

**AM/NS
INDIA**

ArcelorMittal Nippon Steel India



SUSTAINABILITY REPORT 2021

**SMARTER STEELS
BRIGHTER FUTURES**

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A NOTE TO THE READER FROM CEO

Dear Stakeholders,

I am pleased to present to you our sustainability report for the year 2021.

As we present our findings, I want to take a moment to reflect on our commitment to sustainability. At AMNS India, we firmly believe that businesses have a responsibility to operate in a manner that supports our planet, people, and communities for generations to come. Over the past year, we have taken significant steps towards achieving this goal.

We understand that addressing climate change is not a matter for the distant future but a pressing issue that demands immediate action to create a more equitable world. As a responsible corporate citizen and a prominent global steel manufacturer, we are committed to fulfilling our duty by reducing our environmental impacts. Given steel's crucial role as a fundamental component in constructing a sustainable society, it is inevitable that we must transition towards more sustainable methods of steel production. The current Ukraine-Russia conflict could drive India's steel sector towards reducing its dependence on iron ore and exploring alternative, more sustainable production methods like green steel using hydrogen. While it will take time to achieve carbon neutrality, the thinking process has begun and holds significant promise for the future of the industry.

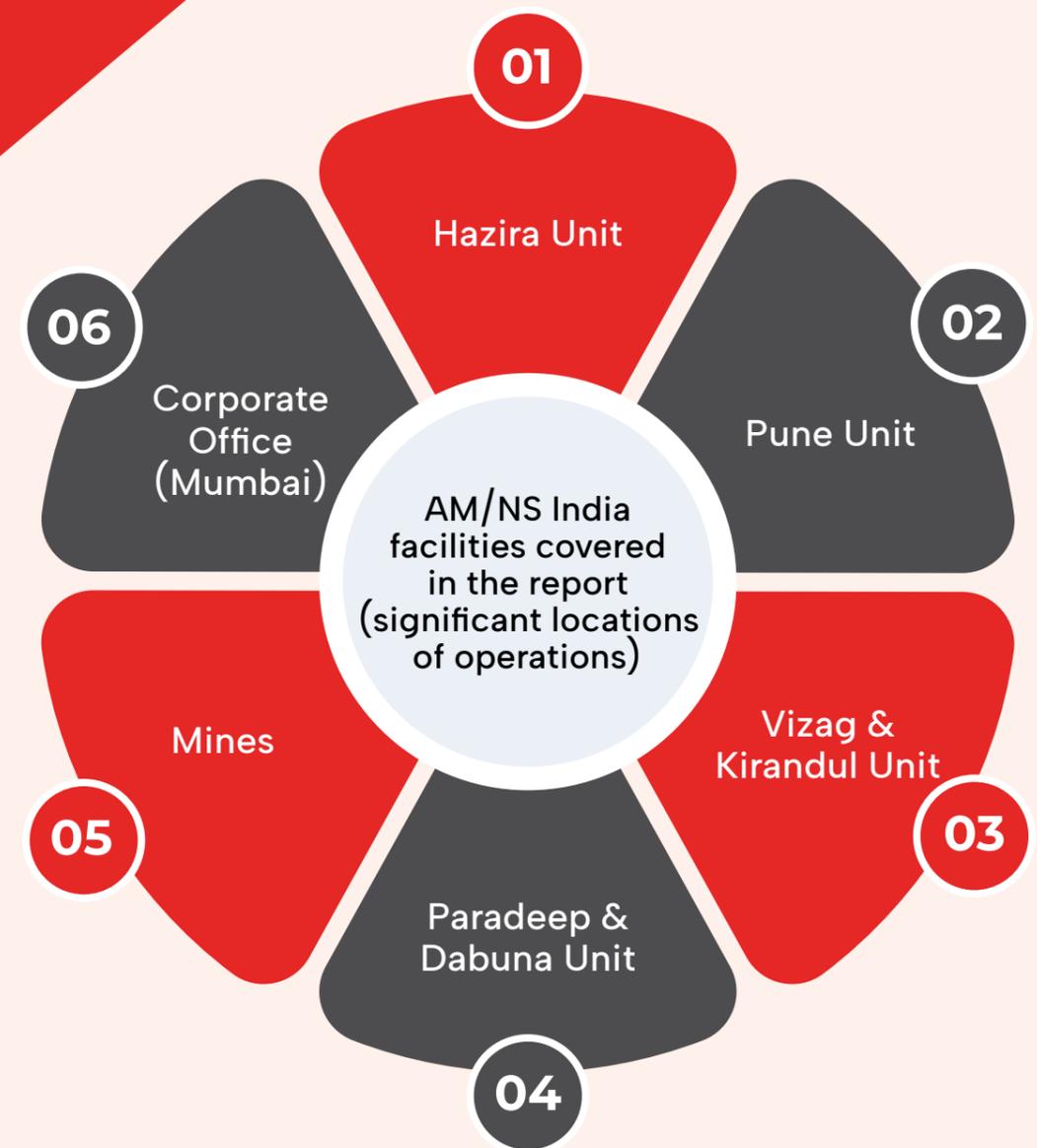
Here, ArcelorMittal's XCarb program and Nippon Steel's Green Transformation Initiative have been a source of inspiration for us, and we fully support

We also lead the efforts on the social front by hiring close to 60% workforce from local communities, and by enhancing our gender diversity with a target of 25% participation of women in our workforce, by 2025

India's goal to achieve carbon neutrality by 2070. Our collaboration with Greenko to establish a renewable power and storage facility is a significant step towards achieving 'green' steel. Our intent is demonstrated in our expansion approach at Hazira, where we are investing in innovation (developing new steel making technologies) but with an emphasis on sustainability (renewable energy source to supply green energy). One of our core goals is 'zero harm', and we are on our way with safety performance metrics better than the parameter set by WSA, the leading association for steel companies worldwide. We also lead the efforts on the social front by hiring close to 60% workforce from local communities, and by enhancing our gender diversity with a target of 25% participation of women in our workforce, by 2025. We are ensuring improving workplace accessibility for the differently abled and creating positive impacts for more than 2 million lives through our education, healthcare, skill development, sports, cultural, and environmental programs. However, we understand that ensuring sustainability on all fronts is a continuous endeavor, and as such our work is far from over. Our dedication to transparency and continuous improvement of our sustainability performance is unwavering. Here, we must acknowledge that the support, collaboration and inputs from our stakeholder groups, are crucial to our success. We are committed to assimilating stakeholder feedback and incorporating their concerns into our sustainability strategy. For ease of access our team has ensured report structuring in accordance with the GRI (Global Reporting Initiative) guidelines which aligns with global reporting standards. We have tried to ensure that only relevant information is presented in this report and have actively avoided using jargons to make the report more inclusive for all our stakeholders. I sincerely hope that this report communicates our outlook, insights and performances related to our sustainability outlook, strategies, initiatives, performance indicators, as well as our overall progress in these areas.

Dilip Oommen
Director & CEO

ABOUT THIS REPORT



Reporting period – January 2021 – December 2021

(except for financial data which is as per financial year. The report covers 100% of the entity as covered in the financial report.)

Frequency – Annual

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Restatements of information:

Since this is the first report, restatements of information are not applicable.

External Assurance

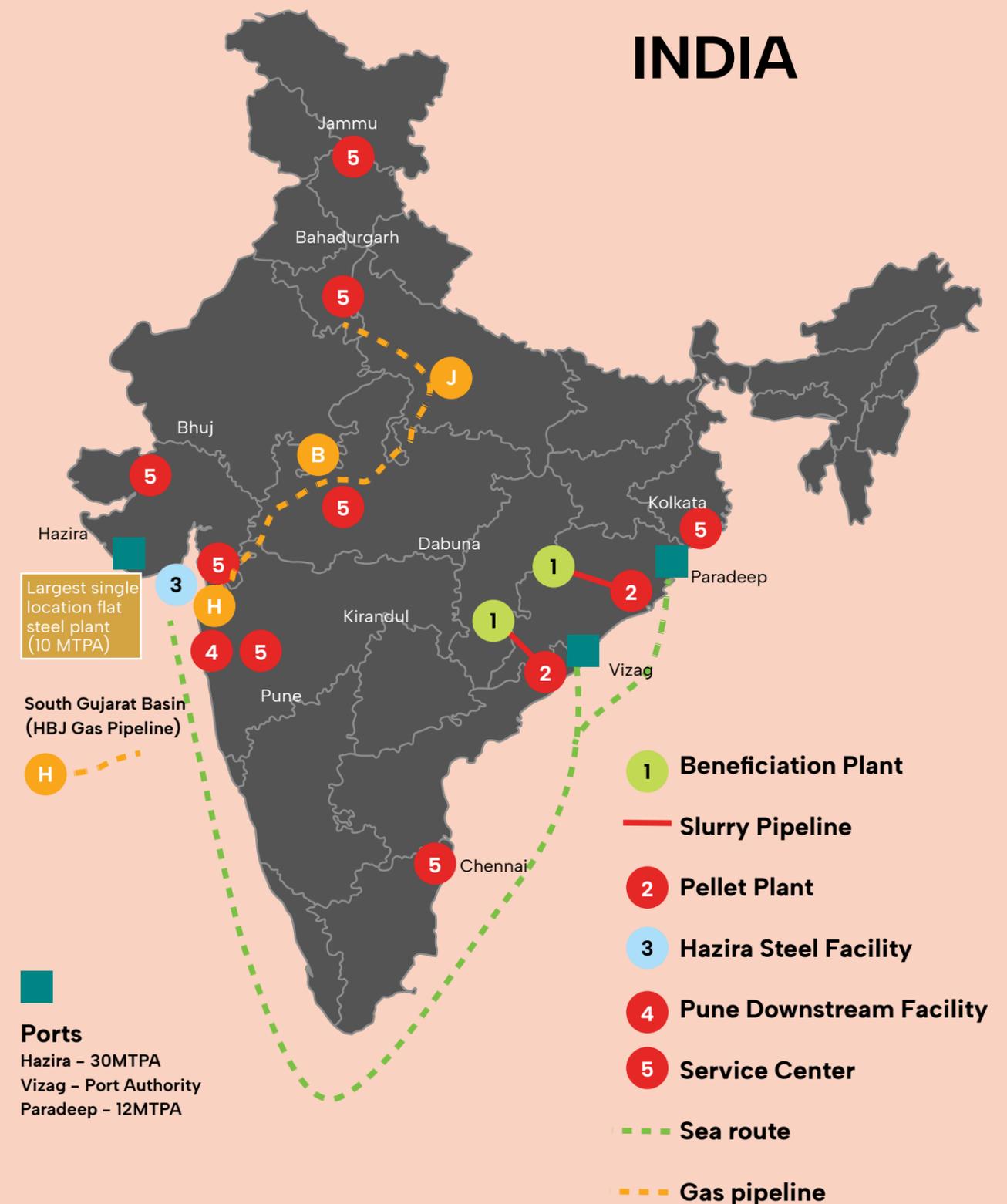
DNV Business Assurance India Private Limited has conducted limited level of assurance of sustainability report using DNV's VeriSustain protocol.

A DETAILED TAKE ON AM/NS INDIA

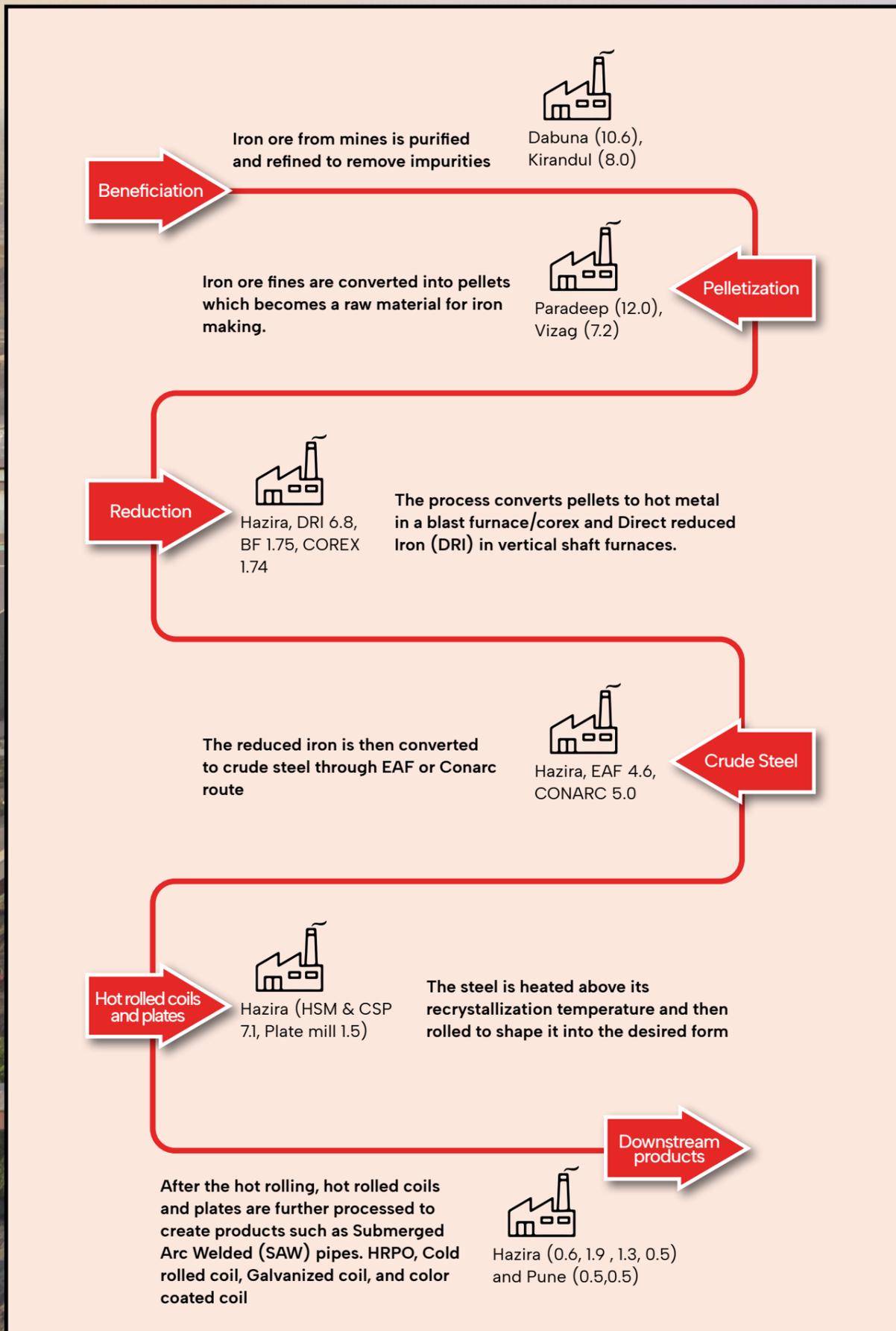
ArcelorMittal Nippon Steel India, referred to as AM/NS India, (a joint venture of the world's leading steel producers, ArcelorMittal and Nippon Steel), is a leading integrated steel company committed to sustainable development with Headquarters in Mumbai, India. Our operations span the entire steel value chain, from mining and processing of iron ore to production of finished steel products. As a responsible corporate citizen, we recognize our role in ensuring a sustainable future for the planet and are committed to minimizing our impact on the environment while creating value for our stakeholders.

