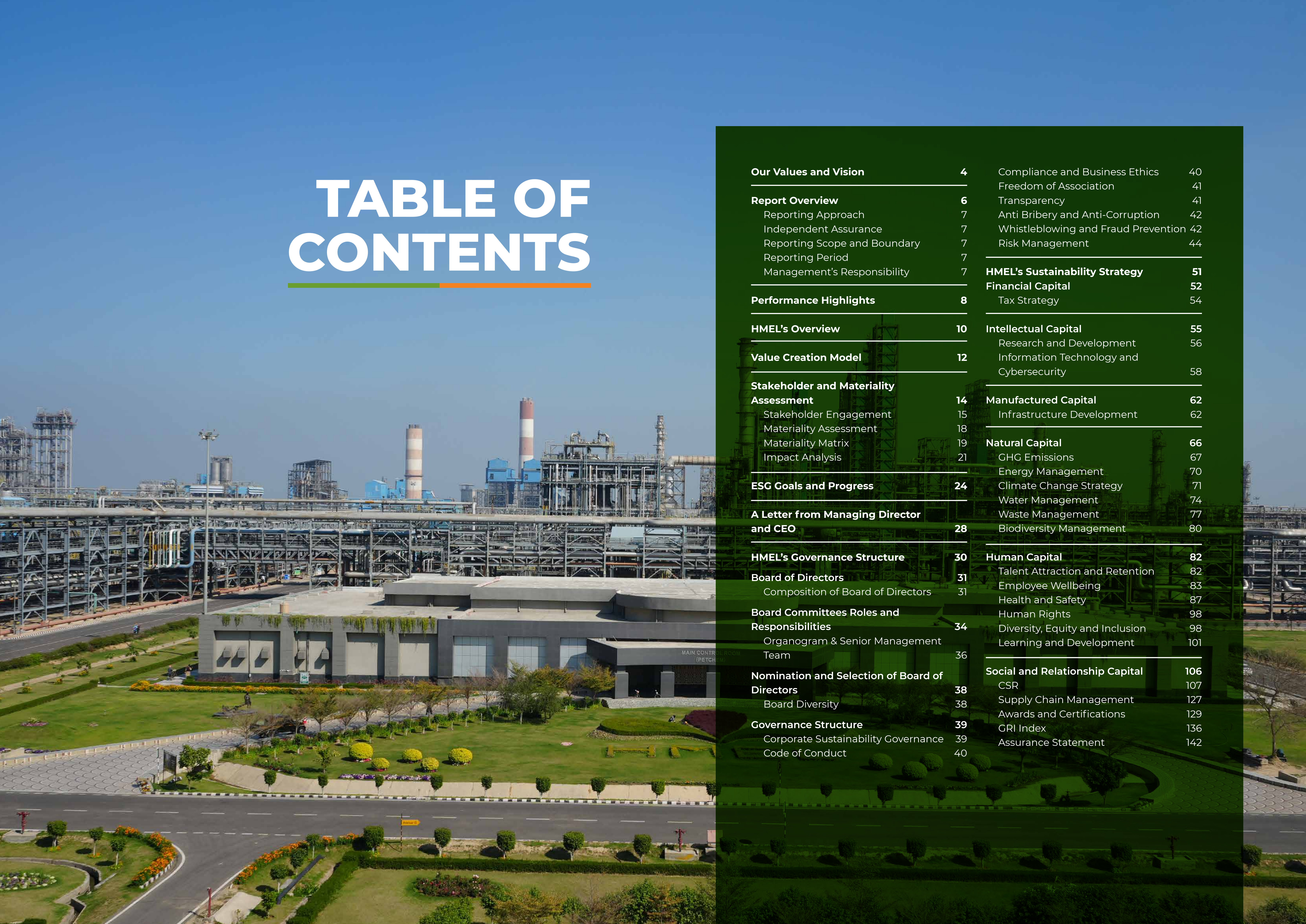
HMEL

HPCL-Mittal Energy Limited (HMEL)

Sustainability Report 2024-25



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OUR VALUES AND VISION

Business Integrity

At HPCL-Mittal Energy Limited (HMEL), our business decisions are guided by a steadfast set of core principles that remain constant, irrespective of the circumstances. These principles are deeply embedded in our organizational culture and are exemplified by every employee. Our Code of Conduct and Ethics forms the cornerstone of our business integrity, and it upholds the values that have allowed us to build lasting trust with our stakeholders.

Accelerating Sustainable Growth

We are dedicated to the prudent and strategic use of resources to drive economic progress and foster sustainable growth within our organization. Our Sustainability Policy plays a crucial role in aligning our activities with the objectives of achieving comprehensive development. This policy not only focuses on the sustainable advancement of HMEL but also extends to the welfare and progress of all our stakeholders. It promotes a harmonious balance between organizational growth and sustainability, ensuring a responsible approach to business development.

Caring for people

The support of our stakeholders and employees is essential for HMEL to achieve our sustainability goals. A key component of our vision is our unwavering commitment to creating a safe working environment and enhancing health and safety protocols. We are dedicated to cultivating a diverse and inclusive workplace, both for our employees and stakeholders, as well as in our community development initiatives. This sustainability approach ensures that every aspect of our organization is aligned with contemporary, inclusive, and sustainable practices.

REPORT OVERVIEW

Reporting Approach

HPCL Mittal Energy Limited (HMEL) is pleased to present its fourth Sustainability Report for the fiscal year 2024-2025, offering a detailed account of our financial and non-financial performance. Throughout this document, HPCL Mittal Energy Limited will be referred to as “HMEL,” “the Company,” “we,” “our,” and “us.” This report underscores our commitment to creating value for our stakeholders through a sustainable business model that prioritizes Environmental, Social, and Governance (ESG) considerations. Aligned with the International Integrated Reporting Framework by the International Integrated Reporting Council (IIRC), our report is continuously enhanced with additional disclosures to provide stakeholders with relevant information about our value creation process, enabling informed decision-making. Our Integrated Report delivers both quantitative and qualitative insights into key material topics and our stakeholder interactions.

Independent Assurance

M/s TUV SUD conducted limited assurance review of specific non-financial indicators, following the ISAE 3000 and ISO 17029 standards. This review verifies that our report is in accordance with the 2021 Global Reporting Initiative Sustainability Reporting Standards. The assurance process involved interviews with staff responsible for stakeholder engagement and materiality analysis, evaluation of the systems and processes for compiling and analyzing sustainability data, assessment of data collection and management procedures, and a review of the sustainability information reported by HMEL. For further information, please refer to the assurance statement on pages 142-144.

Reporting Scope and Boundary

This report outlines our business strategy, approach, and purpose, with a strong focus on ESG initiatives, outcomes, and strategic plans. It includes both financial and non-financial indicators, enabling stakeholders to evaluate our performance across six capitals: Financial, Manufactured, Intellectual, Human, Natural, and Social and Relationship, over the short, medium, and long term. This report encompasses the entire operational spectrum of HPCL-Mittal Energy Limited (HMEL), including HPCL-Mittal Pipelines Limited (HMPL), the Guru Gobind Singh Refinery (GGSR) in Bathinda, Punjab, Mundra Port in Gujarat, HMEL Organics Private Limited (HOPL), and HMEL Green Energy Private Limited (HGEPL). Additionally, it includes our various offices across India. This year’s sustainability disclosure comprehensively covers 100% of our revenue streams.

The report is prepared in accordance with the Integrated Reporting (<IR>) Framework and reflects HMEL’s performance based on the 2021 Global Reporting Initiative (GRI) Universal Standards and the Sustainability Accounting Standards Board (SASB) standards for Oil and Gas Refining and Marketing. These standards showcase HMEL’s ESG practices and compliance with social and regulatory guidelines, providing stakeholders with a comprehensive view of the organization. Additionally, HMEL aligns with the United Nations Sustainable Development Goals (UNSDGs) and the International Sustainability Standards Board (ISSB S2).

Furthermore, HMEL adheres to the National Guidelines on Responsible Business Conduct (NGRBC), which support the Business Responsibility and Sustainability Reporting (BRSR) as mandated by SEBI. This alignment ensures a seamless transition to national reporting standards when BRSR becomes applicable to non-listed entities. There have been no restatements of information for FY2024-25, including financial figures, except for any reclassifications required by established accounting standards.

Reporting Period

The report presents HMEL financial and non-financial performance for the period from April 1, 2024, to March 31, 2025. It highlights key achievements, strategic goals, and the company’s dedication to promoting sustainable growth. To provide a comprehensive overview and demonstrate progress on ESG key performance indicators, the report includes data spanning four years.

Management’s Responsibility

The management and senior executives of HMEL have thoroughly reviewed the report to enhance governance oversight, risk management, and controls. For any inquiries related to corporate governance, please contact the Company Secretary, Sidhartha Tyagi, via email at sidhartha.tyagi@hmel.in. For inquiries related to ESG matters, please reach out to Himanshu Gupta via email ID himanshu.gupta@hmel.in

PERFORMANCE HIGHLIGHTS

Our performance for FY2024-25, presented in the Financial and Operations section pertains to HMEL, including its subsidiaries. However, the non-financial disclosure (Environment and Social) is limited to HMEL's operations. Below are some key highlights:

Implementation of a **13.8 MW** rooftop solar power project is underway, with ~9MW commissioned, expected to mitigate ~ 128 KT CO2/year.

HMEL planted **4,645 trees** in our operational area and also distributed **11,000 saplings** for plantation in nearby villages in Bathinda.

Continuation of following of **climate risk assessment framework** and governance structure.

HMEL achieved a world-first by transporting Naphtha through a crude oil pipeline, cutting over **76,000 tons** of CO_2 in FY 2024–25. Thus avoiding 400,000 tons of emissions from new pipeline construction.

In the first year of production, we have achieved the benchmark of **2 million MT** through operations of the Bathinda Complex.

With **72% increase** in CSR expenditure, HMEL impacted **1,48,970 people** directly through its CSR Projects.

Achieved **3%** increase in Employee Satisfaction Score in FY24-25 with high participation rate of **96%**. Employee attrition rate reduced from 7.7% to **7.3%**.

HMEL R&DI team has developed a breakthrough **advanced oxidation process** as an alternative to the conventional Wet Air Oxidation process which is used to treat spent caustic in refineries and petrochemical plant.

HMEL has earned the **ISCC+ Certificate** for Circular Polymers, becoming the second raw material manufacturer in India to achieve this global recognition

Executed **49 energy and fuel efficiency projects** to increase our productivity and align our activities to foster a sustainable and cleaner environment.

Increased the share of female workforce by **15.56%** in comparison to the previous year

Achieved **6% reduction** in withdrawal of freshwater use per unit of crude processed.

Collaborated with Indian School of Business for **M-Power Mid Management Development Programme**, equiping mid-level leaders with the skills to navigate complexity, drive innovation and lead with confidence

Recognised with two prestigious awards at the **6th Water Optimisation Awards 2025** in the category of "Zero Liquid Discharge" and "Digital Initiative of the Year" at the Mission Energy Foundation's ceremony in Goa.

HMEL'S OVERVIEW

HMEL stands as a prominent entity in India's refining and petrochemical landscape, formed as a joint venture between Hindustan Petroleum Corporation Limited (HPCL) and Mittal Energy Investments Pte Ltd., Singapore. Both partners hold an equal equity stake of 48.99% in the company. At the heart of HMEL's operations is the Guru Gobind Singh Refinery (GGSR) in Bathinda, Punjab. This state of art high complexity facility is renowned for its ability to process a wide variety of crude oil grades, generating a spectrum of high-value petroleum and petrochemical products.

During the fiscal year 2024-25, HMEL processed crude oil of 13.05 MMT and manufactured 12.79 MMT of Solid and liquid products including 2 MMT of polymer products from the Bathinda complex. This facility adeptly utilizes low-value refinery byproducts such as gases, naphtha, and kerosene, previously allocated for power generation or lower-value sales, to produce downstream polymers including LLDPE, HDPE, Butene, and additional PP. This diversification strategy enhances HMEL's product portfolio and mitigates risks associated with single commodity cycles.

Additionally, HMEL, through its wholly owned subsidiary HPCL-Mittal Pipelines Limited (HMPL) operates a Crude Oil Terminal (COT) in Mundra, Gujarat, on India's west coast. This facility includes a Single Point Mooring, 17 storage tanks with a total capacity of approximately 6.4 million barrels of naptha, modern blending facilities, and a 1,017 km crude oil pipeline connecting the COT to the GGSR crude receipt station.

HMEL further strengthens its growth and sustainability vision through its three wholly owned subsidiaries: HMEL Organics Private Limited (HOPL), HMEL Retail Private Limited (HRPL), and HMEL Green Energy Private Limited (HGEPL), each driving focused innovation and expansion in biofuels, advanced mobility, and green energy solutions. HOPL is successfully operating a 300 Kilo Liters Per Day (KLPD) Bio-Ethanol plant near the GGSR facility in Bathinda. The plant produces fuel-grade ethanol, distiller dried grain solubles (DDGS), and food-grade carbon dioxide, contributing to sustainable energy and resource utilization. HRPL is strategically positioning itself as a key player in advanced mobility solutions and alternative fueling infrastructure across India. Its focus includes the development of EV charging stations, battery swapping facilities, and other clean energy mobility options. Meanwhile, HGEPL is at the forefront of the company's green energy initiatives, with a dedicated vision to drive renewable energy adoption and explore expansion into emerging sustainable energy solutions.

> HRPL aims to establish itself as a leading provider of advanced mobility solutions and alternative fueling options in India, including EV charging points and battery swapping stations.

VALUE CREATION MODEL

INPUTS

FINANCIAL CAPITAL
Equity: **INR 150,877 Million**

CapEx FY25: **INR 18,366 Million**

INTELLECTUAL CAPITAL
R&D Expenditure: **INR 51.1 Million**

Total patents filed: **18**

Total hours spent on technical, behavioral training: **1,83,596 hours**

MANUFACTURED CAPITAL
Naphtha processed: **1140 KT**

Crude Oil Processed: **~ 13045 KT**

COT Mundra has the capacity to store up to **1.5** times India's daily crude oil demand

Ethanol Plant with capacity: **300 KLPD**

165 vessels and **3** new crude grades handled during the year

NATURAL CAPITAL
Renewable energy: **31,35,066 MWh**

Implementation of **9000KW** capacity of Solar projects

HUMAN CAPITAL
Total Permanent Employees: **2,262**

Total training programs conducted: **390**

SOCIAL AND RELATIONSHIP CAPITAL
CSR projects sanctioned: **34**

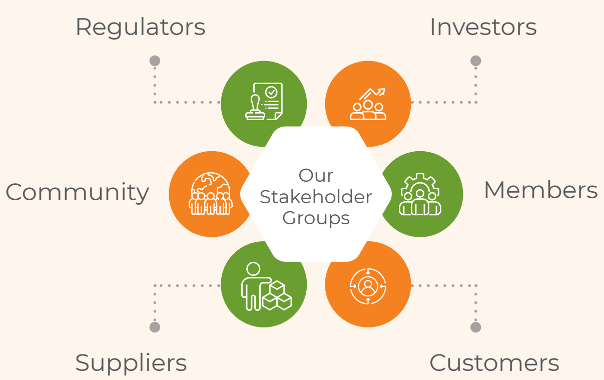
OUR BUSINESS MODEL

OUR PURPOSE
- Business Integrity
- Accelerating Sustainable Growth
- Caring for People

OUR CORE VALUES
- Safety First
- Achieve Targets and Meet Deadlines
- High Ethical Standards
- Respect for People
- Continuous Improvement and Learning
- Teamwork

OUR PILLARS
Business Activities:
- Crude oil is imported
- It is subsequently transported by pipeline to our refinery in Bathinda
- Bioethanol, Polymer, Diesel (HSD BS VI), Petrol (MS BS VI), LPG, Kerosene (SKO), Aviation Turbine Fuel (ATF), Mineral Turpentine Oil (MTO), Naphtha, Hexane, Sulphur, Petcoke, Bitumen, Polypropylene (PP), High Density Polyethylene (HDPE), Linear Low-Density Polyethylene (LLDPE), and others are produced.
- Sale of liquid products to HPCL and direct marketing of other products

HMEL'S STAKEHOLDERS



OUTPUTS

FINANCIAL CAPITAL
Revenue: **INR 994,994 Million**

EBITDA: **INR 46,059 Million**

RoCE: **4.8%**

Direct Taxes (Includes TDS/ TCS, MAT / Corporate tax) of **INR 4,077 Million**

Indirect Taxes (including Excise duty on sale of goods) of **INR 180,246 Million**

Dividend paid: **INR 2,573 Million**

INTELLECTUAL CAPITAL
Patents granted: **4**

MANUFACTURED CAPITAL
Number of new customers have increased in FY25. Therefore, share of top 10 customers has decreased compared to FY24.

12787 KT of solid and liquid products produced / sold, out of which 10,770KT are fuel products and 2,017KT are polymer products

NATURAL CAPITAL
21,901MWh Renewable Energy used

Total Water Recycled: **100%**

HUMAN CAPITAL
82.37 hours of learning per employee per year

Total safety training man-hours: **1,43,100**

Employee Engagement Survey Score: **83%**

LTIFR Employee: **0**

Fatalities: **0**

SOCIAL AND RELATIONSHIP CAPITAL
CSR spent: **INR 705 Million**

CSR beneficiaries: **over 148970 people**

Local vendors: **5%**

MSME vendors: **31%**

OUTCOMES

FINANCIAL CAPITAL
- Sustainable cash flows
- Strong balance sheet
- Constant development of value for stakeholders
- Significant improvement in brand value

INTELLECTUAL CAPITAL
- Attaining operational excellence through innovation
- Increasing digitization

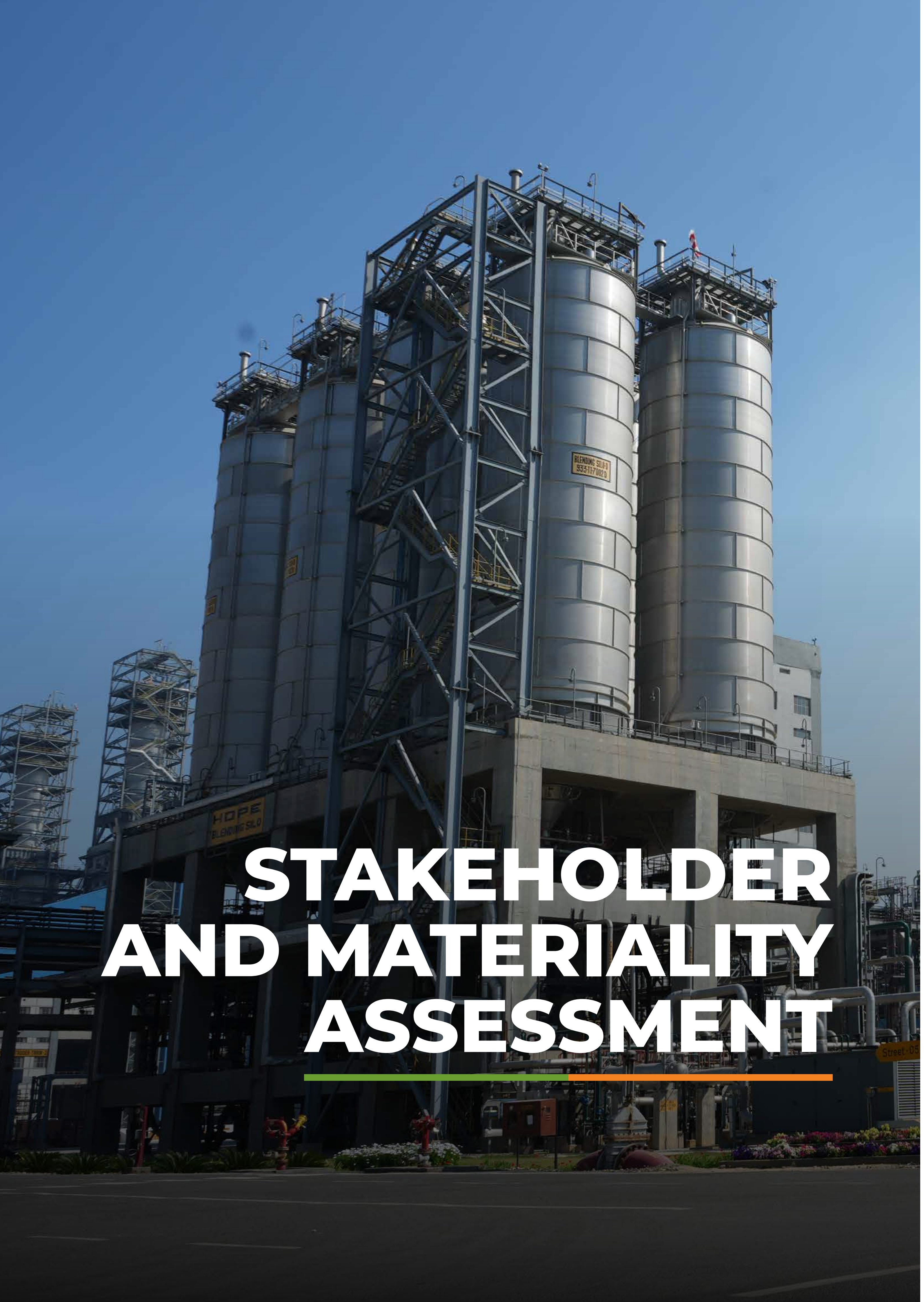
MANUFACTURED CAPITAL
- Enhancing integrity, infrastructure, and safety protocols
- Boosting operational efficiency

NATURAL CAPITAL
- Implementing environmental sustainability initiatives
- Minimizing reliance on non-renewable resources

HUMAN CAPITAL
- Improving employee welfare and safety
- Employing skilled staff in a supportive workplace environment
- High retention rate

SOCIAL AND RELATIONSHIP CAPITAL
- Promoting literacy and education
- Creating job opportunities
- Fostering regular engagement with customers and stakeholders

SDG LINKAGE



STAKEHOLDER AND MATERIALITY ASSESSMENT

Stakeholder Engagement

At HMEL, we have cultivated a robust framework for stakeholder engagement that emphasizes transparency, openness, and constructive interaction. This approach not only enhances our comprehension of critical issues and stakeholder dynamics but also underscores the significance of meaningful participation. Stakeholder feedback is instrumental in shaping our strategic priorities and ensuring alignment with their expectations.

Below is a table summarizing our engagement strategies with key stakeholder groups:

Shareholders / Investors

Shareholders and investors are vital to the long-term success of HMEL. We understand that fostering transparent communication and upholding robust ESG practices are essential for building their trust and confidence.

Channels of communication
Sustainability and Annual Reports
Annual General Meeting (AGM)

Frequency of engagement
Annually

Purpose and scope of engagement including key topics and concerns raised during such engagement
Success stories/ Achievements
Transparent engagement by full information through structured reporting

Customers / Dealers

Our customers form the foundation of our sustained success. We are committed to prioritizing their satisfaction by delivering high-quality products and consistently meeting their needs with excellence in every facet of our operations.

Channels of communication
Social Media
Customer Meets

Frequency of engagement
Monthly

Purpose and scope of engagement including key topics and concerns raised during such engagement
Need-goal approach
Success stories/ Achievements

Suppliers & Contractors

Suppliers and contractors are integral to our value chain, and we actively collaborate with them to optimize procurement processes. This close partnership ensures streamlined operations and fosters mutual success.

Channels of communication
Social Media
Supplier Meets

Frequency of engagement
Annually

Purpose and scope of engagement including key topics and concerns raised during such engagement
As and when required

Employees

Our employees are essential assets, contributing significantly to our sustained growth and market leadership. Their efforts are vital in boosting our competitiveness and delivering exceptional value to our stakeholders.

Channels of communication
Leadership communication
Poster/Email
Trainings & awareness sessions

Frequency of engagement
Weekly/ Monthly

Purpose and scope of engagement including key topics and concerns raised during such engagement
ESG upskilling on new initiatives and policies

Communities

Our commitment towards sustainability is deeply rooted in enriching the communities where we operate and is a core component of our sustainability initiatives. We consistently reinforce our connections with local communities through a range of diversified developmental programs.

Channels of communication
Knowledge sessions
ESG themed campaigns
Social media

Frequency of engagement
Monthly

Purpose and scope of engagement including key topics and concerns raised during such engagement
Strengthening partnerships through goal-oriented initiatives, addressing key community concerns, and promoting sustainable development.

Financial Institutions

Financial institutions are instrumental in facilitating developmental and infrastructure projects across various regions. Their trust and investment empower us to significantly contribute to economic growth and development.

Channels of communication
Investment presentations

Frequency of engagement
Quarterly / Annually

Purpose and scope of engagement including key topics and concerns raised during such engagement
Impact Achievements

Regulatory & Statutory Bodies

Building constructive relationships with regulatory bodies is crucial for maintaining business continuity. We diligently track regulatory changes and actively participate in discussions to promote forward-thinking policies.

Channels of communication
Website
ESG Compliance filings
Representing the regulatory body as and when needed

Frequency of engagement
Bi-annually and as and when required

Purpose and scope of engagement including key topics and concerns raised during such engagement
Achievement and further analysis if required for corrective action

Materiality Assessment

HMEL recognizes the vital role that materiality assessment plays in shaping our Environmental, Social and Governance (ESG) strategy. These assessments offer critical insights into the relative importance of ESG factors and their potential impact on long-term value creation.

Our approach is grounded in a structured and systematic methodology. Periodically, we conduct a comprehensive materiality assessment that actively engages both internal and external stakeholders. We gained valuable insights into our stakeholders' perspectives on the impact of key ESG issues through the last survey. The next survey is scheduled in FY 26.

To ensure the highest standards of integrity and objectivity, we engaged an independent third party to oversee the assessment process.

Stakeholder Identification and Engagement	HPCL-Mittal Energy Limited (HMEL) conducted an in-depth survey with key stakeholders to evaluate the organization's potential impact on individuals and to identify sustainability concerns for inclusion in the materiality assessment.
Listing potentially relevant sustainability topics	Based on stakeholder feedback, we compiled a list of potentially relevant sustainability topics. These were systematically categorized under the three ESG pillars: Environment, Social and Governance.
Defining Impacts, Risks and Opportunities	Each identified topic was analyzed to understand its associated impacts, risks and opportunities. These were classified as positive or negative, actual or potential and further segmented by their expected timelines - short, medium - and long-term.
Impact Assessments	The impacts were systematically quantified to determine their relative significance.
Assessment of Financial Risks and Opportunities	HPCL-Mittal Energy Limited (HMEL) performed a thorough evaluation of the financial implications of each identified ESG risk, specifically assessing the potential impact on the company's EBITDA.
Materiality Overview	Following a comprehensive assessment of all impacts, risks, and opportunities, HMEL developed ranked lists for negative impacts, positive impacts, risks, and opportunities. A threshold was subsequently applied to classify these topics as material or non-material to the organization.
Identifying Strategic Implications and Mitigation	An action plan was developed to address key ESG issues, outlining targeted strategies and initiatives.

In the previous reporting year, HMEL expanded its materiality assessment to include an evaluation of the financial impact of its operations on stakeholders and society through a double materiality approach. This methodology considers two persepctives. An inside-out perspective which evaluates the impact of the organization's activities on the environment and society. An outside-in perspective evaluates the influence of external environmental and societal factors on the orgranization's financial performance and long-term sustainability.

For each material issue idenified, specific measures have been developed to manage the associated environmental and social impacts. These issues are reviewed annually by the Risk Management Committee and the Sustainability Committee at the Board level, which also formulate appropriate mitigation strategies.

Materiality Matrix

Through a structured stakeholder engagement process, we actively identify and address the concerns of individuals and communities impacts by our operations. Key issues raised during the engagement are evaluated for their significance and systematically mapped in a Materiality Map.

During the reporting period, these material issues were revisited and further examined in consultation with internal stakeholders to assess their financial implications and broader impact on stakeholders. Each issue was categorized as either a risk or an opportunity, and its potential financial impact was evaluated accordingly.

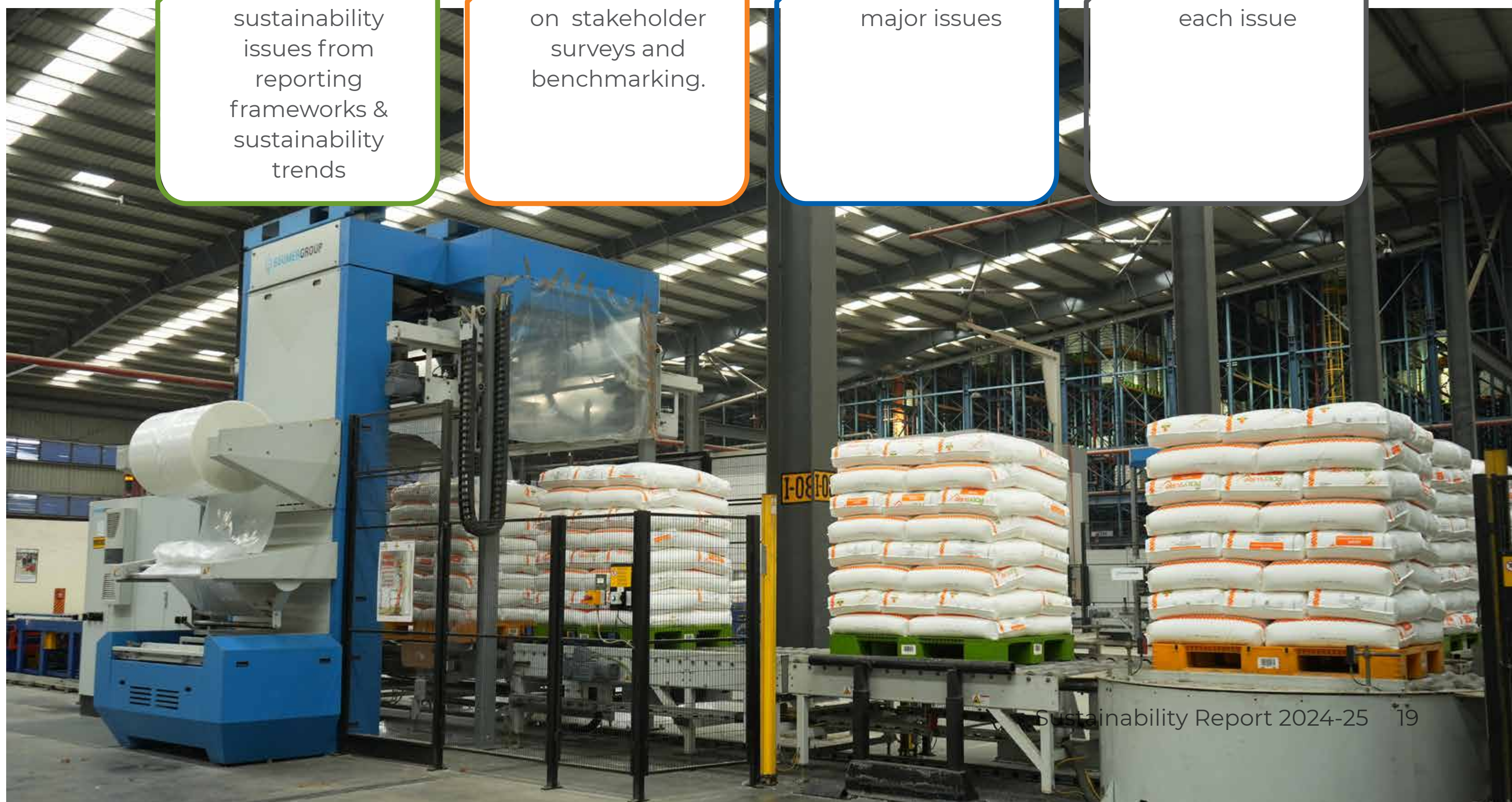
This materiality matrix enables HMEL to prioritize the most critical issues, supporting a holistic and integrated approach to sustainability management. Insights derived from a matrix have informed the development of strategic objectives aimed at enhancing environmental health, advancing societal well-being and promoting long-term sustainable development.

