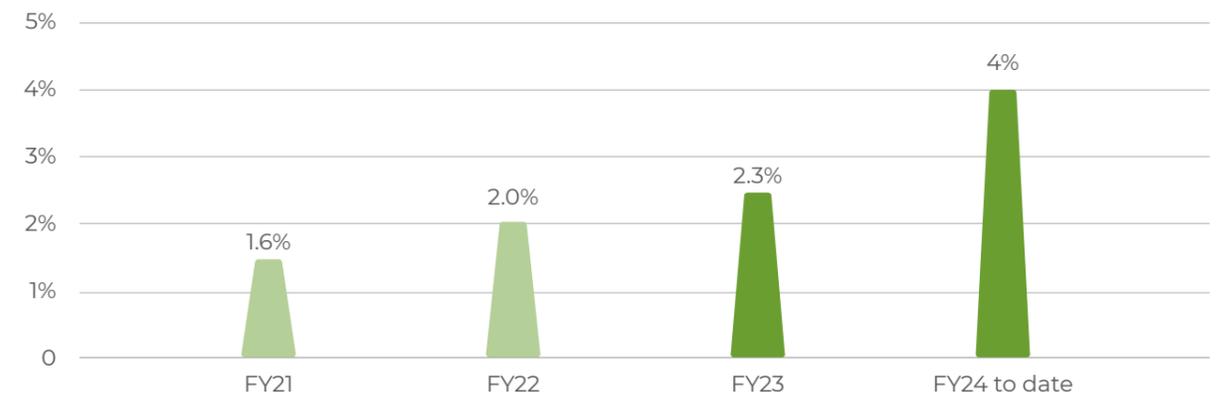
5.5.5 Diversity and Inclusion

At HMEL, our commitment to ensuring fair and equal opportunities for all our employees is of paramount importance to us. We maintain a zero-tolerance policy against any form of workplace discrimination, as clearly articulated in our Code of Conduct and Diversity, Equity and Inclusion Policy, which aligns with the NGRBC guidelines. We

actively seek to cultivate a diverse workforce, recognizing that diversity enhances innovative thinking, fosters collaboration, harmony, unity, and contributes to the overall growth of our employees and organization.

We exercise gender equal pay. HMEL ensures that employees in the same position, regardless of their gender or race, are paid equal remuneration. Gender

Gender Diversity Mix



Gender Diversity:

	FY20	FY21	FY22	FY23
Female workforce in the organization	1.6%	1.6%	2.0%	2.3%
Female workforce in departments				
Revenue generation	0.1%	0.2%	0.3%	0.4%
STEM functions	1.4%	1.3%	1.1%	1.7%
Female workforce by age group (Total Workforce)				
Less than 30 years	0.9%	0.9%	1.0%	1.2%
Between 30-50 years	0.7%	0.7%	1.0%	1.1%
More than 50 years	0%	0%	0%	0%
Female workforce by management level (Within level)				
Leadership level board members	12.5%	12.5%	12.5%	12.5%
Senior management	0%	0%	0%	0%
Middle management	1.8%	1.8%	1.6%	3.0%
Junior management	3.2%	3.1%	3.3%	4.2%

Pay parity is being maintained, a testament to our commitment to gender equity. Looking ahead, we remain dedicated to our mission of enhancing diversity throughout our organization.

5.5.6 Learning and Development

Our employees are the cornerstone of our company's strength and success. Their personal career growth aligned with our company's overall progress. We prioritize Learning and Development programs, covering a wide spectrum from soft skills like Leadership to Career-Orientated aspirations. These programs are delivered annually through in-person sessions, online platforms like Webex, Zoom, MS Teams and e-Learnings hosted on Percipio. We also collaborate with internationally renowned institutions for specializing training in relevant functions.

Leadership development programs

HMEL has a well-structured leadership development program for developing future leadership and also identifying and meeting current development needs. These training programs include customized training programs through reputed management institutes such as ISB, IIMs and others. Apart from these customized programs, senior leaders also underwent leadership assessments based on HMEL competencies and were provided with individual coaching, mentoring by industry and executive coaches.