To serve the steel requirements of a wide range of industries such as agriculture, automotive, infrastructure, defense, energy among many others, our facilities across India produce a wide range of flat rolled steel products encompassing more than 600 grades of steel. To serve the micro, small, and medium enterprises sectors, we have developed a vast network of distribution channels under the brand name AM/NS Hypermart which has 18 retail outlets across India as we write this. Our production and distribution infrastructure enables us to contribute to Bharat's ambition of becoming Atmanirbhar (self-reliant).

INDIA



Before delving deeper into our sustainability performance, we wish to apprise the reader of the steelmaking process. We hope that the reader will get a better context of this report, through this brief.



OPERATIONAL BRIEF

Hazira, Gujarat: Industrial trans-shipment hub in Surat. Strategically located near steel demand centres

- Sophisticated inter-plant logistics network: captive deep-water port and rail routes; Surat and Mumbai 25km, ~300km away respectively
- Raw materials unloaded in a fully mechanized port-handling facility, transported by conveyors.
- Product from DRI/HBI in solid form, corex and BF produce molten iron, 65% of 65% of the production is gas based, environmentally friendly.

Paradip & Dabuna, Odisha: Odisha has rich iron ore deposits and large-scale steel production.

- 10.6 MTPA beneficiation plant at Dabuna and 12 MTPA pelletization plant at Paradip
- Plants connected by 253km, 12 MTPA slurry pipeline.
- Paradeep: Among largest ports on east coast; excellent connectivity to east coast railway network
- Paradip plant ~2km from national highway 53, linking Paradip and Surat

- Licenses for two mines in resource-rich east, won in auction for current needs:
- Thakurani (Odisha): operating at full 6 MTPA capacity
- Sagasahi (Odisha): production commenced 2021; ramp up in 2022; 7 MTPA capacity
- Mines (Iron Ore): 75% of iron ore we produce is for internal use, the rest is saleable. Potential for further upside at Paradip pellet plant in line with organic growth.

Vizag, Andhra Pradesh & Kirandul, Chhattisgarh:

- 8 MTPA beneficiation plant at Kirandul and 7.2 MTPA pelletization plant in Vizag
- Plants connected by 267km slurry pipeline with 7 MTPA capacity (project to increase)
- Vizag: India's second largest all-weather port, located ~7km from plant, connected by shipping conveyor system pipeline capacity ongoing
- Positioned to serve rapidly growing south-east Asian market.
- Third-party supply of iron ore secured for Vizag from mines at Bailadila and Kirandul (Chhattisgarh)



Being the largest single location port based flat steel plant (10 MTPA), we have strategic location based benefits. Key insights on these benefits are attributed as per our locations in the table below.

NOTABLE PROJECTS

AM/NS India has leveraged the above mentioned geographical advantages along with its diverse set of product portfolio to cater to key infrastructural projects of railways, construction, automakers, and renewable energy projects. We are proud to be suppliers of some of the most prestigious projects and critical applications in India such as for the tallest arch bridge in the world, tallest cable bridge in the world, longest double deck Bogibeel bridge, neutrino observatory, defense applications and numerous other global requirements.



Longest Double Deck Bogibeel bridge 4.9km, over Brahmaputra River in Assam



Tallest Arch bridge 359m over Chenab river in J&K



Tallest Cable bridge 331m over Anji river in J&K for Rail & Road



API monogram plates for various Offshore projects ONGC, L&T, NPCC



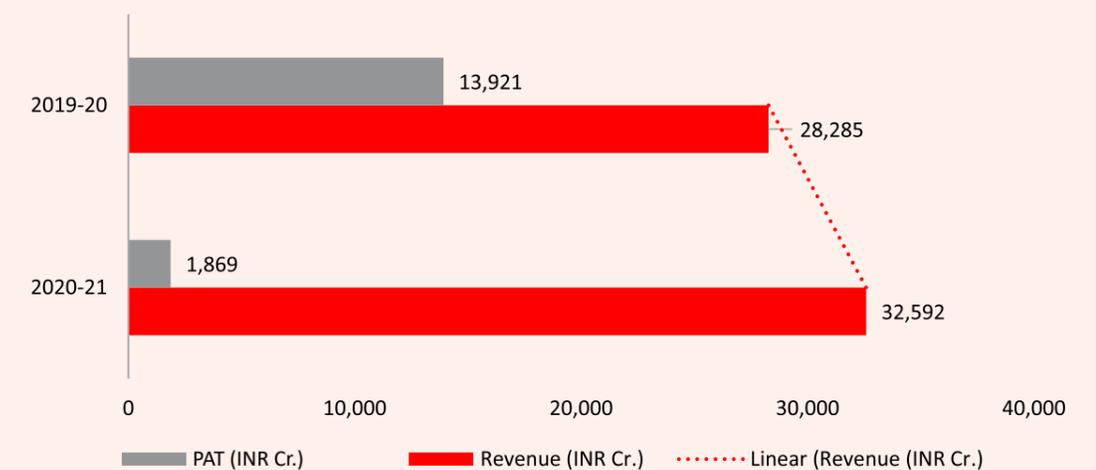
High Strength plates for Metro projects



Q&T 517F plates for Hydro projects

As we continue to expand our diverse portfolio of products and services, we remain dedicated to our purposeful and sustainable growth story. Our commitment to empowering communities and enriching millions of lives across India is aligned with the nation's vision for Sabka Saath, Sabka Vikas, Sabka Vishwas, Sabka Prayaas. Inspired by ArcelorMittal's XCarb program and Nippon Steel's Green Transformation Initiative, we are taking notable steps towards achieving this goal. Our partnership with Greenko for renewable power and storage is just one example of our efforts to reduce our carbon footprint. Additionally, we are committed to supporting the MSME ecosystem through MoUs with National Small Industries Corporation and National Skill Development Corporation. Our operations prioritize health and safety, foster innovation through research and development, and we are committed to being a purposeful, inclusive, and sustainable partner to the nation.

While this report covers our sustainability performance comprehensively, we have achieved a robust financial performance for the associated fiscal. For details on our financial highlight, please refer to our annual report available at <https://www.amns.in/storage/statutory-documents>.



SUSTAINABILITY STRATEGY



While we constantly endeavour to positively impact the planet through infrastructure development, economic growth, livelihood generation and community projects, we are also cognizant of the adverse impacts on the planet due to the inherent nature of operations in the steel making industry.

The steel making process has significant impacts on the climate in the form of GHG (Greenhouse Gas) and dust emissions. It is also energy and water intensive in nature. The infrastructure for steel production and logistics requires land and bulk transportation facilities like ports and railways. The process and infrastructure of AM/NS India has been described earlier and the major resultant impacts of these are:



Air

GHG and air emissions leading to warming and pollution of atmosphere



Land

Pollution due to solid waste



Water

Pollution due to effluent discharge



Community

Impacts on Health due to air and water pollution

As we are committed to mitigating the adverse impacts, we have identified sustainability goals in these areas of air, water, land, and community.



AIR

Committed to significantly reducing our Carbon Footprint



LAND

Aiming for 100% Solid waste recycling



WATER

Target is to achieve Zero liquid discharge



COMMUNITY

To be known as a socially responsible company creating positive change to community and environment

We are also committed to creating long term value for all our stakeholders and this commitment has been articulated by our senior management members in their #vision2030 (<https://www.amns.in/vision-2030>). We are mindful to balance the needs and expectations of all our key stakeholders, including, but not limited to, customers, investors, employees and community.

The channels of engagement with the key stakeholders of AM/NS India are shown in the table below.

Stakeholder	Channels of communication	Frequency of engagement
Customers	Print and Social media Website Telephone and SMS Email	Need basis
Suppliers & transporters	Multiple communication channels Phone Email Newspapers Websites/portals, etc	Need basis
Employees and their families	Emails WhatsApp Formal and Informal gatherings Notice boards	Monthly
Community	Email SMS Telephone Community meeting Letters One to one interaction Newspaper Website (+social media) Pamphlets	Weekly

We systematically engage with the key stakeholders through various channels to assess issues that are material to the organization and create opportunities and collaborations aimed at creating value for all stakeholders. Recognizing the need to engage with our key stakeholders to prepare ESG strategy, we had partnered with a third party (Pozhat) to conduct stakeholder engagement and to subsequently arrive at the set of material issues for AM/NS India. The stakeholder identification exercise was first conducted in a cross functional workshop with key representatives from all functions of the company. This was important for us, as each stakeholder group had its own expectations and concerns about the company's ESG practices. The stakeholders were then reached out to specifically obtain their inputs on company's material issues through surveys and interviews.

We also mapped the ESG risks and opportunities that are relevant to our business, considering industry trends and regulatory requirements. The stakeholder's inputs on company's material ESG issues and risks and opportunities analysis were utilized to arrive at the final set of material issues.

The following issues were identified from the exercise after incorporating the stakeholders' inputs.



Economic

- Economic performance (GRI 201)
- Market presence (GRI 202)
- Procurement practices (GRI 204)
- Anti-corruption (GRI 205)
- Anti-competitive behaviour (GRI 206)
- Tax (GRI 207)



Environmental

- GHG emissions and air pollution (GRI 305)
- Energy (GRI 302)
- Water and Effluents Management (GRI 303)
- Materials (GRI 301)
- Waste Management (GRI 306)



Social

- Employee health and safety (GRI 403)
- Training, education and employment (GRI 401, 404)
- Diversity and equal opportunity (GRI 405)
- Non discrimination (GRI 406)
- Child labour, forced or compulsory labour (GRI 408, 409)
- Security practices (GRI 410)
- Local communities and indigenous people (GRI 411, 413)

Through identifying and addressing our material ESG issues, we are able to better understand the needs and expectations of our stakeholders. Our commitment to sustainability is reflected in our efforts to address these issues and continuously improve our performance. By focusing on these issues, we are working towards creating a more sustainable future for our stakeholders, communities, and the planet. Going forward, we will continue to engage with our stakeholders and monitor emerging sustainability trends and issues to ensure that we remain responsive to their needs and expectations. We believe that by working together, we can create brighter futures for all.



OUR GOVERNANCE

Building on our commitment to transparency and accountability, this chapter focuses on the governance frameworks that support our sustainability efforts at AMNS India. As outlined in the previous chapter, we have identified our material ESG issues and are working towards addressing them. Governance is a key aspect of our sustainability strategy, and we are committed to ensuring that our decision-making processes are responsible, ethical, and aligned with our values. In this chapter, we will provide an overview of our governance structures, including our policies and procedures, management systems, and stakeholder engagement practices. We will also highlight our progress towards achieving our governance goals and discuss our plans for future improvements.

Board of Directors

AM/NS India has a diverse and highly qualified Board of Directors, including Aditya Mittal as Chairman and several other accomplished professionals with expertise in various industries. The Board steers the overall strategy of the company, ensuring that it is governed in the most ethical manner while creating value for all its stakeholders.

Aditya Mittal Chairman	Bradley Lloyd Davey Director	Prabh Das Director
Van Grembergen Hilde Magda Jacqueline Director	Takahiro Mori Director	Yoichi Furuta Director
Ichiro Sato Director	Hideki Ogawa Director	Dilip Oommen Director & CEO
Jun Hashimoto Director & Vice President Technology	Kalyan Ghosh Alternate director to Mr. Bradley Lloyd Davey	Hiroshi Ebina Alternate director to Mr. Yoichi Furuta

(GRI 205)

Anti-Bribery and Anti-Corruption

At AM/NS India, upholding our reputation for ethical management practices and honest business transactions is of paramount importance. Consequently, it is imperative for us to actively combat and proactively prevent corruption in all our manifestations.

We strictly adhere to a zero tolerance policy against corruption and bribery. Eradication of corruption aligns with our core ethical objectives within the realm of Corporate Responsibility and Governance. Therefore, we prohibit an offer, payment, promise to pay or authorisation of payment of any

money, gift, or anything of value to any Government Official.

Anti-Competitive Behaviour

AM/NSI prohibits actions or practices that aim to stifle competition within a market, restrict free market competition, or manipulating the market dynamics to gain an unfair advantage as these behaviors can harm consumers, other businesses, and the overall market efficiency.

During the reporting period, there were zero incidents of legal actions for anti-competitive behaviour.

(GRI 204)

Procurement Practices

We have a procurement framework in place that serves as a basis for establishing the foundational structure for obtaining products and services at competitive prices, while ensuring timeliness, ethics, and consistency. Its primary objective is to familiarize business users with the fundamental principles and procedures governing the acquisition of products and services at AM/NSI.

ORGANISATIONAL BRIEF



Management Committee

To provide direction on the day-to-day workings of the company, there is a management committee reporting to the Board of Directors. The committee has representation from all major verticals of the company, including Operations, HR, Finance, Technology, and Sales, led by the CEO. The group regularly assesses performance and allocates resources for the smooth functioning of the company.



CSR Committee

The CSR committee of the Board oversees the CSR activities of the company. We strive to improve the diversity of the Board, which currently includes a female director.



Board Performance Evaluation

The performance of the Board is collectively evaluated within the Directors, and they are not paid any remuneration by the company. Through the internal audit process, periodic reviews of the company's processes and stakeholder concerns are addressed. The company has devised a Related Party Transaction Policy that governs all related party transactions.



Policies

AM/NS India is committed to adhering to the highest standards of ethical, moral, and legal conduct of business operations. The company has an articulated whistleblower policy. For the purpose of investigating the whistleblower complaints, the company has set up an in-house investigation team under the Chief Internal Auditor to investigate the complaints independently. The company also follows a strict policy for non-retaliation and always ensures the confidentiality of the whistleblowers.

In addition to the whistle blower policy, company has the following policies as well.

- POSH Policy
- HR policy
- Diversity & Inclusion Policy
- Code of Conduct Policy
- Business Practice policy
- Conflict of Interest Policy
- Intellectual Property Policy
- Procurement Policy
- Sanctions Compliance Policy
- Data protection Policy
- Media Policy
- Social media Policy
- Anti-Bribery and Anti-Corruption Policy



Compliance

During the reporting period, there were no reported incidents of non-compliance for AM/NS India.



Membership Associations

AM/NS India is a member of the following leading associations.

- Confederation of Indian Industry (CII)
- The Federation of Indian Chambers of Commerce & Industry (FICCI)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Indian Steel Association (ISA)
- IMC Chamber of Commerce and Industry

Conclusion

In conclusion, AM/NS India is committed to upholding the highest standards of governance and ethics, ensuring transparency, and promoting stakeholder engagement. Our Board of Directors, management committee, and CSR committee work together to implement policies and procedures that align with our values, while our policies demonstrate our commitment to maintaining a safe and ethical workplace. By highlighting our governance practices, we aim to demonstrate our commitment to transparency and stakeholder engagement and invite feedback on how we can continue to improve our governance practices.

OUR ECONOMIC PERFORMANCE

The economic performance of a company is a crucial component of its overall sustainability. At AMNS India, we recognize that our economic success is not only essential for our shareholders but also for the broader communities in which we operate. In this chapter, we will discuss our financial performance over the past year and highlight our efforts to ensure our long-term financial sustainability through some of the key strategic acquisitions. By sharing this information, we aim to provide a comprehensive view of our economic performance and our commitment to responsible financial management.