Pooling of Sustainability Issues
Pooling of sustainability issues from reporting frameworks & sustainability trends

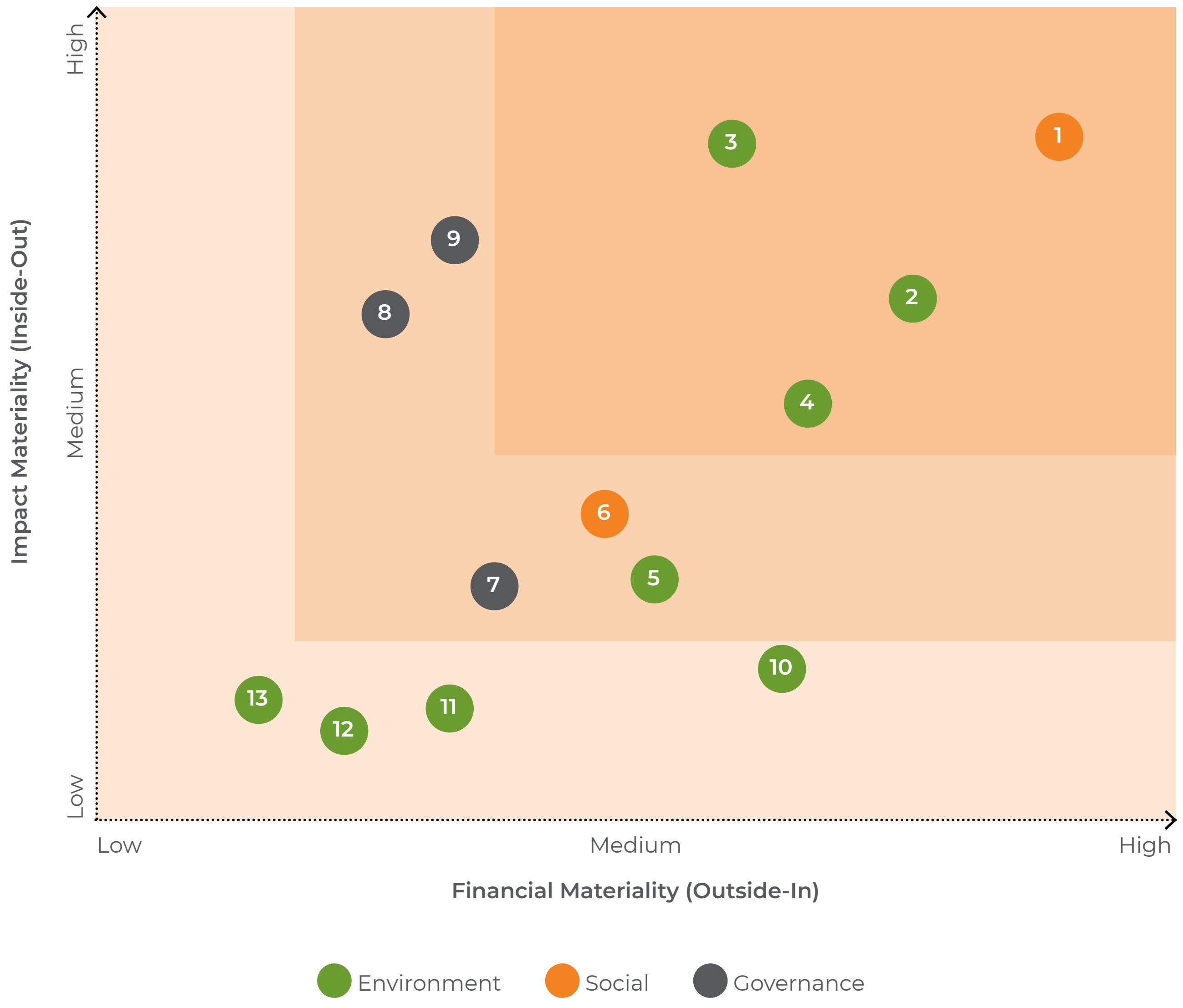
Prioritization
Prioritization of the top issues based on stakeholder surveys and benchmarking.

Finalization
Finalization of top 4 material issues from the top major issues

Validation
Validating the scope, targets, and period for each issue



Materiality Matrix



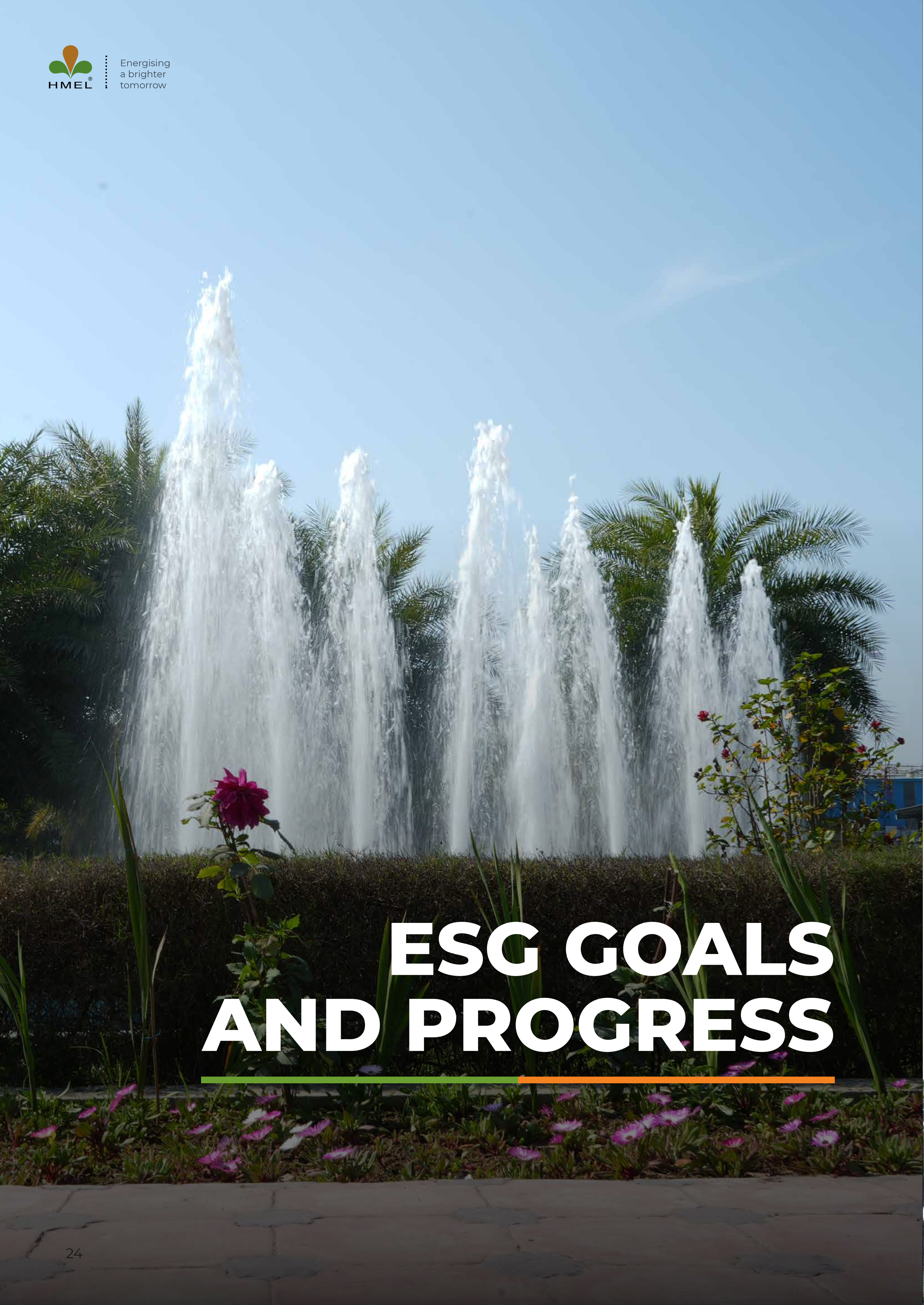
High	Medium	Low
1. Health and Safety 2. Energy Management and Opportunities in Clean Tech 3. GHG Emissions 4. Water Management	5. Climate Change Strategy 6. HR Practices 7. Supply Chain Management 8. Market and Business Environment 9. Ethics, Code of Conduct and Risk Management	10. Waste Management 11. Diversity and Inclusion 12. Biodiversity Impact 13. Transparency

Impact Analysis

Health and Safety	
Material issues for external stakeholders	HMEL is striving to create a workplace free from injuries and incidents (IIF). Enhancing the safety culture is anticipated to lead to a reduction in the number of injuries, incidents, and illnesses among employees.
Relevance on external stakeholders	In the Oil and Gas sector, especially within Refinery and Petrochemical operations, the business inherently involves high-risk activities. Thus, implementing strong health and safety measures is crucial. The tangible positive outcomes of effectively applying these practices include building trust and enhancing employee commitment to compliance, which contributes to improved health and safety records. This, in turn, helps reduce absenteeism and Lost Time Injury Frequency Rates (LTIFRs), leading to increased productivity and overall employee well-being.
HMEL's current practices	• HMEL Integrated safety management system is applicable for all employees, contractors, subcontractors, and even third-party service providers. • HMEL Integrated safety management system is certified to ISO 45001:2018 certification and an annual internal audit process is followed to verify the implementation of SMS. • At HMEL, a 5 Star rating, annual audit process is followed to audit the contractors working within the HMEL premises. These audit verify the level of Safety management system implemented & followed by contractors as per HMEL safety management system requirements.
Financial implication	A healthy workforce is essential for maintaining business continuity. To achieve a workplace free from injuries and incidents, various measures have been implemented, including the provision of 1,43,100 hours of safety training. Additionally, daily briefings, audits, and review processes have been established to ensure effective oversight and management by Senior Management.
Output metric	0 fatalities among employees and contractors 0.00 LTIFR – Employees 0.60 TRIFR - Employees
Impact metric	Societal/ environment benefits = Increased productivity of workers when there is a decrease in incidents and no fatalities.

GHG Emissions, Energy Management and Opportunities in Clean Technology	
Material issues for external stakeholders	HMEL is actively pursuing the development of eco-friendly products, including ethanol and green hydrogen, while also diversifying its portfolio to incorporate cleaner energy options throughout the value chain.
Relevance to external stakeholders	HMEL acknowledges its environmental impact, particularly in terms of GHG emissions contributing to global warming and its associated negative externalities. To address these challenges, we are committed to achieving our net zero target by 2040, aligning with India's goal of reaching net zero by 2070. In response to the growing demand for clean energy from our customers, we have recently inaugurated a bioethanol plant with a capacity of 300KLD. Additionally, we are expanding our portfolio to include clean energy options by exploring opportunities in clean energy, technological solutions, and emerging low-carbon products. The potential positive impacts for our stakeholders include access to more environmentally friendly commodities with a reduced carbon footprint, improved air quality, and enhanced community health and well-being.
HMEL's current practices	• Fuel Optimization in HGU: Increased natural gas usage to 72% in Hydrogen Generation Unit feedstock, reducing GHG emissions from the unit by ~12.3%. • Cleaner Fuel Mix in Refinery Heaters: Shifted fuel mix towards more natural gas (from 18.3% to 24.6%), cutting GHG emissions from stationary combustion by ~5.5%. • Flare Minimization: Reduced refinery flare activity by ~6%, resulting in a corresponding decrease in methane (a potent GHG) emissions. • Energy Efficiency at Petchem Plant: Lowered scope 1 GHG emissions by ~38.5% through more efficient VHP steam utilization. • Overall Strategy: Focused on cleaner fuels, energy efficiency, and process optimization to drive down total GHG emission.
Financial implication	Investing in clean technologies can open up new markets and customer bases, while also driving further innovation. Adopting environmentally friendly products, technologies, and services can lead to long-term reductions in operational costs and provide tax benefits. Additionally, it helps mitigate regulatory and legal risks associated with carbon pricing and can prevent fines and penalties.
Output metric	Avoided CO2 emissions: 14,714 MT from renewable energy sources.
Impact metric	Societal/ environment benefits = INR 20 to 25 Million annually in OPEX from the 13.8 MW solar rooftop installation in Bathinda refinery

Water Management	
Material issues for external stakeholders	HMEL's Bathinda Refinery is located in an area with high water stress, making the probability of water scarcity and depletion in the short to medium term quite significant.
Relevance on external stakeholders	With the expansion of the Bathinda Refinery and its operations, water withdrawal is expected to rise. Bathinda is already recognized as a water-stressed area, and the increased reliance on water could lead to scarcity, potentially causing conflicts with the local community as both draw from a shared water source. The potential negative impacts include water shortages for HMEL's operations, which could affect production and lead to supply chain disruptions. To address this risk, management is implementing water-efficient measures to optimize water usage. The refinery is equipped with a water reservoir that holds a 14-day supply to ensure continuous production. Additionally, management is exploring alternative water sources to maintain uninterrupted operations.
HMEL's current practices	• Efficient management of wastewater: By recycling 100% of its wastewater through sewage treatment plants (STPs) and effluent treatment plants (ETPs), HMEL protects local water sources and the environment from pollutants and contamination. • Investing in water conservation projects: • Investing in alternative source of water to ensure continual operations
Financial implication	At the refinery level, water conservation and recycling strategies are being put into place; however, diversifying water sources is expected to incur substantial costs for the company.
Output metric	6% reduction in withdrawal of freshwater use per unit of crude processed
Impact metric	Societal/ environmental benefits = Equivalent savings of freshwater and raw water treatment cost



ESG GOALS AND PROGRESS

Environment

KPI	Aspirations	Target Year	Progress in FY2025	Capital Linkage
Renewable Energy	~38% of the total energy mix to be constituted by renewables	2030	In progress	Natural Capital
GHG Emissions	12.7% reduction in GHG emissions	2030	In progress	Natural Capital
Waste Recycling and Generation	To achieve the EPR targets as given by the Government of India	YoY	Achieved	Natural Capital
Water Consumption	20% reduction in withdrawal of freshwater use per unit of crude processed	2027	6%	Natural Capital
Focus on ESG	Increase R&D spending to 5% of EBITDA and measure the impact on financial indicators	YoY	R&D expenditure increased up to INR 51.1 million	Financial Capital
	100% integration of ESG risks in capital allocation decisions	2027	In progress	Financial Capital
	SOPs for investment appraisals and decisions need to be framed and incorporated in material ESG risks	YoY	In progress	Financial Capital
	Assist value chain partners in undertaking and achieving ESG goals	YoY	In progress	
Reporting	Publishing Sustainability Report annually	YoY	Achieved	Social and Relationship Capital
	Sustainability-targets to be linked to annual remuneration for functional heads and management committee	YoY	Achieved – Targets included in KRA	Human Capital

Social

KPI	Aspirations	Target Year	Progress in FY2025	Capital Linkage
Health and Safety	Monitoring of injury statistics against international benchmarks - US Refinery in top Quartile Total Recordable Injury Frequency Rate (TRIFR) <0.5.	YoY	0.6	Social and Relationship Capital
	Continual improvement of safety culture through involvement of all employees and contractors in IIF initiatives	YoY	In progress	Human Capital
	Continual improvement of HMEL safety management systems through internal and external audits and learning from incidents and near misses	YoY	In progress	Human Capital
	100% employees to be trained under health and safety including permanent and contractual workers	2025	Achieved	Human Capital
	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
	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 stress management.	2025	Achieved	Human Capital
Employee Satisfaction	Improvement on score for each Cultural Transformation Matrix parameter by at least 1 point over previous years	2026	Achieved	Human Capital
	Establish Human Rights due diligence process across our operations and value chain.	2026	In progress	Human Capital

KPI	Aspirations	Target Year	Progress in FY2025	Capital Linkage
Employee Turnover	Provide employee turnover information by gender, age and job role	YoY	Male turnover – 6.7% Female turnover – 0.6%	Social and Relationship Capital
Learning and Development	For the senior management, implement development plans for broad areas of Leadership, Digital and Innovation	2025	Achieved	Intellectual Capital
Gender Pay	Maintain median pay level parity among female and male employees	YoY	Achieved	Human Capital
CSR	Continue to maintain CSR initiatives to 50% of the SDGs	YoY	Achieved	Social and Relationship Capital

Governance

KPI	Aspirations	Target Year	Progress in FY2025	Capital Linkage
Supplier Audit and Assessment	Conduct 100% survey on human rights with suppliers	2026	In progress	Social and Relationship Capital
Policy Influence	Increase % procurement from MSMEs	2025	31%	Social and Relationship Capital

A LETTER FROM MANAGING DIRECTOR AND CEO

Prabh Das
Managing Director and Chief Executive Officer

> We launched several conservation initiatives both within our operations and in surrounding communities, while also identifying alternative water sources to enhance our long-term water resilience and reduce operational risk.

Dear Stakeholders,

At HMEL, sustainability forms the core of our operations, serving as the foundation for our purpose and long-term progress. As we reflect on the financial year 2024–25, I am pleased to share the strides we have made in advancing our vision of integrated growth - where economic performance, environmental responsibility, and social equity converge to create enduring value.

This year, we achieved a landmark innovation: the successful transportation of Naphtha through a crude oil pipeline - a global first. This breakthrough not only prevented over 76,000 tonnes of CO_2 emissions but also averted more than 400,000 tonnes of emissions that would have resulted from constructing a new pipeline. This achievement exemplifies our commitment to pioneering scalable, sustainable solutions that redefine industry benchmarks.

We continue to invest decisively in the future of energy. The expansion of our retail footprint and the enhancement of our bioethanol production capabilities are central to our transition toward cleaner, renewable fuels. Our R&D expenditure increased by 46% over the previous year, reinforcing our belief that innovation is the engine of sustainability.

Our ESG framework has been further strengthened through a dedicated subcommittee that ensures alignment with global standards. Within our refinery, we have expanded our renewable energy infrastructure, including rooftop solar installations — concrete steps toward our near net-zero target by 2040.

Water stewardship remains a critical priority. We launched several conservation initiatives both within our operations and in surrounding communities, while also identifying alternative water sources to enhance our long-term water resilience and reduce operational risk.

Safety is a core value at HMEL. I am proud to report zero fatalities this year, supported by a rigorous safety training program and a culture of continuous vigilance.

We are equally committed to fostering an inclusive and empowering workplace. Our female workforce grew by 15% year-on-year, with increased representation at both senior and junior levels. We continued to receive benefits of our shift to a five-day work week, contributing to a 3% increase in our Employee Satisfaction Score and a reduction in attrition from 7.7% to 7.3%. Succession planning remains a strategic imperative, and we have welcomed several new Vice Presidents and Department Heads to strengthen our leadership pipeline.

Transparent and consistent communication is central to our stakeholder engagement. Through initiatives such as our weekly internal newsletter, HMEL Buzz, and our active digital presence, we ensure that our journey is shared openly and meaningfully.

Our commitment to community development is reflected in a 72% year-on-year increase in CSR spending. We believe that sustainable business must uplift the communities we serve. Through proactive planning and swift execution, we have safeguarded critical infrastructure, ensured supply continuity, and demonstrated the robustness of our ISO 22301-certified Business Continuity Management System.

Ethical governance remains the cornerstone of our operations. We uphold the highest standards of integrity, with zero tolerance for bribery and corruption. Our values are embedded across our value chain, and our ESG performance continues to be recognized by leading rating agencies.

As we look to the future, we remain steadfast in our commitment to building a sustainable, inclusive, and resilient enterprise. We will continue to innovate boldly, invest in our people, and lead with purpose-creating long-term value for all our stakeholders.

Thank you for your continued trust and support as we shape a better, more sustainable tomorrow - together.

HMEL'S GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The Board of Directors stands as the highest governing authority, entrusted with the oversight and strategic direction of the company's management and operations. Our board members bring a diverse array of technical, financial, management, and administrative expertise, which ensures the effective and seamless functioning of the organization. The Managing Director is responsible for supervising the implementation of the company's policies and practices, with a strong emphasis on embedding sustainability into all facets of our operations. The average tenure of our board members is **5.44** years, reflecting their extensive experience and commitment to the company's long-term success.

Composition of Board of Directors

Mr. Vikas Kaushal
Chairman

Mr. Vikas Kaushal is the Chairman & Managing Director of Hindustan Petroleum Corporation Limited. A seasoned global leader with over three decades of experience in Energy domain, he is a chemical engineering graduate from DCET, Panjab University and has done his MBA from Indian Institute of Management, Ahmedabad.

Mr. Kaushal started his career at ICICI Limited where he worked in Project Finance and Advisory Services Division. Since 2000, he worked with the leading global management consulting firm A. T. Kearney and was a Partner with the firm for over 17 years. He was pivotal to the growth of firm's business in India and till recently was playing the role of Chairman of India business. He has been twice elected to the Global Board of Directors of A. T. Kearney. During this period, he also had the opportunity to serve as the Chair of the Finance and Audit and Governance Committees of the Board of Directors.

Mr. Kaushal has deep expertise in the Energy domain, including oil and gas, power, renewables and new energies. He has advised leading international oil companies and all the leading state-owned oil and gas companies in India i.e HPCL, Indian Oil, BPCL, GAIL, etc. on multiple large scale transformation programs for a long period of time.

An expert on Energy Transition topics, he has authored several key thought pieces on oil & gas, power, chemicals, and related topics and is a regular speaker at key conferences in India, and globally. He is passionate about developing people and has successfully groomed and mentored professionals and spends part of his time coaching young talent.

Tenure: Since March 2025

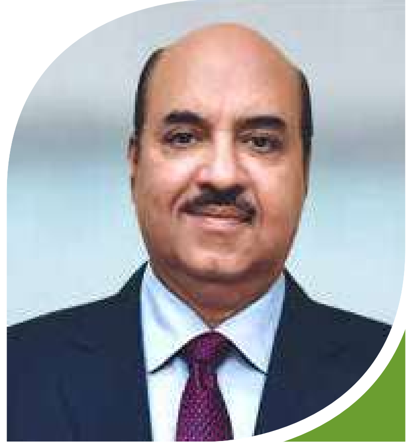
Ms. Vanisha Mittal Bhatia
Non-Executive Director

Ms. Vanisha Mittal Bhatia has served as the Chief Strategy Officer at Aperam since April 2011. Additionally, she holds the position of non-independent Director on the Board of ArcelorMittal and has been a member of the Board of Directors at LNM Holdings since June 2004.

Her appointment to the Board of Directors of Mittal Steel in December 2004 marked a significant milestone in her career, as she played a vital role in the Procurement department by spearheading several key initiatives, notably the Total Cost of Ownership program.

Ms. Mittal Bhatia earned her Bachelor of Science degree from the European Business School.

Tenure: Since March 2025



Mr. Rajneesh Narang
Non-Executive Director

Mr. Rajneesh Narang is the Director (Finance) and Chief Financial Officer at Hindustan Petroleum Corporation Limited (HPCL), a leading Maharatna Oil Company. Previously, he served as the Executive Director of Corporate Finance at HPCL, with key roles in Finance (Marketing) and as Executive Assistant to the Chairman & Managing Director. He also serves on the boards of several HPCL subsidiaries and joint ventures.

A Chartered Accountant with a Masters in Financial Management, Mr. Narang has over 30 years of experience in the downstream oil sector, covering areas like Corporate Finance, Treasury, Risk Management, Marketing Finance, and Refinery Projects. Known for his commercial insight and innovative leadership, he focuses on investing in human capital to develop successful teams. His approach has led to exceptional results through positive engagement and a shared vision. He is recognized for his academic achievements and frequently contributes as a technical speaker at seminars and workshops.

Tenure: Since July 2021

Mr. Rajan Tandon
Non-Executive Director

Mr. Rajan Tandon is the Vice President of Finance at Mittal Investments UK and has over 35 years of industrial experience, having been based in London for the past 25 years. Prior to his current role, he was the Director of Finance at Mittal Steel and played a key role as a leading member of the Corporate Finance Team. He also served as Treasurer for LNM Holdings NV until its merger with Ispat International (now ArcelorMittal) in December 2004. Over his 30-year career within the Group, he has held various positions in Finance and Accounting. Mr. Tandon graduated with Honours in Commerce from St. Xavier's College, Kolkata, and is a Fellow of the Institute of Chartered Accountants of India. He serves on the boards of various Group companies, including HPCL-Mittal Energy Limited and HPCL-Mittal Pipelines Limited in India. Additionally, he is a member of the Governing Council of the LNM Institute of Information Technology in Jaipur.

Tenure: Since July 2009

Mr. S. Bharathan
Non-Executive Director

Mr. S. Bharathan took charge as Director-Refineries at Hindustan Petroleum Corporation Limited (HPCL) on October 1, 2022. Before this role, he served as Executive Director – Refineries Coordination at HPCL, with additional responsibilities in Research & Development. With over 30 years of experience, Mr. Bharathan has extensive exposure to HPCL's refinery operations, having worked in the Operations and Technical Departments of the Mumbai and Visakh Refineries. He also spent over 4 years at HPCL's Corporate Office, focusing on Margin Management and Refinery Project Processes. Additionally, he has led HPCL's Green Research & Development Centre (HPGRDC) in Bengaluru for the past 3 years, during which the center achieved the filing of approximately 380 patents.

Tenure: Since October 2022

Mr. Jagjeet Singh Bindra
Non-Executive Director

Mr. Bindra is a seasoned executive with extensive experience in international organizations. He served on the Supervisory Board of LyondellBasell and was President of Chevron Global Manufacturing, overseeing 20 refineries worldwide. During his 32-year tenure at Chevron, he led significant projects, including a crucial pipeline in Kazakhstan. His expertise covers R&D, refinery engineering, project management, and international business. He has held board positions with companies like Edison International and Reliance Petroleum and contributed to academia and industry organizations. Mr. Bindra holds degrees in chemical engineering from IIT Kanpur and the University of Washington, and an MBA from St. Mary's College. He has been honored with the Diamond Award from the University of Washington and was named Distinguished Alumnus of IIT Kanpur.

Tenure: Since July 2018

Dr. Manaswini Bhalla
Independent Director

Dr. Manaswini Bhalla is a Professor in Economics at the Indian Institute of Management Bangalore, specializing in information economics. Her research focuses on pricing, corporate culture, and political economy, utilizing empirical and game-theoretic methods. Dr. Bhalla teaches Managerial Economics and Strategic Thinking: Game Theory for Managers to PGP students and conducts executive education for senior managers on economics and game theory. She is currently researching the impact of culture on economic outcomes in areas like corporate boards, entrepreneurship, legal systems, and real estate. Her work on pricing, published in leading journals, investigates firm strategies to influence consumer learning.

Tenure: Since February 2025

Mr. Prabh Das
Managing Director and Chief-Executive Officer

Mr. Prabh Das has been vital to HMEL since its inception, playing a key role in the formation of the joint venture and formally joining in 2008 to oversee the setup and operations of the Guru Gobind Singh Refinery project. With over 25 years of experience in administration and management in the Indian Administrative Services, he serves as Managing Director and CEO, leading HMEL and its subsidiaries. Prior to HMEL, Mr. Das was Joint Secretary in the Ministry of Petroleum and Natural Gas from 2003 to 2008, where he managed the Refineries Division and contributed significantly to the auto fuel policy, strategic storage, and oil diplomacy initiatives, transforming the domestic refining sector with enhanced capacities, improved operations, safety, and new technologies. During his ministry tenure, he was on the boards of major companies including Indian Oil Corporation Ltd., HPCL, Mangalore Refineries and Petrochemicals Ltd., Chennai Petroleum Corporation Ltd., and Engineers India Ltd. Mr. Das holds a B. Tech (Hons.) from IIT Kharagpur and an MBA from Southern Cross University, Australia.

Tenure: Since April 2011

BOARD COMMITTEES ROLES AND RESPONSIBILITIES

Nomination and Remuneration Committee

Chairperson:
Ms. Vanisha Mittal Bhatia

Members:
Mr. Vikas Kaushal,
Dr. Manaswini Bhalla

Roles and Responsibilities of N&RC:

The N&RC diligently oversees key processes related to the recruitment, motivation, and retention of exceptional senior management personnel and Board members. It meticulously evaluates and recommends remuneration policies that are designed to attract, retain, and incentivize our Directors and senior management team, ensuring alignment with our organizational objectives and shareholder interests.

Audit Committee

Chairman:
Mr. Rajneesh Narang

Members:
Mr. Rajan Tandon,
Dr. Manaswini Bhalla

Roles and Responsibilities of Audit committee:

The Audit Committee is responsible for the oversight of the quality and integrity of the Company's accounting and financial reporting process, to recommend for appointment, remuneration and terms of appointment of auditors of the Company, approval of transactions of the Company with related parties, to review the functioning of whistle-blower mechanism, to review the adequacy of internal audit and risk management function.

Corporate Social Responsibility Committee

Chairman:
Mr. Rajneesh Narang

Members:
Mr. Rajan Tandon,
Dr. Manaswini Bhalla

Roles and Responsibilities of CSR committee:

The CSR Committee is responsible to formulate and recommend to the Board, the CSR Policy, to recommend to the Board the CSR activities to be undertaken by the Company, to ensure effective implementation and monitoring of the CSR activities, to ensure compliance with the laws governing the CSR.

