

AM/NS INDIA

ArcelorMittal Nippon Steel India

**Responsible growth.
Resilient business.**

Sustainability Report 2022

**SMARTER
STEELS
BRIGHTER
FUTURES**

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Theme of the Report

Welcome to our 2022 Sustainability Report, where we proudly present our transformative journey defined by the theme of Responsible Growth. Resilient Business. This overarching theme embodies the core values that define AM/NS India, showcasing our unwavering dedication to navigating industry challenges through a strategic and sustainable approach to business expansion and development.

In an era where environmental consciousness and corporate responsibility are intricately interwoven, AM/NS India not only stands out as an industry leader but also as a proponent of responsible business practices. This report details the diverse strategies employed by AM/NS India to achieve growth while upholding an unwavering commitment to environmental stewardship, social responsibility, and economic inclusivity.

Our goal is to highlight the intrinsic resilience woven into the fabric of AM/NS India's business model—a resilience forged through strategic innovation, technological advancement, and an unyielding commitment to adapting to a sustainable future. From advancements in production processes to the integration of cutting-edge technologies, AM/NS India's journey towards resilience transcends mere survival. It is about thriving in the face of change.

Recognizing the profound impact on the global ecosystem and the communities we serve, AM/NS India acknowledges the significance of responsible corporate citizenship. This report serves as a showcase of the company's initiatives and achievements in environmental stewardship, social welfare, and ethical governance.

This report is a testament to the ongoing commitment of AM/NS India to harmonize growth aspirations with a profound sense of responsibility. We strive to ensure that every step forward is a meaningful stride towards a better, more sustainable tomorrow.

About This Report

Objective

This sustainability report provides a comprehensive disclosure of our economic, environmental, social, and governance (ESG) performance at AM/NS India. It transparently highlights our sustainable practices to our stakeholders, including investors, employees, customers, suppliers, and the broader community. The report provides a useful overview of our performance against sustainability goals, business metrics, and the contributions we are making to society. Through this report, we propose to provide insights into our future plans.

We are inspired by ArcelorMittal's XCarb program and Nippon Steel's Zero Carbon initiative and stand with India's vision to be carbon neutral by 2070.

Company/subsidiaries covered

The Sustainability report pertains to the period Jan 2022 – Dec 2022. The following units/ facilities are covered in this report.

- ◇ Mines: Thakurani & Sagasahi
- ◇ Beneficiation units: Dabuna & Kirandul
- ◇ Pelletization facilities: Vizag & Paradeep
- ◇ Integrated Steel Plant: Hazira
- ◇ Downstream unit: Pune

Guidelines followed

The report has been prepared in accordance with the Global Reporting Initiative (GRI) 2021 guidelines. We are committed to the principles of transparency in all our disclosures.

Restatement of Information

The revised GRI 303-3 data for 2020 & 2021 has 38% & 40% decrease in the value.

Feedback

We invite our stakeholders to provide feedback on this report, enabling us to enhance and refine our report. You can reach out to us at:

environment@amns.in
Head, Environment
AM/NS India

External Assurance



Our Vision

To be a leading and responsible steelmaker creating value for all stakeholders.



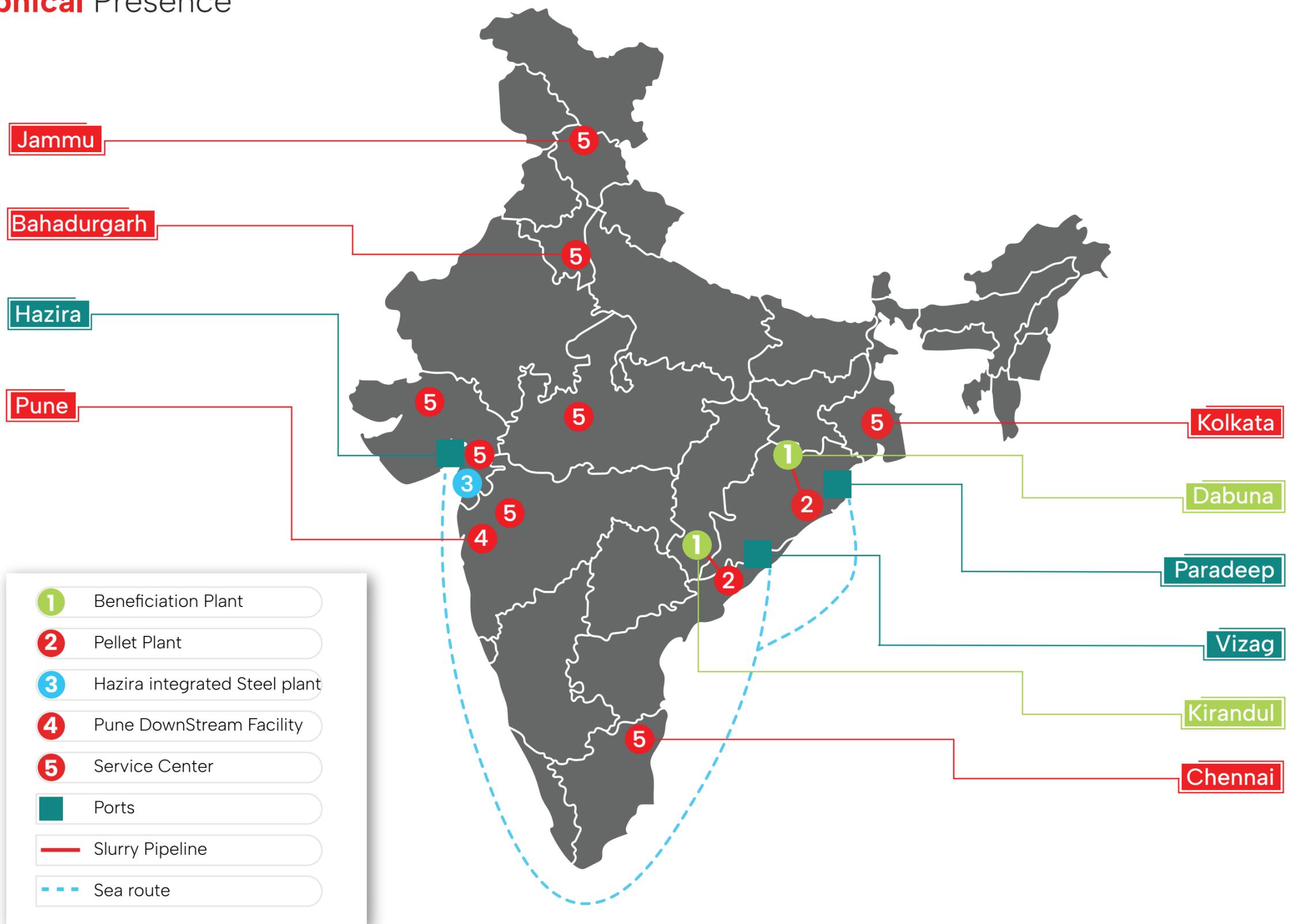
Company Overview

About the company

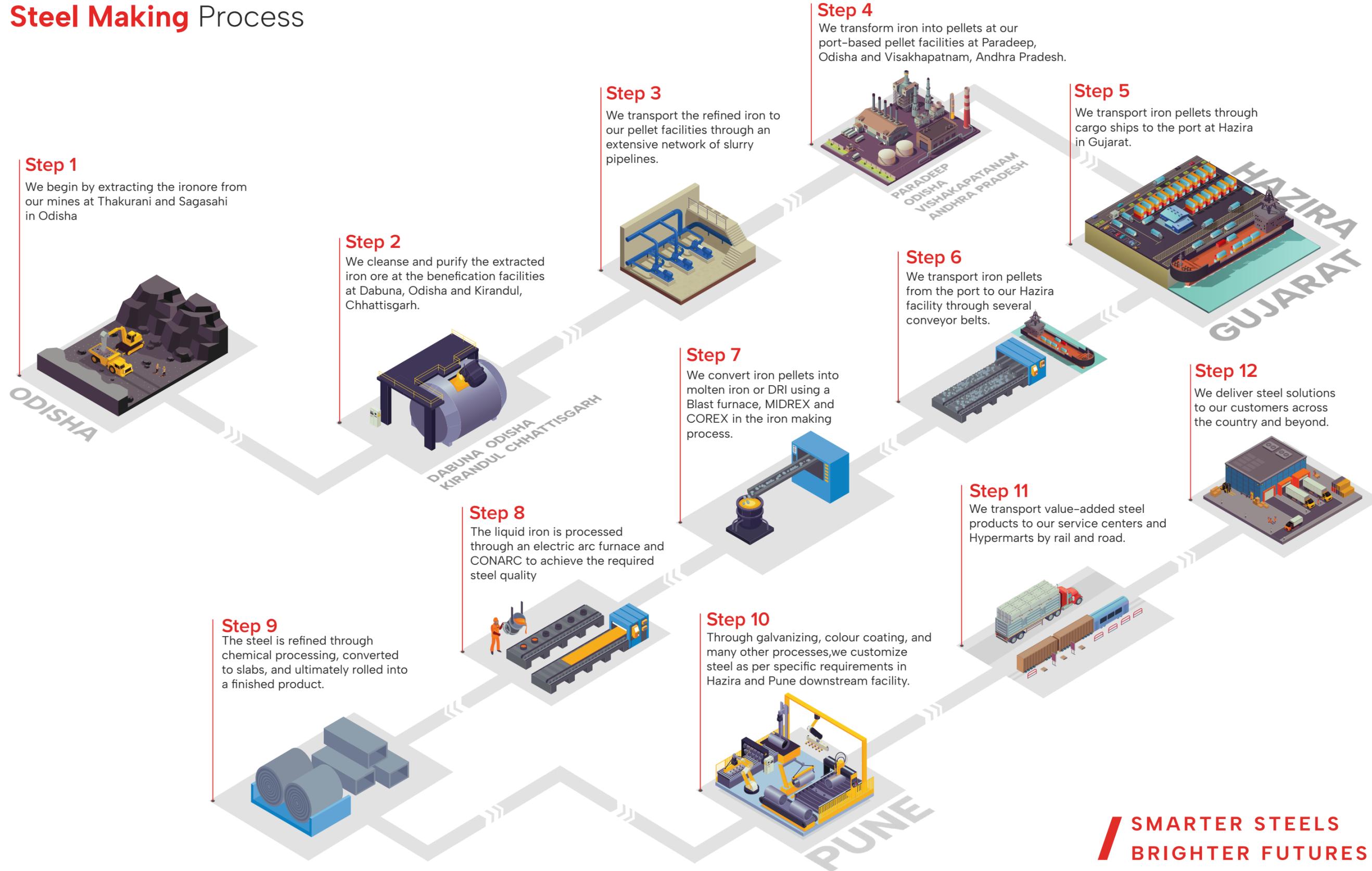
ArcelorMittal Nippon Steel India (AM/NS India) is a joint venture between world leading steel manufacturing companies - ArcelorMittal and Nippon Steel. AM/NS India was established in 2019 post acquisition of Essar Steel. AM/NS India is an integrated flat steel manufacturer with over 600 steel grades serving various sectors including agriculture, automotive, infrastructure, defense, energy, etc. Our product portfolio includes hot rolled coils / sheets / plates, cold rolled coils / sheets, galvanized coils / sheets, pre-painted galvanized coils / sheets, and pipelines. We expand our products through substituting imports to serve India's domestic needs in support of Atmanirbhar Bharat. The Company operates steel production and distribution facilities, as well as iron ore mines, ports and power plants that are located across India.

We take pride in our association with key infrastructure projects such as Chenab bridge, the Mumbai -Ahmedabad High-Speed Rail project and the Atal Rohtang tunnel by supplying steel for these iconic structures. Our steel has applications in a wide range of sectors that include agriculture, automotive, infrastructure, energy and engineering. We build Smarter Steels and Brighter Futures.

Geographical Presence

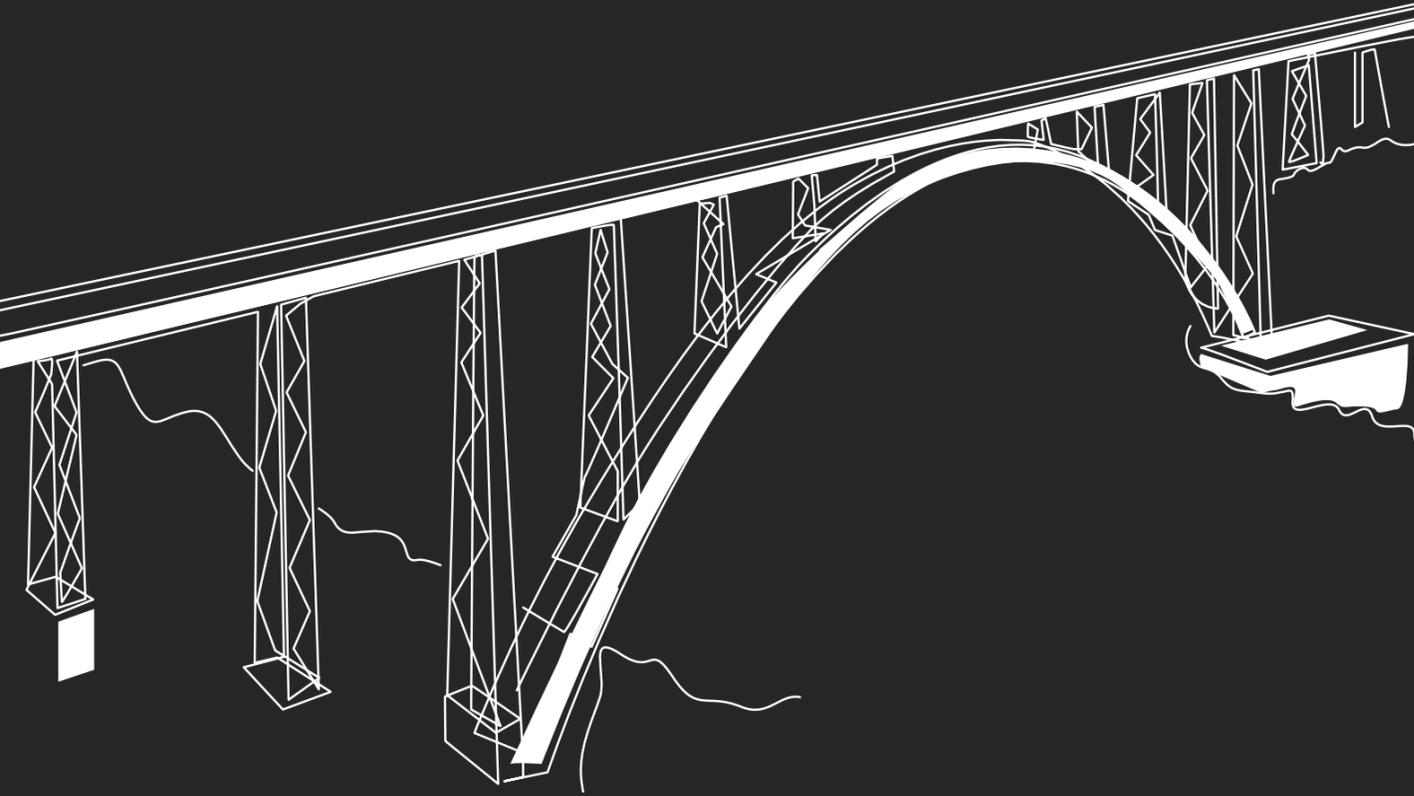


Steel Making Process



**SMARTER STEELS
BRIGHTER FUTURES**

Key Projects



Bogibeel Bridge



Atal/Rohtang Tunnel



Mumbai-Ahmedabad High-Speed Rail Project



Chenab Bridge



Dhole Sadiya Bridge



Pakal Dul Hydroelectric Power Project



Seagreen OWF



Integrated Renewable Energy Project

Creative illustration only for reference

Highlights for the year

15 MPTA

environment
Clearance for
expansion project

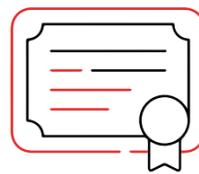


6.7
million Tonnes

Steel Crude production in 2022

01 Patent

filed for Organic
binder for palletization
of ore minerals



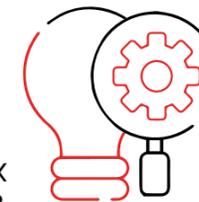
2025

energy intensity
targets already
achieved



11 Crores

R & D spend (CAPEX
& OPEX) in 2022-23

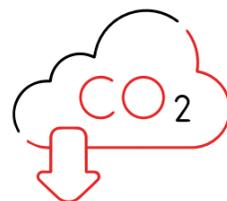


5661

total workforce (India)

32% CO₂

intensity reduction since 2015



18 New steel grades

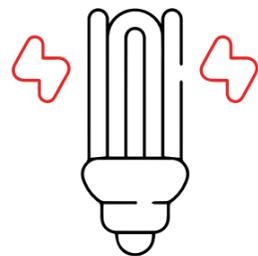
developed that includes 5 new import substitution grades



LED

Illumination

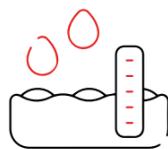
at Hazira results in energy
savings and reduction of
carbon footprint.