Particulars	UoM	2021	2020	2019
Direct economic value generated: revenues	INR Cr.	32,592	28,285	31,974
Economic value distributed (operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments)	INR Cr.	29,116	26,937	37,914
Economic value retained (direct economic value generated' less 'economic value distributed)	INR Cr.	3,476	1,348	(5,940)

Notes:

1. Direct economic value generated: It includes Revenue from operations.
2. Economic value distributed: It includes below listed costs:
 - a. Cost of Materials Consumed
 - b. Purchase of Traded Goods
 - c. Increase/Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade
 - d. Energy Cost
 - e. Employee Benefits Expense
 - f. Manufacturing and Asset Maintenance
 - g. Administrative Expenses
 - h. Selling & Distribution Expenses
 - i. Payments to providers of capital: It includes Finance cost on accrual basis.
 - j. Payments to government: It includes taxes related to corporate, income, and property. Payments to government exclude deferred taxes because they may not be paid. Hence deferred tax is not considered in this category.

Some key strategic acquisitions made in 2020 and 2021 that strengthen our economic position are:

Odisha Slurry Pipeline

- Acquired in July 2020 as part of an insolvency process.
- 253km, 12 MTPA pipeline to transport iron ore slurry from Dabuna to Paradip.
- Critical for efficient and low-cost transportation of iron ore fines for pellet plant operations.
- Name transferred to AM/NS India

Bhander Power

- Acquired in February 2020 from secured creditors.
- 525MW captive gas-based power plant at Hazira.
- Supplements and further secures power requirements.
- Name changed to AM/NS Power

Essar Power Orissa

- Acquired in February 2021 from secured creditors
- 60MW thermal power plant located in Paradip, Orissa
- Captive power plant to meet power requirements of AM/NS India Paradip operations
- Assets acquired by AM/NS India under SARFAESI Act
- Name transferred to AM/NS India

OUR ENVIRONMENTAL PERFORMANCE



Environmental Performance

As a steel manufacturer, the company is aware that the steel industry is one of the highest carbon dioxide-emitting industries, responsible for approximately 8% of global carbon dioxide emissions. The steel industry faces a growing challenge to decarbonize, driven by rising global temperature levels, changing customer requirements, tightening carbon emission regulations, and increasing public interest in sustainability. Additionally, the steel industry and its supply chain inherently emit dust and other particulate matter, leading to air pollution that impacts employees and surrounding communities. Despite these challenges, AM/NS India is undertaking major expansion initiatives at its Hazira and Odisha assets to contribute towards the Government of India's target of 300 MTPA crude steel capacity by 2030. While the expansion plans may result in an increase in overall emissions in the short to mid-term, the company is committed to reducing its carbon footprint and aspires to reach the lowest carbon intensity among steel producers in India by 2030.

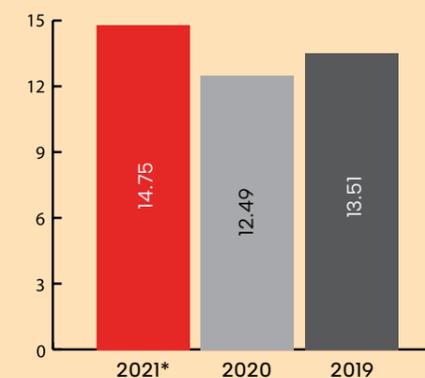


Carbon Footprint

We are committed to reducing our GHG (Greenhouse Gas) emissions and have set ambitious targets to achieve this. In the long term, the company is fully aligned with the decarbonization goals of its parent organization and the country's target of reaching carbon neutrality by 2070. To achieve the short term goal of 2030, AM/NS India is currently developing a detailed action plan. The table given herewith shows our important KPIs related to carbon footprinting for the reporting period and the past years. For GHG emission calculation, we have used worldsteel methodology (v2), wherever applicable.

[GRI 305-1]

The direct Scope 1 GHG emissions of AM/NS INDIA are shown below:



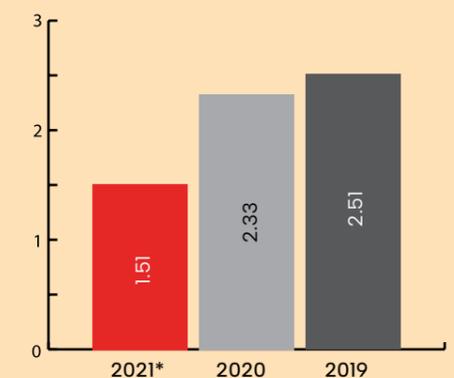
Indicator
Gross direct (Scope 1) GHG emissions

Unit of Measure
million metric tons of CO2 equivalent

**There is an increase in 2021 as the company started NG based combined cycle power plant to support operations which increased the scope 1 emissions but decreased the scope 2 (purchased electricity) emission levels.*

[GRI 305-2]

The energy indirect Scope 2 emissions of AM/NS INDIA are shown below:



Indicator
Gross energy Indirect (Scope 2) GHG emissions

Unit of Measure
million metric tons of CO2 equivalent

[GRI 305-3]

The other indirect Scope 3 emissions of AM/NS INDIA are shown below:

Indicator	UoM	2021	2020	2019
Gross other indirect (Scope 3) GHG emissions	metric tons of CO ₂ equivalent.	193,913	170,883	-45,861

[GRI 305-4]

The GHG emission intensity of AM/NS INDIA is shown below:

Indicator	UoM	2021	2020	2019
GHG emissions intensity ratio	t CO ₂ /t Crude Steel	2.23	2.26	2.23

[GRI 305-5]

We are implementing various measures to achieve our climate change related goals, including the use of energy-efficient technologies, the optimization of processes, and the use of renewable energy sources as detailed in the table below:

Indicator	UoM	2021	2020	2019
GHG emissions reduced as a direct result of reduction initiatives	t CO ₂ equivalent.	30948	26110	95213

Sl.	Initiative	Potential GHG emission reduction
1.	Installing latest state of the art and energy efficient equipment in the immediate expansion at Hazira which will have been compatible with future decarbonisation technologies	~ 13% reduction in intensity from the current levels (2021)
2.	Maximum use of by-product gases within the process plants instead of generating power.	
3.	Substituting conventional higher emitting grid-based power with round the clock renewables. AM/NS INDIA has signed a PPA with ArcelorMittal and Greenko for off take of 250 MW round the clock renewable power.	
4.	Increasing end of life scrap contribution in our crude steel production which alleviates the requirement of equivalent primary raw material and thus saving emissions	



Air Quality Management

At AMNS India, we are committed to reducing our air emissions and improving air quality in the areas where we operate. We regularly monitor our air emissions and have implemented various measures to reduce them, including the installation of pollution control equipment and the optimization of processes. Table below shows our air emissions for the reporting period.

Indicator	UoM	2021	2020	2019
NOx	tons	3,787	3,300	2,591
SOx		1,847	1,343	1,014
Particulate Matter (PM)		3,049	2,355	2,323

To make sure that the air quality is optimum, AM/NS India has incorporated the following initiatives in its operations.

- Adequate pollution control equipment's like bag filter, water scrubber, ESP etc. along with online continuous monitoring system are installed to the existing stack as per the guideline.
- Adequate stack heights.
- Periodic stack monitoring and fugitive emission monitoring is done.
- Periodic check-up of all APC equipment to ensure proper functioning.

There are different sources of fugitive emissions, such as from the loading and unloading section of the plant, activity in raw material storage, waste storage and product storage area, transfer point of raw materials to the production area, movement of vehicle in the plant area, raw material conveying between processing stages. To reduce secondary fugitive emission, the following mitigation measures are followed:

- Modification of Fume Extraction system has revived for efficient suction.
- Dust collection and extraction system is strengthened.

- Bag house capacity is increased & filter bags have been replaced.
- Manual water sprinkling is going on, in & around the plant as well as on roads
- Road sweeping machines are provided for effective road cleaning.
- Manual cleaning of the roads and the surrounding areas is enhanced by increasing additional manpower to 270 numbers per day.
- Regular cleaning of factory shed is being done to remove dust deposition
- Conveyor belt cover installed at conveyor.
- All internal road area is paved.
- Proper housekeeping is being ensured.
- Airborne dust is controlled through wetting of road.
- Increasing the Green belt cover in and around the plant area to arrest the fugitive emissions.
- Spraying of water prior and during loading
- Fully enclosed transfer point
- Dust extraction system at all transfer points installed.

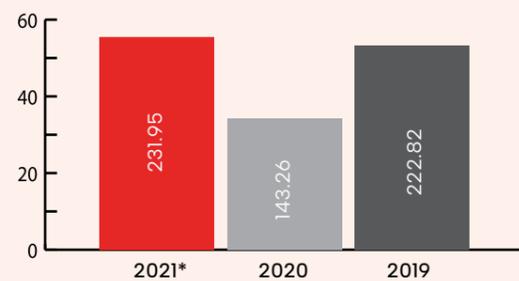


Energy Management

The steel making process is an energy intensive process as the solid raw material, iron ore, is converted to steel at elevated temperatures using fossil fuel like coal/natural gas. As per the Ministry of Environment, Forest and Climate Change of India (MoEFCC), energy consumption in most of the integrated steel plants in India is generally high at 6-6.5 Giga Calorie per ton of crude steel as compared to 4.5-5.0 in steel plants abroad. With India being a growing economy, the energy demands are also projected to rise. Hence energy efficiency is an important material issue for AM/NS India. Recognizing the same, we have an energy policy which guides us towards further improvements for energy efficiency in our operations.

The data related to energy consumption and efficiency are given below.

[GRI 302-1]

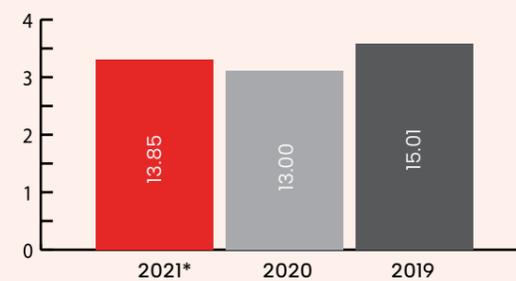


Indicator
Energy consumption within the organisation

Unit of Measure
million GJ

[GRI 302-2]

The energy consumption outside of AM/NS INDIA are shown below. This includes electricity consumption outside the boundary and export of Corex Gas to Power Plant:

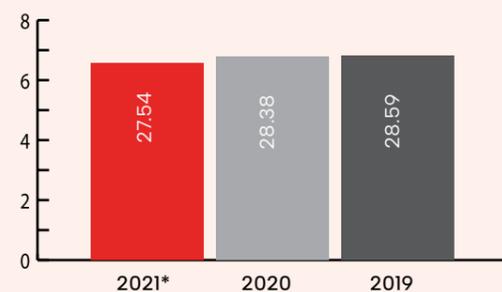


Indicator
Energy consumption outside the organisation

Unit of Measure
million GJ

[GRI 302-3]

The energy intensity of AM/NS INDIA is shown below:

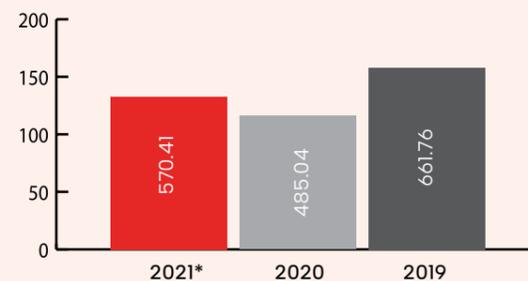


Indicator
Energy intensity

Unit of Measure
GJ/tcs

[GRI 302-4]

Reduction of energy consumption of AM/NS INDIA is shown below:



Indicator
Reduction of energy consumption

Unit of Measure
thousand GJ

GRI 302-5

The key energy efficiency projects completed in 2021 at AM/NS India are:

Key Completed Projects		
Energy Saving Type	Implementation areas	Annual Saving
Electricity Saving (Million kWh)	Iron Making shop, Steel Making Shop, Rolling mill, Plate Mill, Lime Plant, Utilities, Auxiliaries	32.5
Fuel Saving (Million Sm3)	Rolling Mills and Utilities	6.7

There are also many energy savings projects proposed for AM/NS India which are mentioned in the annexure.

Proposed Energy Savings Projects			
Energy Saving Type	Implementation areas	Annual Saving	Investments INR Cr.
Electricity Saving (Million kWh)	Iron Making shop, Steel Making shop, Rolling mill, Plate Mill, Lime Plant, Utilities, Auxiliaries, 500MW CCP, Sinter plant	164 Million KWH	38 Crore
Fuel Saving (Million Sm3)	Rolling Mills and Utilities	9 Million Sm3	15 Crore

Through various initiatives and projects, the company is focused on improving operation and material efficiency in its current configuration. As a part of this effort, many bottlenecks projects are currently underway, which will help in increasing the capacity utilization and efficiency of the existing facilities.

The Phase I expansion of Hazira facility is also under progress, which includes the procurement and erection of best-in-class equipment integrated with advanced digitisation and energy recuperation wherever possible. The company is incorporating various initiatives such as Sinter Plant waste heat recovery, by-product gas-based power plants, waste heat recovery from reheating furnaces and steel melting shops to improve energy efficiency. Moreover, the company is also undertaking a massive drive to plant more than 200,000 trees, which will help in providing a large green cover to the facility.

AM/NS India is also focusing on increasing the contribution of renewable energy sources. The company has already entered into a long-term power purchasing agreement with Greenko for the supply of 250 MW renewable power on a round-the-clock basis. The contribution of renewables is expected to increase even further after this project.

Recognizing the scarcity of affordable quality and quantity of scrap, AM/NS India is also taking initiatives to secure a long-term scrap supply chain that would support its decarbonisation drive. Scrap is a major

enabler of GHG reduction, and the company is putting its best foot forward to secure a long-term supply chain to ensure compliance with its sustainability commitments.

Furthermore, AM/NS India's parent companies, ArcelorMittal and Nippon Steel, have taken bold targets of achieving carbon neutrality by 2050 and are experimenting with various deep decarbonisation technologies for techno-economic viability. Once these technologies are fully commercialised, AM/NS India will have a unique advantage of access to them, which would accelerate its plans to achieve net-zero and ensure its compliance with the country's Net Zero commitment by 2070.

AM/NS India is also collaborating with key stakeholders, including the Government and customers, to advocate for making low emission steel competitive in the market. Discussions are ongoing with the Government and other agencies to promote policies and regulations that are expected to bring down renewable costs, financing costs, and improve the availability of high-quality scrap to integrated steel producers.

Through its focus on improving energy efficiency, increasing the contribution of renewable energy sources, securing a long-term scrap supply chain, and collaborating with key stakeholders, the company is taking significant steps towards achieving its sustainability goals.



Water Management

Water scarcity is a major sustainability issue globally and more so in India, where 18% of the world's population lives with only 4% of its water resources. The steel industry is a major consumer of water and contributes significantly to water stress. However, AM/NS India is committed to conserving and managing water resources. The company uses only 3.7 m³ of water per tonne of crude steel produced, much lower than the industry average of 28.6 m³ per tonne (as per worldsteel member survey published in 2011). Regular monitoring and tracking of water consumption and discharge, departmental objectives, and review meetings ensure that the water management policy is strictly implemented.

The list of activities we have undertaken in 2021 for better water management is given below in the table.