HMEL initiated Customized Leadership Development Journey with ISB as one of the enablers to make HMEL future-ready by developing its pool of identified successors. HMEL organized 13 Customized Leadership Development

Programs (for addressing 9 competencies) in FY22-23 covering 397 participants in 15 batches.

HMEL also partnered with Indian Institute of Management Ahmedabad (IIMA) for customized development programmes with the objective to develop 'leadership and decision making' at the highest levels. Under this initiative 26 Senior leaders attended trainings in 2 batches. This training was conducted in 2 on-campus modules of 5 days each.

In FY23, we recorded 121,108 training hours across HMEL, reflecting a 15% increase (104,976 hours in FY22) year-on-year.

Training is a pivotal element in human capital development. Effective training programs yield various benefits, including improved job performance, enhance productivity, boosted employee morale and

Training Statistics:

	FY20	FY21	FY22	FY23
Average hours spent on FTE on training and development	69.3	32.6	54.8	61.8
Average hours spent on training and development by gender				
Male	69.10	32.70	55.10	61.31
Female	85.20	27.80	37.40	83.53
Average hours spent on training and development by training type				
Behavioral and Leadership / Management	26.15	14.62	17.21	21.35
Functional and technical	43.19	18.02	37.56	40.47

Human Capital Return on Investment (INR million):

	FY20	FY21	FY22	FY23
Total Revenue	580,053	517,305	895,512	961,506
Total operating expenses	391,070	229,678	520,977	669,334
Total employee related expenses (salaries and benefits)	3,070	2,970	3,401	3,892
Resulting HC RoI	61.6	96.8	110.1	75.1

engagement, reduced turnover and overall company success. At HMEL, we invested 121,108 hours in technical, behavioral, leadership and safety training. We ensure 100% of eligible employees participate in the Performance Management cycle, which encompasses goal setting, quarterly and annual evaluations and development plan sessions.

5.6 Social and Relationship Capital

5.6.1 Code of Conduct

HMEL upholds responsible management practices in strict accordance with regional regulations. Ethical conduct is fundamental to our business operations. We adhere to the Company's Code of Conduct, all relevant regulations, corporate governance standards, and global best practices. Numerous guidelines and frameworks

underscore our commitment to shared values and principles, with a zero-tolerance stance towards any breaches of laws, codes or internal policies. Our leadership is driven to exceed in compliance, with senior leaders serving as pillars for its implementation throughout the organization.

At HMEL, we educate and raise awareness about our Code of Conduct and policies with our employees, workers, supply chain partners and third parties during onboarding. We maintain ongoing communication through regular email reminders, ensuring everyone is well-informed about our workplace standards. Every year, all employees formally acknowledge their adherence to the Code of Conduct.

HMEL's diverse policies and programs are designed to uphold compliance and ethics, fostering a balanced environment for our workforce

and stakeholders. We align our initiatives with the Sustainable Development Goals (SDGs) to contribute to border sustainable development across sectors and with various stakeholders. By doing so, we lay the foundation for a more sustainable future in our core activities, benefiting employees and stakeholders alike. The Code of Conduct forms the cornerstone of our policies, encompassing employees, workers, vendors, third-party contractors, and all stakeholders.

Our robust Prevention of Sexual Harassment (POSH) Policy is a vital tool in safeguarding our personnel from harassment and discrimination. This policy empowers employees to report workplace harassment, and it aligns with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act of 2013. Led by our Internal Complaints Committee (ICC), the POSH Policy ensures compliance



At HMEL, transparency among the teams is crucial to our mission and vision, and we believe in open, two-way communication between employees and their managers.



with relevant regulations in our operational areas.

5.6.2 Transparency

Transparency is the bedrock of our success at HMEL, fostering trust among our stakeholders. We embrace transparency across various facets of our operations and business. This multifaceted approach enables us to keep communication channels open, remain attuned to issues and their impacts, and facilitate resource allocation through effective decision-making.