0.5

Million m³

rainwater harvesting:
at Hazira plant



1.3 Million

beneficiaries across
200 villages in eight
states



570

volunteering hours

during FY 2022-23



**Hypermart
division**

contributes to a fifth of AM/NS India's
revenues



Awarded

the Ispat Suraksha Award for the
seventh consecutive year



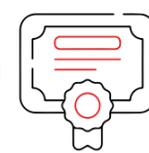
Gold Award

at QCFI National Safety
Convention



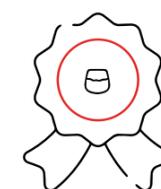
Awarded

for Strong
Commitment to
HR Excellence by CII



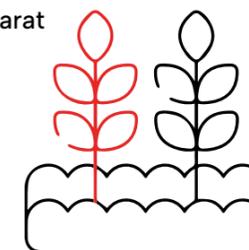
**Water Conservation
Award**

Odisha unit (captive power plant) bags
the best water conservation award by
Mission Energy Foundation



900 Hectares

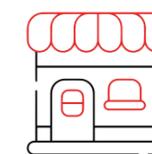
of mangrove
plantations in the last
15 years in Gujarat



1st

Hypermart outlet

established in Jammu &
Kashmir & AM/NS
Middle East



A note to the reader

From The CEO



In spite of the inherent challenges our industry faces, we at AM/NS India remain committed to making smarter steels for a greener tomorrow.

Dear Stakeholders,

Since its inception, AM/NS India has been at the forefront of development in the country, with sustainability integrated into our business goals.

CY2022 was the year that saw the world coming out of the grip of the global pandemic, and as infrastructure projects began to be revived, so did the demand for steel and allied products. We initiated the expansion of our steel production capacity from 8.6 million tons per annum (MTPA) to 15 MTPA. This was synchronized with the research and development efforts that helped our teams develop several new grades of steel, including import-substitution grades. The operational teams at several of our locations also embraced an innovative mindset to devise more efficient solutions, improve energy and water efficiency, and reduce waste and emissions.

In essence, today AM/NS India is on the path to making progress on its commitments to both the National Steel Policy, which envisages doubling domestic capacity to 300 MTPA by 2030-32, and the country's vision of achieving carbon neutrality by 2070.

We are deeply committed to promoting steel as the material of choice for India's transition to a circular and low-carbon economy. The shift towards achieving low-carbon steel production not only aligns with the principles of sustainability but will also catalyse economic growth, job creation, and innovation. This dual focus on environmental and economic facets paves the path for the steel industry's journey towards a net-zero future.

Although the path may present challenges, we firmly believe that with the right strategies and collaborative efforts, the goal is possible to achieve. To realise this goal, we are taking several steps that make the roadmap of our journey: process optimization, increasing the use of renewable energy, and fuel substitution.

As an industry leader, we have been pushing for a regulatory framework that is conducive to the development of the hydrogen market - one that will facilitate reduction in the cost of green hydrogen and enhancement of the storage and transportation solutions that are needed. At AM/NS India, we envisage a comprehensive approach that balances the environmental risks and the economic rewards of our operations, drawing parallels with international policy strategies.

As a global citizen, AM/NS India supports an inclusive culture. We aim to promote excellence among our employees and encourage them to imbibe a problem-solving mindset with a focus on innovative thinking. A series of training programs throughout the year helps our employees acquire or sharpen technical and behavioural skills. We are proud of the social upliftment activities we carry out on an ongoing basis. It is worth mentioning that a number of such activities we completed this year included volunteering by our employees.

In spite of the inherent challenges our industry faces, we at AM/NS India remain committed to making smarter steels for brighter futures. On behalf of our Board, I thank each one of our stakeholders for their belief in our vision during the year gone by.

We look forward eagerly to empowering growth in a responsible and sustainable manner for our citizens and the country.

Dilip Oommen
Director & CEO

Awards & Recognitions

ITR Asia-Pacific Tax Awards 2022:

AM/NS India won the award in the "In-house Tax Team of the Year" category and Anuprita Mehta won the "In-house Tax Director of the Year" award.

AM/NS India's associates honored with Raja Shram awards:

Our two associates have been awarded the prestigious Raja Shram Ratna Award by the Gujarat government. Bipin Nena was bestowed the Raja Shram Ratna Award and Santosh Kumar was honored with the Raja Shram Vir award.

We also won two of the 16 awards for industries in the south Gujarat region.

Indian Steel Association's 'Gender Diversity' award:

Gunjan Patel, Senior Manager (Electrical Maintenance) at AM/NS India Hazira received the 'Wing of Steel Award' in the 'Gender Diversity' category from Union Steel Minister Sh. Jyotiraditya Scindia at the ISA Conclave in New Delhi.

Safe India Hero Plus Award 2022:

Fire officers Dipak Dabhi and Mahavir Dodiya from Fire Safety team of AM/NS India, Hazira won the prestigious 'SAFE INDIA HERO PLUS AWARD 2022', for their commendable job in saving life and property and for their selfless commitment towards community at large.

HR Excellence Award 2021:

AM/NS India has been recognized in the STRONG COMMITMENT TO HR EXCELLENCE category in the 12th CII HR Excellence Award 2021.

Ispat Suraksha Award

Our Hazira plant won the prestigious "Ispat Suraksha Puraskar" for achieving No Fatal Accident for 2020-21 and 2021-22. This honor was bestowed for the 7th year in a row.

Best CSR Award

AM/NS India received the Best CSR Practices Award at the Odisha Development Leadership Summit and Odisha CSR Excellence Awards 2022 hosted by the Odisha CSR Forum in Bhubaneswar.

Best Water Optimization 2022 & Best Fly ash utilization award in eastern region Award

The captive power plant at our operations in Odisha was awarded the "Best Water Optimization 2022 & Best Fly ash utilization award" in the category '500 MW and less' in the eastern region by Mission Energy Foundation.

The captive power plant received an award for its commitment to and implementation of best practices in smart water utilization at thermal power plants. With a combined capacity of 4 X 30 MW, the facility fulfills the electricity needs of the entire complex at AM/NS India, Paradeep, Odisha.

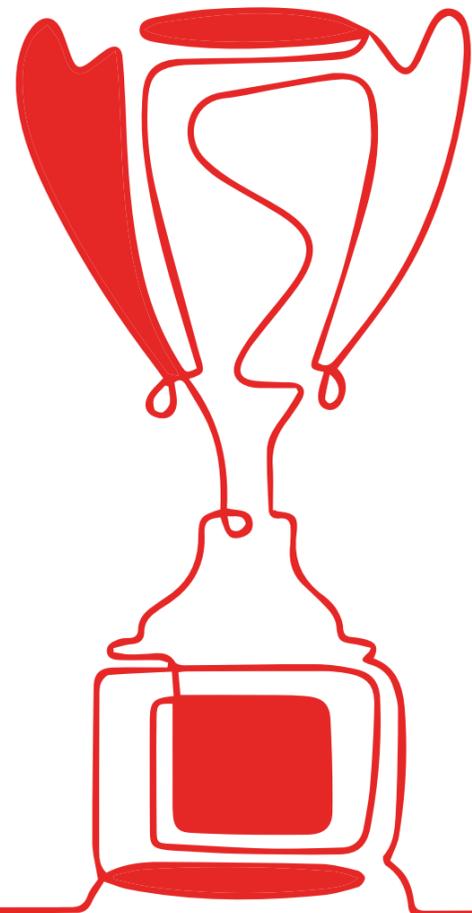
Winners at Annual Treasury Management Summit:

Amit Harlalka recently earned the prestigious title of CFO of the Year at the Annual Treasury Management Summit by Inventicon, accredited by IBS Fintech. In April 2022, he was honored as the Business Leader of the Year at the World Leadership Congress, and earlier at the Finance Transformation India Summit - Inventicon, he secured the title of Finance Leader of the Year. Additionally, Balajee M, Head Treasury and Banking at AM/NS India, led his team to victory by securing the 'Treasury Team of the Year' award at the Annual Treasury Management Summit by Inventicon. Anupreeta Mehta, Head Taxation, was recognized as the Businesswoman of the Year at the World Leadership Congress in April 2022.

CEO Pinnacle Award:

Paradeep team Project PMGG: Improvement of Paradeep Pellet quality and its performance at Hazira.

AM/NS India's Paradeep plant faced a pellet quality challenge despite its state-of-the-art setup. The Hazira R&D team responded with an innovative Organic Binder for ore mineral palletization, sparking a significant boost in Paradeep's pellet quality and, subsequently, elevating Hazira's blast furnace performance.



Our Goals

We have created a Vision 2030 document that articulates the broad goals we aim to achieve by the year 2030. In the medium and short term, we are committed to reducing our carbon footprint and recycling all our solid waste. We are on our way to achieving zero liquid discharge (ZLD) at all our units across AM/NS India. One of our primary ESG goals is to become a respected and responsible corporate citizen.



At AM/NS India, sustainability is deeply embedded in all our endeavors. We cultivate an innovative culture by prioritizing research and development in our operations. Actively supporting the nation, we collaborate with the National Small Industries Corporation and the National Skill Development Corporation to enhance youth employability. Our robust health and safety systems ensure the well-being and security of our employees and their families. Additionally, we contribute to renewable energy initiatives through our partnership with Greenko, aligning with India's vision to achieve carbon neutrality by 2070. Our commitment to sustainability extends across our entire spectrum of activities.

Our Strategy

The steel-making industry is an intensive user of resources such as energy and water, with the manufacturing process generating various effluents and emissions that can impact the environment. At AM/NS India, our business strategy and operational processes are crafted to streamline resource consumption and minimize any adverse effects from our operations. Our strategic interventions prioritize optimizing water and energy usage, reducing emissions, enhancing air quality, managing waste, and contributing positively to neighboring communities. We are committed to steadily decreasing our carbon footprint. Continuous engagement with stakeholders allows us to grasp their concerns and make suitable adjustments to our strategy where possible.

Sustainability
at AM/NS

Innovation and Technology for Sustainable Practices

In line with the principles of Industry 4.0, AM/NS India has actively contributed to the progress of digital technology. This evolution has paved the way for improved interconnectivity, real-time data accessibility, and the integration of cyber-physical systems, resulting in a more comprehensive, interconnected, and holistic approach to manufacturing. This technological integration allows for seamless collaboration and access across various dimensions, including departments, partners, vendors, products, and individuals. Industry 4.0 empowers business owners by providing greater control and understanding of every facet of their operations. The use of instant data facilitates productivity enhancements, process improvements, and fosters overall business growth through informed decision-making.

Electric Arc Furnace (EAF) Energy Saving and Productivity Improvement:

The electric arc furnace (EAF) in steel-making, particularly for melting Hot Briquetted Iron (HBI), demands a substantial power supply, constituting a significant portion of production costs. A team from AM/NS India's Steel Making Plant (SMP) at Hazira initiated a project to optimize the utilization of Hot Direct Reduced Iron (HDRI) in the EAF, aiming to reduce energy costs and boost production volumes. The project involved enhancing the HDRI vessel and crane capacity from 160t to 260t to maximize the feeding of HDRI into the EAF, ultimately lowering power consumption.

Reduction in Carbon footprint: 1.25+ lac ton of CO₂ emission reduced every year.

LED Illumination project:

Our Hazira plant uses approximately 80,000 conventional electrical fittings. To enhance energy efficiency and sustainability, an LED illumination system is being implemented as a replacement for the traditional lighting. Currently, nearly 90% of the LED fittings have been installed, with the remaining set to be completed by May 2023. This has resulted in energy savings of ~ 8-9 MW power.

Reduction in Carbon footprint: ~ 60,000 ton of CO₂ emission reduction every year

Increasing cooling Gas Scrubber efficiency by 15 % in Mod-6:

Module 6 of Direct Reduced Iron (DRI) plant at Hazira serves as a cold direct-reducing iron (CDRI)-making furnace, with its efficiency relying on pellet quality,

reducing gas quality, and the performance of its product cooling system. Challenges were observed, including lower scrubber efficiency attributed to constraints in effective cooling surface area, low water flow, and high dust fines generation in the input oxide/material line. To address these issues, new nozzles were added to water spray to enhance cooling effectiveness, and the packing area was increased by almost 28%, thereby expanding the effective cooling area.

Natural gas savings: 252.6 ksm³ per year;

Power Savings: 1200 Mwh per year;

Reduction in Carbon footprint: ~1500 ton of CO₂ emission reduction every year

Vizag Security team achieves zero damage at the slurry pipeline:

In regions plagued by long-standing Maoist insurgency, including Chhattisgarh, Odisha, and Andhra Pradesh, AM/NS India's critical 267-km slurry pipeline faced persistent damage and pilferage, posing significant threats to both human life and economic activities. The Vishakhapatnam plant's security team, confronting this challenge head-on, achieving a remarkable feat in 2022—no damage to the pipeline for the first time in 14 years. This 'Zero Damage Incidence' in the 2021-22 period prevented substantial production losses for AM/NS India, contrasting with the ₹98.6 Crore loss incurred in 2020-21 due to pipeline damage. In addition, the project highlights the efficacy of preventing asset damage through robust collaboration with law enforcement. The team's monitoring mechanisms and error-proofing efforts have sustained the project's success, showcasing resilience and commitment to AM/NS India's 'Consistently Excellent' value amid life-threatening conditions in Maoist-affected areas.