Sr. No.	Title of water reuse Project Implemented	Annual water Saving (m ³)
1	Sinter Plant water system merged with BF Cooling System	194,579
2	Mod 5-6 Blowdown use for makeup in Corex	643,181
3	Mod 1-4 blowdown use for BF makeup	903,912
4	270MW Power plant Blowdown use in SMP2 Slag Cooling	878,400
5	Plant B Inox blowdown used as Slag cooling	219,600
6	EAF & HSM blowdown used for slag cooling makeup	490,000
7	Descaling blowdown water as makeup in Laminar	146,400
	Total	3,476,072

Water as a shared resource [GRI 303-1, 303-2]

AMNSI provides drinking water to the neighboring villages. A consistent water supply of approximately 900,000 liters per day is guaranteed to serve over 18,000 individuals in Hazira village throughout the year. Within the AMNS Hazira location, the water sourced from the Gujarat water supply department undergoes treatment at our facility before being distributed to the village. This water is stored in an underground sump situated within the Gram Panchayat premises. Subsequently, it is pumped to an overhead tank to be distributed across various sections of the village. The operational and maintenance responsibilities for the sump, along with its distribution, are overseen by the Panchayat.

AM/NS India is committed to responsible water management across its operations. Our Vizag Pellet plant relies on Iron Ore Slurry (filtered from the Slurry Pipeline BP SP Kirandul) as the major raw material for its operations. The filtrate is separated and reused in other processes such as CPP, fire hydrant lines, cooling water, and by the Greater Visakhapatnam Municipal Corporation. Water from the filtrate and make-up water is added to the boiler feed. The effluent generated is clarified in thickeners and recycled back into the process, and no water is discharged except for stormwater.

Similarly, our Pune facility uses river/surface water sourced from the Bhīma River, which is approximately 2 km away from the plant. Our water consumption pattern includes industrial cooling, domestic use, processing, and gardening, and the total water consumption amounts to 806 CMD. Our Effluent Treatment Plants with combined capacity of 320

Cubic Meters per Day (CMD) treat the trade effluent, and we have installed another 48 CMD capacity Membrane Electrolysis plant for further treatment. We reuse the treated water in the process, and any excess water is used for gardening and sprinkling on roads to control road dust. We also have a sewage treatment plant of 180 CMD, and the treated water is used for gardening purposes. We ensure that the treated water's parameters are within the limits prescribed by pollution control boards.

In 2021, the total water withdrawal from all areas across AM/NS India plants amounted to 35,523 megalitres, with surface water accounting for 31,589 megalitres. We also use groundwater, third-party water, and produced water, and rainwater harvesting is another effective way of conserving and storing water for later use. The detailed breakdown is given in the below table.

[GRI 303-3, 303-4, 303-5]

Water Consumption	UoM	2021	2020	2019
Total water withdrawal from all areas		35,523	33,544	33,767
Surface water	megalitres	31,588	29,609	30,262
Groundwater		166		
Produced water		2,660	2,505	2,492
Third-party water (GVMC)		458	620	550
Rainwater		651	810	463
Water Discharge		0	0	0
Water Consumption		35,523	33,544	33,767

We follow a management plan for water conservation that includes the recycling of effluent through a recycle and reuse system, installation of flow meters at each raw water intake point, avoiding water source leakage, and continuous monitoring through flow measurements. Our effluent generation is treated in ETPs, and the treated water is recycled for gardening, firefighting, and dust suppression. We install flow meters at the inlet and outlet of ETPs, and open-type drains are used for plant stormwater drainage. Water auditing is carried out regularly to conserve freshwater.

AM/NS India has adopted innovative and sustainable practices to manage and conserve water resources. The company's efforts towards water management are aligned with its HSE policy, and it continues to work towards reducing water consumption and improving water quality. By implementing such sustainable practices, AM/NS India is contributing towards the global effort to conserve and manage water resources, a crucial step towards achieving the UN's Sustainable Development Goals.

Materials

The steel industry is primarily dependant on non-renewable raw materials extracted from Earth.

Steel is made from iron ore, a compound of iron, oxygen and other minerals that occurs in nature. The raw materials for steelmaking are mined and then transformed into steel using. Though there are many technology routes through which this transformation can happen, two of them are most widely used, BF/BOF route and DRI/EAF route. Both processes (among others) are being continually improved to meet the challenge of low-emission steel making.

As per World steel, it is estimated that the global steel industry used about 2 billion tonnes of iron ore, 1 billion

tonnes of metallurgical coal and 575 million tonnes of steel scrap to produce about 1.7 billion tonnes of crude steel. Recycled steel (also called scrap steel) is one of the industry's most important raw materials. It comes from demolished structures and end of life vehicles and machinery as well as from the yield losses in the steelmaking process.

At AM/NS INDIA, the steel making process involves Iron ore extracted from our mines at Thakurani and Sagasahi in Odisha. We convert the iron ore to pellets and pellets into molten iron or DRI using a blast furnace, MIDREX, and COREX at the Hazira facility in Gujarat.

AM/NS INDIA is committed to maximising the efficiency of its processes for maximum utilisation of natural resources. The resource efficiency efforts at AM/NS INDIA are guided by the HSE policy.

[GRI 301-1]

The non-renewable raw material consumption for AM/NS India are shown below:

Non renewable raw materials	UoM	2021	2020	2019
Coal & Coke	MT	50,36,419	44,75,784	57,98,292
Raw Materials	MT	1,35,79,728	1,27,64,539	1,30,97,956
Fluxes	MT	24,17,697	20,46,307	21,52,238
Paint	MT	5,790	4,729	4,970
Zinc	MT	11,932	9,156	9,355
Total	MT	2,10,51,565	1,93,00,515	2,10,62,811

[GRI 301-1]

Recycled input Materials

Recycled input materials	UoM	2021	2020	2019
Purchased Scrap	MT	26,009	4,325	10,314
Mill Scale	MT	174,333	256,102	80,676
Recycled input materials used	DMT	280,722	246,418	266,679

2.3%

Recycled input materials used in 2021

Waste

[GRI 306]

Solid waste management is a key material issue for AM/NS INDIA as the steel making process generates significant amounts of solid waste materials such as Iron and steel making slag, sludge, fines and fly ash etc. The quantity of waste generated depends on the scale of production, quality of raw materials used, and the process controls adopted. While some of the wastes can be recycled and reused, the management of most of the waste generated remains a challenge.

Further, the Ministry of Environment, Forests and Climate Change and the CPCB are progressively notifying rules for management of solid waste, which poses a regulatory challenge to Steel plants, if they do not adopt technology and processes of waste reduction and recycling.

[GRI 306-1]

At AM/NS INDIA, we are cognizant of the impacts of solid waste disposal and are working continuously towards reduction in waste generation and adopting practices for 3 Rs (Reduce, Reuse and Recycle) to reduce the solid waste diverted to landfill. (Refer to the steel making process flow in section 2-6)

AMNS India's Hazira complex is committed to achieving 100% waste utilization. Over the past few years, several successful projects focused on adding value to solid waste have been initiated and executed. At present, our facility has implemented various initiatives including a Coal Briquetting Plant, Micro Pelletization, Sludge Agglomeration Plant, Ferrous Briquetting Plant, Mill Scale Brick Making Plant, Steel Slag Metal Recovery & Screening Plant, Oily Sludge Injection in BF, Corex Coal Fines Injection in BF, Chamber Lumps Crushing and Screening Plant, and a Magnetic Separation Plant for dusts like Blast Furnace Dust Catcher and LF Slag.

The continuous journey towards waste utilization involves both expanding the capacity of existing units and introducing new facilities. Plans for Steam Box Aging (new BOF units), LF Slag Briquetting Plant, Lime/Dolime Briquetting Plant, Upgradation of Micro-pellet Plant, and Upgradation of Slag Metal Recovery Plant are underway, aimed at achieving the goal of 100% solid waste utilization.

In addition to internal recycling efforts, AM/NS is actively developing value-added products to enhance the sale of byproducts, particularly steel slag. Our in-house R&D Centre has successfully developed products such as Paver Blocks, Tiles, Garden Tiles, Concrete Blocks, Fish Reefs, Tetrapods, and more.

A notable collaboration between CSIR-Central Road Research Institute and ArcelorMittal Nippon Steel Limited has resulted in the construction of a one-kilometer-long, six-lane bituminous road using 100% processed electric arc furnace steel slag aggregates, showcasing innovative waste utilization.

For hazardous wastes, a rigorous process of segregation at the source and storage in designated hazardous waste storage areas is followed. Detailed records of hazardous waste generation and disposal quantities are meticulously maintained. Annual returns are consistently submitted to the Gujarat Pollution Control Board (GPCB) in accordance with Form 4. A manifest system is rigorously adhered to for the proper disposal of waste offsite.

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[GRI 306-3]

The total waste generated at AM/NS INDIA are shown below:

Indicator	Type of waste	UoM	2021	2020	2019
Iron ore Fines	Non hazardous	metric tons	627,031	642,130	676,729
Iron fines			113,180	92,273	109,282
Iron Oxide			4,399	3,030	3,339
Slag (Iron making)			1,014,732	959,811	999,648
Slag (Steelmaking)			1,688,779	1,353,636	1,500,020
Lime Fines			39,541	44,887	41,161
Limestone/Dolomite chips			226,730	218,092	227,938
Off grade lime/dolo			8,540	9,562	10,558
Mill Scales			132,124	107,900	100,794
Steel Scrap			47,002	38,686	42,787
Fly Ash			20,498	24,754	28,872
Residual fines			97,008	315,844	150,741
Chemical Sludge			6,705	19,013	16,056
Used/Spent oil			511	287	357
Empty barrels/discarded containers	780	496	396		
Waste/Residue containing oil	Hazardous	metric tons	39	51	63
Zinc dross			1,026	2,215	2,891
Spent acid			6,242	-	-
Used oil & grease with Drums			26	13	10
Waste & Residues (Paint Rags)			72	41	128

[GRI 306-4]

The total waste diverted from disposal of AM/NS INDIA are shown below:

Indicator	UoM	Diversion method	2021	2020	2019
FES Dust	metric tons		115,797	96,270	64,119
Chamber Lumps	metric tons		9,206	-	-
SP Fines	metric tons		130,805	115,992	41,912
Corex Sludge	metric tons		37,255	35,314	31,172
ETP Sludge	metric tons		9,986	13,709	12,770
Coal Fines	metric tons		68,979	24,525	119,558
Dolime Fines	metric tons		6,749	6,228	4,233
Steel Slag	metric tons		1,071,101	876,364	975,256
Iron ore fine dust	DMT		280,722	246,418	266,679
Steel Scrap	metric tons		1,979	40	269

[GRI 306-5]

The total waste directed to disposal at AM/NS INDIA are shown below:

Table 21

Indicator	UoM	2021	2020	2019
Chemical Sludge		6,705	18,511	16,056
Used/Spent oil		567	341	405
Empty barrels/discarded containers		921	542	426
Waste/Residue containing oil		39	52	60
Zinc dross		1,026	2,215	2,891
Spent acid		6,242	-	-
Fly Ash		20,558	26,504	23,499
Residual fines		97,008	315,844	150,741
Waste & Residues (Paint Rags)		72	41	128
MS Scrap		702	700	-
Other Scraps		266	494	420

AM/NS India has pioneered the technology for reusing steel slag, a by-product obtained during the primary steel manufacturing process, in the construction of roads and national highways.

Steel slag is an environment-friendly and cost-effective alternative to natural aggregate in road and building construction.

Steel slag is an ideal aggregate material due to its shape, high abrasion resistance, and excellent skid resistance properties. It also has a higher load-bearing capacity compared to natural aggregates.

The substitution of natural aggregates with those made from steel slag in construction of roads and highways can revolutionise road construction. It not only reduces carbon footprints and waste disposal issues but can also be a substitute for natural aggregate.

In addition to road construction, steel slag also has applications in precast, paver blocks, brick making, ready mix concrete, tetrapod, landfilling, land reclamation, etc. Moreover, slag is readily available in bulk quantity.

AM/NS India's 9 million tonnes per annum integrated steel plant at Hazira alone generates around 5.5 lakh tonnes of processed steel slag per annum. The size of the steel slag ranges from 0.5 mm to 250 mm.

AM/NS India built the country's first road using steel slag in Hazira near its steel plant in May 2021.

The company used one lakh tonnes of 100% processed steel slag aggregates in the construction of the 1.2 km all-steel slag road.

The company is supplying steel slag for the construction of a nearly 37 km stretch of the Vadodara-Mumbai Expressway, besides various state highways and roads in Surat.

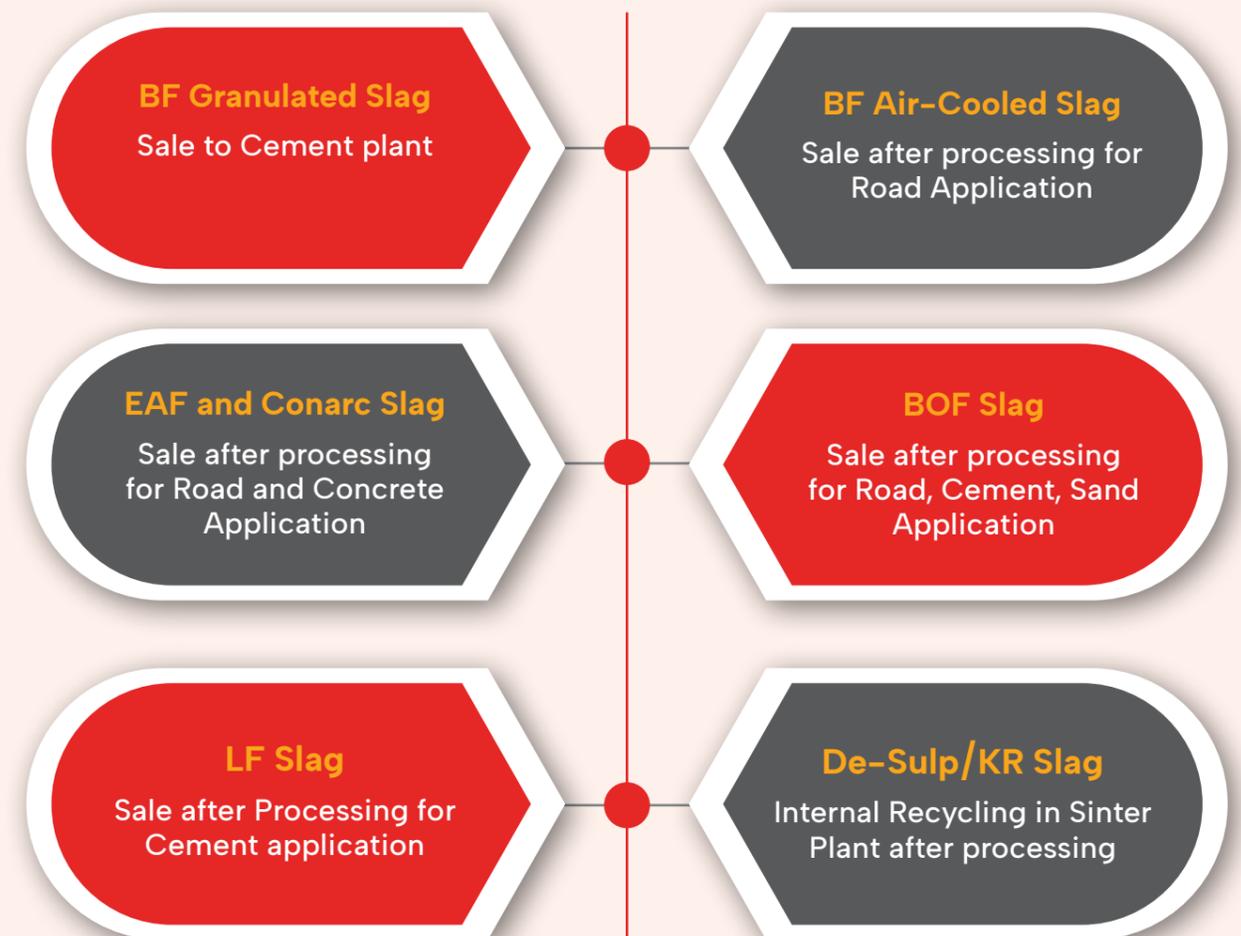
AM/NS India's steel slag is being used in the construction of the Surat airport, and the Mumbai-Ahmedabad high-speed rail corridor (bullet train) project.