• Transparency with Customers and Stakeholders: At HMEL, we prioritize honesty and timeliness in responding to customer inquiries and feedback, while also enhancing the accessibility of information about our products and services. Our grievance redressal procedure ensures the prompt detection and resolution of any issues, thereby upholding customer satisfaction.

• Transparency with Supply Chain: We value transparency with our vendors/ suppliers in order to have a beneficial and persistent relationship

• Transparency with Employees: At HMEL, transparency among the teams is crucial to our mission and vision, and we believe in open, two-way communication between employees and their managers. Our Human Resource department plays an essential role in ensuring that the systems and procedures in place to maintain a clear line of communication, record performance and growth within the organization are in place.

As a part of its commitment, the Company has not made any political contributions during FY2022-23.

5.6.3 Anti-Competitive Practices

At HMEL, we maintain a steadfast commitment to combating corruption and bribery, strictly adhering



We uphold a Whistleblower Mechanism that allows all stakeholders, including suppliers and customers, to report instances of corruption.

to regulations. Our Anti-Corruption and Bribery is designed to minimize the risk of misconduct, at all levels of our organization. We conduct a thorough assessment for all our locations to identify and manage corruption threats as part of our operational and organizational risk management processes.

We uphold a Whistleblower Mechanism that allows all stakeholders, including suppliers and customers, to report instances of corruption. To bolster our efforts at minimizing the risk of corruption and bribery, we provide training and equip our employees with the necessary tools to identify and mitigate risks while upholding ethical conduct. This year, there have been no cases reported

for anti-competitive practices, corruption, bribery.

5.6.4 Supply Chain Management

The oil and gas industry plays a pivotal role in the global economy, exerting a profound influence on the development of various sectors. Given the constant demand for energy across industries and by individuals, effective Supply Chain Management emerges as an anchor in ensuring system efficiency and mitigating economic, social and economic challenges. Failure to uphold high standards in Supply Chain Management could erode trust among stakeholders, impairing our overall operations.

Therefore, to safeguard our reputation and align with our long-term ambitions and business objectives, we adhere to best practices in procurement and contractor strategies. We have cultivated strong, enduring partnerships with major national oil companies in the Middle East as well as diversifying our supply chain with contracts in Latin America, West Africa and the Mediterranean region to procure heavy crude oil grade. Our integrated value chain commences with crude oil procurement from Middle Eastern countries, following by refining at the Refinery and ultimately delivering finished products through HPCL's extensive pipeline network. Our strategic location in the Northern region of India, coupled with HPCL's pipeline connectivity, optimizes product delivery.

Our commitment to sustainability extends throughout our operations,



particularly in our supply chain. We follow a comprehensive approach to sustainable sourcing with 16% of the procurement value coming from MSME's (excluding crude oil, utilities, and statutory payments and 18% coming from local suppliers FY22-23. We have established a Supplier Assessment Framework and are collecting ESG-related data from existing vendors as needed, on an ongoing basis. We intend to conduct supplier audits, either internally or through an external agency, to perform on-site assessments.



HMEL strongly believes in giving back to its community. Our community-focused projects focuses on creating shared value and promote inclusive development which will impact societal change.

5.6.5 Vigil Mechanism

With the rapid growth of our company in terms of volume, value and geographical reach, the landscape of risks and potential repercussions has expanded significantly. We have always believed in the principles of honesty, ethical conduct among all individuals, directly or indirectly associated with our organization.

A Whistleblower Policy is in place along with its operational procedures, which are readily accessible on our company's website. To reinforce the robustness of our investigative process for Whistleblower Complaints, we engage specialized external forensic firms for selected cases. The Head of Assurance services as the Ombudsperson for Whistleblower complaints. Our policy ensures the confidentiality of all complaints, which are further assessed and investigated by the Ethics Committee, comprising of senior management personnel. Our Risk Assurance department acts as the internal auditors of the

company, delivering periodic reports to the Audit Committee summarizing all complaints, investigation outcomes and corresponding actions.