Research & Development at AM/NS India:

Our R&D program aims to position ArcelorMittal Nippon Steel India Ltd as a leading and sustainable steel producer in India. This will be achieved through concentrated applied research in the following areas:

- a. New and innovative steel product development
- b. Valorisation of by-products of steel plant
- c. Process improvements
- d. Research on new and local raw materials

During the year, 18 new steel grades were developed which helped in substituting the import grade steel. The number of new products developed have been rising each year.

	2019-20	2020-21	2021-22	2022-23
Number of new steel grades developed	7	15	12	18
Number of import substitute grades developed	3	5	2	5

Few new products for commercial production:

- ◇ High strength Tuffmax 700 (in thickness >10-12mm with toughness) for automotive application.
- ◇ Abrasion resistance steel plates Rockstar 400 with improved toughness.
- ◇ High strength thicker plates for rotor motor lock of windmill application through TMCP route as per EN10025-4_S460ML (import substitute).
- ◇ NACE quality plus HIC resistant low alloy Cr-Mo steel plates for pressure vessel application (SA387 Grade 22 Class 2) (import substitute).
- ◇ High strength quenched and tempered plate as per A537 Class 2 with restricted carbon equivalent for improved weldability (import substitute).
- ◇ Development of high strength quenched and tempered steel plates as per EN10025-6 S890QL in 80mm thick plate for modular bridges (import substitute).

Raw materials projects:

- ◇ Developed a chemically modified organic binder suitable for pelletizing high alumina iron ore from Odisha. The binder provides better pellet green ball characteristics which in turn leads to better pellet quality. (full scale implementation)
- ◇ Development of tailing recycling circuit for Kirandul high grade tailing utilization – Padapar.
- ◇ Use of novel beneficiation techniques to reduce gangue contents in Odisha ore.

By product valorisation projects:

- ◇ Study on pot grate experiments for sinter expansion project – determination of SOx and NOx.

Electric Arc Furnace Slag as a Sustainable Alternative to Natural Aggregate in Construction

Electric Arc Furnace slag presents an environmentally friendly and cost-effective alternative to natural aggregate. This slag, a by-product of the primary steel-making process, possesses favorable characteristics such as a good shape factor, basic nature, high resistance to abrasion, and excellent skid resistance. After being cooled, crushed, magnetically processed, and screened to various sizes as per IS 383:2016 requirements, both fine and coarse aggregates are produced. These aggregates are utilized in producing slag concrete, fully replacing natural aggregate. The mix design incorporates 50% ground granulated blast furnace slag as a cement replacement, using suitable admixtures. Comprehensive testing of concrete properties is conducted, and the resulting product is used in road and non-structural construction activities for the downstream expansion project.

Innovative Solutions to Combat Iron Ore Fines Degradation

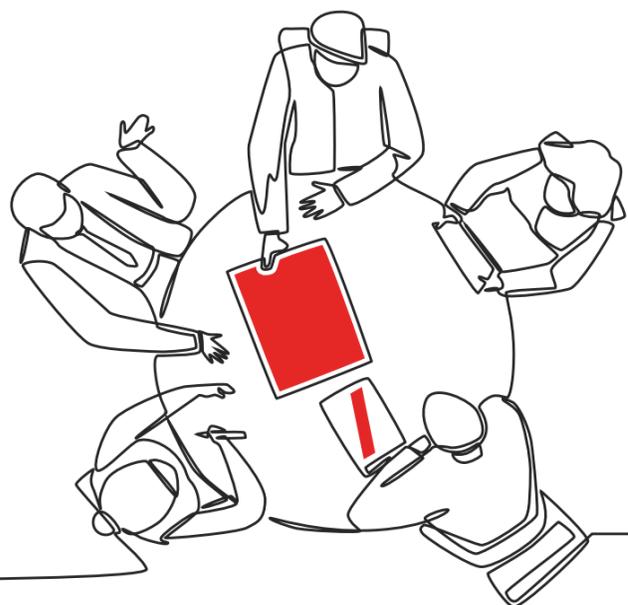
The degradation of iron ore fines poses a significant challenge to quality control. To address this, a cross-functional task force proposed external concentration of pellets through a dedicated feed conveyor system at the Paradeep, Odisha pellet plant complex—Asia's largest single-location pellet manufacturing facility. The incorporation of external concentrate has proven effective in reducing green ball deformation, moisture content in green balls, and alumina, while increasing the tumbler index and decreasing the abrasive index. This innovative approach has led to a reduction in specific furnace oil consumption by 0.5 liters/ton of pellets produced and a decrease in overall moisture in green balls from 10% to 7%.

Stakeholder Engagement

We employ a systematic approach to actively engage with key stakeholders through diverse channels, evaluating issues of significance to our organization. Our objective is to foster opportunities and collaborations that generate value for all stakeholders involved.

This initiative began with a cross-functional workshop involving key representatives from all areas of our Company, as each stakeholder group possesses distinct expectations and concerns regarding our ESG practices. Subsequently, stakeholders were individually approached through surveys and interviews to gather their insights on the Company's material issues. We prioritized this process to address the diverse expectations and concerns held by different stakeholder groups.

We would be conducting a detailed materiality assessment next year to understand the concerns and expectations of our stakeholders better. This would also enable us to enhance our sustainability initiatives and nurture collaborative relationships with our stakeholders, leading to long-term well-being of our Company and the communities we serve.



Material Issues:

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

- ◇ Materials (GRI 301)
- ◇ Energy (GRI 302)
- ◇ Water and Effluents Management (GRI 303)
- ◇ Emissions (GRI 305)
- ◇ Waste Management (GRI 306)

Social

- ◇ Training, education and employment (GRI 401, 404)
- ◇ Employee health and safety (GRI 403)
- ◇ 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)

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



Governance at AM/NS

Governance serves as a central pillar of our sustainability strategy, embodying our dedication to responsible, ethical decision-making aligned with our core values. At AM/NS India, our commitment extends to upholding ethical corporate conduct, providing transparency to both customers and stakeholders, and ensuring unwavering accountability for our business strategy and operations. These principles underpin our established governance framework, facilitating a harmonious balance between achieving our business objectives and sustaining our commitment to environmental and social responsibility.

Our governance structure is founded on transparent policies, meticulously defined operational procedures, vigilant oversight, and an enduring emphasis on engaging with stakeholders. This robust foundation ensures that our decision-making processes not only meet the highest standards of responsibility and ethics but also actively contribute to the synergy of our business goals and sustainability endeavors.

Board Composition

AM/NS India boasts a Board of Directors characterized by diversity and exceptional qualifications, complemented by a cadre of accomplished professionals with expertise spanning various industries. This collective leadership actively guides the overarching strategy of the Company, placing a premium on ethical governance practices. The Board is dedicated to steering the organization in a manner that not only upholds the highest ethical standards but also generates value for all stakeholders involved.

Management Committee

The management committee plays a crucial role and provides direction on the day-to-day workings of the Company. Headed by the CEO, the committee includes representatives from critical Company verticals such as Operations, HR, Finance, Technology, and Sales. Regularly assessing performance and strategically allocating resources, this group ensures the smooth and efficient functioning of the Company.

Our Board:

Mr. Aditya Mittal	Chairman
Mr. Prabh Das	Director
Mr. Hendrik Jacobus Verster	Director
Ms. Marina Guimares Soares	Director
Mr. Takahiro Mori	Director
Mr. Ichiro Sato	Director
Mr. Hideki Ogawa	Director
Mr. Yoshiaki Kusuhara	Director
Dilip Oommen	Director & CEO
Mr. Tomomitsu Inada	Director & Vice President - Technology
Mr. Kalyan Ghosh	Alternate director
Mr. Hiroshi Ebina	Alternate director

CSR Committee

The CSR committee of the Board oversees the CSR activities of the Company.

- ◊ Mr Prabh Das - Chairman
- ◊ Mr. Hendrik Jacobus Verster - Member
- ◊ Mr. Ichiro Sato - Member
- ◊ Mr. Hideki Ogawa - Member

The "CSR Committee," appointed by the Board of Directors, is responsible for regularly reviewing the CSR Policy. The committee is tasked with approving and recommending projects, programs, or activities to the Board, along with endorsing the associated expenditure, execution modalities, and implementation schedules. Periodic monitoring of CSR Policy implementation, projects, programs, and activities aligned with the CSR Annual Business Plan (ABP) is a crucial role of the CSR Committee. The committee mandates the submission of CSR progress reports in a specified manner and frequency. Evaluation, conducted by third-party assessments and concurrent internal audits, includes baseline and impact assessments with key indicators within agreed thematic areas for CSR programs.



Company policies

AM/NS India is committed to adhering to the highest standards of ethical, moral, and legal conduct of business operations.

Whistle-blower policy

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. We also follow a strict policy for non-retaliation and always ensure the confidentiality of the whistleblowers.

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

.....
A total of 14 cases related to anti-corruption were reported during the year. AM/NS India initiated action in 20 cases in total, including the corruption cases pending from the previous year. Actions included disciplinary measures as well as dismissal of employees from the organization.
.....

Anti-Competitive Behavior

AM/NS India 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 behavior.
.....

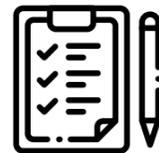
Procurement Practices

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. It's primary objective is to familiarize business users with the fundamental principles and procedures governing the acquisition of products and services at AM/NS India.

In addition to the above policies, AM/NS India has the following policies as well.



CSR Policy



Competitive Compliance Guidelines



POSH Policy



Human Rights Policy



Environment Policy



Quality Policy



Diversity & Inclusion Policy



Code of Conduct Policy



Business Practice Policy



Conflict of Interest Policy



Intellectual Property Policy



Procurement Policy



Health and Safety Policy



Sanctions Compliance Policy



Data Protection Policy



Media Policy



Social Media Policy

Risk Management

The Board of Directors has devised an all-encompassing Risk Management Policy and Guidelines to supervise a range of business risks. The primary goal is to preempt situations or conditions that could adversely affect the Company's operations. This policy institutes a methodical approach to managing uncertainties, furnishing a decision-making framework applicable to all business divisions and corporate functions. Key business risks and their corresponding mitigation strategies are assessed regularly through annual and strategic business plans, as well as periodic management reviews. This proactive stance ensures a comprehensive understanding of potential challenges and informs strategic decisions to safeguard the Company's overall operational integrity.

1.5%
senior management at significant locations of operation hired from the local community in 2022

Comprehensive Ethics Line awareness campaign for enhanced Governance

During the year, AM/NS India launched a comprehensive campaign aimed at raising awareness about the Ethics Line system and its governance across the entire organization, spanning multiple locations. To ensure widespread understanding, strategically placed promotional materials such as posters and standees, incorporating local languages, have been deployed at each location. Proactive measures have been undertaken to manage ethical concerns and their impacts, including robust processes to track the effectiveness of actions taken, specific goals and targets for progress evaluation, and indicators for comprehensive assessment.

Monthly reports from the investigation team to the management provide a detailed overview of the status of each case, along with the implementation of recommendations. The Ethics Line case management system plays a crucial role in this process by tracking the aging of cases and providing real-time updates to reporters. Effective communication with whistle-blowers is facilitated through the Ethics Line system, ensuring a thorough investigation of all concerns. The system also allows whistle-blowers to monitor the status of their reported cases, promoting transparency and accountability. Lessons learned from this initiative have been incorporated into the organization's operational policies and procedures, fostering a continuous improvement cycle.





Economic Performance

AM/NS India acknowledges that economic success is not only crucial for our sustainability, but also holds significant importance for all our shareholders. We acknowledge the broader impact of this on the communities within our operational sphere, emphasizing a comprehensive perspective that goes beyond mere financial metrics. This section articulates our commitment to responsible financial management, underscoring our dedication to achieving economic performance that aligns with the principles of sustainability. Through strategic insights and detailed understanding of our fiscal landscape, we present a narrative that encapsulates the interconnectedness of economic success and our responsibility to the communities we serve.

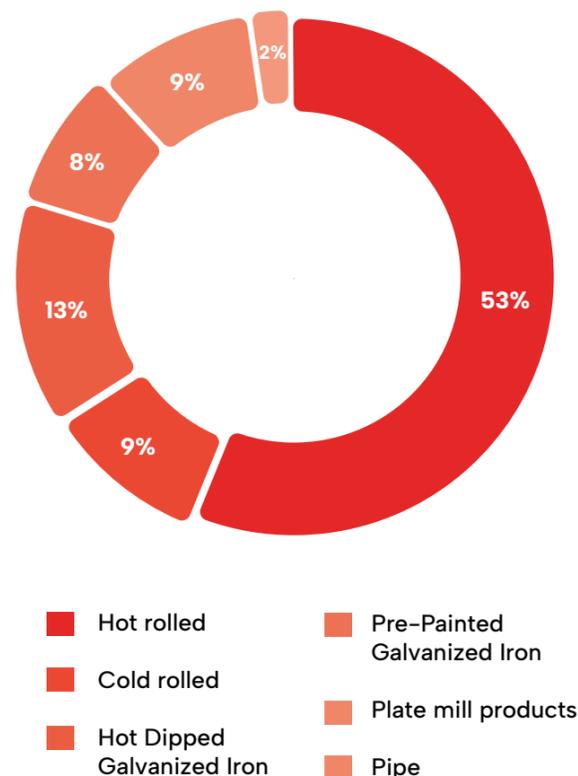
The year 2022 was a period of uncertainty, with the global economy navigating through ongoing geopolitical tensions, rising inflation, food supply crisis, and the lingering impact of the Covid-19 pandemic.

Despite the unprecedented challenges, we resumed normal operations at both our plant locations and corporate offices, due to the dedicated efforts of the government and the commitment of our employees.

In the fiscal year 2022-23, India's steel demand experienced a YoY growth of 13%, reaching 120 million metric tons (Source: JPC). Despite a contraction in steel demand in various global regions, the government's emphasis on infrastructure spending provided the much-needed boost to steel demand in India.

AM/NS India achieved a total sales volume of 6.5 million metric tons with the domestic market as the primary focus, constituting 91% of total sales. The remaining 9% of the sales were directed towards exports. Sales volumes in the domestic market increased by 13% YoY, while exports saw a 65% YoY decrease, primarily attributed to a weakened international market. Our focus for exports remained in the ME and EU market, contributing to an impressive 86% of the total export.

AM/NS continues its commitment to selling value-added grades, resulting in higher realization. Downstream products contributed to 32% of the total sales volume.