Four patches of 1 km each from the highway to the upcoming Diamond Bourse in Surat have also been built using steel slag aggregates.

A notable collaboration between CSIR-Central Road Research Institute and ArcelorMittal Nippon Steel Limited has resulted in the construction of a one-kilometer-long, six-lane bituminous road using 100% processed electric arc furnace steel slag aggregates, showcasing innovative waste utilization.

For hazardous wastes, a rigorous process of segregation at the source and storage in designated hazardous waste storage areas is followed. Detailed records of hazardous waste generation and disposal quantities are meticulously maintained. Annual returns are consistently submitted to the Gujarat Pollution Control Board (GPCB) in accordance with Form 4. A manifest system is rigorously adhered to for the proper disposal of waste offsite.

Future plans for improving waste management:
Solid waste consumption plan:



OUR SOCIAL PERFORMANCE



Social Performance

At AMNSI, we believe that our social performance is just as important as our economic and environmental performance. We are committed to operating in a responsible and sustainable manner that creates value for all our stakeholders, including our employees, customers, suppliers, local communities, and society at large.

In this chapter, we will outline our approach to social responsibility and our progress in key areas such as health and safety, employee engagement and development, community engagement and development, and human rights. We will also highlight some of the challenges we face and our plans for addressing them.

Our social performance is an integral part of our sustainability strategy, which is grounded in the belief that sustainability is essential to our long-term success and that of the communities where we operate. We are committed to conducting our business in a way that respects and supports human rights, promotes diversity and inclusion, and contributes to the well-being of all our stakeholders.

The rest of the chapter is categorized as shown below:

1. Health and Safety

- Our commitment to providing a safe and healthy work environment
- Key health and safety indicators and our progress in improving them
- Our approach to identifying and managing health and safety risks
- Training and development programs to promote a culture of safety
- Collaboration with stakeholders to promote health and safety in the community

2. Employee Engagement and Development

- Our commitment to promoting employee engagement and development
- Our approach to improving employee engagement
- Programs and initiatives to support employee development and well-being
- Diversity and inclusion in our workforce and our approach to promoting it
- Recognition and awards for employee achievements

3. Community Engagement and Development

- Our commitment to engaging with and contributing to the communities where we operate
- Collaboration with stakeholders to identify community needs and priorities
- Community development programs and initiatives, including education, healthcare, and infrastructure development
- Promotion of local employment and procurement to support the local economy
- Monitoring and reporting of our social impact in the community

We believe that by focusing on our social performance, we can build strong relationships with our stakeholders, create a positive impact on society, and ultimately, contribute to a more sustainable future for all.



Health and Safety [GRI 403]

Introduction [GRI 403-9, 403-8, 403-10]

At AMNSI, we believe that the safety and well-being of our employees is of utmost importance. We are committed to providing a safe and healthy work environment for all our employees and have implemented various measures to ensure their safety. The organisation is certified to ISO 45001 and OHSAS 18001.

The steel industry, by its very nature is hazardous. Due to high temperature in its processes, heavy moving equipment, working at height and toxic gases as by-products, the severity of safety risks in a steel industry

is much higher compared to any other. Generally, the dust emissions and noise etc. make the employees vulnerable to health hazards such as hearing losses and respiratory problems. According to the International Labor Organization's Code of Practice for Safety and Health in the Iron and Steel Industry, more than 27 hazards contribute to injuries and accidents in the iron and steel industry.

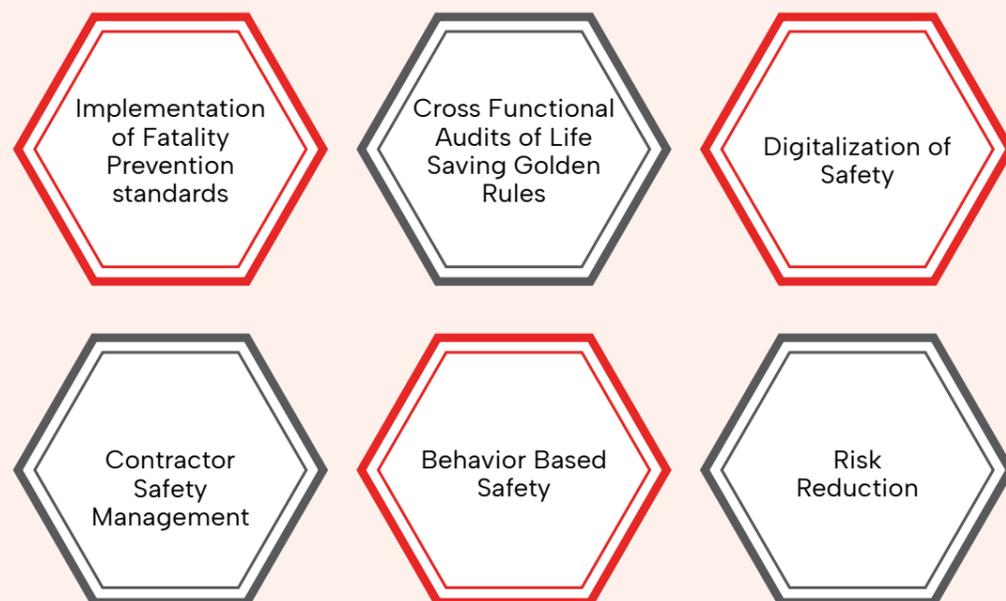
The vision 2030 at AM/NS INDIA is to acknowledge these facts and prevent accidents and injuries at workplace. The Safety policy at AM/NS INDIA articulates its commitment to ensuring the health and safety of all its employees, including those in the value chain.

We measure our health and safety performance using key indicators such as the Lost Time Injury Frequency Rate (LTIFR), Lost Time Injury (LTI), and Fatality.

Year	LTIFR	Fatalities	LTI
CY 2019	0.20	0	11
CY 2020	0.19	2	13
CY 2021	0.09	2	5

While we have made progress in reducing our incident rates, we recognize that there is still work to be done to achieve our goal of zero incidents. AM/NS INDIA has drawn on the learnings from these injuries and fatalities and has further strengthened its commitment and processes to make its operations and supply chain injury free.

During the reporting period, AM/NS INDIA has spent INR 30 crore on Safety & Health related activities. Some commitments to further strengthen the Health and Safety management system are:



Occupational health and safety management system [GRI 403-1]

We have a comprehensive risk management system in place to identify and manage health and safety risks. We conduct regular risk assessments and implement control measures to eliminate or mitigate risks. We also have emergency response plans in place to ensure a swift and effective response in case of an incident.

The occupational health and safety management system at AM/NS INDIA is based on the risks to the health and safety of employees. AM/NS INDIA has a

robust Safety Governance Mechanism driven by the HSE (Health, Safety and Environment) committee of the Board, chaired by the CEO and the Central HSE committee, chaired by the Factory Manager. Their directives are cascaded through Plant Heads of different units & subsequently through sub-committees chaired by relevant HoDs through monthly reviews, which are then executed across the organization. One Associate (Worker) representative is the part of the committee.

The following table shows the HSE reviews at various levels:

HSE Review	Frequency
Board Level HSE Review	Quarterly
Arcelor Mittal Corporate Level HSE Review	Monthly
Corporate Level HSE Review	Monthly
Plant Level HSE Review	Monthly
Departmental Level HSE Review	Monthly
Contractor HSE Review	Bi-Monthly

There are sub-committees chaired by departmental heads which carry out monthly reviews. The decisions of the various committees and sub-committees are executed across the organization. Equal number of workers and officers are represented in Health & Safety Committees.

Safety Audits are on monthly basis other than statutory Audit required by DISH (Director Industries Safety & Health) authority / MSIHCS Rules. VFL (Visible Felt Leadership) audits are done by Senior Leaders.

Hazard identification, risk assessment and incident investigation [GRI 403-2]

In every process, the activities and sub-activities are identified with hazards and control measures. For identification and timely reporting of Safety and health related hazards, AM/NS INDIA has well documented protocols for reporting and investigating incidents along with specified formats.

A brief outline of the process for identification of work-related hazards and risks is:

- 1) A First Information Report (FIR) is required to be submitted in a specific format within 1 hour after occurrence.
- 2) A safety alert is to be send within 24 hours after occurrence of the incident with "Cause Tree" and Corrective Actions.
- 3) A draft of the detailed qualitative incident investigation report is submitted within 3 days and final report within 7 days.
- 4) An Action Taken Report (ATR) is submitted on implementation of the Corrective Actions. The effectiveness of actions taken is monitored on a regular basis.

AM/NS INDIA has deployed an HSE index, a stringent tool for HSE performance measurement system which deducts marks if any department does not submit the report within time line. The minimum HSE Index Target is 95% as per Annual business plan (ABP).

The consequence management Policy for AM/NS Employee & Contractor workers has laid out procedures for punitive action if any employee is found violating the procedure for reporting safety related incidents.

Occupational Health Services [GRI 403-3]

AM/NS INDIA has full-fledged Care Nursing Home of 40 beds near to plant at Township. Occupational Health Centers at different plant areas inside the plant. The care nursing home has facilities of PFT, Audiometry, Vision Test, Blood Test, ECG etc. A systematic program for medical check-up at regular intervals is followed for all workers and employees to ascertain any changes in health condition due to the working conditions.

In the first six months of the year as part of pre-employment periodical examination, following tests are conducted.

EXAMINATION	PURPOSE
Complete Blood Count	Identifies cases of Anaemia (low Haemoglobin), high WBC counts and bleeding disorders (low platelet counts)
Blood Sugar	Identifies early cases of Diabetes and informs on blood sugar control of known Diabetics
Lipid Profile (Cholesterol, HDL, VLDL, Triglycerides, ratios)	High Blood Lipids makes a person more susceptible to heart disease
Routine Urine	Identifies Kidney function and Urinary tract infections
Abdominal Ultrasound	Identifies abnormality in Liver, Kidneys, Gall Bladder, Urinary bladder, Prostate and Spleen
Audiometry Test - Air Conduction	Determines Hearing status of employees
Lung Function	Quantifies lung capacity
Vision Test - Far, near & Colour	Determines Visual acuity, which may require correction with glasses
Electrocardiography	Determines the electrical function of the heart
Physical Examination	Medical history, Blood Pressure (BP) and general examination

Report are generated for the latest conducted evaluation for health status of workers on the above-mentioned parameters as per age, sex, duration of exposure and department wise. Annual report of health is always reviewed for the facility and necessary actions are taken in the facility for maintaining the OHS.

a. Worker Participation, consultation and communication on OHS [GRI 403-4]

There are formal joint management-worker health and safety committees in each department. Equal no. of workers and officers are represented in Health & Safety Committees.

Training on Occupational Health & Safety [GRI 403-5]

We provide regular training and development programs to our employees to promote a culture of safety. Our training programs cover a range of topics such as hazard identification, risk assessment, and incident reporting. We also provide specialized training for employees working in high-risk areas such as confined spaces and heights.

The following is the data on Safety related trainings conducted during the reporting period.



We recognize that health and safety is not only the responsibility of the company but also the community. We collaborate with stakeholders such as government agencies, local communities, and suppliers to promote health and safety in the workplace and the community. We also conduct regular safety audits and engage in continuous improvement to ensure that our health and safety practices are in line with best practices and regulations.

At AMNSI, we are committed to providing a safe and healthy work environment for our employees. We continuously strive to improve our health and safety performance and work closely with our stakeholders to promote health and safety in the workplace and the community.

Security Practices [GRI 410]

AM/NS India has vital installations as it is an integrated steel plant. The workforce base is large comprising of both internal and external manpower. Hence security practices are important at AM/NS India.

An overview of the security practices is given below:

Internal Manpower:

- a. A system-based access control is put in place for entry of employees, associates, visitors and delegates to the Plant Complex and gate passes/entry passes are issued to every person who enters the Plant.
- b. Security staff is fully trained to ensure smooth access of all type of manpower.

External Manpower:

- a. A system-based entry is provided to drivers, helpers and transporters who enter AM/NS India Complex at Hazira for leaving stores material and loading of prime as well as secondary materials from the complex.
- b. They are well guided at entry points about the plant, facilities and norms followed inside, so that they willingly follow all the guidelines and remain comfortable while inside our complex. As a result, we maintain incredibly good turnaround time as well as smooth operations.
- c. The security team plays a major role in supporting the local community staying in the vicinity of AM/NS Complex in coordination with CSR Team. They maintain cordial relations with local people to ensure harmony in the environment.

526 Security personnel which includes on roll security officers and outsourced agency guards are fully trained in human rights policies and procedures. Constant refresher training is also provided at regular intervals. Third-party security personnel are also covered in this training.

To ensure safety of our people while in AM/NS India Complex we have initiated following steps:

- a. Stopped entry and plying of two wheelers inside the complex.
- b. Separate & safe pedestrian walkways have been created at all the roads of the plant to save the pedestrians from the movement of heavy equipment / vehicles on the plant roads.
- c. Use of mobile phone is permitted to only those people whose job is involving coordination of various activities during conduct of their duties after due training as to how to use mobile while on duty. Rest of the people are discouraged to use mobile while on duty. Violations to this policy are highlighted in the interest of the indigenous people. (250 observations recorded per month on an average and action taken)
- d. People are guided and motivated not to sleep while on duty inside the plant due to safety reasons. Any violation to this is highlighted and people are guided to follow norms for their own and plant safety. (70 observations recorded per month on an average and action taken)
- e. Four wheelers allowed entry up to plant parking. All commuters of four wheelers are guided to follow speed limit and use of safety belt. Violations to this are highlighted. (10 observations recorded per month on an average and action taken)
- f. Security ensures people entering the Plant are wearing proper Personal Protective Equipment necessary to perform inside the plant. Any violations to this are highlighted to management for corrective action in the interest of our people.

Materials:

We have well laid out procedures and SOPs on receipt and dispatch of Material at AM/NS India Hazira.

- a. The receipt and dispatch of raw materials, finished goods and by products are covered under well-coordinated and customer friendly norms and procedures.
- b. The suppliers and the customers conform to the Government regulatory guidelines and the AM/NS India specific guidelines on the material movement. We also practice these norms at AM/NS India Complex at Hazira
- c. The security personnel at the gates ensure that all the trucks loaded with raw materials and by products are duly covered with tarpaulin to make our material transport activities environment friendly.

Through effective material security policies, error free receipt and dispatches of material are carried out. No serious industrial relation as well as security issues emerged since last three years.



Employee engagement and development

[GRI 202-2]

At AMNSI, we recognize that our employees are our greatest asset. We are committed to promoting employee engagement and development and creating a workplace culture that fosters growth and learning.