To promote awareness of the Whistleblower Policy, we conduct regular awareness programs. Additionally, we display permanent posters outlining the policy and encouraging compliance at all our office locations.

Corporate Social Responsibility

HMEL strongly believes in giving back to its community. Our community-focused projects focuses on creating shared value and promote inclusive development which will impact societal change. Board-level CSR Committee oversees our community initiatives. We also partner with HPCL-Mittal Foundation ('HMF') to work toward fulfilling our social commitments. HMEL has a CSR policy which outlines the vision, values, and core areas as per Schedule VII of the Companies Act and guides the company in implementing its CSR initiatives.

Our Corporate Citizenship Strategy is built on 5 core pillars of Social Responsibility which are as follows

Education Development [SDG 4, SDG 9]: HMEL firmly believes that an educated vicinity is essential to support the growth of business operations. Our objective is to ensure that quality education is easily accessible to the children of the society at large. HMEL has also undertaken various developmental activities in government schools of



A healthy individual ensures a happy community and social harmony. HMEL have set up medical camps which benefitted 8000 people including physically challenged people.

Groups to impart leadership skills and ensuring women participation in community decision making. Under this initiative, around 125 SHGs have been formed consisting of 1,350 women in FY 2022-23. In addition, HMEL has also undertaken Dairy Development activities which benefitted around 18,190 farmers of 46 villages.

Community health care and hygiene [SDG 3]: Community health and hygiene is necessary

as it impacts an individual's ability to work. A healthy individual ensures a happy community and social harmony. HMEL have set up medical camps which benefitted 8000 people including physically challenged people. We were able to cover around 2353 girls and youth through conducting awareness sessions on Menstrual Health Management and through fitness promotion activities.

vicinity villages with few schools having more than one intervention. These activities include- Scholarship distribution, Uniform and Stationeries distribution, school furniture support, co-curricular activities, Bicycles distribution and school infrastructure development. This has benefitted 17,950 students of 90 Govt. schools (from 46 vicinity villages).

Livelihood and Sustainable Development [SDG 5, SDG 8, SDG 10]: HMEL has been working in the direction of creating a congenial environment in its vicinity through economic empowerment of the community. To champion this cause, the company has undertaken several projects with the aim of empowering women from surrounding villages. The includes establishing Self Help



Skill Development [SDG 4]:
HMEL is actively involved in implementing skill development projects with a focus on improving the employability and behavioral skills on individuals. The company has undertaken skill development trainings in partnership with National Skill

Development Council. Through these trainings, we have been successful in imparting 13 Specialized skill development trainings to 600 beneficiaries.