Particulars	UOM	2020-21	2021-22	2022-23
Revenue	₹/Cr	32,027.36	55,634.19	53,399.10
EBIDTA	₹/Cr	7,082.43	15,344.19	8,503.99
Net Profit	₹/Cr	1,868.70	7,943.69	2,186.95
EPS	₹/share	2.03	8.61	0.87
ROCE	(%)	9.34	19.46	7.52
Operating Cost	₹/Cr	25,509.71	40,939.86	45,930.21
Net Debt	₹/Cr	38,707.53	28,535.15	32,453.69

GRI 201-1

Direct economic value generated and distributed

Particulars	Unit	FY 23 (Apr'22 to Mar'23)	FY 22 (Apr'21 to Mar'22)	FY 21 (Apr'20 to Mar'21)
Direct economic value generated: revenues;	₹/Cr	54434.2	32,592	28,285
Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;	₹/Cr	49603.52	29116	26937
Economic value retained: 'direct economic value generated' less 'economic value distributed'.	₹/Cr	4830.68	3476	1348

Notes:

- Direct economic value generated revenues: It includes revenue from operations & other income.
- Economic value distributed: It includes below listed cost:
 - ◇ Cost of Materials Consumed
 - ◇ Purchase of Traded Goods
 - ◇ (Increase)/Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade
 - ◇ Power and Fuel
 - ◇ Employee Benefits Expense
 - ◇ Manufacturing and Asset Maintenance
 - ◇ Administrative Expenses
 - ◇ Selling & Distribution Expenses

- Payments to government:

As per guidance "An organization can calculate payments to governments as all of the organization's taxes plus related penalties paid at the international, national, and local levels. Organization taxes can include 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

Payments to providers of capital: It includes Finance cost on accrual basis.



Environmental Performance

Given the nature of our business, it is crucial for us to actively manage the environmental impact of our operations. Despite the inherent challenges associated with steelmaking, we are unwavering in our commitment to national decarbonization efforts, aligning with India and Parent organizations' climate ambitions.

We anticipate positive outcomes in the near future resulting in changes in our input materials and manufacturing processes. Additionally, we are committed to optimizing resource use and recycling, particularly with water, while also controlling waste generation at our facilities. Across all units of AM/NS India, ongoing efforts are underway to minimize greenhouse gas emissions. The subsequent pages will provide a detailed overview of the initiatives undertaken during the calendar year 2022.

Our Decarbonization efforts include:

- ◊ Largest Natural Gas-based Direct Reduced Iron (DRI) facility in India: H₂ (Hydrogen) compatible
- ◊ Steel Making Step: Electrified [Electric Arc Furnace (EAF) & CONARC]
- ◊ Port based facilities
- ◊ Exploring Green Hydrogen (H₂), Carbon Capture Utilization & Storage (CCUS) system and direct electrolysis for long term decarbonization

Material Consumption

Our procurement process wields an indirect influence through the goods and services we acquire. Recognizing this, AM/NS India is establishing a system that encourages our upstream vendors to exhibit a comparable commitment to sustainability. Striking a balance is essential when market forces render our products economically unfeasible, and AM/NS India is conscious of navigating this challenge.

For our power plants, we source low-sulfur coal to mitigate the environmental impact of sulfur dioxide emissions. Considering the increasing adoption of alternative fuels like CNG, bio-diesel, and electric vehicles, AM/NS India is actively exploring these options in future. Currently, a significant portion of our transportation occurs via maritime routes and sometimes through rail transport.

The economy can be adversely affected if purchased products become unavailable, potentially leading to increased costs. While stringent policies in our manufacturing operations ensure no involvement of child labor, we are working to extend this assurance to our supply chains. Our comprehensive procurement policy advocates ethical and sustainable practices, explicitly prohibiting the use of child labor

by our business partners. Spot audits are conducted to verify compliance, and our supplier evaluation process considers both economic criteria and product quality.

To tackle environmental challenges, we responsibly recover and repurpose slag for road construction, contributing to waste reduction. Lower-ash coal aids in minimizing fly ash generation, and the use of radioactive scanners enhances safety measures

Stakeholder engagement is integral to our procurement strategy, emphasizing open communication and collaborative discussions with our suppliers. Seeking their inputs on critical materials, new developments, and material quality ensures a responsive approach aligned with our environmental, social, and economic responsibilities.

8%

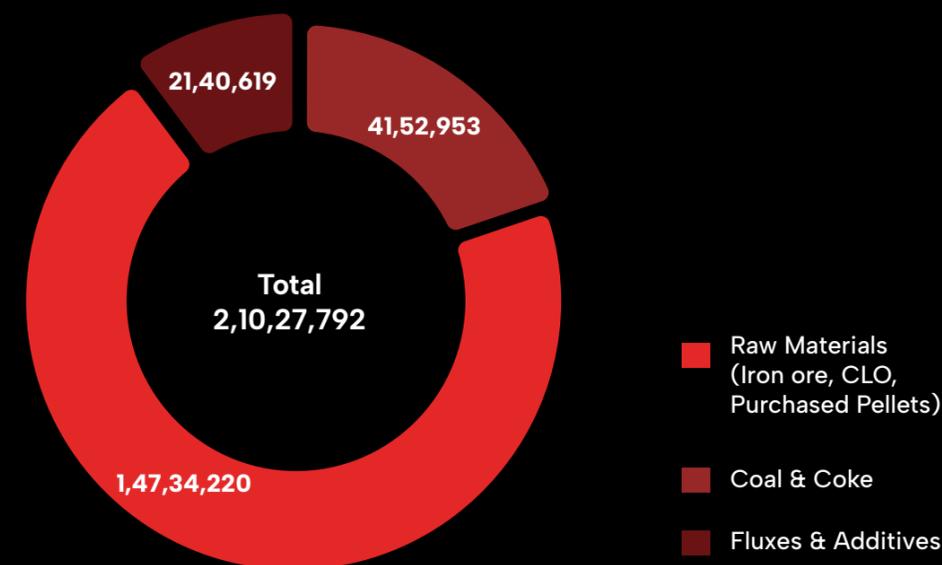
Recycled input materials used in 2022

GRI 301-1

Materials used by weight (MT)

Material Type	Calendar Year		
	2020	2021	2022
Coal & Coke	44,75,784	50,36,419	41,52,953
Raw Materials (Iron ore, CLO, Purchased Pellets)	1,27,64,539	1,35,79,728	1,47,34,220
Fluxes & Additives	20,46,307	24,17,697	21,40,619
Other Raw materials	13,885	17,722	1,25,913
Total	1,93,00,515	2,10,51,566	2,11,53,705

Material used by weight (MT) for the year 2022



GRI 301-2

Recycled Material Used (MT)

	Calendar Year		
	2020	2021	2022
Total Recycled materials used	50,68,45	4,81,064	17,16,436

Included the internally generated wastes/by-products that were internally recycled through sinter plant at Hazira. Hence, there is an increase in 2022 value. The data for 2020 & 2021 considering the sinter plant input data will be 20,53,446 & 17,51,088 respectively.

Water Management

Water management emerges as a cornerstone in our commitment to environmental stewardship. As a leading steel company, we recognize the pivotal role water plays in our operations and the broader ecological landscape. Water is intricately woven into the fabric of our manufacturing processes, from raw material extraction to the final stages of production. Our approach to water sustainability extends beyond compliance. We have adopted measures to enhance water conservation, reduce consumption, and embrace circular practices that prioritize the recycling and reutilization of water resources. We have put in place specific measures at each of our units to ensure optimal usage of water and discharge of reusable water.

Hazira

This is one of the biggest steel plants in India, and our biggest operational unit. This makes it important that we rationalize water withdrawal, usage, and recycling at Hazira. The Tapi river is the primary source of water. The water drawn from Tapi is also supplied to the neighboring plants of L&T and AM/NS Power, along with drinking water to three neighboring villages who have no source of fresh water.

AM/NS India has commenced efforts to achieve the Zero Liquid Discharge (ZLD) at the Hazira complex. With this, our Hazira complex will successfully recycle its entire treated effluent back into its operations through reverse osmosis (RO) units.

At the Hazira unit, we have prepared a detailed roadmap to revamp the existing rainwater system to harvest a million m³ of water over two years, to reduce our dependence on the vagaries of nature. To achieve optimal efficiency in rainwater harvesting, more than two kilometers of pipes have been laid with 12 pumps installed at various locations on the way. In CY22 we harvested more than 500,000 m³ of rainwater through our rainwater harvesting facilities within the unit.

Recycling and reuse of water helps us reduce raw water consumption. Water from the shop floor, chemical dosing system, and main pump house is reused in the pump house of slag granulation, and from cooling tower blow down for slag quenching. We have increased the recycling in Cooling towers through Maximum Cycle of Concentration of cooling towers and Efficient Water treatment.

Paradeep

Several water recycling measures have been put in place to support water conservation. Tube Settlers having a capacity of 500 m³/Hr are used to reduce suspended solids in iron ore slurry from 300 ppm to 10 ppm. Clarified water generated towards cooling tower make-up and production of demineralized (DM) water that is used in boilers. Effluents from DM plant are neutralized and then sent through the RO to the guard pond. Discharges from cooling tower blow down, boiler blowdown, and DM plant backwash are collected in a dedicated guard pond. Water from guard pond after treatment is being used for ash conditioning, dust suppression, firefighting water storage and for other uses.

Pune

Plans are afoot to reduce water consumption through use of RO treated water.

At the Pickling line, the condensate water from heat exchangers is drained into the cellar of pickling line, increasing the effluent load. This process has been improved by using a collection of condensate water in a tank and then pumping the water to rinse the recirculation process tank for rinsing strip.

Wastewater is treated through two effluent treatment plants having capacities of 200 m³/day and 120 m³/day. Multi effect evaporators that use steam are in place to further treat the ETP treated water for direct use in the process. Plans are in place to use waste heat through Mechanical vapour recompression evaporation to reduce water and energy. A sewage treatment plant of 200 m³/day is in place and the treated water is used for gardening within the plant premises.

Waste reduction and recycling at Hazira

Sewage generated from various expansion plant units will be treated in the existing sewage treatment plants of capacity 480 KLD inside the plant premises and two numbers inside the township having capacities of 1000 KLD and 600 KLD. A new STP of 840 KLD is planned for construction. Sewage generated from the plant units located at the western side of the Hazira steel plant will be transferred to a new sewage treatment plant to be located in the north side of the plant through gravity type sewerage network. Treated effluent from the sewage treatment plant will be further treated in the effluent treatment plant.

Vizag

Water is filtered from iron ore slurry and then used in the new captive power plant as coolant and for the fire hydrants. Effluents from the process are clarified in thickeners and recycled back into the plant. There is zero discharge of water outside the plant boundary.

Thakurani & Ghoraburhani-Sagasahi Iron Ore Mines

Water is withdrawn through four existing borewells near the mining lease area. Water is used for dust suppression by sprinkling on road or using dry fog systems, wheel and vehicle washing, and general domestic use.

Wastewater from wheel washing and vehicle washing is collected and reused after settling in tanks. A sewage treatment plant is in place to treat water after domestic use in toilets and canteen. This treated water is used for green belt development. All major existing units have been provided with Effluent Treatment Plants that recycle treated water that is then used for secondary applications like slag cooling and horticulture. Any excess treated effluent is discharged to Tapi estuary at downstream point as per appropriate consent from the state pollution control board. The ZLD project when implemented as part of the steel capacity expansion project will result in no discharge outside the plant complex.

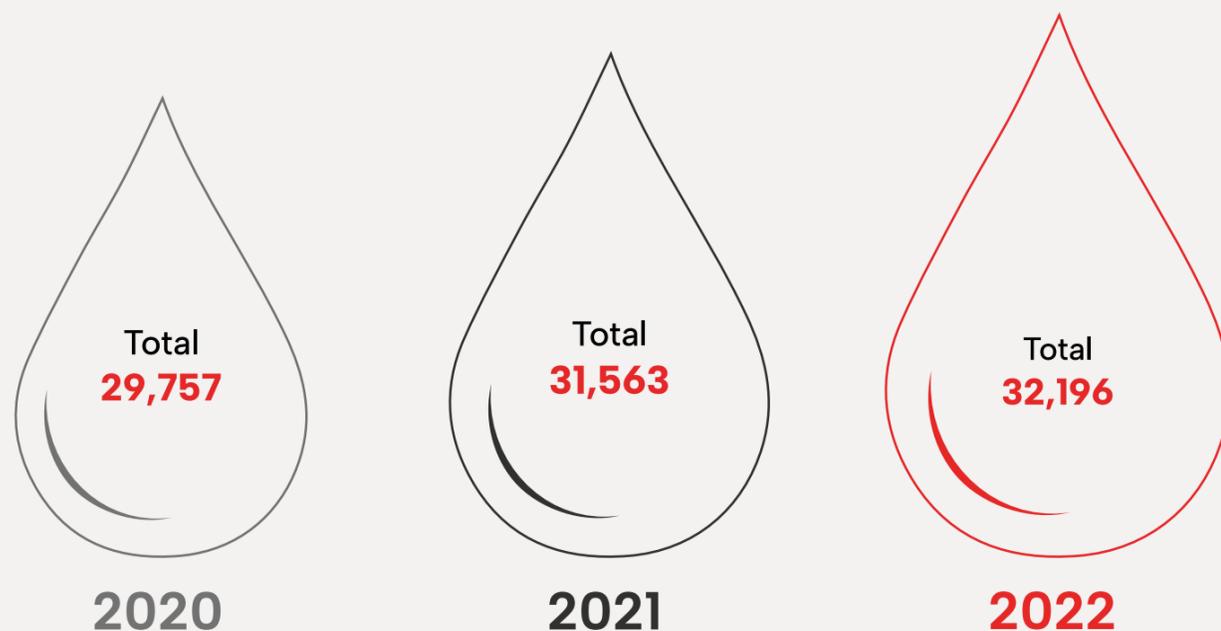
The run-off generated from the mining lease is properly channeled through garland drains, check weirs & settlings ponds to reduce the silt/run-off generation. Water quality monitoring of ground water both in the core zone and buffer zones is carried out on a quarterly basis. The mines have settling/percolation ponds at various locations for rainwater harvesting to replenish the ground water table. No effluent is being discharged out of the mining lease area.

GRI 303-3

Water Withdrawal (ML)

	2020	2021	2022
Surface Water (ML)	28947	30745	31549
Ground Water (ML)	0	166	122
Rainwater (ML)	810	651	524
Total water withdrawal from all areas (Mega Liters)	29757	31563	32196

Total Water Withdrawal (ML)



GRI 303-4

Water Discharge (ML)

	2020	2021	2022
Water Discharge (ML)	2755	3183	2568

GRI 303-5

Water Consumption (ML)

	2020	2021	2022
Water Consumption (ML)	27,002	28,379	29,627
Specific Water Consumption [m ³ /TCS]	3.78	3.6	3.68

The data for 2020 & 2021 reported in previous year's report was revised and considered here.

Energy Management

Our Environmental Policy stands as a steadfast commitment and driving force propelling us toward compliance and enhanced energy performance. Achieving this involves the optimal utilization of available energy resources, fostering energy efficiency, and promoting conservation both within and beyond our operations.