Employees by cadre:

Full time	Contract	Trainee	Total
5,758	25,425	1,244	32,427

Full time Employees by gender:

Male	Female	Total
5,433	325	5,758

Full time Employees by region:

Hazira	Odisha	Vizag	Pune	Mumbai	Misc	Total
4,207	427	217	649	131	127	5,758

Contract Employees by Asset:

Asset Name	Plant Operations (Regular Associates + BPOs)	Job Contract	Total
	Nos	Nos	Nos
Hazira	7,714	12,498	20,212
Odisha	1,291	456	1,747
Vizag	824	241	1,065
Pune Facility	325	551	876
Hypermart	18	0	18
Service Centres	547	259	806
Corporate	4	0	4
OEM	19	0	19
Mining	678	0	678
Total AM/NS-India	11,420	14,005	25,425

As per the statutory compliance we follow the Minimum wages rules applicable across locations. We also follow the due diligence in keeping our self updated with the current minimum wage details.

We participate in industry benchmarking surveys and periodically review our compensation as per market prices.

The ratio of standard entry level wage by gender compared to local minimum wage is shown in the table below:

2021		2020		2019	
Female	Male	Female	Male	Female	Male
2.05	2.04	2.95	2.22	Data not available	Data not available

The percentage of senior management hired from the local community is shown below.

[GRI 202-2]

2021	2020	2019
9.7%	11.8%	11.3%

The target for 2022 is 11%

Programs and Initiatives to Support Employee Development and Well-being [GRI 401-1, 401-3, 404-1, 404-2, 404-3]

We provide our employees with a range of development programs and initiatives to support their career growth and well-being. These include leadership development programs, mentoring programs, and skills development programs. We also

provide health and wellness programs, including medical check-ups, health awareness campaigns, and counseling services, to promote the physical and mental well-being of our employees.

AM/NS INDIA has plans to increase employment and will offer new opportunities to local as well as people from across the country.

New employee hires gender wise:

Gender	UoM	2021	2020	2019
Male	Number	581	294	180
Female	Number	69	24	8
Sub Total	Number	650	318	188

New employee hires age wise:

Age brackets	UoM	2021	2020	2019
>30 years	Number	381	198	125
30-50 years	Number	233	94	53
Over 50 years	Number	36	26	10
Total	Number	650	318	188

New employee hires asset wise:

Asset	UoM	2021	2020	2019
Hazira	Number	429	231	140
Odisha	Number	123	18	20
Pune	Number	13	13	5
Vizag	Number	24	14	15
Corporate	Number	31	36	5
Service Centres & HM	Number	30	6	3
Total	Number	650	318	188

The target for hiring in 2022 is 1,500 employees. The breakup of the same are given below:

Target for hiring by gender	UoM	2022
Male	Number	1,310
Female	Number	190

Target for hiring by age	UoM	2022
< 30 years	Number	820
30-50 years	Number	645
>50 years	Number	35

Target for hiring asset wise	UoM	2022
Hazira	Number	1,230
Odisha	Number	150
Pune	Number	15
Vizag	Number	30
Corporate	Number	35
Service Centres & HM	Number	40

Driving people to believe that they make a difference sets leadership apart from management. It is vital to instil integrity, inclusiveness, and insight as we build a dynamic workforce for unwavering progress that lives by our values. This is my #Vision2030”.

Anil Matoo

Head – HR, IR & Administration

The vision 2030 for people as stated by Head of HR at AM/NS India is the culmination of the value that the Company places on its employees. Fully cognizant that people can manifest their greatest potential, only if, they are able to acquire new skills, gain professional

knowledge and achieve regular progression in their career.

100% of our employees are receiving regular performance and career development reviews on half yearly and annual basis.

GRI 401-2

Benefits provided to full time employees	UoM	2021	2020	2019
Life Insurance	% of FTE covered	100%	100%	100%
Health care	% of FTE covered	100%	100%	100%
Disability or invalidity coverage	% of FTE covered	100%	100%	100%
Parental leave	% of FTE covered	100%	100%	100%
Retirement provision	% of FTE covered	100%	100%	100%
Stock ownership	% of FTE covered	-	-	-
Any other	% of FTE covered	-	-	-

GRI 401-3

Parental Leave	UoM	2021	2020	2019
Number of employees entitled to parental leave	Number	4281	3936	3782
Male	Number	4281	3936	3782
Female	Number	0	0	0
Total	Number	4281	3936	3782
Number of employees that took parental leave	Number	126	171	125
Male	Number	126	171	125
Female	Number	0	0	0
Total	Number	126	171	125
Number of employees that returned to work after parental leave	Number	126	171	125
Male	Number	126	171	125
Female	Number	0	0	0
Total	Number	126	171	125

The Recruitment and Compensation policy guides the human resource management and development processes at AM/NS India.

Adequate focus on learning and development for building competencies of our employees is ensured to develop competitive advantage. Multiple learning opportunities are provided through on the job training, specific assignments, classroom, online and virtual training sessions.

The types of training program conducted in our company are:

- Technical,
- Functional,
- HSE (Health, Safety and Environment)
- Behavioural programs for holistic development of employees.

We sponsor our employees to attend seminars, conferences, and management programs at some of India’s leading academic institutes to enhance their functional knowledge and skills. We have collaborated with renowned institutions such as BITS Pilani for B. Tech Programme, IIT Bombay for M. Tech & Ph. D Programme, and Kaushalya – The Skill University, Government of Gujarat for B.Sc. in Steel Technology, B.Sc. in Green & Renewable Energy, and Post Graduate Diploma in Steel Technology programs to provide our employees with higher education and skill-building opportunities. In addition, we conduct leadership development programs in collaboration with premier management institutes and elite trainers. For new joiners, we conduct a comprehensive induction program through Arcelor Mittal University, which offers over 40,000 learning resources. Our training programs are conducted by a mix of internal and external trainers to ensure that new joiners are familiar with the company’s process fundamentals, safety and health requirements, ethics and integrity requirements, and cultural aspects. To ensure the effectiveness of our HR processes, we have well-documented action plans, SOPs, and responsibility matrices for each process. Our HR dashboard provides a monthly report of all HR activities, allowing us to monitor trends and changes in comparison to previous years.

Average training hours by gender	UoM	2021	2020	2019
Male	Hours	30.9	29.0	16.8
Female	Hours	118.8	44.1	17.1

The target for employee training at AM/NS INDIA is 40 hours/employee for 2022.

The total training hours per employee per year at AM/NS India is shown below.

Total training hours by gender	UoM	2021	2020	2019
Male	Hours	10,7806	94,015	54,649
Female	Hours	14,732	4,939	1,800

Average training Hours by employee category	UoM	2021	2020	2019
Senior Management	Hours	15.5	21.9	12.4
Middle Management	Hours	27.3	29.8	11.3
Junior Management	Hours	36.7	29.7	18.6

Total Training Hours by employee category	UoM	2021	2020	2019
Senior Management	Hours	2,207	2,470	1,461
Middle Management	Hours	21,050	22,504	8,214
Junior Management	Hours	99,281	73,980	46,774

Diversity and Inclusion [GRI 405, 406, 408, 409]

Diversity and non-discrimination are crucial aspects of creating a healthy and inclusive work environment, and AM/NS India is committed to promoting both. The company recognizes that a diverse workforce can lead to improved employment outcomes, increased productivity, better mental and physical health, significant social benefits, and improved employee engagement.

AM/NS India has implemented various measures to promote diversity, such as increasing the representation of women in leadership positions and providing equal opportunities for all employees regardless of their gender, race, or religion. The company has also introduced more inclusive and gender-neutral policies, conducted workshops on sensitivity, and provided facilities like drop facilities for women post working hours, washrooms, changing rooms, crèches, uniforms, and more.

Some of the initiatives for improving diversity in the workforce are as follows:

1. Working on the ecosystem to create support through:
 - a. introducing more inclusive and gender-neutral policies.
 - b. efforts towards building skill and overall capability of women.
 - c. building careers through career conversations,
 - d. initiatives to engage with spouses of women
 - e. offering opportunities to women when they wish to re-join the workforce after a break
 - f. strengthening POSH implementation
 - g. hiring women in non-traditional roles like security marshals, safety marshals and women drivers
 - h. promoting safety by hosting self-defence workshops
2. Hiring women in leadership roles to increase representation across levels.
3. Dedicating a service centre, or a function to be run by women only.
4. Driving social media campaigns to attract more women.
5. Providing Infrastructural facilities like - drop facilities for women post working hours, conducting workshops on sensitivity, washrooms, changing rooms, crèches, uniforms etc.

The Human Rights and Diversity & Inclusion policy at AM/NS India guides the human resource management, diversity and inclusion processes. The company has also taken steps to ensure there are no incidents of discrimination based on gender, race, color, age, religion, disability, etc. across all its operations. If any incident of discrimination occurs, the affected party can lodge a complaint with the Ethics Counsellor and Internal Complaints Committee.

[GRI 405-2]

Diversity Indicator	UoM	2021	2020	2019
Ratio of the basic salary and remuneration of women to men for each employee category				
Junior management		0.74	0.73	Not Available
Middle management		1.19	1.1	Not Available
Senior management		1.30	2.37	Not Available
Ratio of the basic salary and remuneration of women to men significant locations of operation.	%			
Junior management		0.69	0.7	Not Available
Middle management		1.02	0.89	Not Available
Senior management		1.09	Not Available	Not Available

AM/NS India has a robust manpower registration system for all employees and associates before they join the company, which registers their date of birth as defined in The Factories Act 1948. The company does not allow anybody below 18 years of age to work inside the plant, and there have been no instances of child labor. We work in collaboration with subcontractors and suppliers to prevent and remove any instances of child labour in a manner that is consistent with the best interests of the child. During the reporting period. Additionally, AM/NS India discourages any forced or compulsory labor, which is prohibited under article 23 of the Constitution of India.

We stand firmly against the use of forced or compulsory labour, human trafficking and all forms of modern slavery both within our own operations and through our supply chain. We will strive to work with our subcontractors and suppliers including due diligence within our supply chains to avoid indirectly or directly benefitting from or promoting such illegal practices.

The company tracks the percentage of women in the workforce and across levels as a metric to measure its progress in promoting diversity. Speak Up surveys are also conducted and being tracked on the parameters of inclusiveness and non-discrimination to get first-hand feedback on the initiatives.

Diversity at AM/NS India is shown below [GRI 405-1]

Diversity Indicator	UoM	2021	2020	2019
% of women	%	4.7	3.53	3.22
Age groups				
< 30 years	%	22.05	13.7	22.33
30 to 50 Years	%	66.68	72.49	69.24
>50 years	%	11.26	13.81	8.44
Management cadres				
Junior management	%	76.29	75.2	74.54
Middle management	%	20.15	21.18	22.27
Senior management	%	3.56	3.62	3.19

In conclusion, AM/NS India's commitment to promoting diversity and non-discrimination is reflected in its various initiatives and policies. The company recognizes the potential positive outcomes of gender diversity and equality and has taken steps to ensure that there are no incidents of discrimination or child labor, and no practice of forced or compulsory labor. By promoting diversity and creating an inclusive work environment, AM/NS India is creating a culture that values and respects all employees, which ultimately leads to improved productivity, employee engagement, and social benefits.

Recognition and Awards

We recognize and reward our employees for their achievements and contributions to the company. We have various awards and recognition programs in place, to recognize employees who demonstrate outstanding performance and commitment to the company.



Community engagement and development [GRI 411, GRI 413]

The company has integrated community development into the sustainable behaviours and practices of its operations. It aims to be seen as a collaborative member of the community, partnering in their socio-economic development. To achieve this, AMNSI is committed to engaging, listening, and responding with a constructive partnership approach. The company responds to the community needs in a timely and participatory manner and works with local communities to make a positive economic and social contribution through employment, procurement, taxation, and sustainable development initiatives.

The company has collaboratively planned and implemented interventions to deliver meaningful and lasting social impact on the hosting communities in consultation with stakeholders. Periodic community consultations form a core part of project planning and implementation to deliver the intended outcomes. AMNSI is building the capacity of the communities to lead from the front and sustain the long-term project benefits. Government partnerships are also encouraged across initiatives for continued viability of the programmes and their success.

The company's CSR policy acts as a guiding principle for community development and community consultation. AMNSI engages with multiple stakeholders regularly and aims to gain a detailed understanding of community needs and expectations for the development of social investment programmes and responding to local and national development priorities. The company evaluates its community development projects by an expert third party to measure the impact and gaps, which forms the basis of its improvement process. AMNSI also communicates the results of its community development programmes to its stakeholders on a regular basis.

The company's community development projects are aligned to the CSR Policy, CSR Rules of Companies Act, 2013 and UN Sustainable Development Goals to effectively contribute first to the development of our immediate neighbouring communities and then at a regional and national level. The Board CSR Committee provides strategic direction for CSR and approves the plans, budgets, and reviews the process and progress to foster sustainable growth of the company and communities.

We aim at creating Brighter Futures by responding to communities' needs and concern to co-create efficient and sustainable solutions to their development challenges enabling national prosperity. Our community investment focuses on education, health, livelihood, and skill development alongside others to meet the objectives of the community and our operations by participating and partnering with community associations, institutions, and organizations. Our community investment programmes enable positive social transformations with local co-operation to become an active and welcomed member of the community.

During the period under review, the company spent INR 125 Crore (FY19-20 to FY21-22) to enrich the lives of 2.75 million people across the country through its various CSR interventions. AMNSI has community development programmes in six focus areas to deliver sustainable impact: Education, Health, Livelihood and Skill Development, Water, Environment, and

Infrastructure Development, Sports, and Culture. The company's community investment programmes enable positive social transformations with local cooperation to become an active and welcomed member of the community.

OUR FOCUS AREAS

- Education
- Health
- Livelihood and Skill Development
- Water, Environment, and Infrastructure Development
- Sports and Culture

Total Social Investments
48.55
 crores
 (FY21-22)

Total Lives Impacted
1.22
 million+
 (FY21-22)

Village Outreach
214
 villages across 5 States
 (Gujarat, Odisha,
 Chhattisgarh, Maharashtra,
 Andhra Pradesh)

SDGs impacted





EDUCATION

In the education sector, AMNSI has implemented several initiatives, including the establishment of a modern English medium school in the township, upgrading the infrastructure of schools, and providing scholarships to deserving students from weaker sections of society. The company has also set up a digital classroom in a village school, provided training and educational kits to teachers, and conducted a mobile science lab in 75 schools.

Under the flagship project of 'Padhega Bharat' of AM/NS India 11,957 children in schools and anganwadi centres were benefitted through interventions including:

Scholarships
(Bicycles under
Gyan Jyoti at
Dantewada)

School
infrastructure
support

Education
supplies

Teacher
deployment

Digital classrooms
and computer-
aided learning
centres

Nutrition
support

Observation
of important
National and
International Days

A new flagship project 'Beti Padhao Scholarship' was also launched in partnership with Protean eGov Technologies Limited to offer scholarships to meritorious girl students from socially and economically vulnerable backgrounds enrolled in a range of courses like IAS, technical, medical, and professional programs, undergraduate education and State and National sports etc.



HEALTH

In the health sector, AMNSI has launched various programmes to provide access to affordable and quality health care to communities. The company has set up mobile health clinics and provided medical equipment and ambulance services to hospitals. It has also conducted several health camps, including eye, dental, and general health camps, benefiting more than 12,000 people.