Community infrastructure and environment [SDG 9]:
Infrastructural development

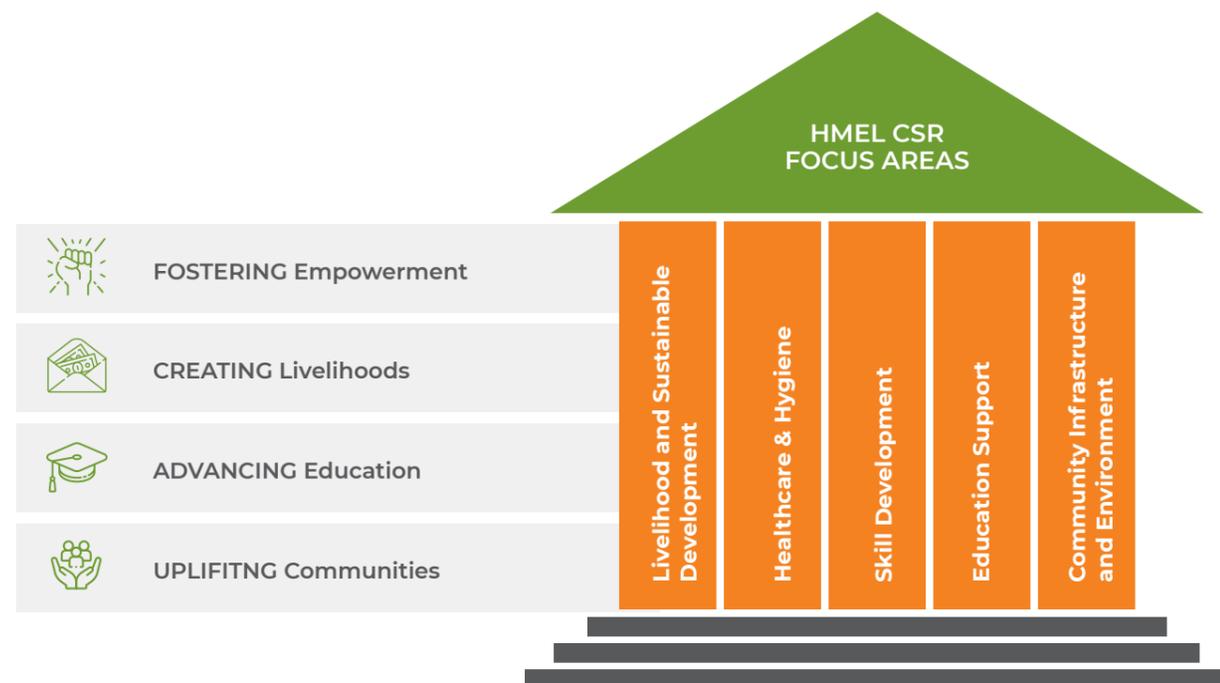
helps build a holistic society. In this regard, HMEL has been instrumental in providing support to various institutions. We were able to cover around 6301 population through various rural development projects and by providing community institution support.

A. Philanthropic Contributions by Category

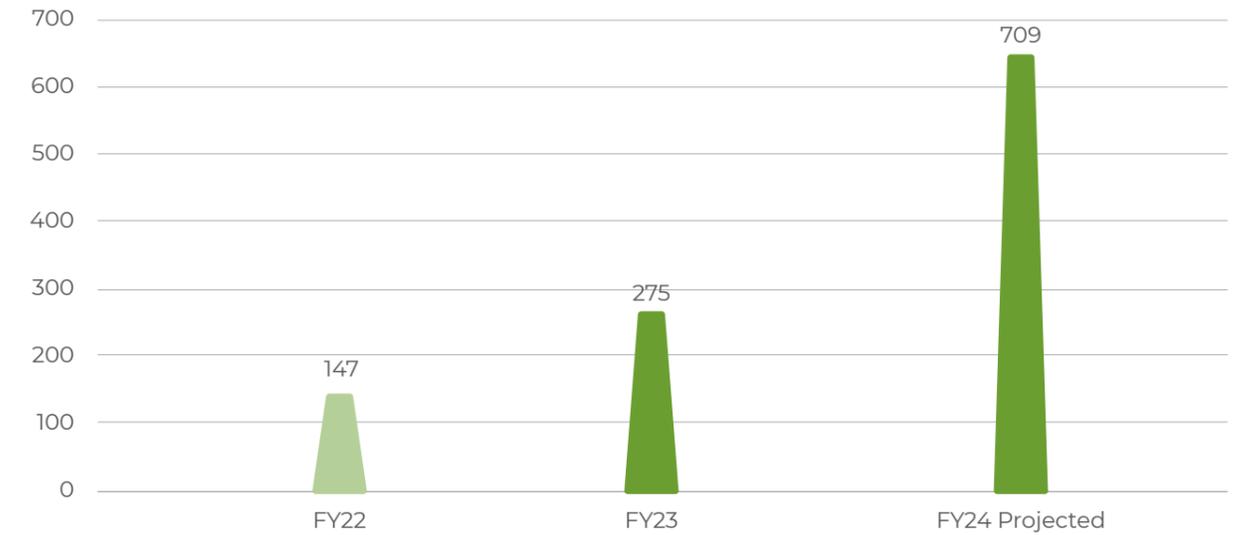
	Unit	FY22	FY23
Charitable Donations	%	19.41	10.96
Community Donations	%	80.59	89.04
Commercial Initiatives	%	0	0
Total	%	100	100