We meticulously monitor energy data through metering integration, employing the WSA methodology for specific energy consumption calculations. Internal gap analyses guide initiatives to enhance energy efficiency through technological and equipment upgrades. Recognized as a designated energy consumer under the Bureau of Energy Efficiency's (BEE) Performance Achieve and Trade (PAT) scheme, we consistently submit energy returns.

Our energy intensity target for the cycle is 6.639 GCal/tcs by FY 2025, and we achieved 6.695 GCal/tcs in FY 23. In our modernization and expansion project, we optimized gas, power, and steam balances during the design stage to further reduce energy intensity. Technical discussions for a rooftop solar project have been completed, aiming to generate clean electricity and minimize our carbon footprint.

Some of our energy conservation projects in 2022 are listed below:

Sl. No.	Energy Saving Proposals	Energy savings in GCal	Completion date
1	Maximize HDRI usage to save energy	353303	Aug-22
2	To increase cooling gas scrubber cooling efficiency by 15 % in Mod 6 - NG Saving	40207	Oct-22
3	Opportunity to reduce compressed air leakage	14927	Apr-22
4	Increasing feed gas temp through recuperators to reduce fuel consumption in Mod-1	12566	Oct-22
5	Energy saving by increasing utilization of Mist air compressor and merging with IA/CA grid.	8122	May-22
6	To reduce pressure, drop in Plant B HOC air dryers.	6220	Apr-22
7	Phase I	5641	Dec-22
8	Laminar Pump replacement with energy efficient pumps - 4 Nos.	4916	Apr-22
9	Cooling tower Pump replacement with energy efficient pumps - 3 nos.	4214	Apr-22
10	To reduce INI caster water cooling pumps and mist air compressor idle power consumption.	3347	Dec-22
11	Reduction of Fuel Consumption by 15-20% in Tunnel Furnace Line C.	3288	Jul-22

Several initiatives on reduction of energy were implemented that resulted in total Energy Savings of more than 482,000 GCal.

AM/NS India is actively working to expand our renewable energy portfolio, with the initiation of our first energy storage project, ArcelorMittal – Greenko Renewable energy project, backed by a \$0.6 billion investment in renewables. This project boasts a nominal capacity of 975MW and is supported by a hydro-pumped storage initiative, effectively addressing the intermittency of wind and solar sources and ensuring a continuous power supply.

Under a 25-year off-take agreement, AM/NS India has committed to purchasing 250MW of renewable electricity annually. This commitment accounts for more than 20% of Hazira's electricity needs, leading to an annual reduction of approximately 1.5 million tons of carbon emissions. The project is expected to be commissioned by mid-2024, and there is an option to explore a second phase to double the installed capacity.

Reason for lower energy GJ/tcs in CY21 comparison to CY22.

Higher Crude Steel Production: Higher crude steel production resulted in overall improvement in specific energy consumption.

Higher energy Credit from Power Plants: higher generation from captive power plant (500MW) having lower heat rate than grid heat rate, resulted in lower power import and overall improvement in specific energy consumption.

Our approach to managing energy consumption showcases our commitment to sustainability and efficiency. Our energy intensity has continually reduced reflecting our sincere efforts to sustainable practices and continual improvement in energy management paving the way for a more environmentally conscious and efficient operational model.

GRI 302-1

Total Energy Consumption within the organization (In GJ)

Calendar Year		
2020	2021	2022
14,32,57,255	23,19,46,400	20,35,50,419

GRI 302-2

Total Energy Consumption outside the organization (In GJ)

Calendar Year		
2020	2021	2022
1,29,99,105	1,38,46,307	1,43,15,315

GRI 302-3

Energy Intensity for the organization (GJ/Tcs)

Calendar Year		
2020	2021	2022
28.38	27.54	28.27

GRI 302-4

Reduction of Energy Consumption (GJ)

Calendar Year		
2020	2021	2022
4,85,044	5,70,408	20,19,583

GRI 302-5

Reductions in Energy Requirements of products and services (GJ/tcs)

Calendar Year		
2020	2021	2022
0.213	0.841	-0.737

Solar Projects in AM/NS India Service Centres

Pune and Bahadurgarh Service Centers have taken the lead on solar power generation. AM/NS India Service Centers (SSCs) had committed to adopt Green Energy in 2021. Pune SSC took the lead by going live on 28th Oct'22, while Bahadurgarh SSC will begin in March'23. The regulatory environment and its requirements were complied with at each level and by every authority.

At these SSCs, solar energy will be harvested in addition to conventional power. Solar Photovoltaic Panels (PV) have been roof-mounted and procured through the CAPEX model to run plant operations. Any surplus power generated will be monetized by transferring it to the grid. As the plant's consumption increases, carbon emissions are estimated to reduce by 415 MT annually and generate cost savings to the tune of Rs 45- 55 lacs from each Service Center.

Pune SSC has installed solar panels with capacity of 800 KW whereas Bahadurgarh will generate 500 KW.



Responsible growth. Resilient business.

Emissions & Air Pollution

In our relentless pursuit of sustainable practices, we recognize the imperative to address emissions and air pollution within the context of our steel manufacturing operations.

AM/NS India is dedicated to reducing GHG (Greenhouse Gas) emissions, and we monitor CO2 emissions using the World Steel Association methodology which helps us track decarbonization progress across all our operations. We rely on set goals, targets, and indicators to evaluate the efficacy of our decarbonization efforts, ensuring alignment with the intended objectives.

AM/NS India's endeavors to expand and contribute to India's steel capacity target by 2030. However, this growth comes with a concurrent rise in emissions in the short to mid-term, and present challenges such as elevated emissions and energy consumption. AM/NS India acknowledges its responsibility and is committed to reducing carbon emissions and aligning with India's goal of carbon neutrality by 2070.

In the long term, our alignment with the decarbonization goals of our parent organization is firm, and we are dedicated to supporting the nation's aim of achieving carbon neutrality by 2070. Currently, AM/NS India is actively developing a thorough action plan to meet the interim target set for 2030. In quantifying greenhouse gas emissions, we strictly follow the world steel methodology.

AM/NS India follows the WSA methodology for GHG emissions calculation with the following parameters:

1. GHG emissions considered: Only CO₂ (as other GHGs contribution is minimal in steel plant operations)

2. Boundary: Pellets from Paradeep/Vizag to Hazira Downstream
3. Exclusions: Mining, transportation, power plants (except 500 MW which was owned by AM/NS India during that time)
4. Scope: Scope 1, Scope 2 and limited Scope 3 (raw material and by-products directly related to steel production)
5. Scope 1 includes CO₂ emissions from all directly used materials for steel production.

AM/NS India recognizes the imperative of investing in decarbonization technologies and enhancing the use of energy-efficient equipment. Additionally, incorporating more recycled scrap into our processes contributes to improved energy efficiency. AM/NS India actively collaborates with various stakeholders, including government bodies and customers, focusing on influencing policies and regulations to reduce energy costs, enhance energy efficiencies, improved financing options, and ensure a steady supply of high-quality scrap for integrated steel producers.

This ongoing engagement reflects our commitment to developing effective strategies that address environmental concerns while aligning with our aspirations for economic growth.

Each of our sites are equipped with Ambient Air Quality Monitoring Stations (AAQMS), and a Continuous Emission Monitoring System (CEMS), ensuring real-time tracking of emissions, with data transmitted to relevant pollution control boards. This information is made accessible to the public through digital displays installed at the main gates. In addition, manual monitoring by a NABL accredited Laboratory is conducted on a weekly/monthly basis.

Our modernization projects to improve environment, enhance energy efficiency and material consumption include:

Hazira

- ◊ Added Acid Recovery unit for acid recovery, reducing waste.
- ◊ ₹200 Crore investment to meet environmental standards.
- ◊ Installed 70+ real-time emission monitors in stacks.
- ◊ Implemented measures: manual sprinkling, road sweeping, enclosures for loading/unloading. Improved suction efficiency, increased bag house capacity for enhanced environmental impact.

Pune

- ◊ Use cleaner propane in manufacturing.
- ◊ Installed Regenerative Thermal Oxidizer (RTO) for volatile organics control, heat recovery, reduced fuel consumption, and emissions.
- ◊ Implemented Acid Regeneration Plant (ARP) for complete acid recovery.
- ◊ Commercially valuable red iron oxide powder (by-product) demanded by various industries.

Paradeep

- ◊ Dedicated underground slurry pipeline transports raw material to the pellet plant and closed overhead conveyor handles product transport.
- ◊ Installed dry fog systems in raw material conveyors to eliminate dust emissions.
- ◊ Electrostatic precipitators and scrubbers control stack emissions in the pellet and power plants.
- ◊ Sprinklers deployed for fugitive emission control across plant areas and roads.

Dabuna

- ◊ High pressure mist forming water sprinkling systems in all the iron ore feeding hoppers and discharge chutes of transfer houses.
- ◊ Operational truck unloading station with a conveying system for material transport to the stock yard.
- ◊ Concrete roads have been constructed in Pit areas and stock yard which help in reduction of fugitive emission during vehicle movement.

Improvements this year include modification to the fume extraction system for efficient suction and increase in bag house capacity.



Process Optimisation



Renewable Energy



Scrap Management



Fuel Substitution

Target
<1.80 tCO₂/tCS

**GHG Reduction
Plan for 2030**

GRI 305-1

Gross direct (Scope 1) GHG emissions (tCO₂):

Calendar Year		
2020	2021	2022
1,24,94,362	1,47,58,781	1,30,80,976

GRI 305-3

Other Indirect (Scope 3) GHG Emissions (tCO₂)

Calendar Year		
2020	2021	2022
1,70,883	1,93,913	37,032

GRI 305-5

GHG emissions reduced as a direct result of reduction initiatives

Calendar Year		
2020	2021	2022
26,110	30,948	1,04,093

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 above.

GRI 305-2

Energy Indirect GHG Emissions (tCO₂)

Calendar Year		
2020	2021	2022
23,26,496	15,11,938	21,53,956

GRI 305-4

GHG emissions intensity ratio

Calendar Year		
2020	2021	2022
2.26	2.23	2.28

GRI 305-6

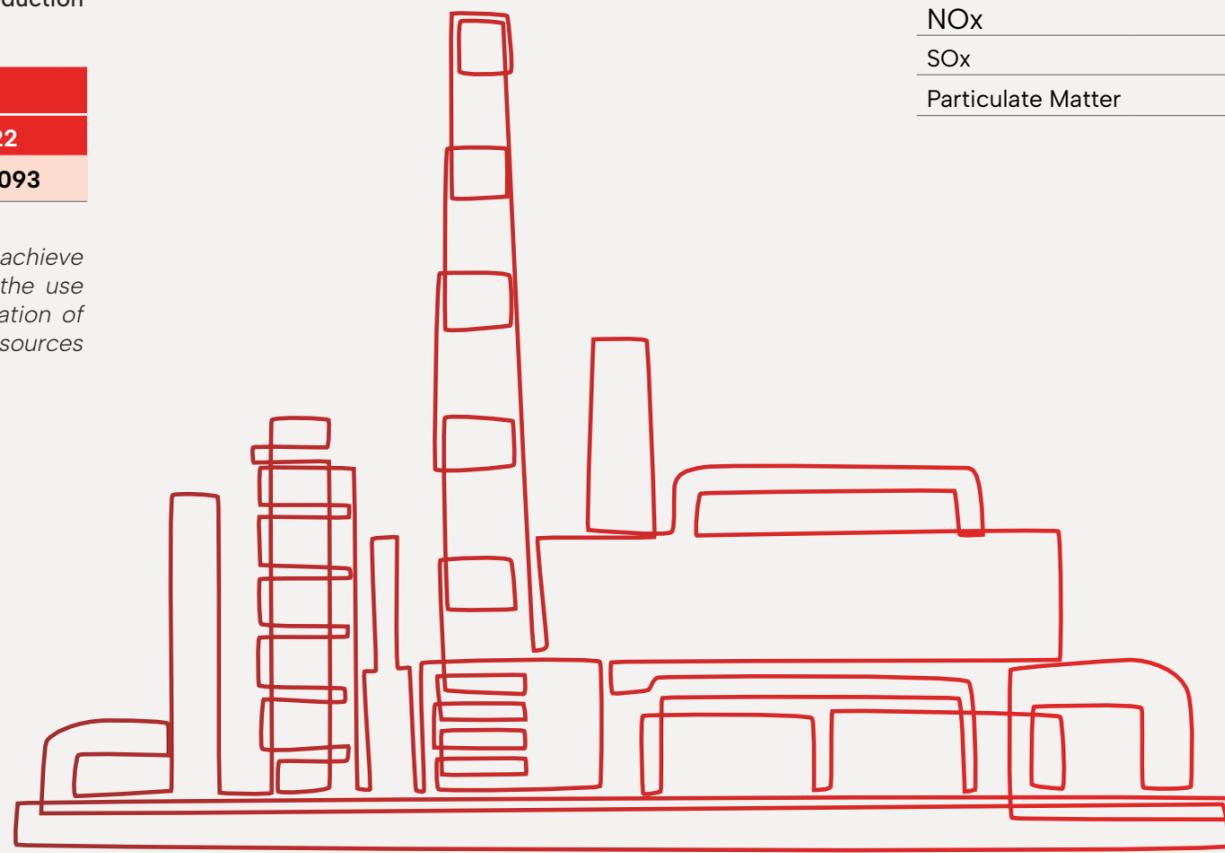
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Use of Refrigerant in 2022	Quantity (Kg)	Ozone depleting potential	Kg. of CFC-11 equivalent
R 22	843	0.055	46.365
R 134a	557	0	0
R 124	144	0.016	2.304
R 407c	130	0	0
R 410A	116	0	0
R 32	50	0	0
R 236fa	89	0	0
R 227ea	10	0.42	0.42
Total			49.089 Kg.

GRI 305-7

Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions (tons)

	2020	2021	2022
NOx	3300	3787	5079
SOx	1343	1847	2198
Particulate Matter	2355	3049	4264



Waste Management

Efficient management of solid waste stands as a critical material concern for AM/NS India, given the substantial volumes produced during the steelmaking process. These include materials like iron and steelmaking slag, sludge, fines, and fly ash, highlighting the importance of strategic approaches to handle and repurpose these by-products. A substantial portion of the generated process waste is either reused or recycled.

At AM/NS India, we prioritize waste management by focusing on the prevention of waste through process changes and operational efficiencies. Innovative technological solutions support these process changes, promoting sustainable product management. Our waste reduction strategy follows the 4R concept - Reduce, Recycle, Reuse, and Recovery. Waste disposal occurs only when reuse or recycling is not feasible, involving either solid waste at designated locations and hazardous waste at authorized landfill facilities. Some waste undergoes incineration to prevent pollution to land or water.

Circularity measures are integral to our approach, repurposing by-products as input raw materials for new product manufacturing and effectively recycling internally within our plants. For example, steel slag processing facilitates metal recovery, resizing for use as natural aggregate replacements in construction, and manufacturing finished products from fines, dust, and sludge. These finished products are then recycled in the iron-making process, contributing to cost reduction and adding value to our by-products.