Collectively, the interventions under Aarogya- our health vertical we have reached out to 1,089,197 people by:

- Supporting health centres
- AM/NS India-run health centres
- Mobile Medical Units and health camps
- 24x7 Advanced Life Support ambulances
- Health awareness drives
- Specialised doctor support
- Nutrition programmes
- Interventions for People with Disabilities



LIVELIHOOD AND SKILL DEVELOPMENT

In the livelihood and skill development sector, AMNSI has implemented several initiatives to empower communities and promote sustainable livelihoods. The company has set up training centres for women, provided vocational training to youth, and supported self-help groups. AMNSI has also promoted agriculture and allied activities, including vegetable cultivation, fishery, and beekeeping.

The initiatives under our flagship projects of Sustainable Agriculture For Alternative Livelihood (SAFAL) and Daksh for the rural communities have helped 6,476 farmers, women and youths improve their household incomes and enable social and economic self-reliance

Setting up digital skill development centres

Vocational trainings including sewing, food processing among others

Offering internships to ITI students

Self-help groups

Farmer training

Vegetable cultivation, pisciculture, poultry farming



WATER, ENVIRONMENT, AND INFRASTRUCTURE DEVELOPMENT

We have developed infrastructure to enable access of communities to enhance the standard of living, enable socio-economic improvement and rural development. The activities under Nirman, Trupti and Ujwala have impacted more than 86,406 people by means of:

Improve water accessibility for all restoring existing water assets

Digging of borewells

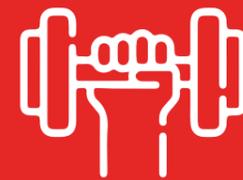
Installing and repairing handpumps

Solar streetlights

Plantation of saplings

Developing and renovating rural infrastructure, schools, community centres, anganwadi centres

Distribution of essential daily use items to school, community, and individuals



SPORTS AND CULTURE

AM/NS India supports fitness, wellness, and sports initiatives for an active lifestyle among youths to bring about a positive change among youths and children. Additionally, we partner with the communities in conservation and celebration of the local festivals and cultural events strengthening societal bonds. For this purpose, we undertake activities such as:

Organizing sports tournaments

Distribution of sports material

Sponsoring players in National sports events

Celebration of important days and cultural events

In the FY 21-22 we impacted 26,281 lives through initiatives in Sports and Culture and other social development activities.

Employee Volunteering

Through employee volunteering we leverage the skills of the employees to address social issues existing in the communities, help employees understand the lifestyle, challenges and perspective of the villages thereby enabling meaningful engagement and strengthening stakeholder connect. Going digital during the pandemic, an online volunteering platform was developed to help employees nominate and train them for identified volunteering initiatives. More than 587 employees volunteered in FY2020-21 for activities including world environment day, road safety, recording audio books for the visually impaired, E-posters on COVID-19, Cancer awareness workshop etc.

COVID-19 initiatives

Reaching out to the most underserved, vulnerable, and marginalized AM/NS India offered crucial support to the communities and frontline workers to prevent, treat and manage the COVID-19 pandemic by swiftly responding through a series of relief initiatives across 5 States.

Our COVID-19 initiatives included:

- Supply of 7,150 oxygen cylinders to the government in Odisha.
- Supply of 9,200 tons of liquid oxygen from Hazira plant to Gujarat, Rajasthan, Madhya Pradesh, Punjab, and Haryana.
- Conv 7 existing nitrogen trucks to oxygen trucks for transportation of liquid oxygen.
- Distribution of essential items 20 PPE kits, 7700 masks, 1000 surgical head caps, 550 face shields, 200 litres of sanitizer, 100 soaps, 9 thermal guns and an oximeter to frontline workers, communities through district administration and directly.
- Setting-up of COVID-19 care hospitals- a 250 bedded hospital in Hazira with supply of liquid oxygen and one 32 bedded hospitals in Barbil with lifesaving equipment and medical professionals.
- Sensitizing communities on prevention of COVID-19 through awareness camps in villages
- Treatment support to COVID-19 affected patients by supplying 10,100 boxes of prophylaxis medicines and 2,000 doses of remdesivir.
- Enabled vaccination of more than 1,000 disabled and other persons.



Awards won for the community engagement efforts:



Rotary CSR Award-2021 for development of community environment



Greentech CSR Award 2021 for gender diversity



"Leaders for Social Change" award at the India Impact Summit 2021



AM/NS India, Hazira received appreciation from Ms. Hemali Boghawala, Mayor, Surat city and Mr. Banchhanidhi Pani (IAS), Commissioner, Surat Municipal Corporation for work to support India's healthcare infrastructure during Covid-19



Dr. Vikas Yadvendu, CSR Head, AM/NS India felicitated for his role in leading CSR at the Odisha CSR Meet 2021

At AMNSI, we believe that employee engagement and development are essential to our success. We are committed to creating a workplace culture that fosters growth and development and promotes diversity and inclusion. We provide our employees with various development programs and initiatives to support their career growth and well-being and recognize and reward their achievements and contributions to the company.

FUTURE OUTLOOK

As we move forward, we are committed to achieving our sustainability goals and making significant progress in reducing our environmental footprint. We will continue to prioritize the responsible use of resources and the development of innovative solutions to meet our sustainability targets.

One of our key ambitions is to be carbon neutral in the long term. The company is committed to reducing its carbon footprint and reaching the lowest carbon intensity among steel producers in India by 2030. To achieve this, we plan to invest in new technologies, increase our use of renewable energy, and continue to improve the energy efficiency of our operations.

Another important area of focus is reducing our freshwater consumption. We are targeting a reduction in freshwater use through the implementation of water management programs and the adoption of new technologies.

We also recognize the importance of responsible waste management and are committed to reducing our waste generation and increasing recycling rates. We aim to achieve an improved recycle rate across our operations.

In addition to these targets, we are committed to advancing our social and community initiatives. We will continue to prioritize the safety and well-being of our employees and promote a culture of diversity and inclusion. Furthermore, AMNS India is committed to promoting social development and improving the quality of life for the communities in which it operates. The company has set a target to spend 2% of its net profit on CSR activities. In addition, the company aims to provide skill development and vocational training to more of its community members in the coming years.

Overall, we are confident in our ability to achieve our sustainability goals and drive positive change in our industry. We will continue to invest in new technologies, collaborate with our partners, and work towards a more sustainable future for all.

We believe that the steel sector should continue growth in line with the increased demand projections

as global investments in infrastructure, construction, and manufacturing are foreseen. More importantly, we know that the steel industry is undergoing a transformation in terms of production and sustainability.

As part of our sustainability efforts, we will continue our focus on adoption of new technology levers such as Industry 4.0 and artificial intelligence, to improve efficiency, safety and costs from an operational viewpoint. We foresee increasing investments in renewable energy sources (such as solar and wind), to help us further reduce our carbon footprint.

We are keeping an eye out for extreme weather events and other climate-related risks which would involve development of climate-risk associated contingency plans. This may involve strengthening our supply chains and ensuring that we have adequate redundancies in place to prevent disruptions in our operations. We are consistently working with our suppliers to ensure that they adhere to environmental and labor standards, as well as implementing circular economy practices to reduce waste and promote recycling.

On the social front the steel sector faces several risks which are being mitigated by – establishing strong relationships with stakeholders, promoting transparency and accountability, and implementing best practices that prioritize worker safety, labor rights, community development, and human rights.

We will continue developing newer sustainable products, (such as low-carbon steel) and may partner with other companies in the sector to promote sustainable practices across the industry.

Overall, the future sustainability outlook for AMNS India will be shaped by its ability to adapt to changing market conditions, reducing its environmental impact, and promoting sustainable practices throughout its operations and supply chain.

We are on the right pathway and should be well-positioned to deliver enduring value to our stakeholders, in a rapidly changing global scenario



CONCLUSION

As we come to the end of this sustainability report, I would like to express my gratitude to all the stakeholders who have been instrumental in helping us achieve our goals. We have made significant progress in our sustainability journey, and this report is a testament to our commitment to the cause.

We are proud of the milestones we have achieved in reducing our freshwater consumption and GHG emissions intensity. However, we understand that sustainability is a continuous journey, and there is still a long way to go. As we move forward, we remain committed to reducing our environmental impact and promoting social responsibility.

We have set ambitious targets for the future, and we are confident that we can achieve them with the

support of our stakeholders. Our sustainability journey is not just about meeting regulatory requirements but about creating a positive impact on the environment and society.

We believe that sustainability is not just a responsibility but also an opportunity to innovate and create value. By incorporating sustainability into our business strategy, we can create a more resilient and sustainable business that can adapt to changing circumstances.

We look forward to working together with our stakeholders to achieve our sustainability goals and create a better future for all. Thank you for joining us on this journey.

Appendix I

GRI CONTENT INDEX

	Disclosure	Section	Reason for Omission
GRI 2: General Disclosures 2021			
2-1	Organizational details	A detailed take on AM/NS India, Pg 6-7	
2-2	Entities included in the organization's sustainability reporting	About this report- AM/NS India facilities covered in the report, Pg 5	
2-3	Reporting period, frequency and contact point	About this report, Pg 4-5	
2-4	Restatements of information	This is our first sustainability report, therefore, there is no restatement of information.	
2-5	External assurance	External Assurance, Pg 5	
2-6	Activities, value chain and other business relationships	A detailed take on AM/NS India, Pg 6-8 Operational Brief, Pg 9 Notable Projects, Pg 10-11	
2-7	Employees	Employee Engagement and Development, Pg 40	
2-8	Workers who are not employees	Contract Employees by Asset, Pg 40	
2-9	Governance structure and composition	Our Governance, Organisational Brief, Pg 16-18	
2-10	Nomination and selection of the highest governance body	Organisational Brief (Management Committee), Pg 18	
2-11	Chair of the highest governance body	Organisational Brief (Management Committee, Conflict of Interest), Pg 18	
2-12	Role of the highest governance body in overseeing the management of impacts	Our Governance, Pg 16-17 (Mr. Dilip Oommen, Director & CEO is the highest governing body overseeing management of impacts)	
2-13	Delegation of responsibility for managing impacts	(Mr. Dilip Oommen, Director & CEO is responsible for delegation of responsibility for managing impacts)	
2-14	Role of the highest governance body in sustainability reporting	(Board of Directors led by Mr. Dilip Oommen, Director & CEO is the highest governing body responsible for reviewing and approving the information disclosed in sustainability report)	
2-15	Conflicts of interest	Organisational Brief, Pg 18; Conflict of Interest Policy	
2-16	Communication of critical concerns	Sustainability Strategy- Channels of Engagement, Pg 14 Organisational Brief, Pg 18	
2-17	Collective knowledge of the highest governance body	Our Governance, Pg 16-17 Organisational Brief, Pg 18-19	
2-18	Evaluation of the performance of the highest governance body	Organisational Brief, Pg 18	
2-19	Remuneration policies	Disclosed as part of AM/NSI annual report	
2-20	Process to determine remuneration	Disclosed as part of AM/NSI annual report	
2-21	Annual total compensation ratio	Disclosed as part of AM/NSI annual report	
2-22	Statement on sustainable development strategy	A Note to reader from CEO, Pg 3	
2-23	Policy commitments	Organisational Brief- Policies, Pg 18	

	Disclosure	Section	Reason for Omission
2-24	Embedding policy commitments	Organisational Brief- Policies, Pg 18	
2-25	Processes to remediate negative impacts	Negative impacts of each material topic have been reported in respective sections	
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Strategy- Channels of Engagement, Pg 14 & 18	
2-27	Compliance with laws and regulations	Organisational Brief- Compliance, Pg 19	
2-28	Membership associations	Organisational Brief- Membership Associations, Pg 19	
2-29	Approach to stakeholder engagement	Sustainability Strategy- Stakeholder Engagement, Pg 14	
2-30	Collective bargaining agreements		We do not have unions in our significant operational sites, (Only Pune location has a union, but it is a downstream processing facility). Hence, we chose not to disclose this.
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Sustainability Strategy, Pg 14	
3-2	List of material topics	Sustainability Strategy, Pg 15	
GRI 201: Economic Performance 2016			
3-3	Management of Material Topics	Our Economic Performance, Pg 20-21	
201-1	Direct economic value generated and distributed	Our Economic Performance, Pg 21	
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Strategy, Pg 13 & 15	
201-3	Defined benefit plan obligations and other retirement plans	Head-HR, IR & Administration, Pg 42	
201-4	Financial assistance received from government		Information unavailable. We might report it moving forward.
GRI 202: Market Presence 2016			
3-3	Management of Material Topics	Employee Engagement and Development, Pg 40	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Employee Engagement and Development, Pg 40	
202-2	Proportion of senior management hired from the local community	Employee Engagement and Development, Pg 40	
GRI 204: Procurement Practices 2016			
3-3	Management of Material Topics	Organisational Brief, Pg 18-19; Procurement Policy ; Procurement practices, pg 17	
204-1	Proportion of spending on local suppliers		Information unavailable. We might report it moving forward.

	Disclosure	Section	Reason for Omission
GRI 205: Anti-Corruption 2016			
3-3	Management of Material Topics	Anti bribery and Anti Corruption, pg 17	
205-1	Operations assessed for risks related to corruption		Information unavailable. We do not assess our operations for risk of corruption.
205-2	Communication and training about anti-corruption policies and procedures	Organisational Brief, Pg 18-19; Anti-Corruption Policy	
205-3	Confirmed incidents of corruption and actions taken	A total of 28 incidents were reported during the reporting year. (100%) all of these cases have been resolved.	
GRI 206: Anti-Competitive Behavior 2016			
3-3	Management of Material Topics	Organisational Brief, Pg 18-19; Anti competitive behaviour, pg 17	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Organisational Brief, Pg 18-19	
GRI 207: Tax 2019			
3-3	Management of Material Topics	Our Economic Performance, Pg 20-21	
207-1	Approach to tax	Our Economic Performance, Pg 20-21	
207-2	Tax governance, control, and risk management	Our Economic Performance, Pg 20-21	
207-3	Stakeholder engagement and management of concerns related to tax	Our Economic Performance, Pg 20-21	
207-4	Country-by-country reporting	Not Applicable	Our operations are limited to India
GRI 301: Materials 2016			
3-3	Management of Material Topics	Materials, Pg 30	
301-1	Materials used by weight or volume	Materials, Pg 30 We do not use renewable material in our operations	
301-2	Recycled input materials used	Materials, Pg 30	
301-3	Reclaimed products and their packaging materials	Not applicable to AMNSI	Our products cannot be collected, reused, or recycled at the end of its life. Therefore, this disclosure is not applicable.
GRI 302: Energy 2016			
3-3	Management of Material Topics	Energy Management, Pg 26-27	
302-1	Energy consumption within the organization	Energy Management, Pg 26-27 (No renewable energy consumed)	
302-2	Energy consumption outside of the organization	Energy Management, Pg 26	
302-3	Energy intensity	Energy Management, Pg 26	
302-4	Reduction of energy consumption	Energy Management, Pg 26	
302-5	Reductions in energy requirements of products and services	0.84 GJ/tcs of energy requirement reduced against our FY 2022 reduction target of 0.75 GJ/tcs	