Sustainability Committee

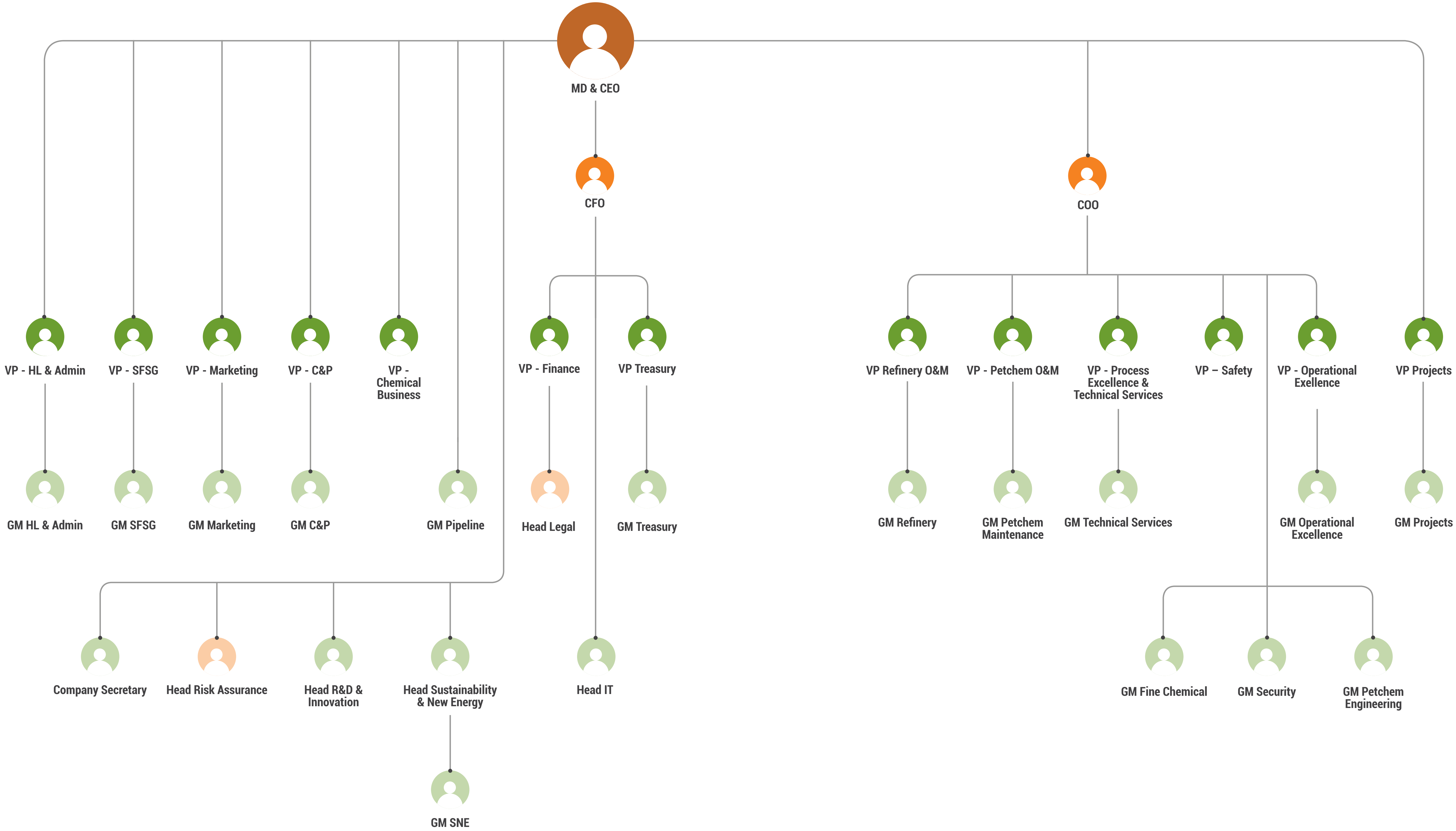
Chairman:
Mr. Jagjeet Singh Bindra

Members:
Mr. S. Bharathan,
Dr. Manaswini Bhalla

Roles and Responsibilities of Sustainability committee:

To integrate ESG considerations into the company's decision-making processes, ensuring sustainable and inclusive progress of the Company, reviewing sustainability frameworks and policies, monitoring sustainability performance, guiding management on policies related to health, safety, and the environment, and producing reports on sustainable development.

ORGANOGRAM &
SENIOR MANAGEMENT TEAM



NOMINATION AND SELECTION OF BOARD OF DIRECTORS

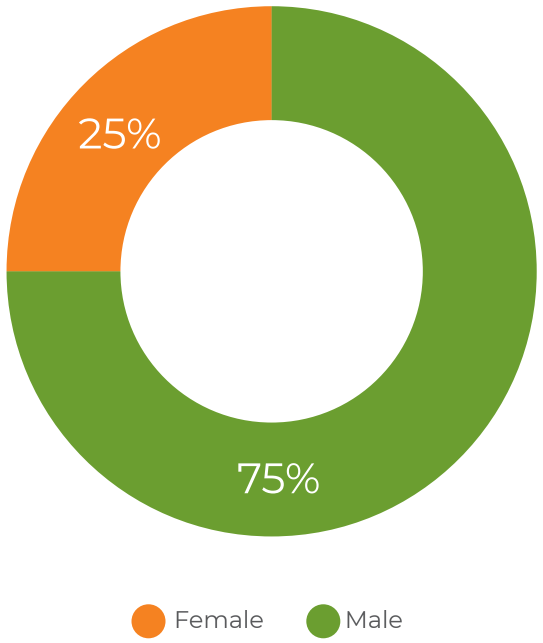
The selection and appointment of Directors at HMEL follows a thorough and structured process, managed by the Nomination and Remuneration Committee of the Board (N&RC). This committee plays a critical role in evaluating a broad range of factors to ensure that the appointed Director(s) to be align with the company's strategic goals and governance standards. The assessment criteria include the candidates' qualifications, personal attributes, specific areas of expertise, and the number of directorships they currently hold. A key aspect of the evaluation process is determining the independence of the Directors to maintain effective governance and impartial decision-making.

Once the N&RC has completed its review and made its recommendations, the Board carefully considers these inputs before making the final decision. The Board then proposes the nominee(s) to shareholders for approval, particularly when appointing Independent Director(s). In addition, each promoter of the Company has the right to nominate up to three Directors to the Board, ensuring diverse representation in the leadership.

Directors, whether Executive or Non-Executive, are appointed or re-appointed with shareholder approval, in accordance with legal requirements and corporate policies. Independent Directors are typically appointed for fixed terms, as approved by the shareholders. The Managing Director, on the other hand, is appointed for a term not exceeding five years and is not subject to retirement by rotation. Non-Executive Directors, excluding Independent Directors, are subject to retirement by rotation, and if they meet the eligibility criteria, they can be re-appointed by shareholders, ensuring a balance of fresh perspectives and experienced leadership on the Board.

Board Diversity

The Board of Directors at HMEL consists of one Executive Director, one Independent Woman Director, and six Non Executive Directors, including one Woman Director.



GOVERNANCE STRUCTURE

HPCL-Mittal Energy Limited (HMEL) has established a robust governance framework that systematically integrates Environmental, Social, and Governance (ESG) principles across its operations. Central to this framework is the Company Secretary department, which plays a pivotal role in upholding ethical standards, ensuring regulatory compliance, and aligning governance practices with ESG priorities. In collaboration with the Sustainability and New Energy (SNE) Department, the Company Secretary department enables effective cross-functional coordination to address regulatory requirements and support long-term sustainable development.

The governance framework is further reinforced by a diverse and inclusive Board of Directors, comprising independent and women directors. This composition reflects HMEL's commitment to balanced decision-making and strong corporate oversight, enhancing its credibility among stakeholders and aligning with global best practices.

Key initiatives undertaken by HMEL include the development of an ESG policy framework benchmarked against international standards, the establishment of dedicated ESG committees at the board level, and the rollout of structured ESG governance training for senior leadership. These measures reflect HMEL's proactive approach to governance and have contributed to industry recognition and external commendation.

Corporate Sustainability Governance

HMEL has instituted a Board-level Sustainability Committee to effectively translate its Environmental, Social, and Governance (ESG) commitments into actionable strategies, embedding these principles within the organization's culture. This Committee is tasked with evaluating group-level sustainability frameworks, policies, and norms, as well as monitoring progress against established targets. It provides bi-annual reports to the Board of Directors, focusing on key climate-related risks and opportunities. Integrating ESG considerations into Board-level decision-making is crucial for enhancing HMEL's core value proposition and facilitating the transition towards a cleaner, more resilient future. At the corporate level, the Apex Committee, which includes the CEO, CFO, and COO, oversees the ESG strategy and ensures compliance with both national and international standards. Additionally, HMEL has established a six-member Sustainability and New Energy Team responsible for implementing the ESG strategy, focusing on advancing clean energy solutions and fostering an inclusive workplace. The Apex Committee and the Sustainability and New Energy Team report quarterly to the Sustainability Committee.

The governance framework is further bolstered by a multi-tiered committee structure:

1. **Steering Committee:** Comprising functional directors, this committee has the authority to approve commercial transactions exceeding Rupees 100 million, ensuring rigorous oversight of significant financial decisions.
2. **Apex Committee:** This committee, which includes the CEO, COO, and CFO, convenes monthly to review company performance, address business challenges, devise strategies and policies, and keep the Board informed of major developments impacting operational and financial performance. It also oversees initiatives related to Health and Safety, Environment, and Sustainability.
3. **Management Committee:** Recently established, this committee includes senior management and department heads. It provides leadership, guidance, and strategic oversight, fostering the efficient functioning and growth of the company, including its subsidiaries.

Board of Directors

Sustainability Committee

Jagjeet Singh Bindra | S. Bharathan | Dr.Manaswini Bhalla

At Board Level :
Committee to comprise of one promoter director each from the Board including a woman independent director towards oversight of ESG initiatives.

APEX Committee

MD & CEO | CFO | COO

At Corporate Level:
The existing Apex Committee comprising of CXOs shall overview the ESG matters.

Corporate Sustainability Team

ESG topics to be driven from corporate office:
- Risk Management
- Information Technology
- Human Leadership
- Supply Chain Management
- Corporate Regulatory Affairs

ESG topics to be driven from Refinery:
- Technical Services
- Health and Safety
- Operations and Management
- Research and Development
- Corporate Social Responsibility

Code of Conduct

Driven by a steadfast commitment to integrity and accountability, HMEL upholds the highest standards of ethical conduct across all operations. The organization strictly adheres to its Code of Conduct, ensuring full compliance with applicable regulatory requirements, corporate governance principles and globally recognized best practices.

HMEL has established a robust governance framework comprising comprehenisve policies and guidelines that reflect the organization's core values and ethical principles. A zero-tolerance approach is maintained for any violations of laws, codes of conduct or internal regulations.

This extensive policy frameowrk underscores HMEL's dedication to fostering a culture of compliance, ethics and fairness. It supports the creation of a safe, inclusive and equitable workplace for all employees and workers, while also extending these principles to internal and external stakeholders to ensure responsible and efficient business operations.

Compliance and Business Ethics

HMEL is committed to upholding responsible management practices that align with all applicable regional and national regulations. Ethical conduct forms the cornerstone of the organization's business philosophy, guided by a robust Code of Conduct, global governance standards, and internationally recognized best practices.

A comprehensive governance framework has been instituted, reflecting HMEL's core values and principles. This includes a strict zero-tolerance policy for any violations of laws, internal codes or regulatory requirements. In a dynamic and evolving regulatory environment, HMEL remains steadfast in its commitment to compliance, continously monitoring legal departments and proactively adapting to maintain alignment with current standards.

Leadership plays a vital role in navigating the complexities of the regulatory landscape, driving initiatives that enhance transparency, accountability and ethical governance. A well-established compliance mechanism ensures regular updates to senior management and the Board of Directors, with quarterly evaluations of adherence to all applicable laws and regulations. This proactive oversight mitigates risk and safeguards stakeholder interests.

HMEL's policies are designed to foster a cultrue of integrity, compliance and fairness across the organization. These principles extend to all internal and external stakeholders, supporting optimized and responsible business operations. Our policies reflect HMEL's unwavering commitment to ethical governance, sustainable growth and operational excellence.

Policies at Work

CSR Policy	Employee Recognition Policy
Energy Management Policy	Enterprise Risk Management Policy
Environment Policy	Human Resource Policy
Overall Guiding Principles of Information Security Policy	Prevention of Sexual Harassment Policy
Supplier Code of Conduct	Human Rights Policy
Diversity, Equity, and Inclusion Policy	Sustainability Policy
Conflict of Interest	Anti-Fraud Policy
Tax Policy	

Freedom of Association

At HMEL, we uphold the fundamental rights of employees to freely associate and organize as part of our commitment to ethical labor practices, and we expect our suppliers to respect and recognize these rights within their operations. Suppliers are expected to honor the rights of employees to form and join trade unions or other associations of their choice, promoting a fair and inclusive workplace. They should take proactive steps to ensure fair working conditions, aligning with international conventions and standards that protect labor rights and workers' interests. Additionally, suppliers must provide an environment free from discrimination or retaliation against employees who choose to associate or organize, protecting them from adverse actions related to union participation or collective bargaining activities.

Transparency

HMEL upholds the highest standards of governance through a strong commitment to transparency, independence and ethical conduct at the Board level. Directors are required to disclose any interests in external entities, such as directorships or shareholdings, to ensure impartiality in decision-making. In cases where a Director has an interest in a matter under discussion, they abstain from participating in related deliberations at both the Committee and Board levels.

To further strengthen its governance structure, HMEL has implemented a dedicated Conflict of Interest Policy, designed to identify and address potential or existing conflicts in accordance with legal and ethical standards. This policy is subject to periodic review and approval by the Board of Directors to ensure its continued relevance and effectiveness.

In addition, the Audit Committee plays a critical role in overseeing Related Party Transactions (RPTs). All proposed RPTs are subject to rigorous review and must receive a recommendation from the Audit Committee prior to being presented for Board approval.

HMEL's commitment to transparency is further demonstrated through the disclosure of related parties and their transactions in the Financial Statements, under a dedicated RPT schedule. This comprehensive approach underscores the organization's dedication to integrity, accountability and governance excellence.

Anti Bribery and Anti-Corruption

HMEL is committed to conducting its business with the highest standards of integrity and transparency. In alignment with applicable laws and regulations, including the Companies Act, 2013, we enforce a strict-zero tolerance policy towards bribery, corruption and other forms of unethical conduct.

The Anti-Bribery and Anti-Corruption (ABAC) Policy is designed to proactively identify and mitigate risks across all levels of the organization. Regular assessments are conducted at operational sites to monitor exposure to corruption-related risks. Internal financial controls are structured to ensure compliance accountability, and sound governance.

To promote awareness, periodic training sessions are held, and key policies are communicated through internal channels such as posters and digital displays. During the reporting period, there were no reported incidents of bribery, corruption or anti-competitive behaviour.

Whistleblowing and Fraud Prevention

To further strengtehn the ethical governance framework, HMEL has established a comprehensive Whistleblower Policy, enabling employees, suppliers, customers and other stakeholders to report concerns confidentially and wtihout fear of retailiation.

The Policy instituted by the Audit Committee, reflects the company's long-standing commitment to ethical conduct and transparency. The Head of Risk Assurance serves as the designated authority for receiving and managing whistleblower complaints, ensuring impartiality and confidentiality throughout the process.

All complaints are reviewed by the Ethics Committee, with findings and recommended actions presented to the Audit Committee for oversight. The Risk Assurance function, acting as the internal audit team, provides regular updates on the company's risk landscape, including whistleblower matters. A summary of complaints, investigating outcomes and corrective actions is periodically shared with the Audit Committee to ensure accountability.

The Whistleblower Policy and procedures are publicly available on the corporate website, reinforcing HMEL's commitment to openness and responsible business practices.

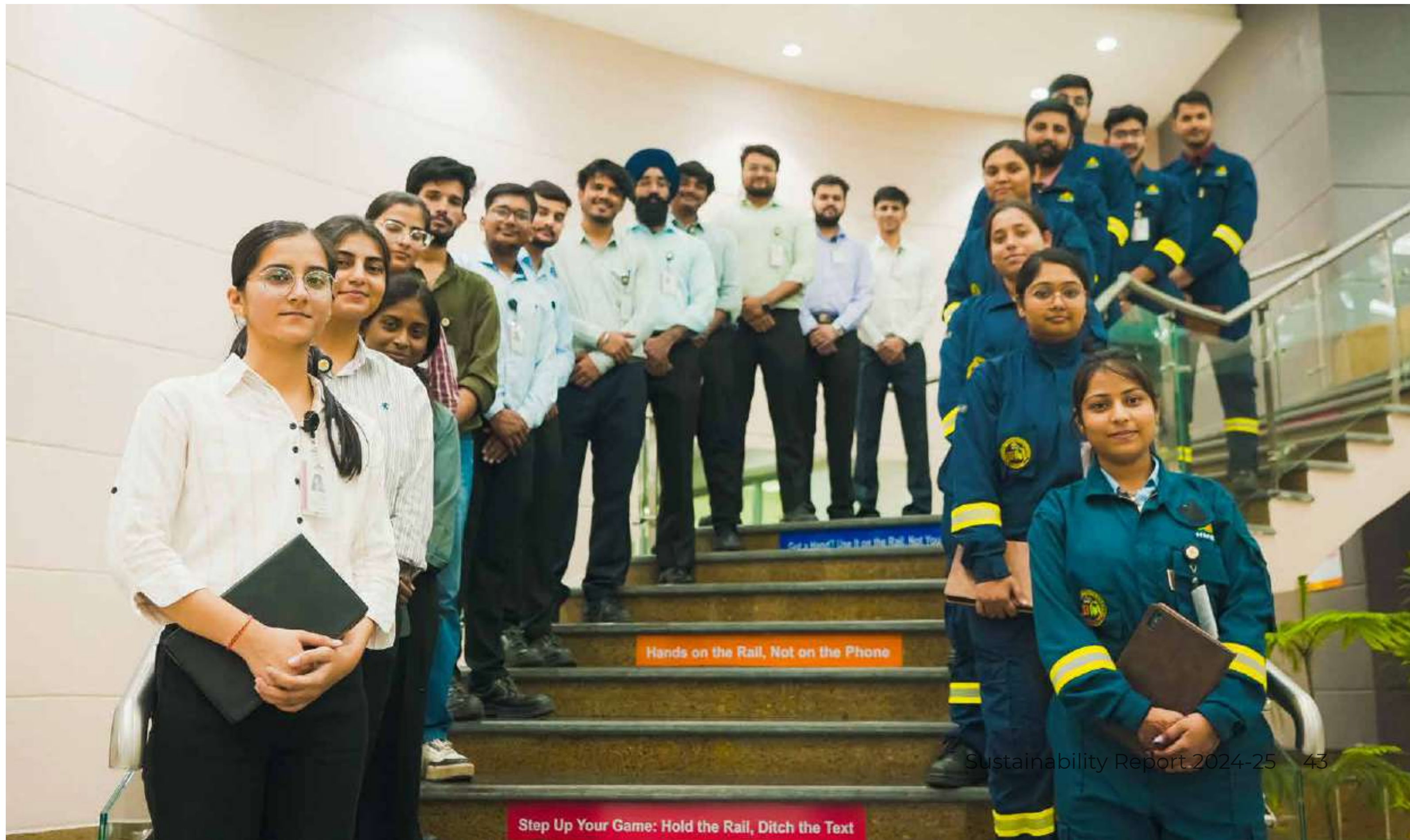
Industry Engagement and Strategic Partnerships

HMEL actively engages with a diverse range of industry and trade associations to contribute to the advancement of sustainable industrial practices and policy development. These affiliations enable HMEL to participate in knowledge-sharing platforms, stay informed on emerging trends and collaborate on sector-wide challenges that impact our stakeholders and broader ecosystem.

HMEL's participation is rooted in constructive dialogue and thought leadership. The company takes pride in its association with leading organizations such as India Energy Storage Alliance (IESA) and the Ammonia Energy Association (AEA), which support innovation in clean energy and low-carbon technologies.

In addition, HMEL is a member of several prominent industry bodies, including: Indian Centre for Plastics in the Environment (ICPE), Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), Chemicals and Petrochemicals Manufacturers' Association (CPMA), All India Plastic Manufacturers Associations (AIPMA), Alliance to End Plastic Waste (AEPW), Associated Chambers of Commerce and Industry of India (ASSOCHAM).

Through these platforms, HMEL contributes to policy advocacy, promotes industry best practices and supports initiatives aligned with national and global sustainability goals. Key areas of engagement include biofuels, green hydrogen, solar energy, plastic waste management and Extended Producer Responsibility (EPR). These partnerships underscore HMEL's commitment to environmental stewardship, social responsibility and strong governance, reinforcing its role as a response and forward-looking industry leader.



Risk Management

In an increasingly complex and uncertain global environment, effective risk management is critical to ensuring business continuity, resilience and long-term value creation. At HMEL, risk management is embedded into the organizational strategy through a structured, top-down approach that supports the achievement of strategic and operational objectives.

The company's risk management is designed to proactively identify, assess and mitigate a wide-spectrum of risks - ranging from financial and operational to environmental, technological and reputational. These risks are mapped against material issues that could impact HMEL's performance, stakeholder value and corporate reputation.

Oversight of risk governance is led by the Board of Directors, whose members bring deep expertise in risk management. The Audit Committee conducts quarterly reviews of the company's risk and cybersecurity protocols, ensuring alignment with evolving regulatory and business landscapes. Key risks, along with mitigation strategies are regularly presented to the Board and Audit Committee for review and guidance.

The Chief Risk Officer (CRO) plays a central role in monitoring risk indicators and presenting risk score fluctuations to the Apex Committee, which includes senior leadership and departmental heads. This ensures timely, informed decision-making and integration of risk considerations into core business processes.

A dedicated Risk Management Committee (RMC), chaired by the CEO and comprising of CXOs and senior executives, oversees enterprise level risk assessments and evaluates the effectiveness of mitigation plans. The CRO provides regular updates to the Board, RMC and Audit Committee, reinforcing a culture of accountability and proactive risk oversight.

Recognizing the growing impact of climate change, HMEL has identified both physical risks - such as cyclones, floods, heat stress and water scarcity - and transition risks, including policy shifts, market dynamics, technological changes and reputational concerns. These are integrated into the broader risk management strategy to ensure resilience and adaptability in a low-carbon economy.

HMEL's risk management practices reflect its commitment to strong corporate governance, operational excellence and sustainable value creation in a rapidly evolving global context.

Risk	Risk Description	Risk Type	Mitigation Measures	Capitals Impacted
Commodity Risk	Fluctuations in the commodity prices give rise to uncertainty. Sudden changes in commodity prices can severely impact HMEL's profitability.	Strategic Risk	• To adapt to evolving scenarios, the company has an optimization strategy which operates as per defined parameters. • To efficiently monitor refinery margins, 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	• We keep our funds in financial institutions that can cope with financial 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 organization 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
Cybersecurity 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 takes a cybersecurity risks seriously.	IT Risk	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. 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: • Use of Predictive analysis to generate security alerts. • Automatic detection and disruption of rogue network servers, strengthening the defense to growing cyber threats. • Staying ahead of emerging risks through an adaptive risk model. HMEL is focused on strengthening overall cybersecurity systems.	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	• 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, noncompliance of safety operating procedures at refineries can have serious consequences on our assets and stakeholders.	Health and Safety Risk	• 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	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 wellbeing.	Social Risk	• 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 technology as well as behavioral competencies to promote employee satisfaction and career development. • 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.	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.	Environment Risk	• 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 & 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	• 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

Identifying Emerging Risks

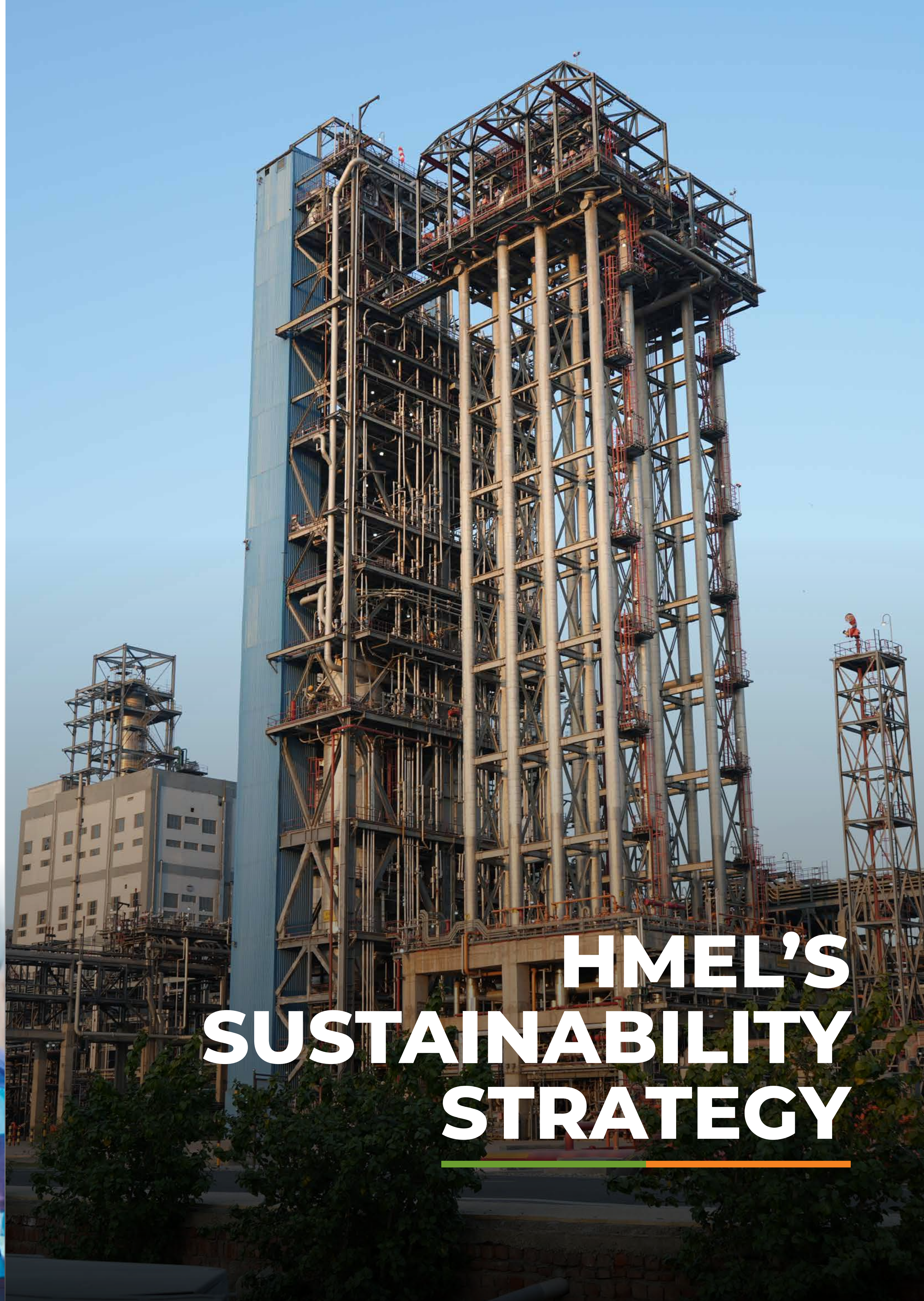
In an ever-evolving business landscape, the identification and management of emerging risks are crucial to safeguarding the resilience and long-term sustainability of any enterprise. At HMEL, we recognize that emerging risks are defined as those newly identified, unprecedented threats that have not yet materialized but possess the potential to significantly impact our business over the long term if they do. During the reporting year, we focused on identifying and understanding these risks and have developed strategies to mitigate their potential effects on our operations.

Risk Description	Impact	Mitigation Strategy
HMEL GGSR Complex has single source of water	In future, our requirements may grow along with business growth and current source of water supply may deplete. So there is a risk of water stress.	Identification of alternate water source is under exploration.

Capitalizing Opportunities

In a dynamic business environment, recognizing and capitalizing on emerging opportunities is essential to drive growth and innovation. At HMEL, we are committed to identifying and leveraging opportunities that align with our strategic objectives and enhance our competitive edge. During the reporting year, we have focused on exploring avenues that promise significant value creation and sustainable development for our enterprise.

Opportunity	Description	Resource Allocation
Digitalization & Innovation	It offers HMEL the opportunity to enhance operational efficiency and decision-making through real-time data analytics, automation, and AI-driven insights.	HMEL is investing in advanced technologies, upskilling workforce, and upgrading infrastructure. This ensures seamless integration of digital tools to enhance productivity, safety, and operational excellence across all functions.



HMEL'S SUSTAINABILITY STRATEGY

FINANCIAL CAPITAL

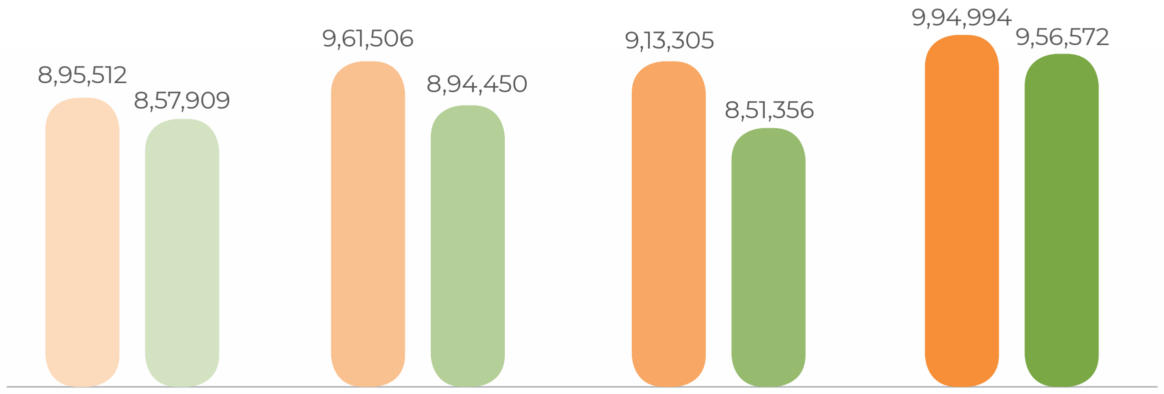
Focus Areas:

18,366 Capital Expenditure (INR Million)	**12,787** Sales (KT)	**46,059** EBITDA (INR Million)	**(6,020)** Profit After Tax (PAT) (INR Million)

Financial Performance and Growth:

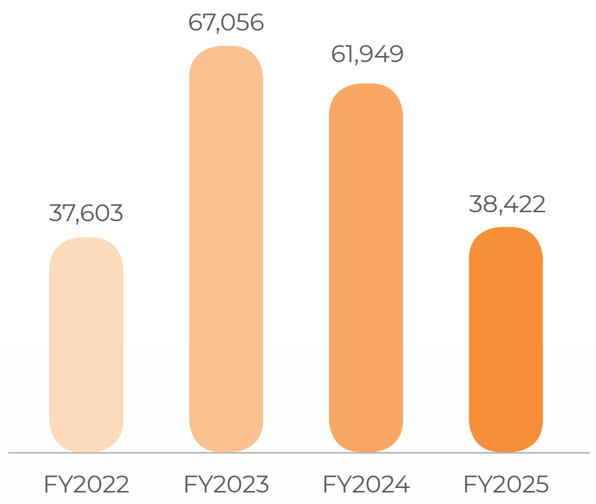
In FY2024-25, HMEL observed an increase in revenue by 8.95%, compared to the previous year, along with decrease in Profit after Tax due to lower product cracks. Our Expenses has increased by 12.4%. Our EBITDA for the year ended on March 31st, 2025, stands at INR 46,059.