The by-products generated during the steelmaking process, such as steel slag, find purpose in road construction. In collaboration with the Central Road Research Institute (CSIR - CRR) in Delhi, we successfully utilized steel slag to prepare a 1.2 KM road, replacing natural aggregates.

Daily monitoring of data, including by-products generation and waste, is conducted at AM/NS India. By-products that cannot be internally recycled within the process are sold, with records maintained in our integrated data management system. Waste generation is tracked against an annual business plan, incorporating metrics and benchmarks against other steel manufacturing companies globally. Learnings from this analysis guide improvement actions, underscoring our commitment to environmental protection at the core of our waste management efforts.

AM/NS India constructs world's first all-steel slag asphalt road in Hazira

AM/NS India has achieved a groundbreaking feat by constructing the world's first heavy-duty all-steel slag asphalt road in Hazira, Gujarat. Spanning approximately 1 km, this six-lane road links NH-6 to Hazira port and supports the daily transit of 1200 to 1500 trucks. Processed Electric Arc Furnace steel slag aggregates, totalling 1 lakh tons, were utilized as a 100% substitute for natural aggregates in all layers of the road, a revolutionary approach under the technological guidance of CSIR-Central Road Research Institute. The project not only showcases environmental benefits such as sustainable utilization of steel slag waste, reduced carbon footprint, and prevention of pollution but also proves cost efficiency, with the steel slag road estimated to be 30 to 40% cheaper than conventional roads. This remarkable achievement sets global records, marking a paradigm shift towards eco-friendly, durable, and cost-effective road construction.



GRI 306-3

Total Waste Generated:

Total weight generated and a breakdown of this weight by major contributor		
Indicator	UoM	2022
Slag	metric tons	20,30,220
Fines	metric tons	10,39,518
Dust	metric tons	1,80,619
Sludge	metric tons	1,04,252
Mill Scale	metric tons	80,216
Chips	metric tons	20,961
Fly Ash	metric tons	50,586
LF pot Skull	metric tons	27,653
Scrap	metric tons	9,72,241
Tailings	metric tons	1,88,321
Others	metric tons	23,12,467
Total	metric tons	71,95,711

GRI 306-4

Total Waste Diverted from disposal

Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste.			
Indicator	2020	2021	2022
FES Dust	96,270	1,15,797	5,70,851
Chamber Lumps	-	9206	2,623
Sludge Pond Fines	1,15,992	1,30,805	26,85,728
Corex Sludge	35,314	37,255	31,065
ETP Sludge	13,709	9,986	9,465
Coal Fines	24,525	68,979	2,84,830
Dolime Fines (Product fines)	6,228	6,749	11,539
Granulated Slag (IM)	-	-	15,28,125
Processed Steel Slag	8,76,364	10,71,101	2,41,360
Others	-	-	31,18,296
Total	11,68,402	14,49,878	84,83,882

GRI 306-5

Total Waste Directed to disposal

Total weight of waste directed to disposal in metric tons.		
2020	2021	2022
19,057	7,010	1,10,77



Social
Performance

At the heart of our sustainability journey lies a unwavering dedication to creating a positive and lasting impact on the communities around us. We recognize that sustainable business practices encompass the well-being of people and includes our employees and the people we serve and the environments we inhabit. Our Social Performance section is a comprehensive overview of our strategy, programs and the initiatives we undertake emphasizing constructive social transformation and aligning our practices with a broader societal and environmental well-being.

Employees

At the heart of our operations at AM/NS India, our employees stand as the true champions of sustainability. Their steadfast commitment to environmental responsibility, social impact, and ethical practices forms the cornerstone of our collective journey toward a more sustainable future.

From the shop floor to the boardroom, our team members actively contribute to innovative initiatives, demonstrating dedication to conscientious resource management and community engagement.

This section is a tribute to their dedication, showcasing the tangible results of their efforts and the ongoing initiatives that reflect our shared commitment to a greener and more responsible operation. As we navigate the dynamic landscape of our industry, our employees stand as the driving force behind our sustainability goals, demonstrating that true progress lies in the hands of a mindful and purpose-driven team.

AM/NS India's workforce in 2022 comprised of 5661 permanent employees and 21415 contractual employees.

We are committed to fostering a diverse and inclusive workplace. By 2025, our aim is to achieve a 25% women workforce, empowering them and providing equal opportunities for professional growth. Currently, our workforce comprises around 6% women, and we are actively implementing advanced learning and development programs to further encourage women's participation across all levels. We are also conscious of our commitment to the local communities. More than 40% of our workforce is comprised of locals, contributing to regional growth and development.

Emphasizing inclusivity, we maintain an accessible workplace for differently-abled individuals, ensuring equal participation and opportunities. We are also committed to global safety and governance standards and prioritize the well-being and security of our employees while upholding the highest ethical practices across our operations.

Currently 6% of our total workforce comprise women. Our target is to achieve 25% by 2030



Diversity & Inclusion

The Diversity & Inclusion policy functions as a guiding framework for human resource management, ensuring a discrimination-free atmosphere at AM/NS India. Stringent measures have been implemented to prevent bias incidents related to gender, race, color, age, religion, disability, and more across all operations. Individuals experiencing discrimination are encouraged to report incidents to the Ethics Counsellor and Internal Complaints Committee for prompt action.

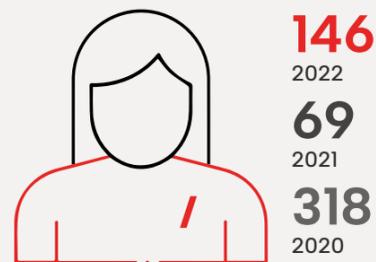
Diversity and inclusion are foundational to fostering a vibrant and equitable workplace at AM/NS India. The company steadfastly commits to championing these principles, recognizing that a diverse workforce contributes to enhanced employment outcomes, heightened productivity, improved well-being, substantial social advantages, and increased employee engagement. To realize these ideals, AM/NS India has implemented strategies such as boosting the representation of women in leadership roles, ensuring equal opportunities for all team members, and introducing inclusive and gender-neutral policies. The Company conducts sensitivity workshops and provides essential facilities like after-hours drop-off services, improved restroom and changing room amenities, on-site crèches, uniforms, and other supportive measures.

Our initiatives aimed at enhancing workforce diversity include:

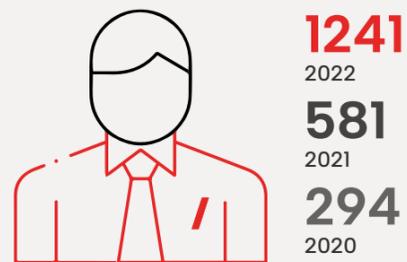
1. Working on the ecosystem to create support through:
 - ◊ Introducing more inclusive and gender-neutral policies
 - ◊ Efforts towards building skill and overall capability of women
 - ◊ Building careers through career conversations
 - ◊ Efforts to involve the spouses of women through various initiatives
 - ◊ Availing opportunities to women who wish to re-join the workforce
 - ◊ Strengthening POSH implementation
 - ◊ Hiring women in non-traditional roles like security marshals, safety marshals and drivers
 - ◊ Promoting safety by hosting self-defense workshops
2. Hiring women in leadership roles to increase representation across levels
3. Dedicating a service center, or a function to be run by women only
4. Driving social media campaigns to attract more women

GRI 401-1

Total number of employee hires by Gender

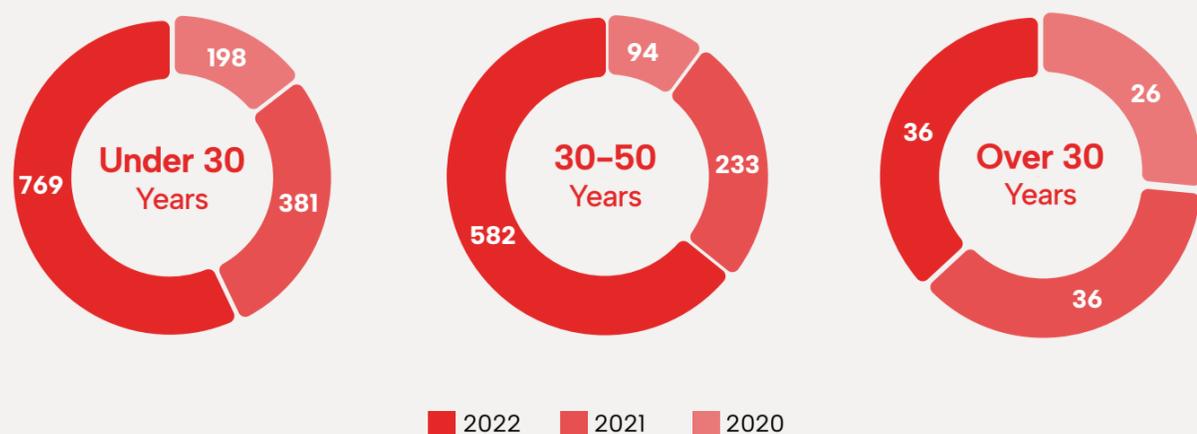


Female
Employees Hired



Male
Employees Hired

Total number of employee hires by Age



Total number of employee hires by Region

Region	UoM	2020	2021	2022
Hazira	number	231	429	1152
Hypermart	number	-	-	06
Mining	number	-	-	42
Odisha	number	18	123	75
Pune	number	13	13	17
Vizag	number	14	24	27
Corporate	number	36	31	33
Service Centers & HM	number	6	30	35
Sub Total	number	318	650	1387

Attrition Rate

Indicator	UoM	2020	2021	2022
Attrition Rate	%	4.17	6.73	7.01

GRI 401-2

Benefits provided to Full Time Employees

Benefits provided to full time employees	UoM	2020	2021	2022
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%

GRI 401-3

Parental Leave					
Indicator		UoM	2020	2021	2022
Number of employees entitled to parental leave	Male	Number	3936	4281	5318
	Female	Number	0	0	343
	Total	Number	3936	4281	5661
Number of employees that took parental leave	Male	Number	171	126	143
	Female	Number	0	0	10
	Total	Number	171	126	153
Number of employees that returned to work after parental leave	Male	Number	171	126	143
	Female	Number	0	0	10
	Total	Number	171	126	153
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	-	Number	-	-	143
Return to work and retention rates of employees that took parental leave	-	Percentage	-	-	93.5

Fair Compensation Policies for all associates

Ensuring fair and equitable compensation for every associate is our paramount objective. We ensure that each associate receives the minimum wages mandated by the respective State Government and serves as the primary benchmark for salary structures.

Regular updates related to minimum wages are incorporated at our facilities every six months to remain compliant with the State Government regulations. An additional layer of scrutiny is added through Industrial Relations (IR) audits, where contractors' wage registers are meticulously examined to ensure strict adherence to statutory compliance and labor laws. In addition, the IR team conducts thorough audits for each contractor, scrutinizing attendance, wage registers and bank statements to comply with the minimum wage requirements.

We also conduct IR Inductions for contractors to adhere to fair wages, and eliminate gender-based discrimination. For calendar year 2022, compensation ratio for males and female employees with respect to minimum wages were 2.02 and 2.05 respectively.

Learning & Development

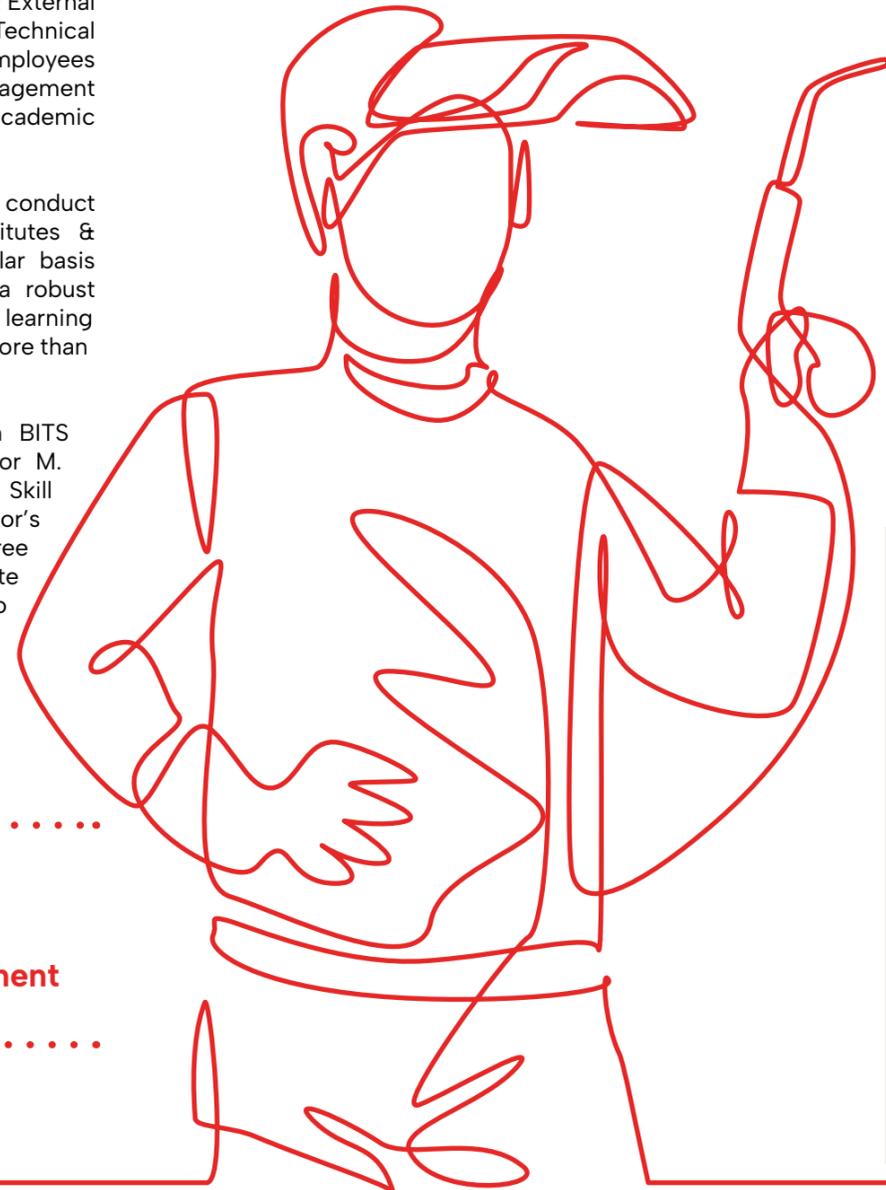
We prioritize learning and development to enhance the competencies of our employees and gain a competitive advantage. Learning forms the core of AM/NS India, representing a defining element of our culture. We strongly believe that continuous learning and development are indispensable for both the success of our Company and the growth of our people. Accordingly, we consistently build and refine our programs to uphold this commitment.

We offer various learning opportunities, including on-the-job training, specific assignments, classroom sessions, and online and virtual training sessions.

Training Programs: Technical, Functional, HSE (Health, Safety & Environment) & Behavioral programs are conducted for holistic development of employees. Training programs are delivered by Internal & External Trainers including faculty from reputed Technical & Management Institutes. We sponsor employees to attend seminars, conferences, and management programs at some of India's top-notch academic institutes.