B. Philanthropic Contributions by Type

	Currency	FY22	FY23
Cash contributions and benefits	INR Million	147	275
Employee volunteering hours	INR Million	0	0
In-kind contributions	INR Million	0	0
Management overheads	INR Million	0	0



CSR Spent (INR Million)





AWARDS AND RECOGNITION

We continue to receive accolades and awards from various prestigious bodies, for its exemplary work and commitment towards excellence in various aspects of its business. During the year, we were recipients of the following prestigious awards:

Organisational Excellence Award 2023 by PMA India (the Indian Member of International Project Management Association)

The award was received by HMEL for its exemplary Project Management skills exhibited by the organization in setting up its various assets including the recently commissioned Guru Gobind Singh Polymer Addition Project

Power Plant Award 2023 by Mission Energy Foundation for Captive Power Plant

HMEL's Captive Power Plant (CPP) has been awarded by the Power Plant Performance Award 2023 (CPP-COAL) by Mission Energy Foundation for outstanding performance in operating CFBC, Optimizing steam through hot belt and handling ash effectively.

Best Warehousing Leader of the Year

– Mr. M.B.Gohil
HMEL's Automatic Storage and Retrieval System (ASRS) Bathinda wins individual award for Mr. M. B. Gohil, VP-Petrochemicals as the 'Best Warehousing Leader of the Year'.



Excellence in Warehouse Digitalization and Automation Award

HMEL's Automatic Storage and Retrieval System (ASRS) Bathinda wins the 'Excellence in Warehouse Digitalization and Automation Award' by UBS Forum.

Best Warehouse Safety Practices for HMEL MMC Warehouses

HMEL Material Warehouse, Bathinda won the 'Best Warehouse Safety Practices' Award by UBS Forum. HMEL MMC Warehouse also attained 'Platinum' rating under CII Warehouse Benchmarking and Certification Programme 2023.





GRI INDEX

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REPORTING SECTION/ EXPLANATION
General disclosures		
GRI 2: General Disclosures 2021		
The Organization and its reporting policies	2-1 Organizational details	H MEL Overview
	2-2 Entities included in the organization's sustainability reporting	Approach to Report
	2-3 Reporting period, frequency, and contact point	Approach to Report
	2-4 Restatements of information	Natural Capital
	2-5 External assurance	Approach to Report
Activities and workers	2-6 Activities, value chain and other business relationships	H MEL Overview
	2-7 Employees	Human Capital
	2-8 Workers who are not employees	H MEL Overview
Governance	2-9 Governance structure and composition	Governance Structure
	2-10 Nomination and selection of the highest governance body	Governance Structure
	2-11 Chair of the highest governance body	Governance Structure
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure
	2-13 Delegation of responsibility for managing impacts	Governance Structure
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure
	2-15 Conflicts of interest	Governance Structure
	2-16 Communication of critical concerns	Governance Structure
	2-17 Collective knowledge of the highest governance body	Corporate Governance Report
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report

Strategy, policies and practices	2-19 Remuneration policies	Governance Structure
	2-20 Process to determine remuneration	Governance Structure
	2-22 Statement on sustainable development strategy	Governance Structure
	2-23 Policy commitments	Governance Structure
	2-24 Embedding policy commitments	Governance Structure
	2-25 Processes to remediate negative impacts	Social and Relationship capital
	2-26 Mechanisms for seeking advice and raising concerns	Social and Relationship Capital
	2-27 Compliance with laws and regulations	Governance Structure
Stakeholder Engagement	2-28 Membership associations	Governance Structure
	2-29 Approach to stakeholder engagement	HMEL Overview
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	HMEL Overview
	3-2 List of material topics	HMEL Overview
Topic Standard - Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Finance Capital
	201-2 Financial implications and other risks and opportunities due to climate change	Natural Capital
	201-3 Defined benefit plan obligations and other retirement plans	Can be linked to the Relevant note of Financial Statements
	201-4 Financial assistance received from government	Not applicable
Indirect economic impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview

GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Manufactured Capital
	203-2 Significant indirect economic impacts	Social and Relationship Capital
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Social and Relationship Capital
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Social and Relationship Capital
	205-2 Communication and training about anti-corruption policies and procedures	Social and Relationship Capital
	205-3 Confirmed incidents of corruption and actions taken	Social and Relationship Capital
Anti-competitive behavior		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Social and Relationship Capital
Tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 207: Tax 2019	207-1 Approach to tax	Financial Capital
	207-2 Tax governance, control, and risk management	Financial Capital
	207-4 Country-by-country reporting	Financial Capital
Topic Standard - Environment		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Manufactured Capital

Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Natural Capital
	302-3 Energy intensity	Natural Capital
	302-4 Reduction of energy consumption	Natural Capital
	302-5 Reductions in energy requirements of products and services	Natural Capital
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Natural Capital
	303-2 Management of water discharge-related impacts	Natural Capital
	303-3 Water withdrawal	Natural Capital
	303-4 Water discharge	Natural Capital
	303-5 Water consumption	Natural Capital
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
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	Natural Capital
	304-2 Significant impacts of activities, products and services on biodiversity	Natural Capital
	304-3 Habitats protected or restored	Natural Capital
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Natural Capital

Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Natural Capital
	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital
	305-3 Other indirect (Scope 3) GHG emissions	Natural Capital
	305-4 GHG emissions intensity	Natural Capital
	305-5 Reduction of GHG emissions	Natural Capital
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Natural Capital
	306-2 Management of significant waste-related impacts	Natural Capital
	306-3 Waste generated	Natural Capital
	306-4 Waste diverted from disposal	Natural Capital
	306-5 Waste directed to disposal	Natural Capital
Supplier environmental assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	Social and Relationship Capital
Topic Standard – Social		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital
	401-3 Parental leave	Human Capital
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital
	403-3 Occupational health services	Human Capital
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital
	403-5 Worker training on occupational health and safety	Human Capital
	403-6 Promotion of worker health	Human Capital
	403-8 Workers covered by an occupational health and safety management system	Human Capital
	403-9 Work-related injuries	Human Capital
	Training and education	
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital

Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital
	405-2 Ratio of basic salary and remuneration of women to men	Human Capital
Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No such instance has been noted during the year
Child labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No Such instance has been noted during the year
Forced or compulsory labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such instance has been noted during the year
Security practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	All the security personnel working in the company premises have been trained in human rights policies and procedures.
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital
Supplier social assessment		

GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Social and Relationship Capital
Public policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 415: Public Policy 2016	415-1 Political contributions	Social and Relationship Capital
Customer health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	HMEL Overview
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	No instances were reported in the reporting year
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Human Capital

SASB INDEX

SASB Index Topic	SASB Disclosures	Description	Reporting Section
Greenhouse Gas Emissions	EM-RM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Natural Capital
	EM-RM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	HMEL Overview
Air Emissions	EM-RM-120a.1	Air emissions of the following pollutants: (1) Nox (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) H2S, and (5) volatile organic compounds (VOCs)	Natural Capital
Hazardous Materials Management	EM-RM-150a.1	Amount of hazardous waste generated; percentage recycled	Natural Capital
Workforce Health & Safety	EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	Human Capital
Management of the Legal & Regulatory Environment	EM-RM-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Governance Structure