Economic Value Generated & Distributed (INR Million)



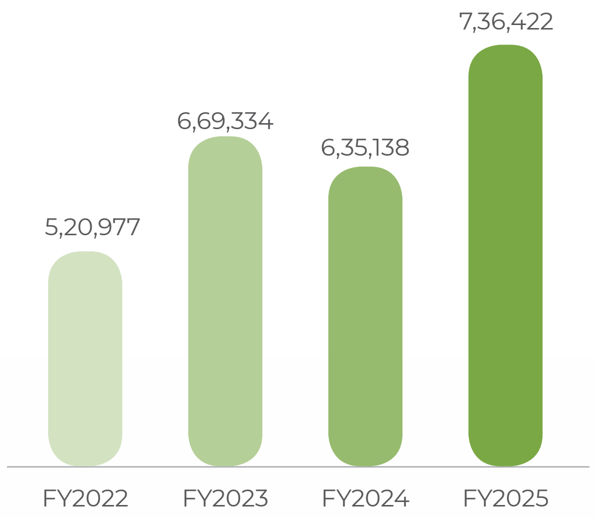
Direct Economic Value generated   Economic Value Distributed

Economic Value Retained
(INR Million)

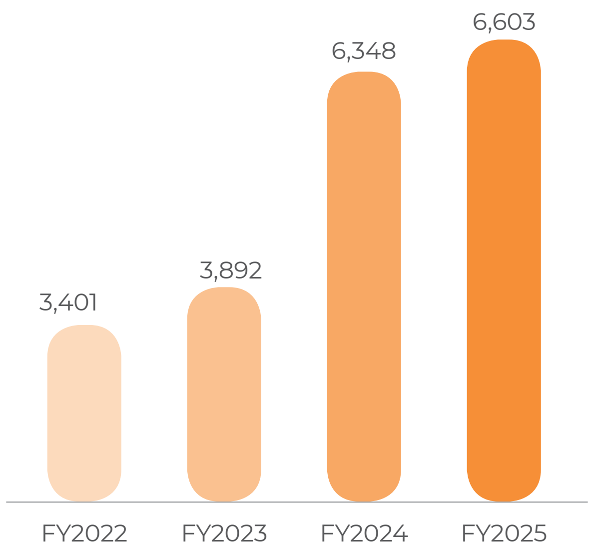


Economic value distributed
(INR in Million)

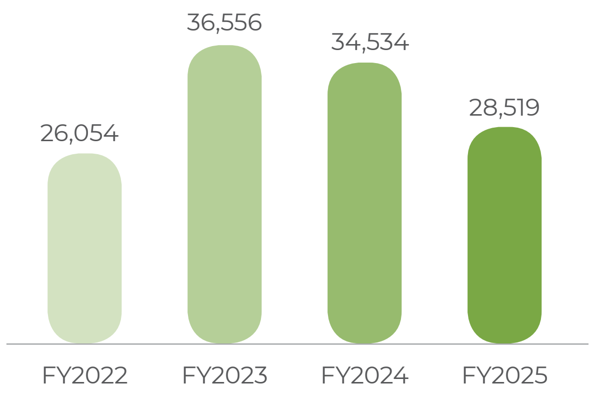
Operating Costs
(INR Million)



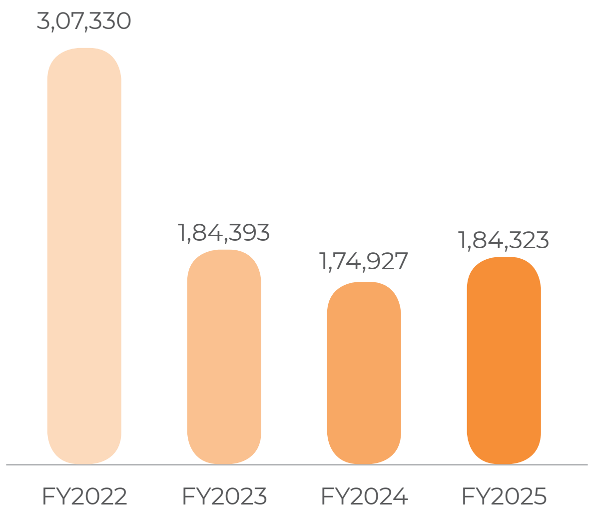
Employee Wages & Benefits
(INR Million)



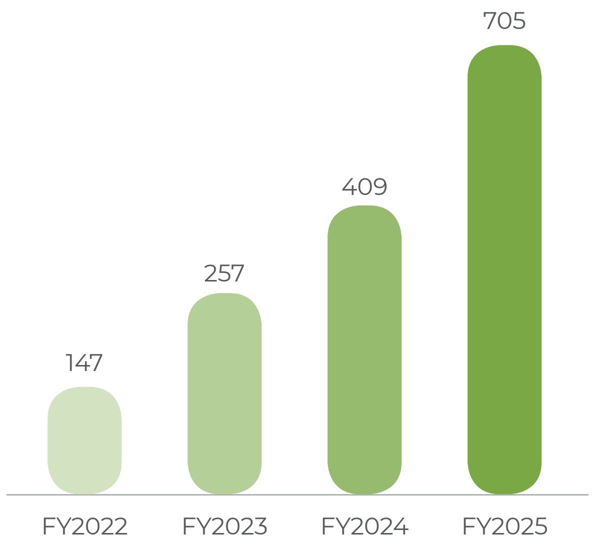
Payments to Providers of Capital (INR Million)



Payments to Government (INR Million)



Community Investments (INR Million)



Tax Strategy:

The company strictly adheres to relevant tax regulations for both its products and corporate activities. Despite maintaining numerous international business associates, our operational and office presence is exclusively within India, making India our sole reporting jurisdiction. Our effective tax rate for FY25 is 16.39% against which cash tax rating is -11.47%.

INTELLECTUAL CAPITAL

Focus Areas:

51.1
R&D Expenditure (INR Million)

0
Data Breaches

04
New Patents

We are continuously enhancing process efficiency and environmental sustainability, exemplified by a significant spending of INR 51.1 million in R&D spending this year. Our dedicated teams of scientists and researchers are tirelessly pursuing technological advancements and product development specific to our refinery. We also collaborate with esteemed national institutions to achieve our objectives.

Over the past year, HMEL R&DI team has developed a breakthrough advanced oxidation process as an alternative to the conventional Wet Air Oxidation process which is used to treat spent caustic in refineries and petrochemical plant. HMEL's advanced technology operates at ambient conditions without any compressor, conventional oxidiser, acid dosing and steam requirement.

Expected emission savings by implementation of this technology in HMEL's refinery and petrochemical plants is as follow:

- Refinery Scope 1 Emissions reduction ~ 8 KT/ annum CO2e
- Refinery Scope 2 Emissions reduction ~ 3 KT/ annum CO2e
- Petchem Plant Scope 1 Emission reduction ~ 3 KT/ annum CO2e
- Petchem Plant Scope 2 Emission reduction ~ 7 KT/annum CO2e

Patents granted to HMEL

- An Intuitive User Interface Control for an Electromagnetic Cooking Device. Indian patent number: 532788
- INDUSTRIAL PIPELINE CLEANING PIG: Design patent registration certificate: 428652-001
- INDUSTRIAL PIPELINE CLEANING PIG: Design patent registration certificate: 432824-001
- APPARATUS FOR GENERATING GREEN OXYHYDROGEN GAS: Design patent registration certificate: 424486-001

Major Initiatives

- Research, Development, and Innovation team installed and commissioned 6 Biogas Reactors at Bathinda Canteen and Township and these are running successfully.
- Research, Development, and Innovation Team also evaluating SAF and E-Methanol Businesses.

Research and Development

At HMEL, innovation is a cornerstone of our commitment to operational excellence and environmental stewardship. This year, we invested INR 51.1 million in research and development (R&D), underscoring our dedication to advancing technologies that drive efficiency, reduce environmental impact and support long-term sustainability goals.

Our R&D initiatives are led by a team of skilled scientists and engineers who collaborate with leading and national institutions to develop solutions tailored to the evolving needs of our refinery and petrochemical operations. These efforts are strategically aligned with our broader sustainability objectives.

Key focus area during the reporting period included:

- Optimization of petrochemical streams to enhance yield and resource efficiency
- Deployment of green technologies to reduce carbon emissions and environmental footprint
- Development of advanced materials, such as needle coke, for high-performance industrial applications
- Exploration of energy storage solutions, including next generation batteries and fuel cells
- Integration of Artificial Intelligence (AI) and Machine Learning (ML) for process optimisation and predicative maintenance

Our Customer Service and Development Centre (CSDC) has been formally recognized as an R&D centre by the Ministry of Science and Technology, further validating our innovation capabilities. R&D investments span a wide-spectrum - from product development and patent generation to dual-use technologies and green energy solutions - creating value for both the company and society.

Looking ahead, HMEL is advancing projects in carbon capture and utilisation (CCUS), sustainable aviation fuel (SAF) and green methanol which are expected to be launched in the upcoming year. These initiatives reflect our forward-looking approach to decarbonisation and energy transition. Through sustained investment in R&D, HMEL continues to position itself at the forefront of innovation, driving progress toward a more sustainable and resilient energy future.

Initiatives taken under R&D:

During India Energy Week 2025 in New Delhi, HMEL signed two significant Memorandums of Understanding (MoUs) with global automation leaders Emerson and AVEVA. These strategic collaborations mark a major step forward in HMEL's digital transformation journey, aimed at enhancing operational efficiency, safety and sustainability across its refinery and petrochemical unit. The partnerships focus on deploying advanced digital and AI-driven solutions to optimise operations.

The MoUs were formalized in the presence of Mr. Prabh Das (MD and CEO of HMEL) alongside senior executives from Emerson and AVEVA, underscoring the shared vision for a smarter, more sustainable future.

As part of its Campus Connect initiative, HMPL **partnered with BITS Pilani** as the title sponsor for four flagship events at the institute's annual student fest. The sponsored events - Night's Watch, Cyclotron, Solar Food Fest and RC Racing - drew significant participation and acclaim from students and faculty alike. This collaboration enhanced HMPL's visibility on campus and reinforced its image as a dynamic employer invested in student development and innovation.

HMEL **participated in the AVEVA World Global Conference 2024 'Generate Impact'** held in Paris. HMEL Team presented HMEL's recent digital transformation success stories, with a focus on the implementation of the CDU Real-Time Optimizer. It highlighted how advanced digital technologies are being leveraged to solve complex operational challenges, earning appreciation from an audience of over 3,800 industry leaders worldwide.

Inauguration of new Operational Excellence Building at GGSR, reaffirming companies commitment to continuous improvement and high-performance standards. All HMEL team members are encouraged to leverage the new facility as a hub for innovation and to strengthen industry collaboration.

Information Technology and Cybersecurity

At HMEL, cybersecurity is governed by the Apex Committee, comprising the CEO, CFO and COO. This senior leadership body provides strategic oversight and ensures that cybersecurity remains a core component of the company's risk management and sustainability framework.

To strengthen its cybersecurity posture, HMEL has updated key policies covering Information Security, Operational Technology (OT) Security and Cyber Crisis Management. These updates are aligned with global standards such as ISO 27001 and ISO 62443. In line with regulatory developments, HMEL has partnered with PwC to assess its readiness for compliance with the Digital Personal Data Protection (DPDP) Act 2023.

The company has also implemented a structured incident response process, supported by a clear escalation matrix. Employees can report security incidents through multiple channels, including the IT helpdesk, email, voice calls and dedicated support portals. To further enhance preparedness, HMEL is conducting tabletop excercises that simulate cyber-crisis scenarios, encouraging leadership participation to strengthen response capabilities.

Employee awareness and training are central to HMEL's cybersecurity strategy. All employees are required to complete regular training programs, with onboarding sessions for new hires. Awareness is continously reinforced through internal communication such as mailers, posters, employee gatherings and townhalls.

Every October, HMEL observes Cybersecurity Week, a company-wide initiative that promotes awareness through interactive sessions and knowledge-sharing activities. Additionally, leadership-level programs - delivered both in-person and virtually - address emerging trends and best practices in IT and OT security.

Initiatives taken under IT development:

The IT team successfully developed a new Warehouse Management System (WMS) interface to integrate SAP with the Automatic Storage and Retrieval System (ASRS), significantly improving synchronization across production processes. Previously, the lack of integration led to delays and inconsistencies in material availability, impacting operational efficiency.

The newly implemented interface introduces four distinct stock status categories, enabling more accurate tracking and real-time visibility of inventory within SAP. This enhancement streamlines operations, reduces unloading times and minimizes invoice discrepancies by ensuring that material availability is consistently and accurately reflected in the system.

The Activity Committee Meet (ACM) on Best Practices in Refineries, Petrochemicals and Pipelines was held. Centered around the theme 'Empowering Asset Integrity through Digitalization', the event marked a significant step forward in promoting innovation and operational efficiency in inspection methodologies.

Organized in collaboration with the Centre for High Technology (CHT), the ACM brought together representatives from 25 organizations across India. The event served as a dynamic platform for knowledge sharing, featuring 35 expert-led presentations on topics such as in-house simulation software for internal corrosion assessment, case studies on failure rectification and advanced asset management strategies.

A strong emphasis was placed on digital empowerment, with discussions highlighting the role of real-time data and analytics in optimizing resource allocation and mitigating operational risks. The event also included panel discussions and an exhibition segment, where vendors showcased cutting-edge solutions designed to enhance asset integrity and streamline inspection workflows.

HMEL's embrace of technology innovation through the implementation of several **AI-based projects by the IT team** in collaboration with various departments.

- **PetCoke Particle Size Determination:** HMEL's IT team has developed a computer vision-based model to estimate the real-time particle size distribution of PetCoke introduced to the Captive Power Point boilers. This model allows the operations team to make precise adjustments using real-time data, optimizing combustion efficiency.

- **Furnace O2 Prediction Model:** Another initiative by the IT team involves a model to predict the future oxygen (O2) levels in the Crude Distillation Unit furnace. This enables the operations team to control oxygen flow within ideal limits, enhancing furnace efficiency and potentially replicating the model across Bathinda's furnaces.

- **HMELGenAIe:** An in-house developed GPT-based model for information retrieval, currently in beta testing and accessible online. This system is set to expand across several applications, aligning with updated IT and HL policies.

- **Audit Through Power BI Dashboard:** The Asset Integrity Department completed its first audit using a Power BI dashboard. This updated dashboard, based on user department suggestions, sets a new standard for other departments.

HMEL's advancements in several key areas:

- **Equipment Lubrication Management:** HMEL's IT Team has developed a solution integrating the Document Management System (DMS) for tracking equipment lubrication activities, moving away from unreliable Excel spreadsheets. This integration allows for comprehensive process documentation, automatic reminders, and history monitoring for auditing purposes.

- **Operational Technology (OT) Cyber Security:** A virtual session on OT Cyber Security was conducted for all employees emphasizing the protection of OT environments and addressing security standards like ISA/IEC 62443 and NIST SP800-82.

- **SAP Modernization Programme - SPRINT:** HMEL is progressing with the SPRINT program, upgrading the SAP landscape and implementing best-in-class add-ons. The initial setup is operational, with all peripheral systems connected and functioning smoothly.

- **Digital Mindset Training:** HMEL recognizes 'Digital Mindset' as a key HR competency and has initiated a Microsoft AI-900 training program. This training includes both virtual and physical classroom sessions, covering over 700 participants.

HMEL introduced a new **Integrated Safety Portal,** consolidating critical safety data into an accessible platform, enhancing productivity and safety management. Furthermore, the successful conclusion of the Microsoft AI 900 Training Phase 1 was highlighted, emphasizing the company's commitment to fostering a "Digital Mindset" among employees to optimize resource efficiency.

HMEL's latest advancements in transport logistics through an automated multimode shipment solution. Following the success of PCL Phase 1, HMEL has launched a Container Management Application integrated with SAP Fiori Business Technology Platform (BTP) and SAP ERP. This system enhances efficiency and transparency in managing rail containers from receipt to final dispatch.

In observance of **Cybersecurity Awareness Month,** HPCL-Mittal Energy Limited (HMEL) hosted Cyber Awareness Week from October 14-18, 2024, themed "Cyber Warrior." Activities included the introduction of a Cyber Mascot, daily cybersecurity quizzes, and awareness sessions conducted by industry experts.

iAssist is HMEL's newly launched IT Service Management (ITSM) application, designed to streamline IT operations by providing a cloud-based platform for efficient incident reporting, service request tracking, and problem resolution. Leveraging Freshworks' technology, iAssist offers a scalable and adaptable solution that supports future growth. Users can interact with the tool via mobile apps for iOS and Android, or through a web portal, facilitating seamless IT service management on the go.

MANUFACTURED CAPITAL

The company produces fuel products which are sold to and retailed by Oil Marketing Companies. The company also produces polymers and other chemical products which are sold to other industries that use them as raw materials. The company issues Material Safety Data Sheets for all products that are accessible to customers. In addition, Company also issues declaration that the polymer products conform to necessary regulatory compliances such as US FDA, IS FDA, EU FDA, FSSAI, SVHC, RoHS, PAH etc.

Focus Areas:

12787 KT
Production-Finished Goods (KT)

2017 KT
Polymers including PP, HDPE, LLDPE

Infrastructure Development

Guru Gobind Singh Refinery:

The Bathinda refinery stands as a pinnacle of state-of-the-art infrastructure. Significant investments over the years have established it as one of the nation's premier refineries. With a formidable crude oil processing capacity, the refinery processed **13.05 MMT** of crude oil during FY24-25. It plays a vital role in our national commitments, championing initiatives like "Make in India" and "Make for India."

Manufacturing Facilities

We operate a cutting-edge manufacturing facility at the Guru Gobind Singh Refinery in Bathinda. Our integrated petrochemical plant, located within the refinery grounds, is efficiently connected through dedicated crude pipelines extending **1017 kilometers** from Mundra to Bathinda. Mundra facility has Single Point Mooring (SPM), and 17 km 48" diameter offshore/onshore pipeline, facilitating the unloading of crude oil from Very Large Crude Carriers (VLCC) for processing at our Bathinda refinery.

In the current financial year, we achieved a thruput of **13.05 MMT** of crude oil and **1.14 MMT** of Naphtha through Mundra Bathinda Crude Oil Pipeline. Our production included over **8.374 MMT** of liquid fuel, such as petrol, kerosene, aviation turbine fuel, and diesel. Additionally, we produced more than **2.402 MMT** of various other products, including LPG, naphtha, hexane, mineral turpentine oil, sulfur, pet coke, bitumen, and polypropylene. We also produced **2.01 MMT** of Petrochemial products and **75.8 TKL** of Ethanol.

Initiatives taken to improve Process Efficiency:

- **Successful transformation of Mechanical Workshop, transitioning from contractor-owned machinery to HMEL-owned equipment.** The Workshop Team effectively managed the erection and commissioning of new machinery, along with a seamless shift to a new Operations and Maintenance Contractor for workshop services as of April 1, 2024. Despite the challenge of installing new machinery without disrupting routine operations, the team executed a smooth transition, maintaining uninterrupted workshop services for both the refinery and petrochemical complex.
- **A cost-saving initiative by the Sulfur Recovery Unit (SRU) team:** Using scrap materials, the team developed a U-shaped support to contain sand during maintenance, significantly reducing the need for sand removal and saving time and resources. This innovative approach resulted in a cost-saving of INR 5 lakhs, encompassing the cost of materials and labor associated with sand removal and refilling.
- HMEL's IT-MES Team developed real-time visualization graphics for **Uniformance Insight (UI) to enhance monitoring capabilities at the Refinery PPU.** This initiative aims to streamline the monitoring of equipment like pumps, compressors, and reactors by creating UI graphics using HMIWeb Display Builder. This development allows for easier tag monitoring and operational

parameter tracking, reducing the need for frequent operator intervention. Users can set time ranges and create data workspaces for trend analysis, leading to improved production uptime, reduced operating costs, and enhanced regulatory compliance.

- HMPL set a new benchmark by achieving a record **naphtha pumping rate of 105 TKL in batch through the Mundra Bathinda crude oil pipeline**. This accomplishment marks a significant feat in engineering and operational excellence. Looking ahead, HMPL plans to further enhance the pipeline's capacity by converting the Intermediate Pigging Station (IPS-3) into a full-fledged Pumping Station, which will significantly boost the pipeline's throughput.
- HMEL's **Petchem Project** has set new standards in project execution regarding safety, time, and cost efficiency, largely due to key contributions from contractors. The project involved concurrent activities in process design, detailed engineering, and effective COVID management, ensuring uninterrupted progress.
- **HMPL commissioned the IPS-3 Main Line Pump with advanced double mechanical seals, significantly enhancing Naphtha transportation.** This development boosts throughput capacity and reliability, with further upgrades planned for other pumps to meet growing demands.
- HMEL did a groundbreaking ceremony of its **Toluene, Xylene Extraction (TXE) Project.** This initiative is set to diversify HMEL's product portfolio and facilitate entry into the pharmaceuticals market. The new unit, with a capacity of 330 KTPA, will utilize resources from the cracker unit and Continuous Catalyst Reformer (CCR) unit to produce pharma-grade and solvent-grade products. The project, managed by EPCM Licensors M/s Engineers India Limited and M/s GTC Sulzer, is anticipated to achieve mechanical completion within 28 months. Preparations include a robust enhancement of site safety and operational logistics. The project aims to position HMEL as a key player in the pharma API sector.
- Indplas 2025 Participation: From February 28 to March 3, HMEL showcased its polymer solutions at the largest international exhibition on plastics in Eastern India, held in Kolkata. The event provided a platform for HMEL to engage with over 500 exhibitors and visitors from India and neighboring countries, reinforcing its commitment to the burgeoning Eastern India market. – Technical Marketing, participated in a panel discussion on "Growth Opportunities in the Plastic Industry," sharing HMEL's initiatives for recycling and the circular economy, and highlighting new materials like metallocene LLDPE, Gamma Resistant PP, and HDPE.
- CNG Partnership: HMEL entered a strategic partnership with Indraprastha Gas Limited (IGL) to supply compressed natural gas (CNG) for its upcoming retail outlets. This collaboration leverages the strengths of both companies, ensuring a reliable and efficient supply of CNG to cater to the increasing demand for cleaner and more sustainable fuel options among consumers. The partnership aims to expand their customer base and contribute to environmental conservation.
- Sustainable Packaging at ISPI 2025: HMEL proudly participated in the 5th International Summit for Packaging Industry, organized by the Indian Institute of Packaging and the World Packaging Organisation. Mr. Vineet Gupta delivered an insightful presentation on "The Evolution of Polyolefins: Breaking New Ground," showcasing HMEL's advancements in producing metallocene Linear Low-Density Polyethylene (mLLDPE) and supporting India's Make in India vision. The event underscored HMEL's commitment to sustainable development and environmental conservation through innovative packaging solutions.

World's First ever batch-wise Transportation of Naphtha through a Cross-Country Crude Oil Pipeline

HMEL has accomplished a remarkable milestone by becoming the only company in the world to successfully carry out the simultaneous, batch-wise transportation of Naphtha (White Oil) through an existing Crude Oil (Black Oil) pipeline on a continuous and regular basis. This innovative breakthrough not only optimizes existing infrastructure but also delivers significant environmental and economic benefits, making it a global first in pipeline logistics.

Traditionally, the transportation of different types of hydrocarbons requires separate infrastructure, especially when dealing with chemically distinct products such as crude oil and naphtha. HMEL's unique methodology allows both products to be transported efficiently within a single pipeline system, using a batch-wise approach without compromising safety or quality. This advancement eliminates the need for new pipeline development and leverages the company's large-diameter 28"/30" cross-country crude pipeline, enabling sustained delivery at a much lower cost and carbon footprint compared to rail or road transport.

Recognizing the novelty and technical sophistication of this achievement, HMEL has filed patents in both India (Application No. 202311052091, dated 02-Aug-2023) and the United States (Application No. 18/774,214, dated 16-Jul-2024). These applications detail the system and method developed for the simultaneous transport of crude oil and naphtha. In support of this patented innovation, HMEL has also registered industrial designs for specialized pipeline cleaning tools, commonly known as pipeline pigs. Two of these designs have already been granted registration (428652-001 and 432824-001), while a third (429737-001) is currently under process.

The environmental impact of this innovation is significant. In the financial year 2024-25, HMEL transported 1.14 million metric tons (MMT) of naphtha through the existing crude oil pipeline over a distance of 1,017 kilometers. When comparing carbon emissions from pipeline transport to conventional methods, the results highlight the environmental advantages clearly. Pipeline transport emits only 4.068 kg of CO_2 per metric ton per kilometer, in contrast to 20.34 kg for rail and 70 kg for road transport. Based on these emission factors, the total emissions for transporting 1 MMT over 1,017 kilometers would be approximately 4,137 metric tons CO_2 via pipeline, 20,685 metric tons CO_2 via rail, and 71,190 metric tons CO_2 via road. Consequently, by opting for pipeline transport, HMEL achieved net carbon savings of approximately 16,548 metric tons CO_2 when compared to rail, and an impressive 67,053 metric tons CO_2 compared to road. For the total 1.14 MMT transported, this translates to a net carbon savings of 18,864 metric tons CO_2 against rail and 76,440 metric tons CO_2 against road.

In addition to these operational savings, HMEL's innovation has avoided the need to construct a dedicated 1,017-kilometer pipeline exclusively for naphtha. The construction of such a pipeline would have entailed significant greenhouse gas emissions, primarily from material production, transportation, heavy machinery usage, and land disturbances. It is estimated that the carbon footprint for constructing a 28"/30" cross-country pipeline ranges between 300 and 500 metric tons of CO_2 per kilometer. Using a conservative average of 400 metric tons per kilometer, the avoided emissions from not building a new pipeline amount to approximately 406,800 metric tons of CO_2.

This initiative by HMEL showcases a landmark innovation that blends engineering excellence with environmental stewardship. By redefining how existing infrastructure can be used more efficiently, HMEL has delivered a solution that not only reduces operational costs but also significantly advances the global agenda for climate change mitigation. This success story stands as a testament to HMEL's commitment to sustainable growth and technological leadership in the energy sector.

NATURAL CAPITAL

Focus Areas:

21,901 MWh
Renewable energy consumption

100%
Water recycled and reused

A letter of appreciation from UN GCNI

"The United Nations Global Compact Network India (UN GCNI) congratulates HPCL-Mittal Energy Limited (HMEL) for its dedication to corporate sustainability and innovative solutions in energy efficiency, emission reduction, and renewable energy. HMEL's Zero Residue Refinery Project exemplifies innovation, focusing on zero waste and improved crude oil processing efficiency through advanced technologies. Their renewable energy integration through solar projects and hybrid solutions highlights efforts to reduce reliance on conventional fuels. HMEL aligns with the UN Sustainable Development Goals (SDGs) and emphasizes community development and corporate social responsibility. Their use of real-time monitoring and AI-driven automation demonstrates readiness for future energy challenges. UN GCNI invites HMEL to collaborate on Forward Faster 2030 initiatives, promoting water management, clean energy, and climate action. The letter expresses eagerness to continue the partnership to achieve the 2030 Agenda for Sustainable Development."

GHG Emissions

At HMEL, we are committed to advancing environmental sustainability by integrating our people, processes, and products. We strive to minimize our environmental impact through rigorous monitoring and reporting systems. Recognizing the importance of limiting global warming to 1.5 degrees Celsius, as outlined in the Paris Agreement, we are focused on reducing our carbon footprint. HPCL Mittal Pipelines Ltd. (HMPL) significantly contributes to this effort by providing energy-efficient naphtha transportation. Their continuous pipeline flow consumes less energy compared to the intermittent nature of rail or truck transport, effectively supporting global climate change mitigation and reducing air and noise pollution.

Our objective is to reach near net-zero emissions by 2040, aiming to transform into a less carbon-intensive industry. To achieve this, our dedicated team continuously researches and implements energy-saving initiatives and assesses greenhouse gas (GHG) inventories to identify reduction opportunities. We regularly review our emission data to set firm-wide objectives.