Leadership development programs: We conduct these through Premier management institutes & elite trainers, Outbound trainings on regular basis to groom our employees. We also have a robust Induction Program for new joiners, online learning through ArcelorMittal University which has more than 40,000 learning resources.

Collaboration: We have collaborated with BITS Pilani for B. Tech Program, IIT Bombay for M. Tech & Ph.D Program and Kaushalya - The Skill University, Government of Gujarat for Bachelor's Degree in Steel Technology, Bachelor's Degree in Green & Renewable Energy, Post Graduate Diploma in Steel Technology program to enhance the higher education and skill development of our employees.



100%
employees received regular performance & career development reviews in 2022

We introduced Learning Week, an interactive program featuring diverse learning sessions, workshops, seminars, and more for all employees. Each session was distinct, fostering the development of skills and the acquisition of knowledge.

Learning Week 2022 Highlights

15,833
Total Learning Hours

8,603
Total Participants



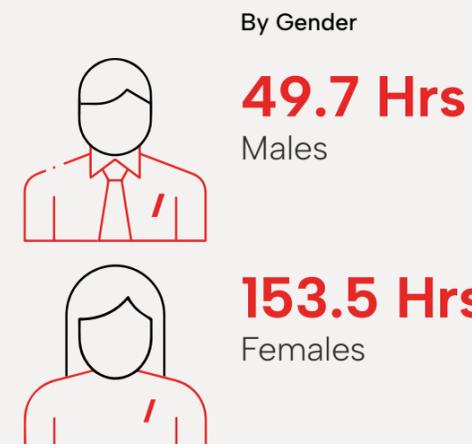
5.61
Average Learning Hours

57
Speakers



GRI 404-1

Average hours of training per employee in 2022



Employee Engagement & Recognition

Employee engagement and recognition play pivotal roles in fostering a positive and thriving workplace culture. Recognizing and appreciating employees for their hard work and contributions not only boosts morale but also creates a sense of belonging and loyalty.

Regular and meaningful recognition, whether through awards, praise, or other forms of recognition, acknowledges individual and team achievements, motivating employees to go above and beyond. Employee engagement goes hand-in-hand with recognition, involving initiatives to actively involve employees in our Company's mission, values, and goals.

Our engagement include open communication channels, and creating a work environment that encourages collaboration and innovation.

PRAISE stands for Platform to Recognize and Appreciate Individuals/teams for Significant Efforts. This program was launched across Hazira, Pune, Vizag, and Odisha from 30th May – 3rd June 2022. It was designed to build and drive a culture of learning, innovation, and recognition.

CEO and Business Excellence Awards

The CEO and Business Excellence Award ceremony took place at the Hazira facility in March 2022, with active participation from senior teams across AM/NS India and award the recipients. After a rigorous review process, the top five teams competed for the CEO Award 2020-21, with three representing Hazira and the other two from Vizag. This Business Excellence initiative not only encourages ideation among employees but also emphasizes the importance of integration and synergy within teams.

- ◇ **Best Asset award**
- Hazira.
- ◇ **Best Operation department**
- Corex Hazira.
- ◇ **Best Service department award**
- Utilities, Hazira.
- ◇ **Best asset in Sujhav Initiative award**
- Vizag.
- ◇ **Best asset in Quality Circle Initiative award**
- Odisha.
- ◇ **Best asset in Six Sigma Initiative award**
- Hazira.
- ◇ **Best asset in Lean CTR Initiative award**
- Pune.



Health & Safety

The inherently hazardous nature of the steel industry, characterized by high temperatures, heavy machinery, elevated workspaces, and toxic by-products calls for stringent safety measures. Dust emissions, gases, and noise expose employees to health hazards, such as hearing loss and respiratory issues. According to the International Labor Organization, over 27 hazards have been identified that contribute to injuries and accidents in the iron and steel industry. At AM/NS India, our Safety Policy underscores our commitment to prioritizing the health and safety of all employees throughout the value chain. We employ a robust risk management system, conducting regular assessments and implementing control measures to eliminate or mitigate risks. Our emergency response plans ensure a prompt and effective response in case of any incidents.

AM/NS India's Vision 2030 centers on recognizing and preventing workplace accidents and injuries while fostering the well-being of our employees. We have a resilient Safety Governance Mechanism, spearheaded by the Health, Safety, and Environment (HSE) committee reporting directly to the Board. The Factory Manager chairs the Central HSE committee, and their directives permeate through Plant Heads of various units. This guidance further cascades through sub-committees, each chaired by relevant functional heads, during monthly reviews, ensuring seamless implementation throughout the organization. Notably, an Associate (Worker) representative actively contributes to the committee's deliberations.

The following table shows the HSE reviews at various levels

GRI 403-1

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

Departmental heads lead sub-committees conduct monthly reviews, ensuring effective implementation of decisions. The outcomes of these committees, along with sub-committees, are seamlessly executed throughout the organization. Health & Safety Committees prioritize equal representation, featuring an equal number of workers and officers to foster a balanced and inclusive approach.

Safety audits are conducted every month, in addition to the statutory audit mandated by the DISH (Director Industries Safety & Health) authority/MSIHCS Rules. In addition, Visible Felt Leadership (VFL) audits are carried out by senior leaders.

Safety Recognition

Central Safety organized a centralized token gift distribution to incentivize reporting of Potential Serious Injuries and Fatality (PSIFs). Under the guidance of the Senior Leadership Team, a felicitation program was conducted during the Department Safety Committee Meeting to reward and acknowledge the Best Reporters of Proactive PSIFs.

Security Practices

We demonstrate a robust management approach towards security practices, positively impacting the economy, environment, and people. We have introduced measures to prevent human rights violations and our security personnel also provide prompt assistance in emergencies, showcasing our commitment to safety and benefiting the local communities. We have a comprehensive Security Manual to ensure adherence to policies, emphasizing a firm yet polite approach. This includes training in human rights and ensuring ethical conduct. We have devised monitoring systems and conduct audits on a regular basis to align with our objectives. For the current year, our target is to reduce security related incidents by 10% and loss prevention by 15%.

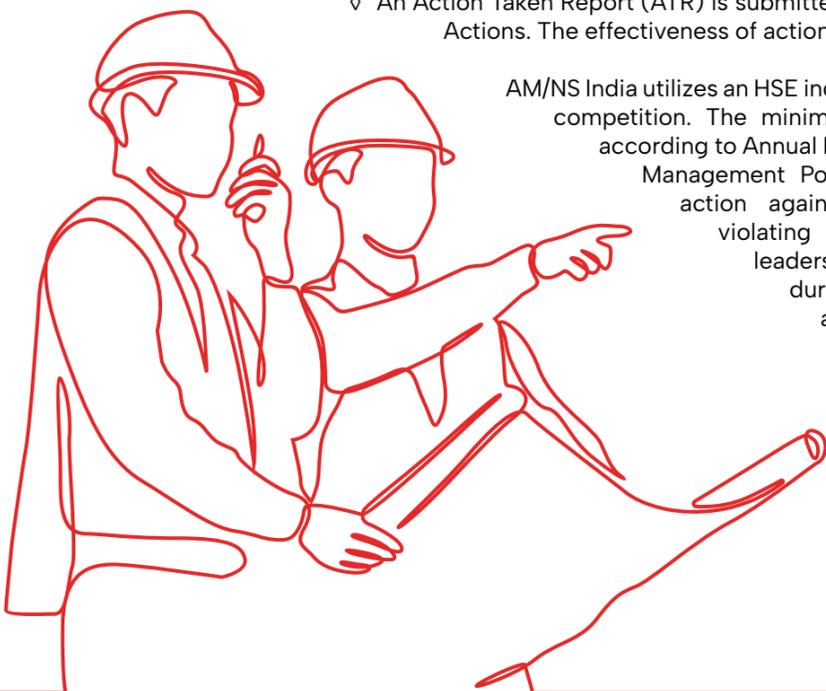
GRI 403-2

Within each process, hazards and control measures are meticulously identified for both activities and sub-activities. AM/NS India has well-documented protocols for reporting and promptly investigating safety and health-related hazards to ensure timely identification and resolution.

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

- ◊ A First Information Report (FIR) is required to be submitted in a specific format within 1 hour of the incident.
- ◊ A safety alert is to be sent within 24 hours after occurrence of the incident with "Cause Tree" and Corrective Actions.
- ◊ A draft of the detailed qualitative incident investigation report is submitted within 3 days and final report within 7 days.
- ◊ 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 utilizes an HSE index as a rigorous tool to create a healthy competition. The minimum HSE Index Target is set at 95% according to Annual Business Plan (ABP). Our Consequence Management Policy outlines procedures for punitive action against employees or associates found violating safety reporting procedures. Senior leadership conducts routine safety audits, and during the reporting period, AM/NS India allocated ₹30 Crore towards safety and health-related activities.



GRI 403-3 & 403-6

AM/NS India operates a comprehensive Care Nursing Home with 40 beds located in close proximity to the Hazira plant. The care nursing home is also available for non-occupational medical and healthcare services for employees, workers, and family members. Various specialist doctors routinely visit the care nursing home for consultation. Additionally, Occupational Health Centers are strategically located within the plant premises. The nursing home is equipped with facilities such as Pulmonary function tests (PFT), Audiometry, Vision Test, Blood Test, and Electrocardiogram (ECG). A systematic medical check-up program is implemented at regular intervals for all workers and employees to monitor any health issues due to the working environment.

Pre-employment: Periodical Examination- In the first six months of the year:

Examination	To Identify
Complete Blood Count	Cases of Anemia (low Hemoglobin), high WBC counts and bleeding disorders (low platelet counts)
Blood Sugar	Early cases of Diabetes and informs on blood sugar control of known Diabetics
Lipid Profile (Cholesterol, HDL, VLDL, Triglycerides, ratios)	High Blood Lipids, that make a person more susceptible to heart disease
Routine Urine	Kidney function and Urinary tract infections
Abdominal Ultrasound	Abnormality in Liver, Kidneys, Gall Bladder, Urinary bladder, Prostate and Spleen
Audiometry Test - Air Conduction	Hearing status of employees
Lung Function	Lung capacity
Vision Test - Far, near & Color	Visual acuity, which may require correction with glasses
Electrocardiography (ECG)	Electrical function of the heart
Physical Examination	Medical history, Blood Pressure (BP) and general examination

Periodical Examination- In the second half of the year:

Examination	To Identify
Complete Blood Count	Cases of Anemia (low Hemoglobin), Blood cancers (high WBC counts) and bleeding disorders (low platelet counts)
Routine Urine	Kidney function and Urinary tract infections
Vision Test - Far, near & Color	Visual acuity, which may require correction with glasses

Reports are generated based on the latest health status evaluation of workers, considering parameters such as age, sex, duration of exposure, and department. The facility consistently reviews annual health reports, implementing necessary actions to uphold Occupational Health and Safety (OHS) standards.

[GRI 403-4]

Formal joint management-worker health and safety committees in each department have an equal representation of workers and officers.

GRI 403-5

Personnel training on occupational health and safety in the year 2022

For Workers			For Employees		
Sr. No.	Training	(Man-Hr)	Sr. No.	Training	(Man-Hr)
1	HSE Proficiency Centre	1,15,201	1	Specialised Training in Dept.	6,837
2	Specialised Training in Dept.	8,436		Total Training Man Hours	6,837
	Total Training Man Hours	1,23,637			

GRI 403-8

Workers covered by Occupational Health and Safety Management Safety

	Numbers	Percentage
Individuals, including non-employees under organizational control	28,842	100%
Individuals, both employees and controlled non-employees, under the internally audited occupational health and safety management system.	28,842	100%
Employees and externally controlled workers under an organization's system audited or certified by an external party.	5,363	18.59%

[GRI 403-9]

The safety related injury data for AM/NS India is as below:

	2020	2021	2022
LTI FR	0.19	0.09	0.18
Fatalities	2	2	1
LTI	13	5	14

Total number of Employee Working Hours: 1,67,32,560
Total number of Workers Working Hours: 7,32,54,480

AM/NS India has drawn valuable insights from these fatalities, reinforcing its commitments and processes to make its operations and supply chain free from injury.

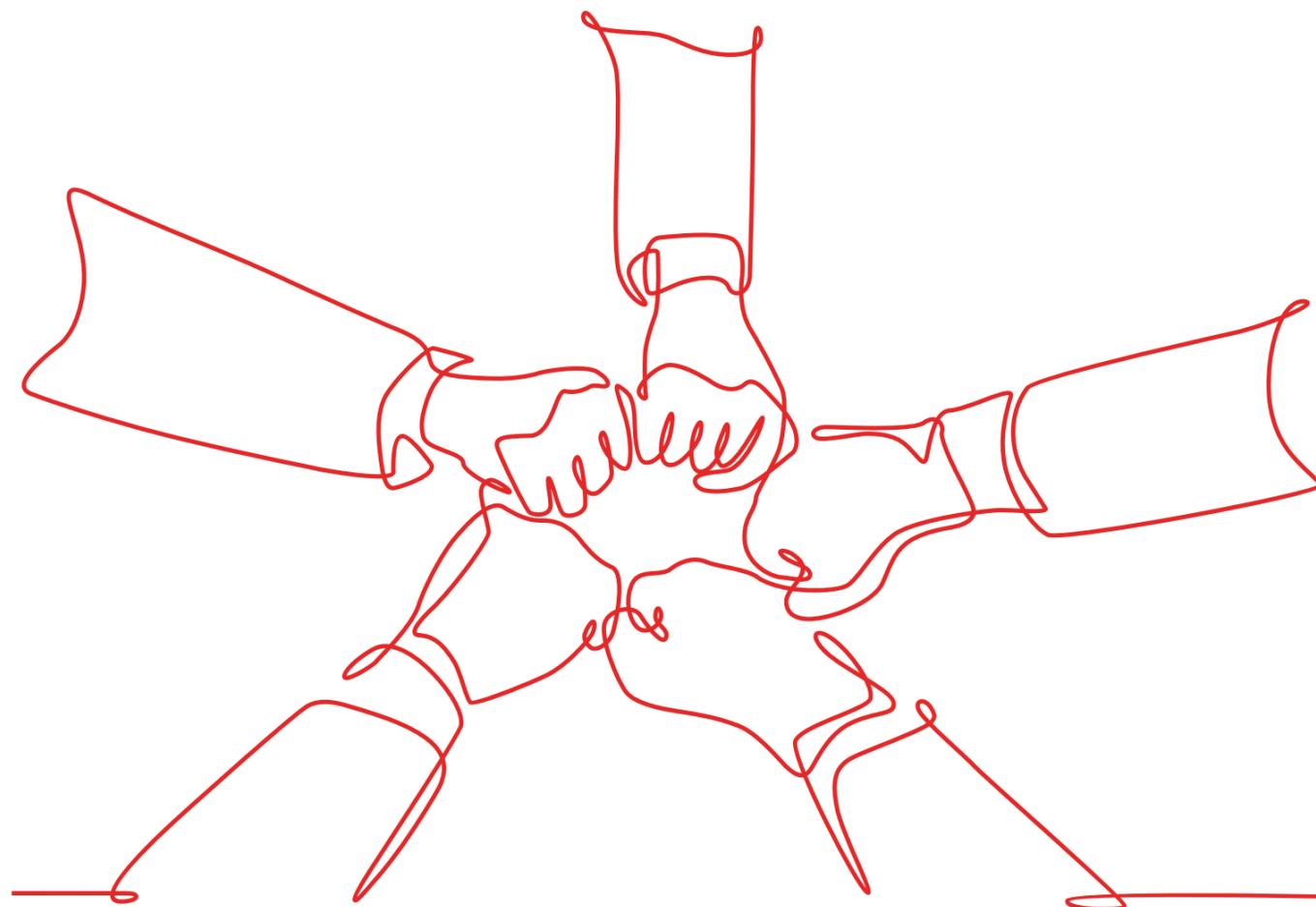
AM/ NS India intends to further strengthen its Health & Safety through additional training focusing on the following areas:

1. Implementation of Fatality Prevention standards
2. Cross Functional Audits of Life Saving Golden Rules
3. Digitalization of Safety
4. Contractor Safety Management
5. Risk Reduction

Human Rights

AM/NS India has formulated a Human Rights Policy in alignment with The United Nations (UN) Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration of Fundamental Principles and Rights at Work, and the United Nations Global Compact (UNGC). This policy underscores AM/NS India's dedication to upholding and promoting the human rights of employees, business partners, and local communities.