List of Acronyms

Abbreviation	Full Form
HMEL	HPCL - Mittal Energy Limited
ASSOCHAM	Associated Chambers of Commerce & Industry of India
ATF	Aviation Turbine Fuel
BRSR	Business Responsibility & Sustainability Reporting
BS	Bharat Stage
CDU	Crude Distillation Unit
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CII	Confederation of Indian Industry
CIN	Corporate Identity Number
COO	Chief Operating Officer
COPL	Cross Country Crude Oil Pipeline
COT	Crude Oil Terminal
CPCB	Central Pollution control Board
CSDC	Customer Service and Development Centre
CSR	Corporate Social Responsibility
DCU	Delayed Coker Unit
DFCU	Dual Feed Cracker Unit
DG	Diesel Generator
DLP	Data Leakage/Loss Prevention
DSO	Disulfide Oil
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ERMC	Enterprise Risk Management Committee
ESG	Environmental, Social & Governance
ESI	Employee State Insurance
ETP	Effluent Treatment Plant
FCC	Fluid Catalytic Cracking
FCFF	Free Cash Flow to Firm
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce & Industry
FY	Financial Year
GGSPAP	Guru Gobind Singh Refinery Polymer Addition Project
GGSR	Guru Gobind Singh Refinery
GHG	Greenhouse Gasses
GRI	Global Reporting Initiative
HR	Human Resources
HRD	Human Resource Department
HSD	High Speed Diesel

Abbreviation	Full Form
IAS	Indian Administrative Services
ICAI	Institute of Chartered Accountants of India
IIF	Incident and Injury Free
IIMA	Indian Institute of Management, Ahmedabad
IIRC	International Integrated Reporting Council
INR	Indian Rupees
IPS	Intermediate Piggling Station
IR	Integrated Report
ISO	International Organisation for Standardisation
IT	Information Technology
JV	Joint Venture
KPI	Key Performance Indicators
KT	Kilo Ton
KV	Kilo Volt
LOPC	Loss of Primary Containments
LPG	Liquefied Petroleum Gas
LTIFR	Lost Time Injury frequency rate
MBA	Master's of Business Administration
MBN	Million British Thermal Unit per Thousand Barrel per Energy Factor
MCM	Million Cubic Meter
MD	Managing Director
MEI	Mittal Energy Investments
ML	Machine Learning
MMT	Million Metric Ton
MMTPA	Million Metric Ton Per Annum
MS	Motor Spirit
MT	Metric Ton
MTCO2	Metric Ton Carbon Dioxide Equivalent
MTO	Mineral Turpentine Oil
MW	Mega Watt
NGRBC	National Guidelines for Responsible Business Conduct
NO	Nitrogen Oxide
O2	Oxygen
OWS	Oily-water Sewer
PAT	Profit After Tax
PF	Provident Fund
PGRKAM	Punjab Ghar Ghar Rozgar and Karobar Mission
PHA	Process Hazard Analysis
PSA	Pressure Swing Adsorption

Abbreviation	Full Form
RDI	Research, Development and Innovation
RO	Reverse Osmosis
ROCE	Return on Capital Employed (=EBIT/Average Capital Employed. Capital employed includes Equity, Borrowings, Other Long Term Liabilities, Other Non-current Liabilities and reduced by Cash and Cash Equivalents, Capital Work-in-Progress-year end adjusted and Revaluation)
RTO	Real Time Optimisation
SASB	Sustainability Accounting Standards Board
SBU	Sub-Business Unit
SCM	Supply Chain Management
SDG	Sustainability Development Goals
SHG	Self-Help Groups
SKO	Superior Kerosene Oil
SLF	Secured Landfill Facility
SOx	Sulphur Oxides
SPCB	State Pollution Control Board
SRU	Sulfur Recovery Unit
TRIFR	Total Recordable Incident Frequency Rate
UK	United Kingdom
UN	United Nations
UNICEF	United Nations Children's Fund
UNSDG	United Nations Sustainability Development Goals
USA	United States of America
VDU	Vacuum Distillation Unit
VLCC	Very Large Crude Carrier
VPN	Virtual Private Network



HPCL - Mittal Energy Limited
CIN: U23201PB2000PLC024126

Registered Office:

Village Phulokhari, Taluka Talwandi Saboo, Bathinda, Punjab - 151301

Corporate Office:

INOX Towers, Plot No. 17, Sector - 16-A, Noida - 201301 (U.P.)

Tel + 91 120 4634500, Fax: + 91 120 4271940

Website: www.hmel.in