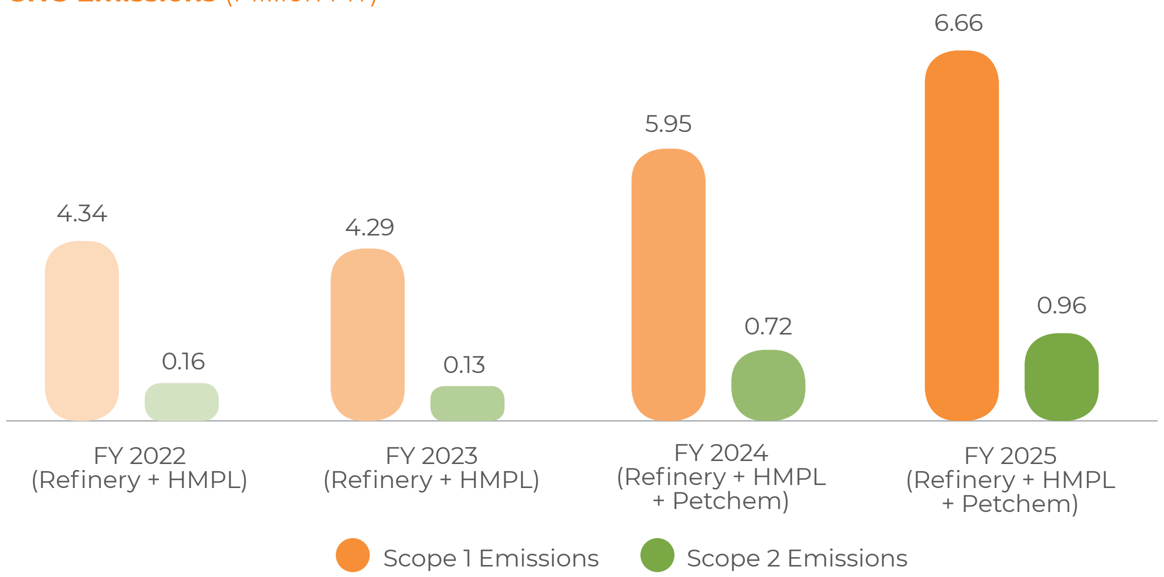
Our comprehensive strategy addresses emissions from both direct (Scope 1) and indirect (Scope 2) activities, including gases such as CO_2, CH_4, NO_2, and SO_2. We prioritize Scope 1 emissions, which make up a substantial portion of our carbon emissions. We mitigate both direct and indirect emissions by adopting 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, calculated using crude throughput (measured in metric million tonnes of oil processed per year) and encompassing both Scope 1 and 2 emissions. To determine our GHG footprint, we use emission factors from the UK Government for GHG conversion, along with Global Warming Potential data from the IPCC (Fifth Assessment Report, 2014). We have designated FY2022-23 as the baseline year for GHG emissions in both Scope 1 and 2, in alignment with our refinery operating at its maximum capacity since commissioning.

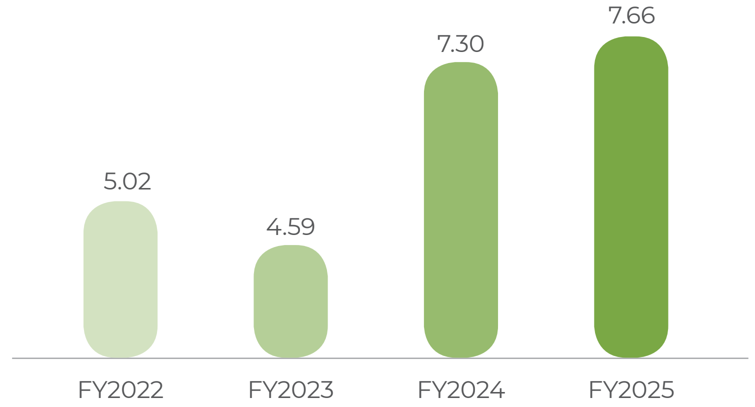
At HMEL, we prioritize precautionary measures and ensure our supply chain partners adhere to these practices. We provide relevant material handling and safety data sheets for all products to both internal and external stakeholders. Our products not only meet statutory health and safety requirements but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

	Unit	FY22	FY23	FY24	FY25
Total direct GHG emissions (Scope 1)	Million Metric tonnes	4.34	4.29	5.95	6.66
Location-based (Scope 2)	Million Metric tonnes	0.16	0.13	0.72	0.96
Market-based (Scope 2)	Million Metric tonnes	0.00	0.00	0.00	0.00
Total	Million Metric tonnes	4.50	4.42	6.67	7.62
Air Pollutants					
Direct NOx Emission	Metric tonnes	3,696	4,600	6,341	6,385
Direct SOx Emission	Metric tonnes	2,995	4,378	3,977	3,993
Direct CH4 Emissions	Metric tonnes	1,050	990	742	705

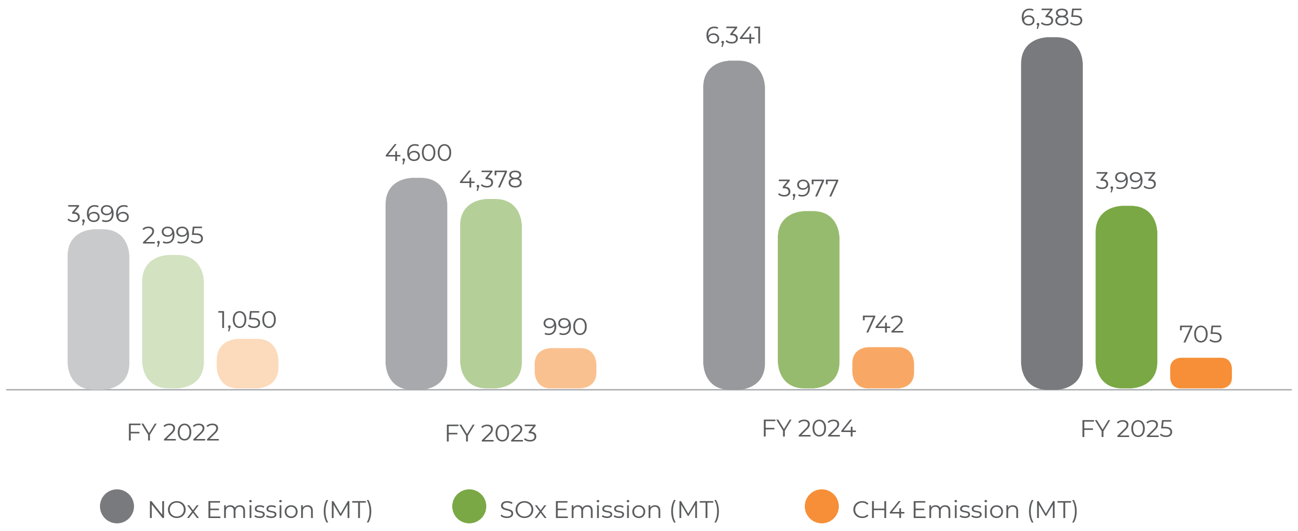
GHG Emissions (Million MT)



GHG Intensity (MT/Revenue in INR million)



Other emissions (MT)



Initiatives taken to reduce emissions:

The refinery has implemented several initiatives aimed at reducing carbon emissions. The Hydrogen Generation Unit (HGU) has increased the share of natural gas (NG) in the feedstock to 72% for its operation, achieving ~12.3% reduction in HGU unit process emissions. Furthermore, stationary combustion emissions from refinery heaters dropped by ~5.5% in FY24-25 due to a higher NG share in the total fuel mix, rising from 18.3% to 24.6%. Refinery flare emissions saw a ~6% decline in FY24-25, contributing to a similar reduction in methane emissions.

At the Petchem Plant, a ~38.5% reduction in scope 1 emissions was realized through optimized VHP steam consumption. These efforts demonstrate a strong commitment to reducing the HMEL's environmental footprint.

Net zero Roadmap:

To streamline our emission reduction initiatives, we have crafted a comprehensive Net Zero roadmap. HMEL has taken target of 12.7% reduction in emission by 2030, 35% reduction in emission by 2035 and 100% reduction in emission by 2040. This strategic guide delineates our decarbonization path and will effectively direct our efforts and investments.

Electricity consumption remains the largest contributor to our refinery's carbon footprint, spanning both industrial units and office facilities. Recognizing the critical role of renewable energy and energy efficiency in reducing greenhouse gas emissions and optimizing resource use, we have made significant advancements in this area.

This fiscal year, we significantly increased our renewable energy capacity, escalating from 14,434 MWh to 21,901 MWh, demonstrating our strong shift towards renewable energy sources. To further decrease our dependency on non-renewable energy, we are actively exploring opportunities in ethanol, green chemicals, green hydrogen, and solar energy.

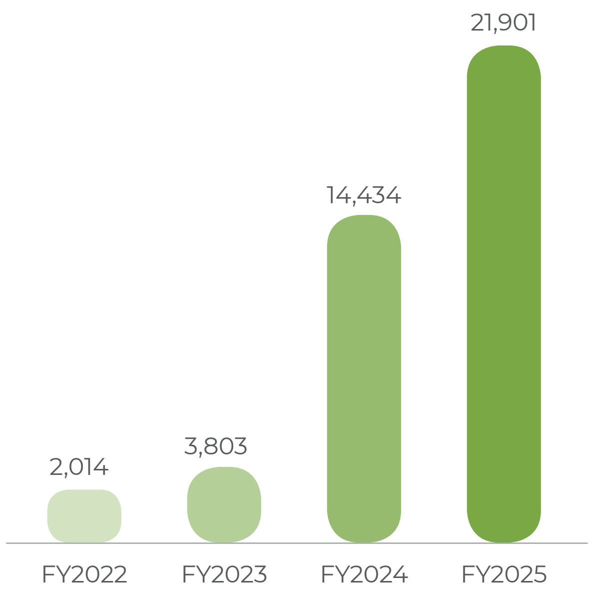
We have successfully executed 49 projects focused on energy and fuel efficiency. Our Technology team, within the Environmental Department, has been instrumental in designing innovative initiatives that not only enhance process productivity but also contribute to a cleaner and more sustainable environment. Our energy management efforts are guided by a publicly available Environmental Policy, underscoring our commitment to sustainability.

Energy Management

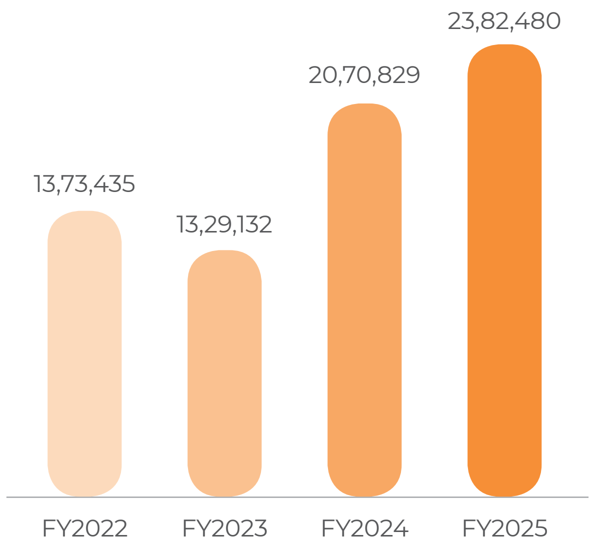
Electricity consumption is the largest contributor to our refinery's carbon footprint, encompassing both our industrial units and office spaces. Recognizing the vital role of renewable energy and energy efficiency in reducing GHG emissions and optimizing resource use, we have focused on significant improvements in this area.

This fiscal year, we saw a substantial increase our renewable energy consumption, rising from 14434 MWh to 21,901 MWh, indicating a strong shift towards renewable energy sources. To further reduce our reliance on non-renewable energy, we are exploring opportunities in ethanol, green chemicals, green hydrogen, and solar energy. We have successfully completed over three energy efficiency project mitigating equivalence approximately 7.3 KT CO2 per year. Our Technology team within the Environmental Department has 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. To guide our energy management efforts, we have a publicly available Environmental Policy.

Renewable Energy Consumption (MWH)



Non-renewable Energy Consumption (MWH)



Climate Change Strategy

The escalating climate crisis is driving unprecedented disruptions globally, impacting companies, communities, and governments alike. In response, adaptation measures have become crucial to regulating the use of natural resources and mitigating impacts on our ecosystems.

HMEL acknowledges the critical importance of addressing climate change and is committed to transparent climate-related reporting. To this end, we have undertaken a Climate Risk Assessment for our refinery and Mundra port, aligning with the IFRS S2 climate-related disclosure standards. These disclosures are integrated with the Task Force on Climate-related Financial Disclosures (TCFD) framework, encompassing its four core pillars: Governance, Risk Management, Strategy, and Metrics and Targets, along with its 11 recommendations. Through this assessment, we have identified the key risks and impacts of climate change on our operations, enabling us to implement adaptive measures that enhance the resilience of our business for the future.

Rationale	Impact	Mitigation
Type of Physical Risk: 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.	• 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	• 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 holds a 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 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.

Type of **Physical** Risk: Heat Stress		
Heatwave might be a risk in the future as the number of days for heat stress may increase with rising temperature.	• 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.	• 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.
Type of Physical Risk: Water Stress		
The likelihood of water stress and water depletion are extremely high for HMEL facilities especially in its refinery at Bathinda.	• Non availability of water for a long period may result in plant shutdown. • Labor migration and higher attrition rate. • Greater competition for water leading to water conflict with local communities	• 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.
Type of Transitional Risk: 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.	• Reduced Sales • Reduced Revenues	• Diversification of product portfolio through investments in production of biofuels and green hydrogen

Type of Transitional Risk: Policy Risk		
Carbon Tax Policies: Carbon taxes are projected to be in place in all regions, globally.	• Increase in operational costs	• Investment in low carbon technologies such as carbon capture utilization and storage • Purchase of carbon offsets
Type of Transitional Risk: Techntology Risk		
• 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	• Increase in capital expenditure	• Product portfolio diversification to include renewables. • Commitment to the research on renewable technologies and green business. • Exploring opportunities to invest in Green Hydrogen projects

Climate-related Management Incentives:

HMEL is committed to advancing its climate change initiatives by integrating them into its management incentive structures. As part of this commitment, HMEL provides monetary rewards to incentivize the effective management of climate change issues and the attainment of specific targets.

The Company incentivizes its executives through a structured bonus program that ties a portion of their compensation to the achievement of specific climate-related goals. This includes reducing greenhouse gas emissions, improving energy efficiency, and enhancing the use of renewable resources. This approach ensures that both immediate and future-focused climate initiatives are embedded into the organization's culture and operations.

Water Management

HMEL underscores the essential nature of a structured water management approach, particularly in regions facing water scarcity. Recognizing water as a vital resource for our industry, we are committed to its prudent use and responsible disposal across all operation. Our comprehensive Water Risk Assessment conducted for our refinery, Mundra Port, and pumping stations utilized advanced scientific tools, including WRI's Aqueduct tool, WWF's Water Risk Filter, Encore, and RepRisk.

In addressing regional water scarcity, we have implemented a series of initiatives aimed at reducing water consumption and enhancing conservation through our 'reduce, reuse, and recycle' strategy. We consistently monitor and analyze our water-related activities, documenting our progress in annual reports with the goal of achieving greater efficiency each year.

Our effluent discharge practices strictly adhere to the Environmental Protection Rule, 1986, as applicable to the Petroleum Oil Refinery sector, ensuring compliance with regulatory standards.

Water Management Strategy:

- Efficient management of wastewater: By recycling 100% of its wastewater through sewage treatment plants (STPs) and effluent treatment plants (ETPs), HMEL protects local water sources and the environment from pollutants and contamination.
- Investing in water conservation projects:

Water Risk Management

Water is a vital resource for operations at HMEL, and managing water-related risks is crucial for maintaining sustainable and uninterrupted business activities. To tackle this, we've developed a comprehensive strategy that covers dependency-related risks in our assessments, evaluating our reliance on current water supplies and potential disruptions, which helps us create strategies like securing alternative sources and implementing conservation measures. Additionally, we assess the impact of our operations on local water resources, ensuring our activities don't negatively affect the quantity and quality of local water bodies, thereby minimizing our ecological footprint and maintaining healthy ecosystems. Planning for the future is key, so we predict future water availability by considering factors like climate change, population growth, and industrial trends to ensure sustainability. Water quality is equally important, and we mitigate risks such as pollution by implementing robust treatment systems to protect water quality and minimize downstream impacts. Our responsibility extends to local communities, as we evaluate how our water management practices affect stakeholders like residents and agriculture, engaging with them to support community needs and contribute to regional sustainability.

Initiatives taken to conserve water:

1. **Automation of Petchem Waterblock:** HMEL is exploring digitalization and automation within the Water Block, which includes the Raw Water Treatment Plant (RWTP), Reverse Osmosis-Deionized Water (RO-DM), and Condensate Polishing Unit (CPU). The goal is to reduce chemical and power consumption, optimize manpower utilization, and improve service delivery efficiency. A detailed study is underway to implement these digital solutions, aligning with our objective of enhancing operational efficiency through technology.
2. **Water Audit by TUV Rheinland in line with AWS International Water Standard:** Recognizing the high-water stress in Bathinda, HMEL is conducting a comprehensive water audit with TUV Rheinland India. This audit will review our water management plan, analyze consumption trends, evaluate treatment systems, and identify opportunities for water efficiency through reduction, replacement, and recycling. The audit is aligned with the AWS International Water Stewardship Standard and ISO 46001, ensuring that our practices meet international benchmarks for sustainable water management.

HMEL's Water Sustainability Drive Towards ESG Goals

Context & Commitment

HMEL (HPCL-Mittal Energy Limited) is committed to sustainable growth and environmental stewardship, aligning operations with clearly defined Environmental, Social, and Governance (ESG) goals. A key milestone in HMEL's sustainability roadmap is the targeted **20% reduction in canal water intake by 2027,** —a goal that demands significant innovation and transformation.

Challenge

Operating an inland refinery presents unique challenges, particularly in wastewater disposal and freshwater sourcing. With limited options for effluent discharge, traditional methods were insufficient to meet the aggressive water conservation goals. Thus, optimizing the entire water cycle right from intake to reuse became essential.

Strategic Approach

To achieve the canal water reduction target, HMEL adopted a comprehensive, stakeholder-driven approach:

1. Cross-functional Collaboration: Engaged all relevant stakeholders to develop a unified water conservation strategy.
2. Water Loss Mapping: Identified areas of inefficiency and water loss across both process and utility plants.
3. Opportunity Brainstorming: Conducted ideation workshops to explore water optimization opportunities beyond conventional methods.
4. Step-wise Implementation: Rolled out a phased execution plan to incorporate identified improvement actions.
5. Innovation & Chemistry-led Operations: Adopted novel approaches guided by water chemistry, transcending original plant design limitations.

Key Initiatives Implemented

Area	Initiative	Impact
Cooling Towers	Increased Cycles of Concentration (COC) from 7 to 8 in Petchem	Saved ~120–150 m^3/hr of fresh water
Blowdown Routing	Redirected CT-2 blowdown to CT-1	Saved ~15–20 m^3/hr
Effluent Recycling	Enhanced ETP treated water reuse in cooling towers	Increased usage to 200–220 m^3/hr

Results

Significant Reduction in Canal Water Intake

The implemented actions contributed to a progressive reduction in specific water consumption over time, despite seasonal throughput variations:

This downward trend reflects both operational discipline and the effectiveness of targeted initiatives.

Additional Measures & Ongoing Initiatives

- **Utility and Process Plant Optimization:** Additional water-saving opportunities have been identified and are currently under execution.
- **Digitalization of Waterblock Operations:** A digital transformation project is underway to automate the **Petchem waterblock,** aiming to:
  - Minimize manual intervention
  - Reduce **chemical consumption by 20%**
  - Reduce **water losses by 20%**

Impact Summary

- Achieved **6% reduction in specific water consumption.**
- Realized savings of **hundreds of cubic meters per hour** through targeted reuse and optimization.
- Demonstrated innovation by enhancing existing systems beyond design limits.

Waste Management

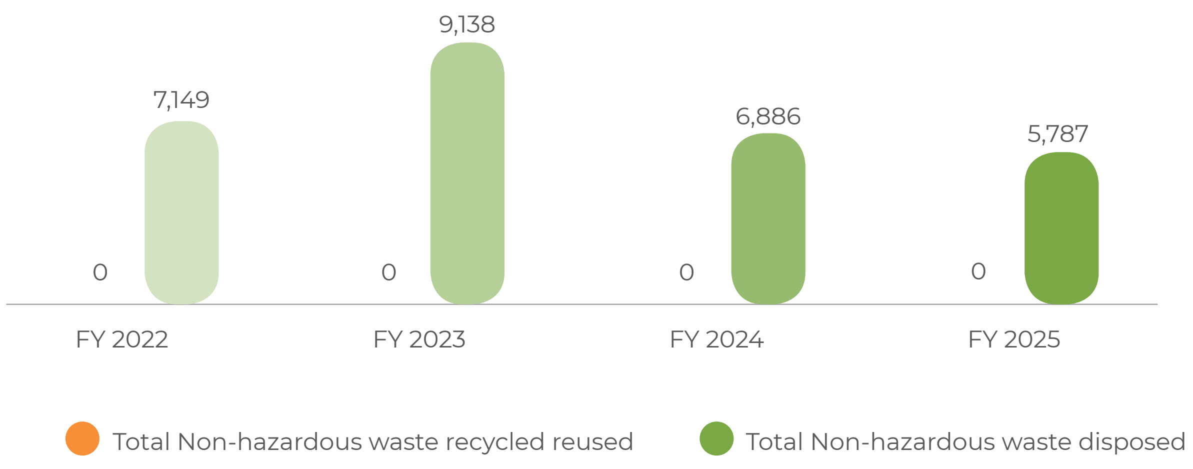
HPCL-Mittal Energy Limited (HMEL) is dedicated to advancing the transition towards a circular economy and promoting a society grounded in resource recycling. We are committed to ensuring the proper disposal of hazardous waste in strict accordance with the applicable regulations in Punjab and Uttar Pradesh, thereby supporting sustainable waste management practices and contributing to environmental conservation.

Plastic Waste Management:

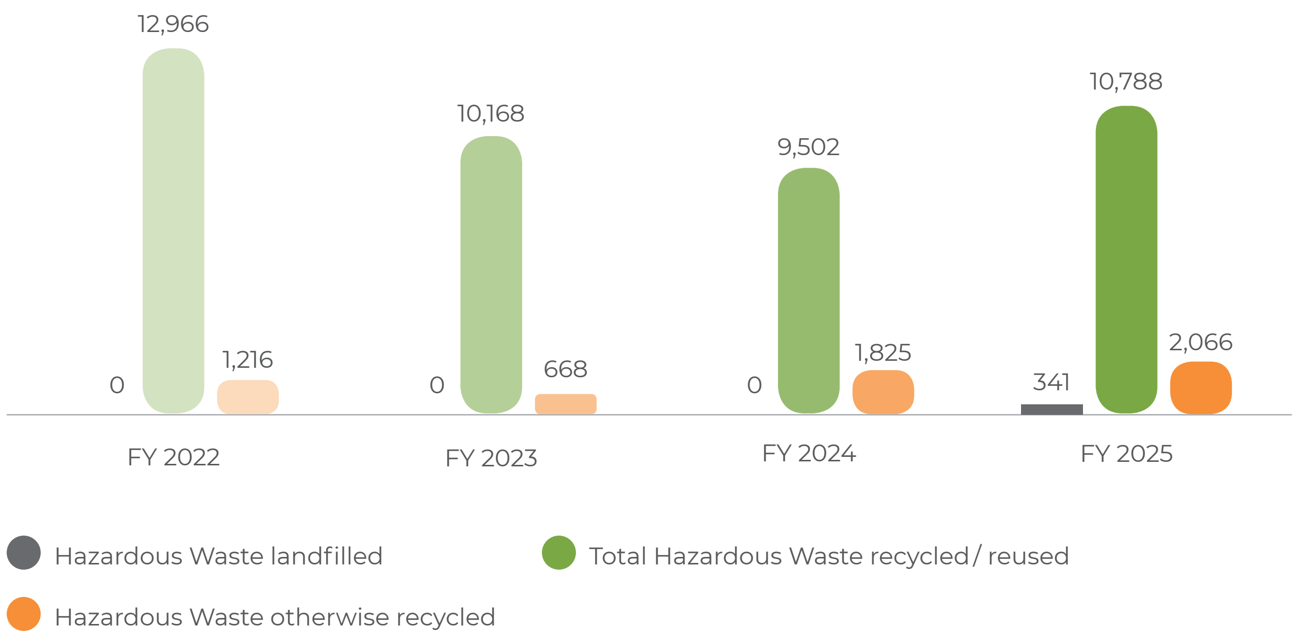
HMEL is fully compliant with the Extended Producer Responsibility (EPR) obligations as mandated under the Plastic Waste Management Rules, 2016. The company remains committed to responsible plastic management and environmental stewardship across its operations.

In line with these regulations, HMEL has successfully achieved its plastic recycling targets for the reporting period. By proactively engaging with authorized recyclers and implementing systematic waste management practices, HMEL ensures that its plastic footprint is responsibly managed and reduced.

Non-hazardous Waste (MT)



Hazardous Waste (MT)



HMEL's Waste Management Journey: A Landmark Year in 2024–25

In FY 2024–25, HMEL proudly marked a year of significant progress in its sustainability journey, reaffirming its position as a responsible and forward-looking organization. Sustainability is not just an ethical commitment for HMEL—it is a core strategic priority that drives long-term value creation.

As part of its Extended Producer Responsibility (EPR) obligations under the Plastic Waste Management Rules, 2016, HMEL successfully met its ambitious plastic recycling target, processing a total of 4,998 metric tons. This included 1,500 MT recycling and 3,498 MT End-of-Life. HMEL successfully achieved the target underscoring our commitment to closing the loop on plastic waste.

One of HMEL's most notable achievements this year was the advancement of chemical recycling through the pyrolysis oil route, culminating in the production of circular polymers. In recognition of these efforts, HMEL received the prestigious ISCC+ (International Sustainability and Carbon Certification), becoming only the second raw material manufacturer in India to earn this distinction. This milestone not only validates our efforts but also opens new avenues for collaboration with sustainability-driven stakeholders and brand owners.

Through these achievements, HMEL continues to lead by example—delivering on sustainability goals while building a resilient, future-ready business.

Biodiversity Management

HPCL-Mittal Energy Limited (HMEL) acknowledges the vital role of biodiversity management in ecosystem preservation and species protection. Our operations span 1,945 acres dedicated to crude oil production, underscored by Environmental Impact Assessments (EIAs conducted in 1998, 2008, and most recently in 2017) to ensure environmental stewardship. To combat urban pollution, HMEL has established a green belt encompassing 163 acres across Bathinda, Rampura, Bir Talab, and Talwandi Sabo. Significantly, HPCL Mittal Pipelines Ltd. (HMPL) has realized substantial ecological benefits by employing underground pipelines, which reduce land and habitat disruption compared to traditional rail and road transport methods. Since the refinery's inception, HMEL has fostered an impressive 13% increase in flora and a 75% rise in fauna, attributed to strategically planned industrial premises and an additional 163 acres outside the refinery. The 2017 EIA confirmed that no critically endangered, vulnerable, or rare species identified on the IUCN Red List are present within the study area.

615
Trees Planted as a part of Green Plantation Drive in HMPL

In pursuit of continuous biodiversity management, HMEL utilizes comprehensive assessment tools, including WWF's Biodiversity Risk Filter, IBAT, and RepRisk, to evaluate impacts at our refinery, Mundra Port, and pumping stations. We recognize the potential adverse effects of products such as polypropylene (PP), High-Density Polyethylene (HDPE), and Linear Low-Density Polyethylene (LLDPE) on local biodiversity. To mitigate these risks, we ensure responsible recycling practices by authorized recyclers, thereby minimizing environmental exposure.

4,030
trees planted in **6.35 acres** of Green Belt Area at Ethanol Plant (HOPL)

Our 2008 EIA confirmed that pipeline routes and proposed facilities do not intersect ecologically sensitive areas within the Coastal Regulation Zone (CRZ), except for a 100-square-meter patch of mangrove habitat. In response, HMEL embarked on a phased mangrove plantation covering over 100 hectares in Kutch, supported by an INR 40.6 lakh investment. This initiative underscores our commitment to environmental conservation and sustainable development.

As part of our commitment to environmental stewardship, we expect our suppliers to actively engage in minimizing or eliminating adverse impacts on biodiversity within and around their operations. Suppliers are required to implement strategies that significantly reduce or eliminate any negative effects their operations might have on local biodiversity, including careful management of resources to prevent habitat destruction and pollution. We encourage our suppliers to engage in activities aimed at preserving and restoring biodiversity, forests, and natural habitats, thereby contributing to maintaining the ecological integrity of the areas in which they operate. Moreover, suppliers must demonstrate a strong commitment to combating deforestation by taking proactive measures to prevent the unnecessary clearing of forests and ensuring sustainable land management practices are in place.

At HMEL, we are committed to conserving biodiversity through responsible practices, regular impact assessments, and habitat restoration. By working with stakeholders and ensuring compliance, we strive for a net positive impact on ecosystems and communities.

Biodiversity Risk Assessment:

At HMEL, we are committed to transparency and sustainability, which is why we publicly report on the process of our biodiversity risk assessment. Our approach is location-specific, ensuring that we tailor our strategies to the unique ecological contexts in which we operate. We refer established methodologies and frameworks to guide our assessments, integrating them into our multi-disciplinary, company-wide risk management processes. This comprehensive approach allows us to consider both dependency-related and impact-related biodiversity risks.

HUMAN CAPITAL

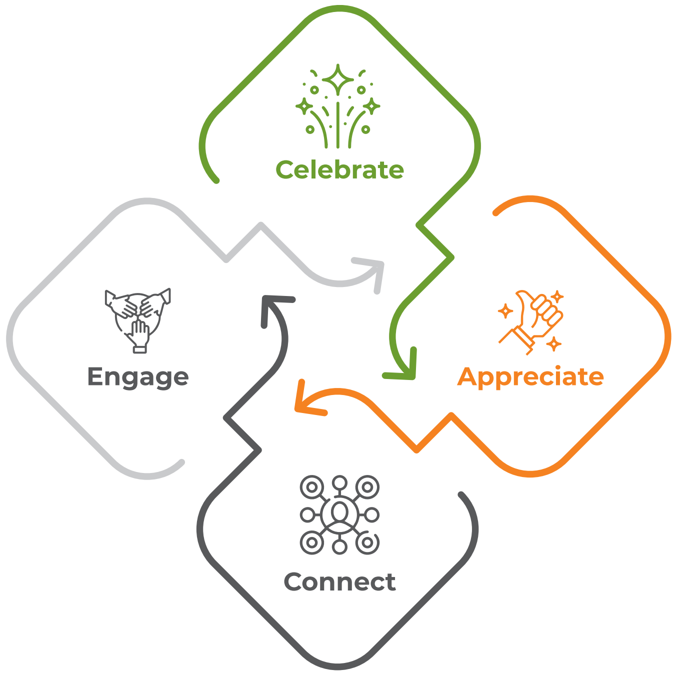
15.56% increase in Female workforce	**7.3%** Employee turnover rate reduced / attrition	**96%** Employment Engagement Survey	**82.4** average hours spent by FTE on training and development

Talent Attraction and Retention

We view our people as our greatest asset and the core drivers of our company's growth and achievements. Our workforce plays a pivotal role in delivering on our commitments to all stakeholders.