	Disclosure	Section	Reason for Omission
GRI 303: Water and Effluents 2018			
3-3	Management of material topics	Water Management, Pg 28-29	
303-1	Interactions with water as a shared resource	Water Management, Pg 28	
303-2	Management of water discharge-related impacts	Water Management, Pg 28-29	
303-3	Water withdrawal	Water Management, Pg 29	
303-4	Water discharge	Water Management, Pg 29	
303-5	Water consumption	There is no water discharge at our significant operational sites, as a result water consumed is same as water withdrawal.	
GRI 305: Emissions 2016			
3-3	Management of material topics	Carbon Footprint, Pg 23-25	
305-1	Direct (Scope 1) GHG emissions	Carbon Footprint, Pg 23	
305-2	Energy indirect (Scope 2) GHG emissions	Carbon Footprint, Pg 23	
305-3	Other indirect (Scope 3) GHG emissions	Carbon Footprint, Pg 24	
305-4	GHG emissions intensity	Carbon Footprint, Pg 24	
305-5	Reduction of GHG emissions	Carbon Footprint, Pg 24	
305-6	Emissions of ozone-depleting substances (ODS) Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	We do not use or release ozone depleting substances as part of our regular operations	
305-7		Air Quality Management, Pg 25	
GRI 306: Waste 2020			
3-3	Management of material topics	Waste, Pg 30-33	
306-1	Waste generation and significant waste-related impacts	Waste, Pg 30	
306-2	Management of significant waste-related impacts	Waste, Pg 30-33	
306-3	Waste generated	Waste, Pg 31	
306-4	Waste diverted from disposal	Waste, Pg 31	
306-5	Waste directed to disposal	Waste, Pg 32	
GRI 401: Employment 2016			
3-3	Management of Material Topics	Employee engagement and development, Pg 40-41	
401-1	New employee hires and employee turnover	Employee engagement and development, Pg 41. (Attrition rate in 2021 was 6.73%)	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Head - HR, IR & Administration, Pg 42-43	
401-3	Parental leave	Head - HR, IR & Administration, Pg 42-43	
GRI 403: Occupational Health & Safety 2018			
3-3	Management of Material Topics	Health and Safety, Pg 36-39	
403-1	Occupational health and safety management system	Health and Safety, Pg 36-37	

	Disclosure	Section	Reason for Omission
403-2	Hazard identification, risk assessment, and incident investigation	Hazard Identification, Risk Assessment and Incident Investigation, Pg 37	
403-3	Occupational health services	Occupational Health Services, Pg 37-38	
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health Services, Pg 38	
403-5	Worker training on occupational health and safety	Training on Occupational Health & Safety, Pg 38	
403-6	Promotion of worker health	Health and Safety, Pg 36-38	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, Pg 36-37	
403-8	Workers covered by an occupational health and safety management system	Health and Safety, Pg 36-38 All (100%) employees and contract workers are covered by OHS management system	
403-9	Work-related injuries	Health and Safety, Pg 36	
403-10	Work-related ill health	Health and Safety, Pg 36 Work related ill-health recorded for All (100%) employees and contract workers.	
GRI 404: Training and Education 2016			
3-3	Management of Material Topics	Employee Engagement and Development- Programs and Initiatives to Support Employee Development and Well-being, Pg 42-43	
404-1	Average hours of training per year per employee	Programs and Initiatives to Support Employee Development and Well-being, Pg 43	
404-2	Programs for upgrading employee skills and transition assistance programs	Programs and Initiatives to Support Employee Development and Well-being, Pg 43	
404-3	Percentage of employees receiving regular performance and career development reviews	Programs and Initiatives to Support Employee Development and Well-being, Pg 43	
GRI 405: Diversity and Opportunity			
3-3	Management of Material Topics	Diversity and Inclusion, Pg 44	
405-1	Diversity of governance bodies and employees	Diversity and Inclusion, Pg 44-45	
405-2	Ratio of basic salary and remuneration of women to men	Diversity and Inclusion, Pg 43	
GRI 406: Non-Discrimination 2016			
3-3	Management of Material Topics	Employee Engagement and Development- Diversity and Inclusion, Pg 43	
406-1	Incidents of discrimination and corrective actions taken	Diversity and Inclusion, Pg 43	

	Disclosure	Section	Reason for Omission
GRI 408: Child Labor 2016			
3-3	Management of Material Topics	Employee Engagement and Development- Diversity and Inclusion, Pg 43	
408-1	Operations and suppliers at significant risk for incidents of child labour	Diversity and Inclusion, Pg 43	
GRI 409: Forced or Compulsory Labor 2016			
3-3	Management of Material Topics	Employee Engagement and Development- Diversity and Inclusion, Pg 43	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Diversity and Inclusion, Pg 43	
GRI 410: Security Practices 2016			
3-3	Management of Material Topics	Security Practices, Pg 39	
410-1	Security personnel trained in human rights policies or procedures	Security Practices, Pg 39	
GRI 411: Rights of Indigenous Peoples 2016			
3-3	Management of Material Topics	Community Engagement and Development, Pg 44	
411-1	Incidents of violations involving rights of indigenous peoples	There were zero incidents of violations involving rights of indigenous peoples	
GRI 413: Local Communities 2016			
3-3	Management of Material Topics	Community Engagement and Development, Pg 47	
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement and Development, Pg 47	
413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement and Development, Pg 47	

Appendix II

GLOSSARY

SL. NO.	Acronym	Full Form
1.	ESG	Environmental, Social, and Governance
2.	GRI	Global Reporting Initiative
3.	MTPA	Million Tons Per Annum
4.	WSA	World Steel Association
5.	DRI	Direct Reduced Iron
6.	BF	Blast Furnace
7.	COREX	Corporate Research Experimental
8.	MIDREX	Midland Ross Corporation Reduction Process
9.	EAF	Electric Arc Furnace
10.	CONARC	Converter Arc
11.	BOF	Basic Oxygen Furnace
12.	HSM	Hot Strip Mill
13.	CSP	Compact Strip Production
14.	SAW	Submerged Arc Welding
15.	HRPO	Hot Rolled Pickled and Oiled
16.	HBI	Hot Briquetted Iron
17.	MSME	Micro, Small and Medium Enterprises
18.	MoU	Memorandum of Understanding
19.	PAT	Perform, Achieve and Trade
20.	XCARB	Cross Cut Carbon
21.	GHG	Greenhouse Gas
22.	CSR	Corporate Social Responsibility
23.	HR	Human Resources
24.	KPI	Key Performance Indicator
25.	PPA	Power Purchase Agreement
26.	NOX	Nitrogen Oxides
27.	SOX	Sulfur Oxides
28.	ESP	Electrostatic Precipitator
29.	APC	Air Pollution Control
30.	DMT	Dimethyltryptamine
31.	CPP	Combined Heat and Power Plant
32.	CMD	Cubic Meter Per Day
33.	ETP	Effluent Treatment Plant
34.	GPCB	Gujarat Pollution Control Board
35.	CPCB	Central Pollution Control Board
36.	GVMC	Greater Visakhapatnam Municipal Corporation
37.	HSE	Health, Safety and Environment

SL. NO.	Acronym	Full Form
38.	FES	Fire and Emergency Services
39.	ISO	International Organization for Standardization
40.	OHSAS	Occupational Health and Safety Assessment Series
41.	PFT	Pulmonary Function Test
42.	ECG	Electrocardiogram
43.	HDL	High-Density Lipoprotein
44.	VLDL	Very Low-Density Lipoprotein
45.	SOPs	Standard Operating Procedures
46.	POSH	Prevention of Sexual Harassment
47.	SARFAESI	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest
48.	NG	Natural Gas
49.	kWh	Kilowatt Hour
50.	ME	Mechanical Engineering
51.	SMP	Symmetric Multi-Processing
52.	UoM	Unit of Measure
53.	MS	Microsoft
54.	LF	Longitudinal Flux
55.	KP	Knowledge Process
56.	DISH	Director Industries Safety & Health
57.	MSIHCS	Master of Science in International Health and Clinical Research
58.	BPOS	Business Process Outsourcing Services
59.	OFM	Oil Field Management
60.	B.Tech	Bachelor of Technology
61.	IIT	Indian Institutes of Technology
62.	BITS	Birla Institute of Technology and Science
63.	B.Sc	Bachelor of Science
64.	INR	Indian Rupee
65.	FYI	For Your Information
66.	IAS	Indian Administrative Service
67.	ITI	Industrial Training Institute
68.	PPE	Personal Protective Equipment
69.	IR	Industrial Relations

DNV

Independent Assurance Statement

Introduction

DNV represented by DNV Business Assurance India Private Limited ('DNV') was appointed by ArcelorMittal Nippon Steel India Limited ('AM/NS India' or 'the Company', Corporate Identification Number U27100GJ1976FLC013787) to undertake an independent assurance of the Company's sustainability/non-financial performance disclosures in its Sustainability Report 2021 ('the Report'). The disclosures are prepared based on the reporting requirements of the Global Reporting Initiative's ('GRI's') Sustainability Reporting Standards 2021 ('GRI Standards') and the report is in accordance with GRI Standards 2021. The intended user of this Assurance Statement is the management of the Company. Our assurance engagement was planned and carried out in April 2023 - August 2023.

We planned and performed our work using DNV's assurance methodology VeriSustain™¹ for providing a Limited Level of assurance. The agreed scope of work included information on non-financial performance which were disclosed in the Report prepared by AM/NS India based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 1st January 2021 to 31st December 2021. The reported topic boundaries of non-financial performance are based on the risks and opportunities analysis conducted and stakeholder's inputs on company's material ESG issues as brought out in the sections 'About the Report' and 'Sustainability Strategy' section of the report.

Responsibilities of the Management of AM/NS India and of the Assurance Provider

The Management of AM/NS India has the sole responsibility for the preparation of the Report and are responsible for all information disclosed in the Report as well as the processes for collecting, analyzing and reporting the information presented in the Report. AM/NS India is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on sustainability performance. In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

DNV's assurance engagements are based on the assumption that the information provided by the Company to us as part of our review have been provided in good faith and free from misstatement. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. We expressly disclaim any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

We did not come across limitations to the scope of the agreed assurance engagement during our assurance process. We understand that the reported data on economic performance, including expenses towards Corporate Social Responsibility (CSR) incurred by the business and contributions towards CSR expenses, are based on disclosures and data from AM/NS India's audited financial statements presented in its Annual Report 2020-21, which is subjected to a separate independent statutory audit process, and is not included in our scope of work.

Scope, Boundary and Limitations

The reporting scope and boundary encompasses environmental, social and governance performance of AM/NS India's operations in India (that is, operational sites at Hazira, Pune, Vizag, Kirandul, Paradeep & Dabuna and Corporate Office at Mumbai) has brought out in the section 'About this Report' and GRI Content index of the Report for the non-financial activities undertaken by the Company during the reporting period 1st January 2021 - 31st December 2021. For environmental performance disclosure, the boundary is limited to operational sites. World Steel Association (WSA), Version II, methodology is used for the calculation of Greenhouse Gas (GHG) emissions.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. The reported data on economic performance and other financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial information within the Report. The review of financial and production-related data was not within the scope of our assurance engagement.

¹ The VeriSustain™ protocol is available on request from www.dnv.com. The protocol is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the Global Reporting Initiative's (GRI's) Principles for Defining Report Content and Quality.

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed limited level of assurance work of AM/NS India using DNV's assessment guidance. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

- Conducted on-site assessment & interaction with key internal stakeholders at the Company's plant at Hazira and remote (virtual) assessment & interaction with key internal stakeholders at the Company's plant at Paradeep and virtual interaction with corporate team of Corporate office at Mumbai, India, to review the processes and systems for aggregating site-level and overall aggregation and consolidation of sustainability information from sites by the sustainability team.
- Interviewed selected senior managers responsible for management of sustainability issues and review of selected evidence to support topics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver the Company's sustainability objectives.
- Reviewed the non-financial performance disclosure of identified material topics reported by AM/NS India based on chosen GRI topic-specific Standards; that is, carried out an assessment of the processes for gathering and consolidating performance related to identified material issues.
- Performed sample-based checks of the processes for generating, gathering, and managing the quantitative and qualitative information included in the Report based on the selected GRI Topic Disclosures.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ for a limited level of verification.

Opinion and Observations

Based on the assurance work undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe AM/NS India's adherence to the GRI Standards 2021, including the assurance of the following material non-financial performance/key performance indicators (KPIs) disclosed in the Report.

- GRI 205: Anti-corruption 2016 – 205-2, 205-3;
- GRI 206: Anti-competitive Behavior 2016 – 206-1;
- GRI 301: Materials 2016 – 301-1, 301-2;
- GRI 302: Energy 2016 – 302-1, 302-2, 302-3, 302-4, 302-5;
- GRI 303: Water and Effluents 2018– 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 305: Emissions 2016 – 305-1, 305-2, 303-3, 305-4, 305-5, 305-7;
- GRI 306: Waste 2020 – 306-1, 306-2, 306-3, 306-4, 306-5;
- GRI 401: Employment 2016 – 401-1, 401-2, 401-3;
- GRI 403: Occupational Health & Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10;
- GRI 404: Training and Education 2016 – 404-1, 404-2, 404-3;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1;
- GRI 406: Non-discrimination 2016 – 406-1;
- GRI 408: Child Labor 2016 - 408-1;
- GRI 409: Forced or Compulsory Labor 2016 – 409-1;
- GRI 410: Security Practices 2016 – 410-1;
- GRI 413: Local Communities 2016 – 413-1

Without affecting our assurance opinion, we provided the following observations against the principles of VeriSustain™.

Materiality

The process of determining the issues that is most relevant to an organization and its stakeholders.

The Report brings out the materiality assessment process carried out by AM/NS India to identify and disclose information that is of strategic importance to its stakeholders, and which impacts the Company's ability to create value across its Capitals. The ESG topics relevant to AM/NS India were identified based on the GRI standards. The Material topics were evaluated, rated and prioritized based on their impact on the business and on stakeholders. The identified material topics were reviewed by the senior management and brought out in the Report as ESG disclosures.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the principle of Materiality.

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report identifies investors and shareholders, employees, customers, regulators/government, communities, suppliers & service providers and media as key stakeholder groups for the Company. The key issues relevant to these stakeholder groups and the engagement platforms used to identify and respond to these issues are brought out within the Report.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report brings out the overall approach to value-creation towards various stakeholders and sustainability performance of AM/NS India through descriptions of various capitals, strategies and management approach towards material topics, descriptions of risk management and governance mechanisms, performance through selected performance indicators based on GRI topic specific standards.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.

The Report brings out the processes established by AM/NS India towards capturing and reporting its performance related to identified material matters/topics considering the principles of Reliability and Accuracy. The majority of data and information verified through our assessments with the Company's management teams and data owners at the sampled operational sites were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These inaccuracies have been communicated for correction and the related disclosures were reviewed for correctness.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported?

The Report brings out the descriptions of the value creation, management approach and strategy along with selected performance highlights linked to its identified material topics, reflecting the sustainability performance of the Company over its chosen reporting boundary spanning operational sites in India for the reporting period 2021.

Nothing has come to our attention to suggest that the Report does not meet the principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a Report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out AM/NS India's performance during the reporting period in a neutral manner in terms of content and presentation, along with descriptions of key risks, operational context, focus areas, and challenges faced during the reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct² during the assurance engagement and maintain independence where required by relevant ethical requirements including the ISAE 3000 (Revised) Code of Ethics as set out in VeriSustain™. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and related reports for internal use of AM/NS India. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

² DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>

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