To strengthen employee morale and maintain high levels of motivation, we have introduced the 'Employee First' engagement framework. This initiative is built to foster trust, encourage collaboration, and promote a culture of camaraderie across teams. Through the adoption of best practices, proactive engagement, and open, transparent communication, we aim to create a workplace where employees feel valued, supported, and inspired to excel.

Employee First Framework



New Joinee Trainings:

HMEL advanced its Campus Connect initiative by hosting thirty-five management students and four faculty members from Fore School of Management at its refinery and petrochemical project. The visit was designed to provide comprehensive insights into HMEL's operations, safety protocols, human resource practices, and product portfolio. Students engaged in informative presentations and toured the Refinery and Petrochemical MCRs, gaining firsthand experience of the operations. They also had the opportunity to interact with senior management, fostering meaningful discussions on career pathways and industry challenges. This event underscored HMEL's commitment to nurturing future talent by providing valuable industry exposure.

HMEL demonstrated its dedication to fostering a culture of collaboration, innovation, and excellence by welcoming forty-one new Diploma Engineer Trainees (DETs) at the GGSR Bathinda site. This initiative highlights HMEL's commitment to supporting the development of the next generation of engineers, ensuring they are well-prepared to contribute to the company's success.

HMEL organized an internal trainer felicitation program to honor the significant contributions of trainers involved in the Individual Development Plan (IDP) trainings. The event celebrated the essential role of internal trainers in equipping new talent with vital skills. HMEL also recognized the trainers' efforts and presented mementos, emphasizing the importance of continuous improvement in training excellence. This initiative reflects HMEL's commitment to maintaining high standards in professional development and training.

Employee Wellbeing

100% Return to work after maternity leave	**83%** PRIDE Survey engagement Score

In FY2024-25, HPCL-Mittal Energy Limited (HMEL) expanded its team by welcoming 226 new members, including trainees. Recognizing that employee well-being is crucial to our sustainable growth, we are committed to fostering a safe and supportive work environment. We have implemented various programs to enhance the mental and physical well-being of our employees. Among these initiatives is the "We Care" program, which facilitates direct communication between employees and leadership through connect sessions.

Our commitment to supporting female employees is demonstrated by offering 26 weeks of fully paid maternity leave, in line with the Maternity Benefit Act. We strive to ensure their happiness and success in both personal and professional spheres. Additionally, we provide a dedicated crèche facility, equipped with essential amenities and located near our medical team, to support the comfort and well-being of our female employees and their children.

To improve work-life balance, the company has a five-day working week at our Refinery and Pipeline

locations. In response to attrition challenges, we introduced the “Long Service Retention Scheme”. This initiative, targeting employees at the managerial level and below, has achieved impressive results, with a significantly higher participation rate among eligible employees.

Understanding the importance of employee satisfaction and engagement, we have partnered with an external agency to develop the “PRIDE” (People’s Role in Designing Employee Experience) survey. Conducted every four months, this survey measures employee satisfaction, ensuring that we continue to meet the needs and expectations of our valued workforce.

Initiatives taken for Employee Wellbeing:

HMEL organized a “Stress Management & Work-Life Balance” session in Bathinda, facilitated by Silver Oak Health. The event provided employees with insights into stress responses and effective coping mechanisms, drawing participation from over seventy-five attendees.

HMEL initiated the “Raise the Bar” campaign to drive personal and professional growth by motivating employees to elevate their standards and embrace positive habits. This comprehensive initiative featured weekly E-learning challenges and webinars, engaging over 850 participants who set goals across key themes such as micro-habits, leadership, innovation, learning, and well-being. The campaign provided a structured framework for behavior change, creating a supportive environment that fosters continuous improvement and development.

Session on Self-Empowerment: Dr. Mohit Gupta, a renowned cardiologist and TEDx speaker, led a session on “Secrets of Self-Empowerment” at an event organized by HMEL. The session focused on achieving a healthy and empowered life through personal growth and resilience.

Recognition: At HMEL, we believe in celebrating and recognizing the exceptional contributions of our employees. To honor outstanding performance, we hold quarterly town hall celebrations where employees are acknowledged for their significant achievements and dedication in their respective areas of work.

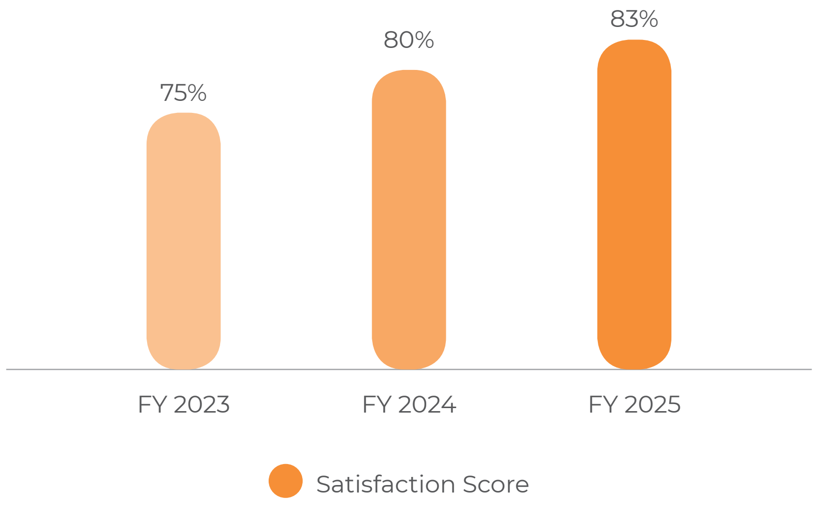
The recognition is structured across three award categories: the Individual Category, which highlights personal excellence; the Department Category, which acknowledges collective team success within a department; and the Inter-Department Category, which celebrates exemplary collaboration across different departments. These recognitions serve to motivate employees, promote a culture of excellence, and reinforce the values of teamwork and high performance within the organization.

Emphasis on extra-curricular: Employees are encouraged to contribute beyond their roles through active participation in various employee-led committees like the Sports Committee, Creative Circle, Cultural Committee, School Coordination Committee, Township Cycling Group, Women Activity Club, and the Reading Club, enhancing both personal growth and collective spirit.

Driving Everyday Inclusion: HMEL launched My Story of Everyday Inclusion Campaign during the festive season, starting in late October 2024. Our culture is deeply rooted in the spirit of teamwork, embracing each individual’s uniqueness with the utmost respect, fostering an environment where everyone can thrive together. We celebrate every tradition with a strong sense of belonging. As part of this campaign, employees were invited to share their personal stories of everyday inclusion — moments where they experienced the spirit of festivity with colleagues from different cultures, shared traditional cuisines, exchanged cultural attire, or consciously included team members from diverse backgrounds in their celebrations. As part of the initiative, Everyday Inclusion Workshop for Graduate Engineer Trainee (GET) Mentors was organized focused on inclusive mentoring, communication, and feedback techniques, receiving strong participant feedback.

This initiative reflects HMEL’s continued commitment to building an inclusive, respectful, and collaborative workplace.

PRIDE Employee Engagement Survey



At HMEL, we recognize that a positive employee experience is fundamental to our organizational culture, given the vast and diverse workforce that drives our business operations. Ensuring that employees feel empowered, engaged, and aligned with our vision fosters a culture of collaboration, adaptability, and excellence, which is crucial for thriving in competitive industries. Our commitment to enhancing employee satisfaction is evident through our PRIDE Employee Experience Survey, conducted in three phases. This survey reflects the collective efforts of the HMEL family, demonstrating a steady improvement in engagement and participation rates. The survey, comprising 59 questions across 24 drivers, aims to gauge the "Say-Stay-Strive" sentiment of our employees, assess job satisfaction, sense of purpose, happiness at work, and stress levels, offering a comprehensive view of employees' experiences and needs. It provides invaluable insights for future initiatives, highlighting key focus areas like recognition, growth, workload, and health & wellbeing.

To further enhance employee engagement, we have launched several initiatives, including Coffee Meetings with the MD & CEO, the HMEL Buzz e-newsletter, and the Raise the Bar campaign. Raise the Bar initiative is a prime example of our commitment to continuous improvement. This campaign empowers employees to step out of their comfort zones and focus on personal growth, reinforcing operational excellence across five key themes: micro-habits, leadership and communication skills, innovation, personal mastery, and well-being. These actions have significantly impacted our organizational culture by fostering self-competition, innovation, and engagement both within and outside the workplace.

As we celebrate our achievements, we remain steadfast in our commitment to ongoing development. The survey has illuminated opportunities for enhancement, offering essential guidance for future strategies. With this knowledge, we are prepared to implement focused actions that meet the evolving needs of our employees and cultivate a more inclusive, supportive, and empowering environment.

Health and Safety

At HMEL, the health and safety of our employees are of utmost importance. We are dedicated to fostering an environment that encourages open communication, dialogue, consultation, and active participation with our employees and all stakeholders. Operating within a high-risk industry, we maintain an active Health and Safety Committee to ensure our safety protocols are robust and effective. Monthly meetings of the Health & Safety Committee at various levels of the organization ensure comprehensive participation and consultation on safety-related matters. These meetings involve managers, field operators, contractors, and safety representatives from each site area. Managers promote engagement in health and safety issues through transparent practices that encourage open dialogue.

At HPCL Mittal Pipelines Ltd. (HMPL), the use of pipelines significantly mitigates the risk of naphtha spills. This is achieved through advanced safety features, including sophisticated leak detection, monitoring systems, and automatic shut-off valves. Unlike rail and truck transportation, pipeline transportation operates within a fully enclosed loop system from dispatch to delivery, enhancing overall safety and reliability.

HMEL's Health, Safety, Environment & Quality (HSEQ) Policy clearly demonstrates our commitment to maintaining a workplace free from incidents and injuries. Safety is not merely a compliance requirement, but a core value embedded in our safety-first principles and performance indicators. Our approach underscores the importance of safety leadership in fostering a robust safety culture. We promote visible leadership by setting examples, engaging in open dialogues with workers, inspiring teams, and encouraging safe behaviors. Senior leaders at HMEL actively participate in Incident and Injury-Free (IIF) Listening Tours, engaging with employees to gain insights into their perspectives.

We prioritize safety engagement through Reward & Recognition and Suggestions programs, ensuring the involvement of our entire workforce. In 2024, two Incident and Injury-Free (IIF) Champions Conclaves were held on 23rd July and 16th December, bringing together 80 IIF Champions and Trainers to promote a proactive safety culture. A key session by M/s JMJ Associates focused on leadership's role in encouraging safe behaviors through real-life case studies. An interactive forum allowed participants to share success stories and experiences, highlighting the importance of ownership, accountability, and ongoing engagement in achieving a workplace free from incidents and injuries. This initiative supports the company's sustainability goals and commitment to employee well-being.

HMEL also conducted a series of Permit-to-Work (PTW) workshops were conducted to improve workplace safety by enhancing procedural compliance and risk mitigation strategies. A total of 107 participants, including permit issuers, approvers, and task personnel, attended the sessions. The workshops aimed to ensure strict adherence to safety procedures, address deviations, share field experiences, and gather feedback to refine the PTW system. The sessions led to significant improvements in safety protocols, aligning them with industry best practices and regulatory standards. This initiative highlights the organization's commitment to continuous learning, proactive risk management, and fostering a safety-focused work culture.

HMEL recently achieved ISO 45001 certification.

To further strengthen our commitment to workplace safety and compliance, HMEL have successfully launched a comprehensive handbook on ISO 45001:2018. This is a comprehensive guide to the Occupational Health and Safety Management System (OHSMS), aligned with international standards and regulations. It provides structured guidelines on managing workplace safety, hazard identification, risk assessment, and continuous improvement under the ISO 45001 framework. The handbook, available digitally on the employee portal, promotes safety awareness and proactive risk management across all employee levels, reflecting the organization's commitment to safety excellence and continuous improvement.

Zero incidents

of non-compliance with regulations concerning health and safety impacts.

Taking a step ahead to improve safety, HMEL implemented the Potential Level (PL) Analysis, which identifies and mitigates risks with the highest potential for severe incidents. Unlike traditional models that focus on minor incidents, PL Analysis evaluates the potential severity of each event, categorizing incidents from PL0 to PL5. This allows us to prioritize high-risk scenarios, focusing on failures in safety barriers that could lead to serious injuries or fatalities. The process includes root cause analysis, corrective actions, and preventive measures, such as engineering controls and leadership interventions. Through PL Analysis, we've strengthened incident investigations, improved risk mitigation, and fostered a culture of accountability, all while driving continuous safety improvements in line with our sustainability goals.

Additionally, HMEL's Occupational Health Centers (OHCs) are dedicated to ensuring the health, safety, and overall well-being of employees in the workplace. Their approach is multi-faceted, combining preventive care, early detection, training, and curative services to create a safe and healthy work environment.

A key focus of the OHCs is preventive care, which includes implementing safety protocols, conducting risk assessments, and organizing training programs to avoid occupational injuries and illnesses. Health promotion efforts are also central, with regular health education sessions, counseling, and observance of awareness days such as Health Day and Hypertension Day. Early detection is facilitated through routine health screenings and medical examinations, enabling timely intervention.

To support a drug and alcohol-free workplace, OHCs conduct awareness programs and regular dope tests. They also provide vaccinations tailored to specific job risks—for example, typhoid vaccines for food handlers and hepatitis B vaccines for high-risk workers. Additionally, basic first aid and life support training are provided to employees.

Medical services include comprehensive examinations—pre-employment, periodic, and job-specific—as well as access to primary medical care and advanced emergency transport via ACLS ambulances. First aid management is robust, with kits placed throughout the plant and regular refills, along with the availability of AEDs for cardiac emergencies. Personal first aid kits are also distributed to employees.
OHCs have embraced digitalization by collecting and analyzing occupational health data to identify trends and emerging risks. Industrial hygiene activities are another major aspect, encompassing noise monitoring, chemical exposure assessments (e.g., urine phenol tests), air and water quality evaluations, canteen inspections, ergonomic training, and manual material handling awareness. These combined initiatives reflect a comprehensive strategy to protect and promote employee health within the organization.

Integrated Safety Management System Implementation

01 Active and Visible Leadership

Education, a key leveler for social inequality, is a top priority for HMEL. We address various educational needs of children from primary to senior secondary levels, currently working with **90** government schools and supporting **17,510** students.

02 Behaviour Based Safety

Empowering IIF (Injury and Incident Free) Champions and conducting Listening Tours, fostering an environment where safety concerns are openly discussed, and proactive measures are taken to prevent incidents

03 Risk Identification and Management

Raising awareness and a sense of vulnerability among first-line management and supervision through initiatives like PSM (Process Safety Management) Walkthroughs.

04 Business Partners Safety Approach

Developing strong safety protocols with our business partners, conducting safety audits based on risk evaluation to ensure that our contractors and subcontractors adhere to the same high safety standards we uphold within our organization.

05 Field Operational Control

Emphasizing the implementation and assurance of critical risk processes and aiming to minimize potential hazards and ensure safe operations across all units.

06 Emergency Response and Fire Protection

Maintaining robust systems and ensuring that both first responders/ professional emergency personnel are adequately trained and fit for duty, ready to respond effectively to any incident

07 Collaborative Environment

Encouraging a culture of continuous improvement, through learning and growth, ensuring all employees are engaged in the ongoing process of enhancing safety and operational efficiency

	FY22	FY23	FY24	FY25
Fatalities – Employees	0	0	0	0
Fatalities – Contractors	1	0	0	0
LTIFR – Employees	0.00	0.00	0.19	0.00
LTIFR – Contractors	0.22	0.23	0.04	0.00
TRIFR – Employees	0.62	0.21	0.19	0.60
TRIFR – Contractors	0.85	0.90	0.62	0.80
Process Safety events Tier 1	0.00	0.08	0.13	0.00

Process Safety Management

At HMEL, we are dedicated to implementing a robust Process Safety Management (PSM) framework that effectively addresses the hazards and risks associated with our operating facilities. Our PSM framework, composed of 16 essential elements, enhances operational discipline and guides the conduct of operations. Our comprehensive project lifecycle approach ensures that hazards are identified and mitigated at every stage, from conceptual design through to decommissioning. We employ a system-driven management of change workflow to ensure that all modifications to operational facilities are addressed thoroughly to minimize risks.

Core Focus Areas of PSM at HMEL

Our PSM strategy is centered around three primary objectives:

1. **Cultivating a Strong Process Safety Culture:** Our aim is to embed safety as a core value across all organizational levels.
2. **Establishing a World-Class PSM System:** We strive to develop and maintain a PSM framework that adheres to global best practices.
3. **Risk Management System Assurance:** We focus on continuously revalidating and evaluating the effectiveness of process risk control measures.

Process Safety Management Initiatives

HMEL organized the PSM Campaign themed "Build to Protect and Strengthen Your Safeguards," (in December 2024), focusing on enhancing process safety. Featuring experts from India, the UK, Dubai, and the US, the campaign included 14 sessions attended by over 600 participants. Key discussions centered on maintaining safety safeguards and best practices in barrier management. It emphasized learning from incidents to strengthen safety measures. Additionally, HMEL introduced a monthly SOP Quiz to improve safety practices and operational excellence, with winners recognized during safety meetings.

HPCL-Mittal Energy Limited (HMEL) has significantly enhanced its **Process Safety Management** (PSM) Dashboard by incorporating more interactive and informative KPIs. These enhancements include advanced analytics for PHA Preventive & Mitigative Barriers, covering areas such as emergency response, fire & gas detection systems, passive and active protection, and more. The dashboard now features deeper analysis capabilities with new MOC KPIs and includes petrochemical data for comprehensive insights. This improvement allows users to filter, drill down, and adjust time frames for detailed analysis, making it intuitive and easy to navigate for both technical and non-technical users.

PSM Safety Critical Equipment Campaign - conducted with a focus on enhancing employee awareness of Inspection, Testing, and Preventive Maintenance (ITPM) through case study sessions and workshops. The PSM team, in collaboration with operations and asset integrity, spearheaded this initiative as part of HMEL's ongoing commitment to safety, particularly in remembrance of a significant fire incident in 2014. These efforts were bolstered by the involvement of both internal and external safety experts, resulting in 58 PSM walkthroughs aimed at reinforcing safety practices.

Conference Presentations by the PSM Team

- Safety Conclave 2024: At this event in Goa, we presented "21st Century – Pathway to Process Safety," sharing advancements in process safety and future pathways. This strengthened process safety culture across industries.
- SAFETEMBER Process Safety & Risk Management Conference: In Vadodara, we presented the topic "Mitigating Human Factors in Refinery Facilities: A Success Story in Minimizing Human Error," which earned us the Best Presentation Award. This improved awareness of human factors in process safety among professionals.
- CCPS South-East Asia Regional Meeting: In Singapore, we shared key lessons and best practices in incident safety with the global process safety community.
- 8th Global Summit on Process Safety: In Mumbai, we promoted "Proactive Management of Human Factors in Accident Prevention: Case Study and Innovative Approach at HMEL," enhancing human factors management in accident prevention.

Publications & Learning Initiatives

- PSM Booklet for Petrochemical Complex: This publication serves as a safety supplement to operator training courses, manuals, and procedures, enhancing operator competency and awareness.
- Learning from Incidents (LFI) Booklet – Edition 2: Covering incidents from 2014 to 2024, this booklet facilitates organizational learning and reduces repeat incidents, strengthening safety culture and proactive learning.
- Process Safety Safe Operations Principles – Edition 2: This awareness booklet for frontline workers highlights process hazards and guidelines for safe practices, improving adherence to process safety procedures.

Digital Safety Learning Platform

- SafeLearn Portal: This online platform, offering safety videos and courses in Hindi and English, broadens safety knowledge sharing beyond the internal workforce to include business partners, contractors, and the public.

Trainings on Health and Safety

HMEL remains steadfast in its commitment to the safety and well-being of its employees through comprehensive training programs. Safety is a core value at HMEL, and we are fully aware of the inherent risks in our industry. In alignment with our dedication to maintaining the highest safety standards, we successfully completed over **1,43,100 man-hours** of safety training for both employees and business partners during the **FY 2024-25** period.

Our extensive health and safety training initiatives are designed to equip employees with the essential knowledge and skills to ensure a safe work environment. These initiatives include a two-day advanced safety induction, which focuses on incident prevention and adherence to workplace safety protocols, as well as specialized training on gas detection and the work permit system.

Additionally, we conduct Industrial Hygiene Activities such as an ergonomic discomfort survey involving **113 employees,** indoor air quality monitoring for the Quality Lab and ASRS areas, and hearing conservation awareness training for **18 DFCU employees.** Food safety and hygiene training was also provided for **9 Township canteen workers,** and a Benzene-phenol exposure test was carried out for **131 employees.** Inspections of canteen facilities were completed at both the Refinery and Township premises.

Furthermore, Health & Wellness Activities include periodic medical examinations for **137 employees,** as well as the organization of a Drugs and Alcohol-Free Workplace Program, which was attended by **1,158 individuals.**

Initiatives taken towards improving Health and Safety of our employees/workers:

HMEL, in collaboration with JMJ Associates, has embarked on a comprehensive initiative to reinforce its **commitment to an Incident and Injury-Free (IIF) workplace.** This partnership focuses on enhancing safety practices through innovative workshops and programs. Key components of the initiative include Listening Tours, led by JMJ Consultant Joseph Salas, where 40 HMEL leaders were engaged to identify safety challenges and develop adaptive strategies for improvement. Additionally, Brainstorming Sessions facilitated one-on-one interactions between JMJ consultants and HMEL leaders to review and refine existing IIF practices. 52 IIF Champions were trained by JMJ to lead cultural change and promote safe practices on the shop floor. Also, TapRooT® Training, conducted for 20 team members under the guidance of Mr. Sanjay Gandhi, aims to enhance skills in conducting investigations and implementing corrective actions.

HMEL organized a week-long **Chemical Safety Campaign,** focusing on the safe handling, storage, and use of chemicals. The campaign actively engaged over 150 individuals in various activities designed to enhance safety awareness and skills, including a Hazard Identification & Risk Assessment Competition, an Elocution Competition, and Household Chemical Safety Training aimed at residents. Additionally, the initiative featured a Safety Video Competition and in-depth workshops on Permit-to-Work processes. Through this campaign, HMEL underscored its commitment to making safety a core operational value, setting a high standard for chemical safety management within the organization and beyond.

Turnaround Readiness Review conducted at HMEL by a senior team from HPCL, Mumbai, and Vizag. This peer review was done to evaluate readiness for the upcoming TA 2025. During the assessment, the HPCL team interacted with HMEL's operations, maintenance, inspection, and technical services teams to share best practices and insights. The visit included a field assessment of critical path jobs essential for the turnaround. The HPCL officials commended HMEL's preparedness, strong safety culture, and high-quality work processes, also praising the refinery's maintenance, housekeeping, and operational upkeep. The insights from this review are intended to ensure a smooth transition from planning to execution, guaranteeing a safe shutdown and start-up of refinery units.

Human Rights

HPCL-Mittal Energy Limited (HMEL) is a proud signatory of the United Nations Global Compact (UNGC) and adheres to its principles. We have established a formal governance framework, whereby our Human Leadership and Procurement Team proactively addresses human rights issues and refines mitigation strategies based on insights from our Whistleblower Policy. Our Human Rights Policy is deeply rooted in sustainable development principles, emphasizing the protection of human rights, respect for employee dignity and well-being, and the assurance of equal rights for all individuals.

To thoroughly evaluate and mitigate potential human rights risks, we have developed a comprehensive human rights risk management framework. This framework assesses the likelihood and severity of identified issues. We have implemented an internal system for information gathering and accountability, ensuring that this information is accessible to all stakeholders through dedicated outreach efforts. HMEL is committed to championing human rights throughout its value chain.

In line with our commitment to the highest standards of social responsibility, the company has implemented a range of measures, including multiple levels of verification, to prevent child labor, forced labor, and any unfair working conditions. We also provide support for legal requirements and ensure that social benefits are available to every contractual worker.

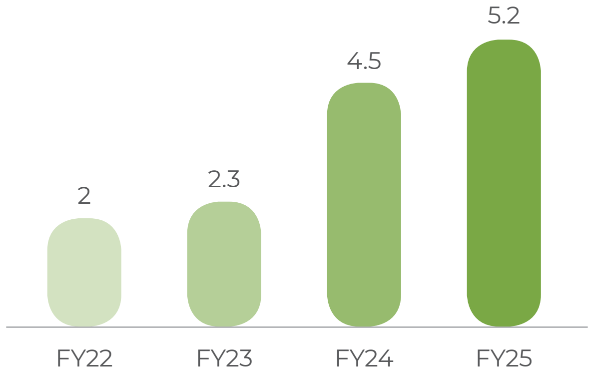
Diversity, Equity and Inclusion

At HMEL, we are deeply committed to providing fair and equal opportunities for all employees. We uphold a zero-tolerance policy against workplace discrimination, as outlined in our Code of Conduct and Diversity, Equity, and Inclusion Policy, which aligns with the NGRBC guidelines. We actively promote a diverse workforce, recognizing that diversity drives innovation, encourages collaboration, and contributes to the growth of both our employees and the organization.

We practice gender pay equity, ensuring that employees in the same position receive equal remuneration, regardless of gender or race. This dedication to gender pay parity underscores our commitment to gender equity.

	FY21	FY22	FY23	FY24	FY25
Total permanent workers	1,902	1,928	1,956	2,201	2262
Headcount by age groups					
Less than 30 years	43.9%	38.7%	33.6%	34.8%	29.8%
Between 30-50 years	50.3%	55.2%	59.7%	59.9%	63.4%
More than 50 years	5.8%	6.1%	6.7%	5.3%	6.9%
Headcount by Management level					
Senior management	2.4%	2.2%	2.5%	2.2%	2.1%
Middle management	11.7%	13.1%	12.0%	15.6%	16%
Junior management	42.2%	41.2%	43.6%	28.0%	27%
Others	43.7%	43.5%	41.8%	54.2%	55%
Headcount by Nationality					
Indian	99.7%	99.8%	99.9%	100%	99.96%
Foreign	0.3%	0.2%	0.1%	0%	0.04%
Headcount by Race/ Ethnicity					
Asian	99.7%	99.8%	99.9%	100%	99.96%

Gender Diversity:
% of female in workforce



	FY21	FY22	FY23	FY24	FY25
Female workforce in organization	1.6%	2.0%	2.3%	4.5%	5.2%
Female workforce in departments					
Revenue generation	0.2%	0.3%	0.4%	0.8%	0.6%
STEM functions	1.3%	1.1%	1.7%	3.2%	1.1%
Female workforce by age group (Total Workforce)					
Less than 30 years	0.9%	1.0%	1.2%	3.3%	3.6%
Between 30-50 years	0.7%	1.0%	1.1%	1.2%	1.5%
More than 50 years	0%	0%	0%	0.0%	0.0%
Female workforce by management level (within level)					
Leadership level board members	12.5%	12.5%	12.5%	12.5%	25%
Senior management	0%	0%	0%	0.1%	0.04%
Middle management	1.8%	1.6%	3.0%	3.0%	0.3%
Junior management	3.1%	3.3%	4.2%	1.8%	2.1%

Initiatives taken towards improving diversity:

At HMEL, advancing diversity and inclusion is a strategic priority backed by concrete, organization-wide initiatives. We have taken deliberate steps to create a more inclusive workplace by launching comprehensive awareness and sensitization programs that reach employees across all levels. A key part of this effort has been extensive training on unconscious bias and inclusive behavior, designed to help individuals recognize and overcome biases while fostering a culture rooted in empathy, respect, and belonging.

To further embed inclusion into everyday practices, we have customized these sessions for mentors, ensuring that inclusive mentoring becomes a cornerstone of talent development. In addition, we have rolled out structured inclusion campaigns and leveraged storytelling and internal communication to normalize diverse perspectives and amplify underrepresented voices. These initiatives serve to keep inclusion at the forefront of daily interactions and decision-making.

Our approach also extends into core people processes. We have aligned our hiring practices to focus on merit-based selection, while promoting diversity through equitable internal development and career progression. These efforts ensure that inclusion at HMEL is not merely aspirational but a lived, measurable experience—driven by intentional, sustained action at every level of the organization.

Learning and Development

Our employees are the bedrock of our company's strength and success. We are committed to aligning their personal career growth with the company's overarching progress. To this end, we prioritize Learning and Development programs that encompass a wide range of skills, from soft skills such as leadership to career-focused aspirations. These programs are delivered annually through a variety of platforms, including in-person sessions and online tools like Webex, Zoom, MS Teams, as well as e-learning modules available on Percipio. Additionally, we partner with internationally renowned institutions to provide specialized training in relevant functions.

We offer a variety of training programs at all levels to enhance employee skills, covering technical, functional, behavioral, and safety training. Leadership development is also a key focus. A monthly training calendar is shared via email to invite nominations from both employees and their managers. Feedback is collected from all participants to identify opportunities for program improvement. Additionally, all employees undergo regular performance and career development reviews.

Knowledge Sharing Programs

In its ongoing effort to foster a culture of continuous learning and knowledge sharing, HMEL hosted a session titled **"Basic Understanding of Crude Processing".** This session aimed to facilitate peer learning and provide participants with insights into the fundamentals of the oil industry, covering key topics such as the basics of the oil industry, objectives of petroleum refineries, property specifications of petroleum fuels, the functioning of distillation columns, and processes involved in crude distillation units (CDUs). The session featured clear and engaging explanations that made complex processes accessible to participants from non-technical domains.

HMEL has collaborated with the **Indian School of Business (ISB)** to enhance leadership capabilities across the organization. Over the past two years, more than 820 participants have undergone training at ISB, distributed across 29 batches. These tailored programs are designed to align with HMEL's organizational competencies and needs, offering interactive sessions that include case studies, quizzes, simulations, debates, and real-world problem-solving, all facilitated by ISB's expert faculty. Participants have consistently praised the ISB Training Programs, with an average feedback score of over 4.75 out of 5. This positive feedback underscores the effectiveness of the well-developed content, focused delivery, and relevant course material.

HMEL recently launched a comprehensive initiative welcoming 43 new Graduate Engineer Trainees (GETs) through a three-day corporate induction program in Noida, providing them with an in-depth introduction to the company and its operations. During the induction, GETs engaged with various team leaders, gaining insights into business roles and priorities, and aligning with the company's ethos. To provide a firsthand understanding of business operations, the trainees visited GGS Bathinda and pipeline locations. Additionally, as part of an effort to strengthen industry-academia partnerships and enhance brand visibility, HMEL initiated the 'Campus Connect' campaign, featuring a Pan-India social media contest 'The Energy Quest' in collaboration with Mercer Mettl, which engaged students from top institutions like IITs and NITs. HMEL furthered this initiative by hosting students and faculty from UICT, Chandigarh, fostering connections between academia and industry through interactions with senior leaders.

Following the successful implementation of LEAD-1, HMEL launched the LEAD-2 initiative in partnership with DDI, engaging 61 Deputy General Managers (DGMs) and 10 General Managers (GMs) through four key phases: Assessment, Assimilation, Development, and Sustenance, all based on the 3E's—Experience, Exposure, and Education. The LEAD-2 Strategic Talent Review highlighted a focus on applied innovation and digitalization, with a comprehensive analysis of Individual Development Plans (IDPs) identifying over 30 projects centered on digitalization but none on innovation. To address this gap, participants were re-oriented on January 31st and encouraged to revise their IDPs to include business projects focused on innovation and digitalization, with a monthly check-in call organized to clarify any questions and outline next steps. The recasting of IDPs is scheduled for completion by February, paving the way for upcoming coaching sessions with DDI.

HMEL hosted a Tax Outreach Programme at GGSR. The event aimed to educate Income Tax assesses about fair tax compliance and avoiding false deductions. Mr. J.S. Kahlon, Commissioner of Income Tax-TDS, stressed the need for accurate income reporting and valid deductions with proper evidence. Participants were advised on common deduction pitfalls and encouraged to file updated returns using Form ITR-U if they had previously made incorrect claims. The session concluded with an open house to address participants' questions, enhancing HMEL's tax compliance efforts.

HMEL's Learning & Development team, in collaboration with the Indian School of Business (ISB), hosted two programs to cultivate future-oriented skills. The 'Digital Leadership' program at ISB's Mohali campus, targeted managers and covered Skills & Industry 4.0, Digital Transformation, IoT, and Blockchain, benefiting 30 attendees. Following this, the 'Team Learning & Collaboration' program focused on MBTI, Leadership Equity, and Team Dynamics, engaging 27 participants. These initiatives underscore HMEL's commitment to continuous learning and equipping employees with future-ready skills.

ChatGPT Training Program: This program provided over 177 employees with hands-on training to leverage AI for enhanced productivity. It highlighted the transformative impact of AI in streamlining tasks and boosting productivity.

	FY21	FY22	FY23	FY24	FY25
Average hours spent on FTE on training & development	32.6	54.8	61.8	119.7	82.4
Average hours spent on training & development by Gender					
Male	32.70	55.10	61.31	107.4	78.41
Female	27.40	37.40	83.53	464.19	160.90
Average hours spent on training & development by training type					
Behavioral & Leadership/ Management	14.62	17.21	21.35	33.06	27.14
Functional & Technical	18.02	37.56	40.47	86.6	55.23

Human Capital Return on Investment (INR million):

	FY21	FY22	FY23	FY24	FY25
Total Revenue	517,305	895,512	961,506	913,305	994,994
Total operating expenses	229,678	520,977	669,334	635,138	736,204
Total employee related expenses (salaries & benefits)	2,970	3,401	3,892	6,348	6,603
Resulting HC ROI	96.8	110.1	75.1	43.8	39.2

Innovation Meets Learning: HMEL's Metaverse-Powered Learning Week

At HMEL, we believe that real sustainability starts with people—and that means creating opportunities for them to learn, grow, and lead change. In 2025, we reimagined our annual Learning Week into something truly unique: Learning Week 4 – Innovation Arcade, an immersive, gamified learning experience built entirely in the metaverse.

Partnering with ibentos, we created a virtual world where over 1,300 employees explored innovation through treasure hunts, personalized avatars, live expert sessions, and interactive digital zones. From CEO addresses to talks by global thought leaders, Nukkad Natak - every part of the experience was designed to spark curiosity and action.

The response was overwhelming—100% positive feedback, 12+ hours of content streamed, and over 800,000 emojis flown in appreciation. More than just numbers, it showed us that when learning feels personal, fun, and connected, people show up and fully engage.

Learning Week 4 wasn't just a training event—it was an experience. By using the metaverse to make learning more experiential and impactful, HMEL continues to position itself as a future-ready, learning-led organization, driving sustainable success through its people.

SOCIAL AND RELATIONSHIP CAPITAL

CSR

HPCL-Mittal Energy Limited (HMEL) is dedicated to contributing positively to the community by implementing projects that foster shared value and promote inclusive development, thereby driving meaningful societal change. Our Board-level Corporate Social Responsibility (CSR) Committee oversees these efforts, working in collaboration with the HPCL-Mittal Foundation (HMF) to meet our social commitments. Our CSR policy, aligned with Schedule VII of the Companies Act, articulates our vision, values, and core focus areas, guiding the execution of our CSR initiatives.

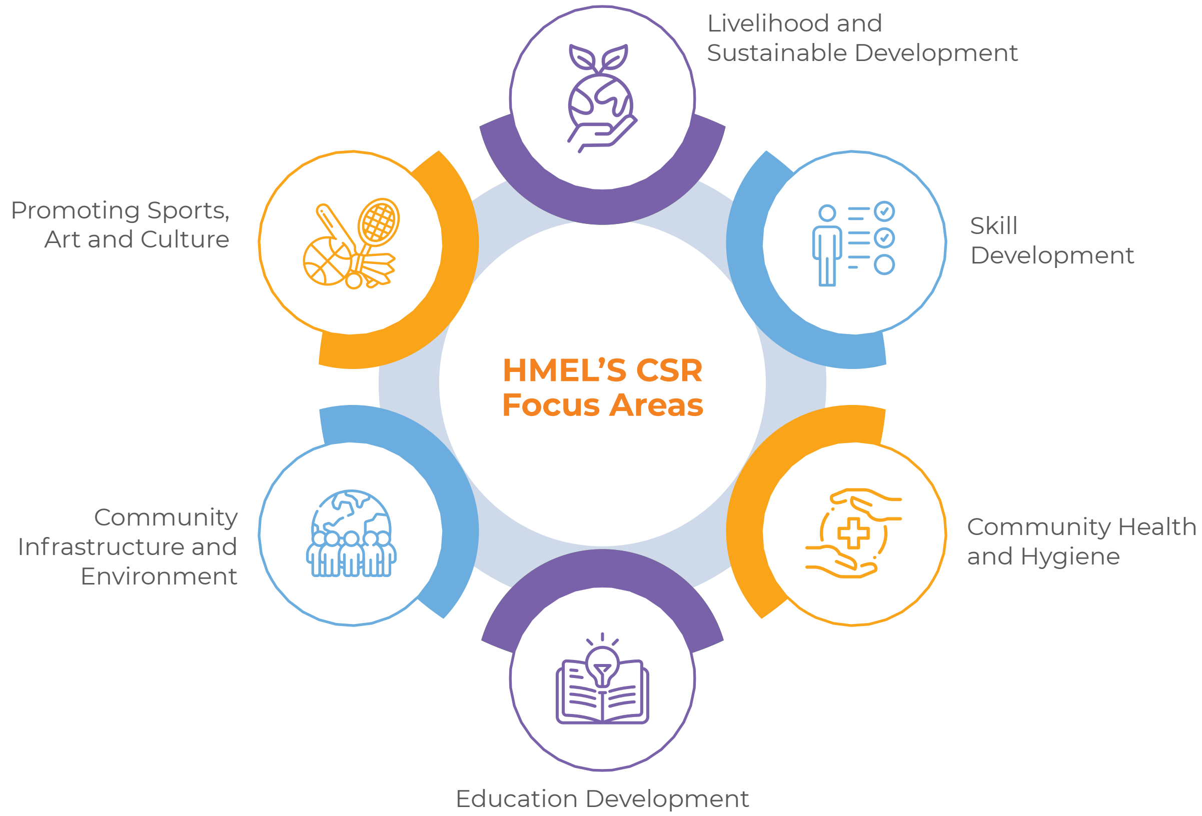
HMEL is committed to the socio-economic and cultural advancement of communities around its Bathinda refinery, as well as other regions identified based on local needs and national priorities. We emphasize community involvement in our initiatives, cultivating a sustainable, community-driven approach. Through a focus on HMEL's six thematic areas, we have directly impacted **1,48,970 people** directly.

Furthermore, HMEL has brought together more than **713 self-help groups,** involving nearly **7,170 women** out of which **268 SHGs consisting of 2785 women inducted in FY 2024-25.** Furthermore, HMEL engaged more than 30 groups to produce uniforms and school bags for students, generating around Rs. 17 lakhs in revenue.

HMEL conducted anemia screening in **40 schools** has been conducted **benefiting over 7300 students.** Awareness sessions for SHG women on menstrual health have been held in 46 villages. In FY 2024-25, HMEL organized a total of **94 general health camps,** including gynecology have been conducted, benefiting **over 11968 patients.** To develop culture of fitness among youth, HMEL is providing gym equipments in 15 vicinity villages.

To promote a safety culture and reduce road accidents in our vicinities, HMEL installed 114 convex mirrors in 19 villages. HMEL provided financial support to the District Council for Child Welfare in Sirsa, Haryana, which operates a 15-bed IPD drug de-addiction center in Kalanwali. HMEL provided **100 mobile toilets** for the Baisakhi festival to ensure proper hygiene.

Our Corporate Citizenship Strategy is founded on six key pillars of social responsibility, which guide our efforts to make a lasting impact.



Philanthropic Contributions by Category :

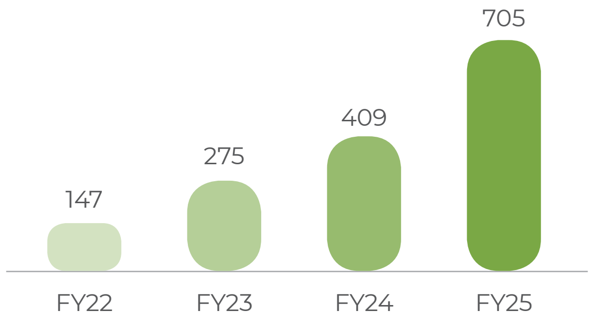
	FY23	FY24	FY25
Charitable Donations	10.96%	3.6%	7.6%
Community Donations	89.04%	96.4%	92.4%
Commercial Initiatives	0%	0%	0%
Total	100%	100%	100%

Philanthropic Contributions by Type:

(INR Million)	FY23	FY24	FY25
Cash Contributions and benefits	275	409	705
Employee volunteering hours	0	0	0
In-kind contributions	0	0	0
Management overheads	0	0	0

72%
Increase in CSR Spent

CSR Spent (INR Million)



Livelihood and Sustainable Development

HMEL is committed to advancing sustainable development and enhancing livelihood opportunities, with a particular focus on empowering women in the communities surrounding its operations. The company implements sustainable livelihood projects by providing skills training and capacity-building programs specifically tailored to meet the needs of local communities, thereby increasing employability and income potential.

A central aspect of HMEL's efforts is the promotion of women's entrepreneurship. The company supports women collectives and Self-Help Groups (SHGs) to encourage entrepreneurial ventures that empower women economically, helping them create and manage small businesses. By collaborating with local stakeholders, HMEL identifies sustainable development opportunities that align with community needs and environmental priorities, ensuring that its projects contribute to the long-term sustainability of local ecosystems.

Women Empowerment: HMEL's focus on women empowerment is evident through the establishment of Self-Help Groups (SHGs) that provide women with the skills and resources needed to achieve financial independence. In villages like Sekhu, over **200 women** have been empowered through activities such as stitching, baking, and cattle feed production. These initiatives not only enhance women's economic status but also boost their confidence and social standing.

Job Opportunities: HMEL actively contributes to job creation by supporting skill development programs and training camps. The company collaborates with retired army personnel to train local youth for recruitment in the army and police services, helping over 100 youngsters secure dignified employment. Additionally, HMEL's infrastructure projects, such as the construction of community facilities and market spaces, generate employment opportunities and stimulate local economies.

Cultural Heritage Preservation: Preserving cultural heritage is a key aspect of HMEL's sustainable development strategy. The company, in collaboration with the Nabha Foundation, trains rural women in the traditional art of Phulkari embroidery. This initiative not only revives a fading cultural practice but also provides women with a source of income by marketing their handcrafted products. By integrating cultural preservation with economic empowerment, HMEL ensures that traditional crafts remain a vibrant part of community life.

HMEL installed **15 KW solar systems in 20 community institutions,** promoting renewable energy use.

Skill Development

Understanding the need to equip local youth with the skills necessary for productive employment, HMEL has initiated a comprehensive skill development program designed to enhance youth employability. Through strategic partnerships and targeted training initiatives, HMEL is committed to empowering the next generation to thrive in various industries.

In collaboration with the National Skill Development Corporation (NSDC), HMEL offers specialized training in diverse skill areas such as logistics management, digital marketing, customer service support, healthcare assistance, and culinary arts, among others. This program has already **reached 1,800 local youth,** providing them with the skills needed to succeed in today's competitive job market.

Of the participants, **820 have successfully completed** their training and are now better positioned to pursue meaningful employment opportunities. The remaining 655 candidates are actively engaged in their training programs, continuing to build the skills necessary for future success.

Comprehensive Training Programs: HMEL offers a range of skill development programs tailored to meet the needs of local communities. These programs include training in driving, embroidery, and various entrepreneurial skills, enabling participants to secure employment or start their own businesses. For instance, Charanjeet Kaur from Village Malkana benefited from HMEL's driving training, which led to her securing a full-time job as a driver.

Empowering Women through Self-Help Groups (SHGs):

- HMEL has established numerous SHGs that focus on skill development for women, providing training in areas such as stitching, baking, and pickle making. These groups not only foster financial independence but also enhance women's confidence and social status. In Pakka Kalan, 160 women have formed 16 SHGs, running successful home-based businesses.
- Through Self-Help Groups (SHGs), HMEL fosters financial independence; Mrs. Rupinder Kaur was honored as "Lakhpati Didi," and members gained textile skills at exhibitions.

Youth Training for Employment: HMEL collaborates with retired army personnel to train local youth for recruitment in the army and police services. This initiative has helped over **100 youngsters** from 11 villages secure employment, steering them away from negative influences and towards a dignified career path.

Infrastructure and Educational Support: By upgrading educational facilities and providing resources like smart boards, HMEL enhances the learning environment, preparing students for competitive exams and future careers. The company's support has enabled students from rural areas to gain admission to prestigious institutions, thereby improving their career prospects.

Community Health and Hygiene

HPCL-Mittal Energy Limited (HMEL) is committed to improving health, hygiene, and sanitation in the communities surrounding its operations, with a particular focus on enhancing the well-being of students in government schools. Through targeted initiatives, HMEL aims to create healthier living environments and promote sustainable health practices.

In collaboration with local healthcare providers and government agencies, HMEL has implemented a series of community health programs designed to address prevalent health issues and promote hygiene awareness. These programs include regular health camps, vaccination drives, and health education workshops, reaching thousands of community members.

Healthcare Infrastructure Development: HMEL has made significant contributions to healthcare infrastructure, notably through the establishment of a free dialysis unit at the Civil Hospital in Bathinda. This facility, equipped with eight dialysis machines, has conducted over **7,000 sessions,** providing essential care to patients from Punjab, Haryana, and Rajasthan. By alleviating the financial burden of dialysis, HMEL ensures that patients receive necessary treatment without incurring prohibitive costs.

Access to Clean Water: Recognizing the importance of clean water for health and hygiene, HMEL has installed an RO plant to support the dialysis unit, ensuring a reliable supply of purified water for medical procedures. This initiative underscores HMEL's commitment to maintaining high standards of hygiene and patient care.

Support for Drug De-addiction: In response to the prevalent issue of drug addiction in border areas, HMEL supports government-run drug de-addiction centers. By aiding these centers, HMEL contributes to the rehabilitation and recovery of individuals, helping them rebuild their lives and reintegrate into society.

Hygiene and Sanitation Initiatives:

- HMEL's community infrastructure projects include the construction of toilet blocks and sanitation facilities in schools and public areas. These efforts improve hygiene standards and promote healthier living conditions, particularly in rural communities where access to sanitation may be limited.
- Menstrual Hygiene: Conducted sessions with MAMTA-HIMC for SHG women on menstrual hygiene, involving 57 ASHAs and AWWs across 10 villages.

Health Awareness and Education: Through health awareness campaigns and educational programs, HMEL promotes preventive healthcare practices and encourages communities to adopt healthier lifestyles. These initiatives aim to reduce the incidence of preventable diseases and improve overall community health.

Education Development

HPCL-Mittal Energy Limited (HMEL) prioritizes education as a vital tool to address social inequality, focusing on enhancing learning opportunities for children from primary to senior secondary levels. In partnership with local educational authorities, HMEL supports **114 government schools,** benefiting **21,000 students** through multiple initiatives that improve educational quality.

Scholarship Programs: HMEL's scholarship initiatives have significantly impacted rural education by providing financial assistance to over **369 students.** These scholarships support students, in pursuing higher education and preparing for competitive exams by alleviating financial barriers. HMEL also assisted these students by providing them electronic gadgets.

National Super 100 Coaching Program:
In collaboration with the Centre for Social Responsibility and Leadership, HMEL offers the **National Super 100 Coaching Program,** which provides free residential coaching to deserving students. This program helps students from humble backgrounds gain admission to prestigious institutions such as IITs and NITs, thereby opening doors to world-class education and career opportunities.

Infrastructure and Resource Enhancement: HMEL invests in upgrading educational infrastructure, including the provision of **445 smart boards** in **258 government schools,** construction of **39 classrooms.** These enhancements create a conducive learning environment, enabling students to excel in their studies and prepare for competitive exams. The transformation of schools, such as the Government Primary Smart School in Giana, has led to increased enrollment and improved academic performance. HMEL has also constructed **9 Mid-day Meal sheds, 2 Kitchen Sheds, 33 toilets** for boys and girls and installation of paver block in **66 government schools** of its vicinity villages to facilitate education uptake amongst students.

HMEL has installed Rides and swings in 33 government schools of vicinity villages. Making learning more fun for the children, which in-turn, motivate more children to come to school.

Support for Meritorious Schools: HMEL's support extends to meritorious schools, where students receive high-quality education up to Class 12. By facilitating access to these institutions, HMEL ensures that talented students from rural areas can benefit from advanced educational opportunities and resources. HMEL also distributed basic amenities like uniforms, stationeries, school bags etc. to students of **114 govt. schools.**

To develop better teaching and learning environment, HMEL has provided **445 smart interactive boards** in **258 government schools** of Punjab, Rajasthan, Gujarat and Haryana states.

Promoting STEM Education:
HMEL is actively promoting Science, Technology, Engineering, and Mathematics (STEM) education by establishing STEM labs in five government schools. To further encourage scientific curiosity and innovation, an inter-school STEM and quiz competition was organized, where students from all five schools showcased their knowledge and talent.

Community Infrastructure and Environment

HMEL is committed to enhancing the quality of life in local communities by focusing on rural infrastructure development. In collaboration with local authorities and community leaders, HMEL undertakes projects that address critical infrastructure needs, such as constructing and maintaining roads, bridges, and public transportation systems. These initiatives improve connectivity and accessibility, facilitating access to education, healthcare, and markets, and ultimately supporting the economic activities of local residents. Additionally, HMEL invests in building community centers, schools, and healthcare facilities to provide safe and modern spaces for education, healthcare, and social interaction, contributing to the community's overall well-being.

Infrastructure Development: HMEL has undertaken extensive infrastructure projects to transform rural landscapes and improve the quality of life for community members. These projects include ensuring clear drinking water to community by renovating water works in **5 villages,** undertaking village pond renovation work in **10 villages,** improving infrastructure in **12 villages** through road construction, bus stand development and community park projects. HMEL also distributed more than **11000 saplings 800 tree guards** and undertook **rainwater harvesting** projects at **four locations.**

Market and Economic Infrastructure: To support local economies, HMEL has reconstructed grain markets, reducing transportation costs for farmers and providing them with better access to buyers. This initiative not only boosts agricultural productivity but also strengthens the economic resilience of rural communities.

Community Engagement and Awareness: Through community engagement programs, HMEL raises awareness about environmental conservation and sustainable practices. These initiatives encourage community members to adopt eco-friendly habits and participate in activities that protect and enhance their local environment.

Promoting Sports, Art, and Culture

At **HMEL,** we believe that sports, art, and culture are powerful tools for social cohesion, heritage preservation, and community development. As part of our CSR commitment, we are promoting and preserving traditional art forms while also fostering opportunities for talent and livelihood generation at the grassroots level.

Under the **Art and Culture** component, HMEL is spearheading the **revival and promotion of Phulkari** a rich, traditional embroidery art form native to Punjab. This initiative is being implemented in collaboration with **The Nabha Foundation** and aims to **empower rural women artisans** by enhancing their skills, expanding their market access, and building their confidence as cultural entrepreneurs.

Key highlights of the initiative includes:

- **Design innovation and capacity building** in collaboration with leading institutions such as the **National Institute of Fashion Technology (NIFT).**
- **National and international exposure visits and exhibitions** to showcase the artisans' work, create brand visibility, and explore global collaborations.
- **Market linkage development** and integration with mainstream and e-commerce platforms for sustainable income generation.

In addition to promoting traditional arts, HMEL also supports **local sports events and youth engagement activities,** fostering a spirit of discipline, teamwork, and health in the community.

Wheels of Change

Specially abled woman's determination empowers hundreds of women through self-employment

At HMEL, we are proud to share the inspiring journey of Sarabjeet Kaur, a resilient woman from Sekhu village who transformed her life and the lives of many others with the help of our Self Help Group (SHG) initiative.

In 2017, Sarabjeet, who lives with a disability, joined our program and formed the Shri Guru Ravidas SHG in 2018. With our support and a tailoring unit, she turned her stitching skills into a thriving enterprise. We provided her with an e-bicycle, which she used to reach out to other women in the village, encouraging them to join SHGs.

Thanks to her leadership, 21 SHGs are now active in Sekhu, empowering over 200 women through initiatives like bakery, cattle feed, and tailoring. Sarabjeet now works as a Community Coordinator with our partner, Hand in Hand India, conducting daily meetings and mentoring women entrepreneurs.

Her success is a testament to what's possible when opportunity meets determination. Today, Sarabjeet is financially independent, supporting her family, and investing in her son's education while helping others do the same.

Across 46 villages, HMEL has formed 637 SHGs, impacting over 6,400 women. For us, this is more than a program, it's a movement for lasting community empowerment.

Dilapidated to Distinguished

HMEL transforms the school infrastructure, provides smart boards, helps students crack competitive exams

At HMEL, we believe that access to quality infrastructure and the right support can empower communities and unlock their true potential. One of the most inspiring examples of this belief in action is the transformation of the Government Primary Smart School in Giana, a village in Bathinda district.

Just five years ago, this school was struggling—its boundary walls were broken, classrooms were in disrepair, and enrollment was low. Many families hesitated to send their children there. But everything changed when Gurdarshan Singh, an alumnus of the school and a former Navodaya Vidyalaya student, returned in 2018 as Head Teacher. With a vision to prepare students for the Navodaya entrance examination, he reached out to us for support.

HMEL stepped in to help revamp the school's infrastructure.

Tradition and Equality

HMEL, reviving the tapestry of Punjabi tradition of Phulkari by training 300 rural women artisans

Stitching Confidence, Preserving Tradition: Satveer Kaur's Journey with HMEL's Phulkari Training Initiative

At HMEL, we are committed to enabling rural communities through meaningful livelihood opportunities, especially for women. One such inspiring story is that of Satveer Kaur, a housewife from Ramsara village near Bathinda, whose quiet life took a transformative turn through our Phulkari training programme.

Satveer never imagined stepping out of her home to work. But when she heard an announcement from the village gurudwara about HMEL's free Phulkari training, she saw a chance to fulfil a long-cherished dream of recreating the beautiful embroidery. With her husband's support, she joined our programme, run in collaboration with The Nabha Foundation.

At our training centre, Satveer quickly stood out for her dedication and skill. Under expert guidance, she not only mastered the art but soon became a master trainer, earning a regular income while teaching other women. Her journey has changed her life: her confidence, independence, and contribution to her household have earned her respect and admiration, even from her mother-in-law, who now lovingly packs her tiffin each morning.

When faced with sudden household expenses, Satveer was able to contribute financially, an empowering moment that marked a turning point in her self-worth. As she says, "It was the first time that I earned something. I realise that earning is about self-esteem."

Phulkari is more than embroidery; it's an emotional, cultural expression deeply rooted in Punjab's heritage. With increasing mechanization, the tradition has been at risk of fading. HMEL has taken up the responsibility to revive this art form while empowering 300 women by 2026 through:

- Phulkari training clusters in nearby villages
- Specialized design instruction from expert trainers
- Industry exposure visits
- Product sampling, certification, and artist recognition
- Entrepreneurship support and enterprise setup
- Participation in national exhibitions
- Partnerships with leading design houses

We also support these women in marketing and selling their handcrafted products, ensuring their talent reaches appreciative buyers and generates sustainable income. Satveer's story is just one of many. Together, these women are not only preserving Punjab's cultural identity, they are stitching a stronger, more self-reliant future for their families and communities.

Fueling Youthful Ambitions

With the support of HMEL, retired army man trains youth; helps 100 youngsters from 11 villages join Army and Police

At HPCL-Mittal Energy Limited (HMEL), we believe that our responsibility extends far beyond energy production, it's about energizing lives and transforming communities. The journey of the Phullokhari Training Camp is a shining example of how we are building a stronger, more empowered India by supporting local talent and enabling dignified livelihoods.

In collaboration with Gram Panchayat of Village Phullokhari and led by the tireless efforts of retired Havildar Karamjit Singh, HMEL played a vital role in creating opportunities for rural youth to serve the nation. By providing essential training equipment, sports gear, and infrastructure, HMEL turned a passionate dream into a powerful grassroots movement.

Since 2019, this initiative has trained over 100 youth from 11 villages, helping many secure positions in the Indian Army and police services. Each success story is a testament to the potential unlocked through collective effort.

These young recruits are not just gaining employment, they are uplifting their families and reshaping the future of their communities. Stories like that of Nirbhaiy Singh, who was able to support his sister's education and elevate his father from a labourer to a farmer, reflect the far-reaching impact of our initiatives.

Sarpanch Harjinder Singh of Phullokhari proudly notes that over 40 young boys and girls from his village have been recruited thanks to the training camp supported by HMEL. This has led to a significant reduction in substance abuse and a marked improvement in the standard of living.

At HMEL, we are proud to be a part of this transformative journey, fueling not only the economy but the aspirations of the people we serve. Together, we are building a future rooted in pride, purpose, and progress.

Building Scholar Factory

HMEL Scholarship Programmes bear fruit: 87% of students admitted to meritorious schools from the Talwandi Block are from HMEL-adopted schools

At HMEL (HPCL-Mittal Energy Limited), we take pride in empowering rural communities through education. Our Scholarship Programme, designed for students in Classes 10 and 12 from government schools near our refinery, has become a powerful catalyst for academic excellence and social transformation in rural Punjab, especially in the Bathinda region.

Over the last five years, we've awarded scholarships to 1,395 students across 46 villages, with 1,083 of them being girls. The support includes laptops, tablets, and stipends, which have not only improved academic outcomes but also inspired students to aim higher. This has led to remarkable success stories like Gurmukh Singh, who is now studying chemical engineering at NIT Jalandhar, and Bohar Das, currently pursuing MBBS at Patiala Medical College, both sons of humble rural families whose futures have been transformed through our initiative.

Our efforts are yielding measurable results. In the Talwandi Sabo Block, 47 out of 54 students selected for prestigious Punjab government meritorious schools in 2024-25 are from HMEL-adopted schools. School leaders such as Bhagwan Singh and Navneet Singh have praised the programme for instilling a spirit of healthy competition, significantly raising the academic performance of their students. Students like Lovjeet Kaur, who gained admission to Gurdaspur Meritorious School, showcase the bright futures being forged through our support.

By opening access to quality education and motivating parents, especially to support girls' education, the HMEL Scholarship Programme is not just lifting academic standards; it's fueling long-term social progress in rural Punjab.

Turning Dreams into Reality

HMEL's support of free National Super 100 Coaching helping deserving students get into IITs/NITs

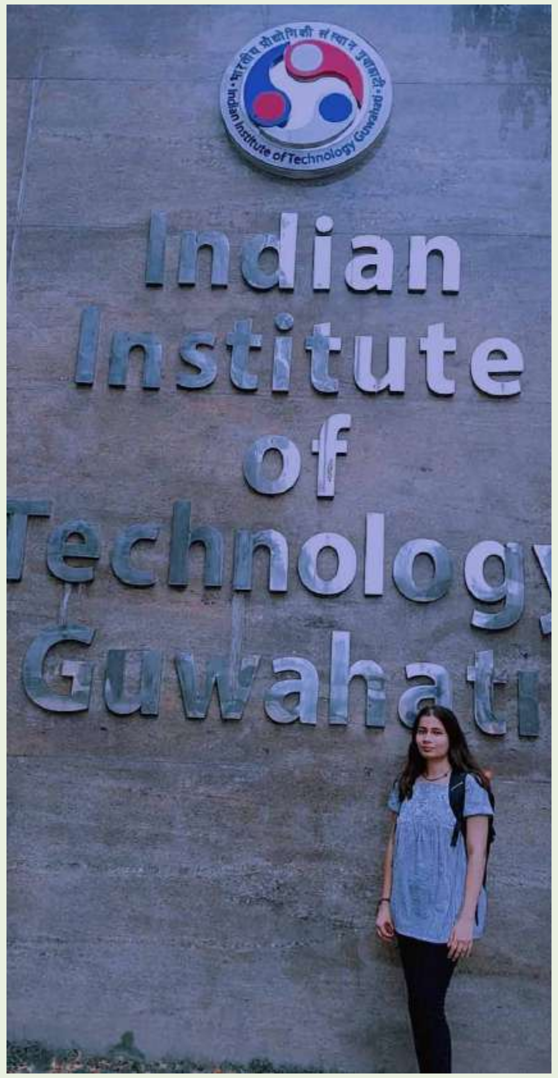
At HMEL, we believe that true progress is measured not just by infrastructure and innovation, but by the impact we create in the lives of people. One of our most heartfelt and impactful initiatives is our partnership with the Centre for Social Responsibility and Leadership (CSRL) through the Super 100 Programme, a platform that enables deserving students from rural Punjab to unlock their academic potential and pursue world-class education.

Take the story of Khushi, a bright student from a small village in Bathinda. Despite her academic promise, her dreams of studying at a premier institute seemed distant due to financial constraints. Her father, who runs a modest mobile repair shop, did everything he could, but elite institutions felt out of reach. That changed when she qualified for the HMEL-supported Super 100 Programme, which provides free, 11-month residential coaching in Delhi to prepare students for competitive exams like IIT-JEE.

Today, Khushi is a proud student of IIT Guwahati, the first in her family to achieve such a milestone. Her journey stands as a testament to what can happen when determination meets the right support system.

Khushi's story is not an exception. Other students like Harpreet Singh from Burj Gil village and Sahil from Maur Mandi, once unsure of their futures due to financial hardship, are now pursuing engineering degrees at NIT Jalandhar. Their success stories reflect the transformative power of opportunity, made possible by HMEL's commitment to community development. Every year, we select students from government schools across the Bathinda district, in collaboration with the District Education Department, and empower them through this fully funded programme. Many of these students, often children of farmers, labourers, and daily wage workers, are now not only excelling academically but are also becoming sources of inspiration in their communities.

Through the Super 100 initiative, HMEL is proud to be a catalyst for change, helping bridge the gap between potential and possibility. We remain deeply committed to building a future where every deserving student, regardless of background, has the opportunity to dream big, and achieve even bigger.



The Healing Touch

HMEL's Lifesaving CSR Initiative Brings Hope and Care with Free Dialysis Unit in Bathinda

When the Deputy Commissioner of Bathinda highlighted the urgent need for improved dialysis facilities in the region, HMEL stepped up to the challenge. At the time, the government hospital had only two dialysis machines, leaving patients with no choice but to travel to distant cities and incur significant expenses for private treatment, often leading to financial distress or untreated illness.

In collaboration with the Red Cross Society, HMEL took swift action. We donated six advanced dialysis machines and installed a Reverse Osmosis (RO) plant to support safe and continuous operations. We also invested in upgrading the hospital infrastructure to create a fully equipped dialysis unit with eight machines.

Inaugurated by the Hon'ble Chief Minister of Punjab, Mr. Bhagwant Mann, the dialysis unit has since become a vital lifeline for patients from Punjab, Haryana, and Rajasthan. Over the past 22 months, more than 7,000 dialysis sessions have been conducted for 478 patients, completely free of cost. Today, around 350 patients receive treatment each month, eliminating the financial burden that once hindered access to care.

Patients like Manohar Lal from Abohar and Gurdeep Singh from Muktsar are among the many who have expressed deep gratitude for this initiative. With stories of recovery, hope, and relief, this project embodies HMEL's commitment to community well-being and sustainable healthcare solutions.

Our work in Bathinda stands as a shining example of what can be achieved when businesses and communities come together with a shared vision for a healthier future.

Tales of Transformation

HMEL's Development Projects Spark Change in Villages: From New Bus Stops and Roads to Libraries, Parks, and Gyms

Once a common scene in Bathinda's border villages, a man navigating broken, bumpy roads with his wife and child in search of medical care, painted a stark picture of rural challenges. Limited infrastructure, lack of access to quality education and healthcare, and poor connectivity defined life in these fringe communities. Faced with social exclusion and economic disparity, many villagers were forced to migrate in pursuit of a better life.

HMEL's holistic development initiatives have sparked a new wave of optimism across Bathinda's villages. From revitalizing schools with smart classrooms to constructing gyms, community parks, and paved roads, HMEL has focused on inclusive growth that touches every facet of village life.

In Phullo Khari, where the HMEL refinery is located, the transformation is striking. Interlocking streets, modern classrooms, public gyms, and youth training grounds have turned the village into a model of progress. Students are now gaining admission to prestigious schools, and local youth are successfully preparing for careers in the army and police forces.

In Sekhu village, HMEL's support for women-led self-help groups has empowered over 200 women to achieve financial independence through stitching, baking, and small-scale production. Meanwhile, farmers benefit from a revamped grain market, reducing transport costs and increasing profits.

The impact is tangible: better education, improved health facilities, enhanced livelihoods, and stronger community engagement. HMEL's ongoing commitment ensures this transformation reaches more villages, fostering opportunity and sustainable growth.

From struggling roads to smart classrooms, HMEL is not just improving infrastructure, it is building futures. Through its unwavering dedication, HMEL is helping rural Bathinda stand tall with pride, opportunity, and hope.

A Father's Dream Fulfilled

HMEL's scholarship and guidance of employees transform a milkman's son into a Chemical Engineer

In the rural villages surrounding Bathinda, the idea of a farming family producing chemical engineers seemed like a distant dream. But thanks to HMEL's Siksha Saathi Scholarship Program, that dream is now a reality for many students. Launched in 2018, this initiative has provided invaluable support to deserving young minds, helping them turn their aspirations into achievements.

One such success story is that of Krishan Singh, a small farmer from Sekhu village. Krishan, who worked hard on his modest two-and-a-half-acre farm and supported his family through dairy farming, had always dreamed of seeing his children become educated professionals. His interactions with HMEL engineers, who visited his farm regularly, inspired him to envision a future where his children could follow in their footsteps and pursue careers in engineering.

The turning point came when Krishan's elder son, Gurmukh Singh, was awarded a tablet and a Rs 40,000 scholarship from HMEL after scoring 84% in his 10th grade. This scholarship not only helped Gurmukh continue his studies but also opened doors to further guidance from refinery officers. With their support, Gurmukh excelled at the Government Meritorious School in Bathinda, securing 91% in his 12th grade. He then cleared the highly competitive JEE Mains exam and earned a spot in the Chemical Engineering program at NIT, Jalandhar. Today, Gurmukh is in his third year, on track to fulfill both his own dreams and those of his father.

But Gurmukh's success story is just one of many. His younger brother, Kulwinder Singh, also benefited from the Siksha Saathi Scholarship. After achieving an impressive 93% in his 12th grade, Kulwinder was awarded a Rs 75,000 scholarship and a laptop, which helped him prepare for his IELTS exam. With this support, he was able to pursue a course in Hotel Business Management in Canada, marking another milestone in the family's educational journey.

Krishan Singh attributes much of his children's success to the Siksha Saathi Scholarship and the mentorship provided by HMEL refinery officers. The support he received allowed him to provide his sons with opportunities that would have otherwise been out of reach. His family's transformation from a modest farming household to one with globally educated children stands as a testament to the power of education and the positive impact of corporate social responsibility.

Through the Siksha Saathi Scholarship Program, HMEL is not just shaping individual futures but also inspiring an entire community to believe in the power of education.

Rural Crafts, Urban Demand

SHG Women Crafting Success from Sanitary Pads to Leather Bags Selling Across Punjab and Haryana

HMEL's strategic initiation of Self-Help Groups (SHGs) has ignited a remarkable economic and social transformation in Village Pakka Kalan. Once characterized by limited opportunity, the village now thrives with women-led businesses producing diverse goods, from sanitary pads to religious emblems, finding markets in cities like Amritsar and Ludhiana.

This success stems from HMEL's holistic support, encompassing financial literacy and specialized skills training in partnership with organizations like Hand in Hand. This empowered 160 women to establish 16 home-based enterprises, significantly boosting their family incomes and earning them newfound respect.

The inspiring journeys of women like Rupinder Kaur, whose leadership during the pandemic fostered the growth of multiple stitching groups, Jasbir Kaur, now a successful sanitary pad manufacturer, and Sukhbir Kaur, whose religious emblems reach wider markets, exemplify the impact of HMEL's intervention.

The initial success has spurred the growth of 35 SHGs involving over 355 women, generating significant business and demonstrating the sustainable impact of HMEL's vision. Pakka Kalan now stands as a powerful testament to how HMEL's commitment to women's empowerment can catalyze profound community transformation, fostering economic independence and redefining societal roles.

Supply Chain Management

The oil and gas industry plays a vital role in the global economy, significantly influencing the development of various sectors. Given the constant demand for energy across industries and by individuals, effective Supply Chain Management is crucial for ensuring system efficiency and addressing economic and social challenges. Failing to maintain high standards in Supply Chain Management can erode stakeholder trust and impair overall operations.

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 established strong, enduring partnerships with major national oil companies in the Middle East and diversified our supply chain with contracts in Latin America, West Africa, and the Mediterranean region to procure heavy crude oil. Our integrated value chain begins with crude oil procurement from Middle Eastern countries, followed by refining at our refinery, and ultimately delivering finished products through HPCL's extensive pipeline network. Our strategic location in Northern India, combined with HPCL's pipeline connectivity, optimizes product delivery.

We follow a comprehensive approach to sustainable sourcing, with 31% of the procurement value coming from MSMEs (excluding crude oil, utilities, and statutory payments) and 5% from local suppliers in FY24-25.

We are collecting ESG-related data from existing vendors on an ongoing basis. We plan to conduct supplier audits, either internally or through an external agency, to perform on-site assessments.

Supplier Screening Process:

At HMEL, we recognize the importance of robust supplier screening processes to ensure sustainable and ethical supply chain practices. Our supplier screening framework focuses on evaluating environmental, social, and governance (ESG) risks, thereby minimizing supply chain vulnerabilities and enhancing long-term financial performance.

Suppliers' Training on ESG

HMEL is dedicated to advancing sustainability and responsible sourcing by embedding Environmental, Social, and Governance (ESG) criteria into its supply chain management practices. To support this initiative, we collaborated with PwC to deliver an ESG training session specifically designed for our Tier 1 suppliers. This training was a key component of HMEL's broader strategy to enhance ESG awareness and performance across its supply chain, aligning with its Supplier ESG Directive and overarching sustainability objectives. The main goals of the training were to **establish a foundational understanding of ESG principles among suppliers, introduce key reporting standards and frameworks, communicate HMEL's ESG goals and expectations, and promote a culture of continuous improvement and collaboration.** Led by ESG specialists from **PwC,** the session brought together **90 Tier 1 suppliers** for an interactive learning experience, beginning with an introduction to ESG's core pillars and covering topics such as **climate change, carbon emissions, ethical labor practices, diversity, and corporate ethics.** This provided suppliers with a comprehensive understanding of ESG in the modern business landscape, emphasizing its role in driving business resilience, meeting regulatory expectations, attracting investment, and maintaining competitive advantage.

The training highlighted the significance of ESG reporting and rating frameworks, introducing participants to the Business Responsibility and Sustainability Report **(BRSR)**, the Corporate Sustainability Reporting Directive **(CSRD)**, and the Carbon Disclosure Project **(CDP)**. These frameworks were explored in terms of structure and expectations, preparing suppliers for upcoming reporting requirements. The session linked these global concepts to HMEL's specific context, sharing the company's broader ESG goals and emphasizing the crucial role suppliers play in achieving these objectives. Real-world case studies and examples of successful ESG initiatives inspired suppliers to advance their own programs, reinforcing the importance of strategic partnerships in the sustainability journey. The training concluded with a strong appeal from PwC, urging suppliers to measure and share ESG data, document internal ESG practices, and collaborate proactively with HMEL to align on ESG goals. By encouraging suppliers to track and report ESG metrics, communicate standout practices, and engage in joint sustainability efforts, we aim to ensure that human rights and ethical standards are upheld throughout its operations and supply chain. Through this initiative, HMEL not only strengthened its commitment to sustainable practices but also set a precedent for continuous improvement in supplier relations, contributing to a more fair and equitable global business environment.

AWARDS AND CERTIFICATIONS

AWARDS

HMEL was honored with **Petrochemicals Company of the Year Award 2024** by the **Energy & Climate Initiatives Society (ENCIS) at the Downstream India Excellence Awards 2024.** The award was presented during **The Global Refining & Petrochemicals Congress (GRPC 2024)** held from June 27-28, 2024, at New Delhi.

Additionally, **Mr. Anshu Sharma, VP-Petchem Operations, HMEL** was also awarded **Leadership Excellence Award-Petrochemicals,** in recognition of his illustrious career in the refining and petrochemical sector.

HPCL-Mittal Energy Limited's (HMEL) Learning & Development team achieved significant recognition by winning two prestigious awards at the **Asia L&D Employer Branding Conference & Awards, organized by International Business Conferences (IBC)** on February 6-7, 2025, in Mumbai. The team was honored for Excellence in Continuous Learning & Upskilling, highlighting their commitment to fostering a culture of continuous learning through structured training programs and competency development frameworks. Additionally, HMEL won the award for 'Most Innovative Learning Culture' for their unique approach to employee learning, which integrates digitalization, knowledge-sharing platforms, hands-on training modules, and customized development programs to empower employees at all levels.

HMEL MMC was honored with the **'Leadership Excellence 2024'** award and the highest **'Titanium'** rating for warehouse excellence and benchmarking at **CII Supply Chain Event 2024.**

This recognition reflects HMEL's journey since 2020, marked by significant achievements in operational efficiencies, digitalization, automation, and green initiatives. These accolades underscore HMEL's commitment to innovation & excellence in the supply chain sector.

HMEL was awarded **'Company of the Year 2024'** at **IndiaChem 2024,** organised by **Federation of Indian Chambers of Commerce (FICCI).** The award was presented on October 17, 2024, at Mumbai by **Smt. Anupriya Patel, Hon'ble Minister of State for Health and Family Welfare and Chemicals & Fertilizers, GOI,** to **Mr. Prabh Das, MD&CEO, HMEL, Mr. Rajnish Mehta, VP-Marketing, Mr. M S Battu, Head-PP Marketing and Mr. Vineet K Gupta, Head-Technical Marketing** in presence of **Smt. Nivedita Shukla Verma, Secretary, Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, GOI.**

HMEL won the **'Health and Safety Initiative of the Year'** at **Asian Oil & Gas Awards 2024** held on October 22, 2024, at Singapore, for implementing **Loss Prevention Indicators and Potential Hurt Level Initiative** to achieve remarkable safety performance during the commissioning HMEL's petrochemical plant at Bathinda.

HMEL won the **'Innovative Technology Initiative of the Year'** at **Asian Oil & Gas Awards 2024** held on October 22, 2024, at Singapore, for improving environmental sustainability with the implementation of **Innovative Alternative Advanced Oxidation Technology** reducing sulfide content in refinery waste.

HMEL won the prestigious **'SAP ACE Award 2024'** on November 14, 2024, at Mumbai in the **'Disruptor' under Supply Chain Transformation category.** This recognition highlights HMEL's commitment to innovation, agility, and impactful digital transformation, particularly in implementation of **Plant Logistics Management System (PLMS)** which **digitizes the product evacuation process** for a seamless, paperless process. Through the PLMS process HMEL achieved **35% reduction** in the vehicle turnaround time, **25% reduction** in manpower and **70% reduction** in paper usage.

HMEL was awarded **'Best Leadership Development Programme'** by **Tata Institute of Social Sciences** during the **16th Annual Chief Learning Officers Summit** held at NSE, Mumbai on November 14-15, 2024. The summit has been supported by **Ministry of Corporate Affairs, Government of India** and by the **Department of Public Enterprises, Government of India.**

HMEL has been recognized for its stellar efforts in **coaching, mentoring, leadership assessments and development** under flagship programmes like **LEAD and M-power** sponsored by our Management and embraced by our senior leaders. The in-depth yearlong curated leadership intervention in LEAD 1, sustained and expanded in LEAD 2 made our endeavors achieve a resounding victory amongst other marquee organizations.

HPCL-Mittal Pipelines Ltd (HMPL) was awarded **'Product Pipeline Transportation Company of the Year Award'** by **Federation of Indian Petroleum Industry (FIPI). Mr. Hardeep Puri, Union Minister for Petroleum and Natural Gas, Government of India,** presented the award to **Mr. Prabh Das, MD & CEO, HMEL,** in the presence of senior officials from the Ministry of Petroleum, Government of India, Industry captains and other stakeholders on 26th November, 2024 at New Delhi. HMPL had also won the same award in 2019 and 2021.

HMEL won the **'Innovation in Learning'** award at the **15th L&D Leadership India Summit & Awards** organized by **Inventicon Forum** on January 28-29, 2025, at Mumbai. HMEL was recognized for its innovative training initiatives, including **RISE Sessions, Partner's Technical Training, Enhanced Fresher's Training Modules** etc.

HMEL's continuous thrust on learning and development, is rooted in the strong belief of investing in people and their growth for the organizational success.

HMEL was adjudged winner in two prestigious categories: **'Zero Liquid Discharge'** and **'Digital Initiative of the Year'** during the **6th Water Optimisation Awards 2025,** hosted by the **Mission Energy Foundation** in Goa on January 10, 2025.

The awards were presented by **Mr. Suresh Prabhu, Former Union Minister of India** to **Mr. Vishwas Waliwadekar, GM-Process Excellence & TS** and **Mr. Dulal Chandra Patra, AGM-Process Excellence & TS,** during a gala ceremony.

This recognition reflects HMEL's unwavering dedication to environmental sustainability and technological excellence, driving us to set higher benchmarks in the industry.

Mr. Prabh Das, MD&CEO, HMEL, was conferred the prestigious **'Rasayan Udyog Ratna'** Award by **Indian Chemical Society** during its **Centenary Celebrations** held from January 28-29, 2025, at Mumbai.

Prof G D Yadav, President, Indian Chemical Society, in presence of **Patrons Padma Vibhushan Prof. M.M. Sharma and Padma Vibhushan Dr. R.A. Mashelkar,** presented the award, honoring Mr. Das's exceptional contributions to the **Chemical and Allied Industry.**

HMEL won two prestigious awards **'Excellence in Continuous Learning & Upskilling'** and **'Most Innovative Learning Culture Awards'**, at the **Asia L&D Employer Branding Conference & Awards,** organized by **International Business Conferences (IBC)** on February 6-7, 2025, in Mumbai. HMEL was recognized for fostering a culture of continuous learning, through **structured training programmes and competency development frameworks** by integrating transformative approach to employee learning including digitalization, knowledge-sharing platforms, hands-on training modules, and customized development programmes to empower employees at all levels.

Mr. A.S Basu, COO of HMEL, was honored with the **Dr. G.P. Kane Chemcon Distinguished Speaker Award** at **the Chemcon 2024 event held at NIT Jalandhar.** Chemcon is an annual event organized by the **Indian Institute of Chemical Engineers (IIChE),** focusing on sustainable development and the role of chemical engineering in self-reliance and sustainability. Mr. Basu participated in a panel discussion on **"The Role of Chemical Engineers – Advancing Sustainability in Petroleum Refining,"** emphasizing the importance of sustainable practices in the industry.

CERTIFICATIONS

22301

Our journey towards resilient IT business continuity, culminating in **ISO 22301 Certification**, involved thorough scrutiny by auditors from the BSI (British Standards Institution). They meticulously evaluated our systems, procedures, and protocols over several days before granting us the certification.

HMEL received **WAREX (Warehouse Excellence Certification) Titanium certificate** on **MMC warehouse's operational performance.**

ISO/IEC 27001:2013 CERTIFIED

HMEL attained **ISO/IEC 27001:2013 Information Security Management System** certification by demonstrating effective management of IT Services, ensuring alignment with international standards and best practices.

20000:2018

HMEL achieved **ISO/IEC – 20000-1:2018 International IT Service Management System Standard** certification guaranteeing robust protection of sensitive data and adherence to global security protocols.

14001

HMEL successfully achieved **ISO 14001 certification** **for Environmental Management Systems, demonstrating its strong commitment to sustainable operations and environmental responsibility.** This certification reflects HMEL's systematic approach to identifying, managing, and continuously improving its environmental performance across all operational areas.

45001:2018

HMEL achieved the **ISO 45001 certification** **for Occupational Health and Safety Management Systems, reaffirming its commitment to providing safe, equitable, and healthy working conditions.** It reflects HMEL's dedication to promoting employee well-being, fostering a culture of safety, and upholding fair and inclusive workplace practices.

HMEL has achieved the **ISCC+ Certification** **for circular polymers and products,** becoming the second raw material manufacturer in India to do so. The ISCC is a globally recognized system that ensures the sustainability of products, materials, and supply chains, particularly in bioenergy, agriculture, chemicals, and petrochemicals.

GRI Index

Disclosure	Disclosure Title	Reporting Section/Explanation
GRI 2: General Disclosures		
2-1	Organizational details	HMEL's Overview
2-2	Entities included in the organization's sustainability reporting	Reporting Scope and Boundary
2-3	Reporting period, frequency and contact point	Reporting Scope and Boundary
2-4	Restatements of information	Reporting Scope and Boundary
2-5	External Assurance	Independent Assurance
2-6	Activities, value chain and other business relationships	Value creation model
2-7	Employees	Workforce
2-8	Workers who are not employees	Workforce
2-9	Governance structure and composition	HMEL's Governance Sturcture
2-10	Nomination and selection of the highest governance body	Nomination and Remuneration Committee
2-11	Chair of the highest governance body	A letter from Managing Director and CEO
2-12	Role of the highest governance body in overseeing the management of impacts	HMEL's Governance Sturcture
2-13	Delegation of responsibility for managing impacts	Organogram and Senior Management Team
2-14	Role of the highest governance body in sustainability reporting	Corporate Sustainability Governance
2-15	Conflicts of interest	Compliance and Business Ethics
2-16	Communication of critical concerns	Stakeholder and Materiality Assessment
2-17	Collective knowledge of the highest governance body	HMEL's Governance Sturcture
2-18	Evaluation of the performance of the highest governance body	Nomination and Remuneration Committee
2-19	Remuneration policies	Nomination and Remuneration Committee
2-20	Process to determine remuneration	Nomination and Remuneration Committee
2-22	Statement on sustainable development strategy	A letter from Managing Director and CEO
2-23	Policy Commitments	Compliance and Business Ethics
2-24	Embedding policy commitments	Compliance and Business Ethics
2-25	Processes to remediate negative impacts	Whistleblowing and fraud prevention
2-26	Mechanism for seeking advice and raising concerns	Whistleblowing and fraud prevention
2-27	Compliance with laws and regulations	Code of Conduct
2-28	Membership association	Membership associations
2-29	Approach to stakeholder engagement	Stakeholder and Materiality Assessment
GRI 3: Material Topics		
3-1	Process to determine material topics	Stakeholder and Materiality Assessment
3-2	List of material topics	Stakeholder and Materiality Assessment
3-3	Management of material topics	Stakeholder and Materiality Assessment
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	Economic value generated and distributed
201-2	Financial implications and other risks and opportunities due to climate change	Climate change strategy
GRI 203: Indirect Economic Impact		
203-1	Infrastructure investments and services supported	Manufactured Capital
203-2	Significant indirect economic impacts	Social and Relationship Capital
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	Supply Chain Management
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	Anti-Bribery and Corruption
205-2	Communication and training about anti-corruption policies and procedures	Anti-Bribery and Corruption
205-3	Confirmed incidents of corruption and actions taken	Anti-Bribery and Corruption
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti- trust, and monopoly practices	No such instances have been reported in the reporting year

Disclosure	Disclosure Title	Reporting Section/Explanation
GRI 207: Tax		
207-1	Approach to Tax	Tax Strategy
207-2	Tax governance, control, and risk management	Tax Strategy
207- 4	Country-by-country reporting	Tax Strategy
GRI 301: Materials		
301-1	Materials used by weight or volume	Waste Management
301-2	Recycled input materials used	Waste Management
301-3	Reclaimed products and their packaging materials	Waste Management
GRI 302: Energy		
302-1	Energy consumption within the organization	Energy Management
302-3	Energy intensity	Energy Management
302-4	Reduction of energy consumption	Energy Management
302-5	Reduction in energy requirements of products and services	Energy Management
GRI 303: Water		
303-1	Water withdrawal by source	Water Management
303-2	Water sources significantly affected by withdrawal of water	Water Management
303-3	Water recycled and reused	Water Management
303-4	Water Discharge	Water Management
303-5	Water Consumption	Water Management
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity
304-3	Habitats protected or restored	Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity

Disclosure	Disclosure Title	Reporting Section/Explanation
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	GHG Emissions
305-2	Energy indirect (Scope 2) GHG emissions	GHG Emissions
305-4	GHG emissions intensity	GHG Emissions
305-5	Reduction of GHG emissions	GHG Emissions
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Other Emissions
GRI 306: Effluents and Waste		
306-1	Water discharge by quality and destination	Water Management
306-2	Waste by type and disposal method	Waste Management
306-3	Waste generated	Waste Management
306-4	Waste Diverted from disposal	Waste Management
306-5	Waste Directed to Disposal	Waste Management
GRI 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	Code of Conduct; Compliance and Business Ethics
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management
GRI 401: Employment		
401-1	New employee hires and employee turnover	Employee Wellbeing
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Wellbeing
401-3	Parental leave	Employee Wellbeing
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	Integrated Safety Management System
403-2	Hazard identification, risk assessment, and incident investigation	Identifying occupational safety and process safety hazards

Disclosure	Disclosure Title	Reporting Section/Explanation
403-3	Occupational health services	Occupational Health Services
403-4	Worker participation, consultation, and communication on occupational health and safety	Identifying occupational safety and process safety hazards
403-5	Worker training on occupational health and safety	Trainings on Health and Safety
403-6	Promotion of worker health	Occupational Health Services
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Initiatives taken to secure employee's health & safety at HMEL
403-8	Workers covered by an occupational health and safety management system	Health and Safety
403-9	Work related injuries	Identifying occupational safety and process safety hazards
403-10	Work- related ill-health	Identifying occupational safety and process safety hazards
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Learning and Development
404-2	Programs for upgrading employee skills and transition assistance programs	Learning and Development
404-3	Percentage of employees receiving regular performance and career development reviews	Leadership Development Programs
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Board Diversity and Workforce
405-2	Ratio of basic salary and remuneration of women to men	Diversity, Equity and Inclusion
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	A letter from Managing Director and CEO
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	No such instances have been reported in the reporting year
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such instances have been reported in the reporting year

Disclosure	Disclosure Title	Reporting Section/Explanation
GRI 410: Security Practices		
410-1	Security personnel trained in human rights policies or procedures	All the security personnel working on the company premises have been trained in human rights policies and procedures
GRI 412: Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	Human Rights
412-2	Employee training on human rights policies or procedures	Human Rights
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human Rights
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital
413-2	Operations with significant actual and potential negative impacts on local communities	Social and Relationship Capital
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Manufactured Capital
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No instances have been reported in the reporting year
GRI 419: Socioeconomic Compliance 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	Code of Conduct; Compliance and Business Ethics

Assurance statement on third-party verification of sustainability information

Unique identification no.: 3153114166

TÜV SÜD South Asia Pvt. Ltd. (hereinafter TÜV SÜD) has been engaged by HPCL-Mittal Energy Limited, The Rise, 17 B&C, Film City, Sector 16A, NOIDA (U.P.) – 201301, India to perform an independent assurance of disclosure of sustainability information in the Sustainability Report by HPCL-Mittal Energy Limited (hereinafter "Company") for the period from 01.04.2024 to 31.03.2025. The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain limited assurance about whether the sustainability information is prepared "with reference to" the reporting criteria of the Sustainability Reporting Standards of the Global Reporting Initiative 2021 version (hereinafter "Reporting Criteria").

The following selected disclosures are included in the scope of the assurance engagement for reporting year The following selected disclosures are included in the scope of the assurance engagement: Option "partial report" for reporting year 01.04.2024 to 31.03.2025. the disclosures of following sustainability indicators in the SUSTAINABILITY REPORT", published at HPCL-Mittal Energy Limited- https://www.hmel.in/reports

– GRI 2: Employees- 2-7
– GRI 3: Material Topics – 3-1, 3-2, 3-3.
– GRI 201: Economic Performance – 201-2, 201-3.
– GRI 203: Indirect Economics Performance – 203-1, 203-2.
– GRI 204: Procurement Practices – 204-1.
– GRI 301: Materials – 301-1.
– GRI 302: Energy– 302-1, 302-2, 302-3, 302-4
– GRI 303: Water –303-1. 303-2, 303-3, 303-4, 303-5.
– GRI 304: Biodiversity – 304-1
– GRI 305: Emissions– 305-1, 305-2, 305-4, 305-5, 305-6, 305-7.
– GRI 306: Waste –306-1, 306-2, 306-3, 306-4, 306-5.
– GRI 308: Supplier Environmental Assessment – 308-2.
– GRI 401: Employment– 401-1, 401-2, 401-3.
– GRI 403: Occupational Health and Safety – 403-1, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10.
– GRI 404: Training and Education – 404-1, 404-2, 404-3.
– GRI 405: Diversity and Equal Opportunity – 405-1, 405-2
– GRI 406: Non-discrimination– 406-1.
– GRI 407: Freedom of Association and Collective Bargaining – 407-1.
– GRI 408: Child Labour 2016 – 408-1.
– GRI 409: Forced or Compulsory Labour - 409-1,
– GRI 413: Local Communities– 413-1.
– GRI 416: Customer Health and Safety – 416-1, 416-2
– GRI 417: Marketing and Labeling– 417-1, 417-2, 417-3.
– GRI 418: Customer Privacy– 418-1.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the sustainability reporting, and accordingly, we do not express a conclusion on this information. It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the sustainability information in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for sustainability reporting, the collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a sustainability report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group, which is based upon the ISAE 3000, and ISO 17029. The applied level of assurance was "limited assurance". Because the level of assurance obtained in a limited assurance, the engagement is lower than in a reasonable assurance engagement, the procedures the verification team performs in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability information and applying analytical and other limited assurance procedures.

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

The procedures included amongst others:

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries.
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations.
- Assessment of local data collection and management procedures, along with control mechanisms, through offsite verification and onsite survey at selected multiple sites: Below sites were selected for Onsite Visit.

Sl. No.	Company Name	Site Address
1	HPCL-Mittal Energy Limited The Rise, 17 B&C, Film City, Sector 16A, NOIDA (U.P.) – 201301, India	HPCL-Mittal Energy Limited The Rise, 17 B&C, Film City, Sector 16A, NOIDA (U.P.) – 201301, India
2		HPCL-Mittal Energy Limited VPO Phullokari Village, Talwandi Saboo Taluka District Bathinda - 151301, Punjab India

Conclusion

On the basis of the assessment procedures carried out from 2025-04-23 - 2025-05-02, TÜV SÜD has not become aware of any facts that lead to the conclusion that the selected sustainability information has not been prepared, in all material aspects, in reference to the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:
The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the sustainability reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.

Financial data were only considered to the extent to check the compliance with the economic indicators provided by the GRI Standards and were drawn directly from independently audited financial accounts. TÜV SÜD did not perform any further assurance procedures on data, which were subject of the annual financial audit.

The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd hereby declares that there is no conflict of interest with the Company.

Mumbai, 11th June, 2025

Prosenjit Mitra
General Manager- Verification, Validation and Audit
Management System Assurance

Sanjeev Sharma
Verification Team Leader, TÜV SÜD
Management System Assurance

HMEL