As part of the induction process for new contractors, the Human Resources department conducts an Industrial Relations program. This program discusses legal requirements, including social security aspects. Monthly meetings are subsequently held with contractors and associates to promptly address any queries or non-compliance with legal requirements. AM/NS India actively encourages contractors and associates to enroll in Ayushman Bharat – Health and Wellness Centers.



Corporate Social Responsibility

AM/MS India considers CSR as a guiding principle that propels us to create meaningful connections with the society we serve. Through innovative programs and purpose-driven partnerships, we are dedicated to leveraging our resources to address societal needs, promote sustainable practices, and contribute to the holistic development of the regions we operate.

We are committed to responding to communities' needs and concerns, collaborating to co-create efficient and sustainable solutions for their development challenges, thus contributing to national prosperity. Our community investment strategy prioritizes education, health, livelihood, skill development, infrastructure development and sports, among others. We actively engage with community associations, institutions, and organizations, participating and forming partnerships to achieve both community and operational objectives. Through our community investment program, we catalyze positive social transformations fostering local cooperation with the goal of becoming an integral member of the community.

Our overarching objective is to make a lasting impact by aligning with local communities through a strategic, outcome-oriented, and multi-stakeholder approach. We focus on building community capacities, establishing and reinforcing community institutions, empowering them to lead and take ownership of initiatives for sustained and meaningful impact. Our social initiatives are aligned with India's law on CSR and UN Sustainable Development Goals (SDGs).

.....
Our initiatives across six focus areas have
impacted over 1.3 million people in about
200 villages in eight states
.....

#Brighter Futures



Vision

To empower the communities around our areas of operation and society at large towards development that is collaborative, progressive, inclusive, and sustainable through optimal realization of human potential and responsible utilization of resources.

Mission

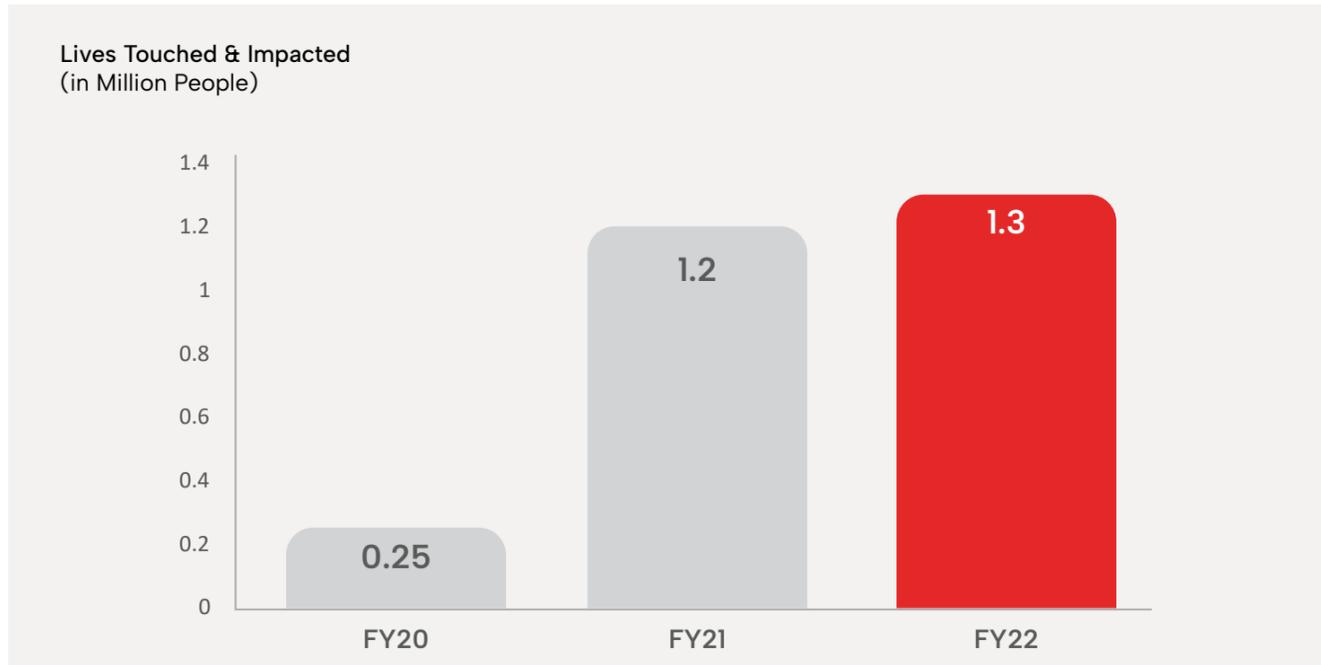
- ◇ To undertake strategically sustainable development initiatives that contribute towards progress in human and social development indicators.
- ◇ To complement and supplement the ongoing community development efforts of the Government while introducing innovations in the areas where there is a scope and need for the same.
- ◇ To encourage partnerships, support and build the capacities of community-based institutions, civil society organizations.

Our Approach

AM/NS India seamlessly integrates community development into sustainable practices, aiming to be an active and valued community member. Committed to a constructive partnership approach, we proactively engage with, listen to, and address community needs. Focusing on a sustainable future, we collaborate with local communities through employment, procurement, and sustainable initiatives. Our well-planned interventions, guided by stakeholder consultations, create lasting social impact. Empowering communities to lead ensures the sustained benefits of long-term projects. Government partnerships are encouraged for program viability. Our CSR policy acts as a guiding principle for community development and community consultation. We engage with multiple stakeholders regularly and aim to gain detailed understanding of the community's needs and expectations for development of social investment programs and responding to local and national development priorities.

The CSR Committee of the Board is entrusted with the oversight of CSR activities at our company. Our CSR initiatives are strategically planned and executed in alignment with CSR Rules of Companies Act, 2013, and UN Sustainable Development Goals that meet our core values and business objectives.

The Board CSR Committee provides strategic direction for CSR and approves the plans, budgets, and reviews the process and progress of the programs. In FY 2022-23, the Company spent ₹102.90 Crores to enrich the lives of 6,56,541 million people across the country through our CSR interventions. A baseline cum needs assessment study and impact assessment study was initiated during the year to understand the interests and expectations of the stakeholders and accordingly make improvements in the existing CSR interventions for the benefit of the communities around our business operations.



Our six focus areas are



Education

Beneficiaries:

1,73,290 children in schools and anganwadi centres

SDG's Impacted



Education is one of the key thematic areas under CSR at AM/NS India. We truly believe that quality education can break the inter-generational cycle of poverty, paving the way for societal upliftment, by building the capabilities and capacities of the next generation. Our three flagship projects namely, Padhega Bharat, Beti Padhao Scholarship and DigitalPathashala focus on bridging the gaps existing in educational ecosystem for holistic development of the students.

Key interventions:

- ◇ Contributed towards development of **333 5T-High School Transformation project** (technology, teamwork, transparency, time, and transformation).
- ◇ **132 Gyan Jyoti Scholarships** were offered to tribal students in Dantewada.
- ◇ Provided infrastructure support such as drinking water and sanitation facilities, school rooms, libraries, computer laboratories, STEM laboratories, furniture etc. to **1,138 anganwadi centres and over 20 schools**.
- ◇ Distributed education supplies to **2,924 students in over 100 schools**.
- ◇ Deployed **teachers in six schools** to ensure the smooth operation of rural schools and ongoing student learning. Launched **bus services in 3 tribal locations to facilitate education of 192 students**.
- ◇ Operated **3 computer learning centres** to impart digital literacy to youths and women.
- ◇ Nutrition support to a tribal school, **benefiting 54 children**.
- ◇ Observation of National and International Days, awareness sessions, exhibitions to sensitize students on important issues and concepts.
- ◇ Around **700 students** shortlisted for Beti Padhao Scholarships.
- ◇ Setting-up of **100 DigitalPathashalas** in rural schools.
- ◇ Laid the foundation stone for a 'Multi facility Educational Complex' in Dhuliput gram panchayat of Chitrakonda Block for the education and welfare of tribal students.



Felicitation of meritorious students



Facilitating school bus services for children in need



Creating awareness among children through painting competition.

Health

Beneficiaries:

2,45,844

SDG's Impacted



AM/NS India has collaborated with government and non-government agencies to enhance the primary health and well-being of local communities. We strive to provide quality, accessible, and affordable healthcare services in remote areas such as Dantewada, Sukma, Chitrakonda, Barbil, and other operational locations, catering to individuals of all age groups.

Key interventions:

- ◇ **Managing six rural health centers** to deliver optimal primary healthcare in remote villages. **Over 50,000 people benefitted through 3 Mobile Medical Units**.
- ◇ **Over 1,08,000 people** received healthcare through general and specialized health camps.
- ◇ Operating and managing **four 24x7 Advanced Life Support ambulances** in Odisha and Jharkhand.
- ◇ Donated **one Advanced Life Support Ambulance** to Viswa Kalyan Seva Trust.
- ◇ **Sensitized over 22,500 people** through health awareness and disease prevention drives.
- ◇ Supported the management of the Chief Minister's Nutrition Rehabilitation Center in Sukma, **contributing to the recovery of 184 severely malnourished children** aged 6 months to 6 years. Facilitated the **identification of 397 people with Disabilities in Sukma** and connected them with government schemes for certificates and unique disability cards.
- ◇ Organized a **5-day assistive device distribution camp, providing 682 individuals with devices** like prosthetic hands, legs, calipers, tricycles, wheelchairs, crutches, and hearing aids free of cost.
- ◇ **Established an advanced labor room in Koida** which comprises of an operation theatre and labor, delivery, and recovery room facility.
- ◇ **Set-up and supplied drinking water in schools and villages** to prevent water-borne diseases, impacting **more than 5,541 students and persons**.



Supporting persons with disabilities to link with govt. schemes.



Dengue & Malaria Control Drive



World's AIDS Day Celebration & Awareness Drive

Livelihood and Skill Development

Beneficiaries:

28,800++

SDG's Impacted



AM/NS India collaborates with rural communities, women, and youth to enhance their access to improved knowledge, skills, and opportunities, thereby fostering the creation of stable and sustainable income sources. In partnership with government bodies, non-governmental organizations (NGOs), and skill development organizations, we focus on upskilling disadvantaged groups. Through initiatives such as building entrepreneurial capabilities, imparting financial management skills, and integrating digital technologies, we aim to elevate their household incomes, contributing to the overall progress and development of the nation.

Under our flagship projects, Sustainable Agriculture for Alternative Livelihood (SAFAL) and Daksh for rural communities, **we have positively impacted over 8,093 farmers, women, and youth**, enhancing their household incomes, and fostering social and economic self-reliance.

Key interventions:

- ◇ Provided **digital skill training to 800 youths**, offering jobs to 561 certified individuals in the IT-ITes sector in Paradeep, Hazira, Pune, and Raipur, **impacting over 2,805 family members.**
- ◇ **Empowered nearly 360 girls and women through vocational training** in sewing and beauty therapy.
- ◇ **Established 7 micro-enterprises**, involving self-help groups, farmers, and youth in mushroom spawn unit, mushroom cultivation, poultry farming, and brick manufacturing unit. Collaborated with the **Veterinary Department in Sukma to set up poultry units for 11 Persons with Disabilities (PwDs).**
- ◇ Offered **internships to 42 students from Industrial Training Institutes** in Fitter and Mechanic Machine Tool Maintenance trades at AM/NS India's plants in Odisha.
- ◇ **Formed 45 self-help groups**, facilitating income generation activities like National Flag making during the Har Ghar Tiranga drive, setting up rakhi stalls inside plant premises, Diwali diya making, etc.
- ◇ In Paradeep, **trained 60 farmers in modern paddy sowing techniques** and provided 1,200 kgs of seeds, resulting in a 20% increase in production.
- ◇ In Dantewada, **supported the development of vegetable nurseries on a 50 decimal area, training 15 farmers** in improved cropping techniques. Additionally, provided **farm implements and spray machines to 30 farmers** to enhance manual agricultural practices.

- ◇ Supported **360 fishing households** with fish fingerlings to promote alternative livelihood.
- ◇ Conducted an animal vaccination camp **benefiting over 1,300 cattle in Chitrakonda.**



Mini shopping fair for Women Self help group



MoU Signing with Industrial Training Institute, Koida to extend support to students for Industrial exposure and training.

Infrastructure Development

Beneficiaries:

1,50,000++

SDG's Impacted



Basic community infrastructure was strengthened and developed to enhance the standard of living of the local communities, enable socio-economic improvement and rural development. The activities under Nirman, Trupti and Ujjwala have impacted more than 1,28,146 people.



Drinking Water Project



Pond Rejuvenation Project



Inauguration of Sacred Space

Key interventions:

- ◇ Supplied **more than 17,57,50,00,000 Liters of drinking water** through water tankers and overhead tanks in Hazira, Thakurani and Dabuna.
- ◇ Installed and repaired drinking water assets including spring water supply structures, 17 handpumps and borewells, water supply pipelines, reverse osmosis drinking water system etc.
- ◇ Enhanced capacities of **3 village water ponds up to 10,000 cubic meters in line with Amrit Sarovar Mission** to conserve water and enable usage by community members.
- ◇ Undertook multiple solar based interventions for drinking water **including 3 solar based overhead tank system and 78 streetlights.**
- ◇ **Developed Sagasahi as a solar village in Odisha** wherein all 90 households were illuminated with household based solar lighting system, installation of solar based water system of 10,000 litres capacity with 12 water distribution points to cover all hamlets in the village and **installation of 70 solar streetlights in public areas.**
- ◇ **Developed and renovated rural infrastructure** including furniture, assemble halls, toilet block, road, and community centres based on community needs.
- ◇ **Distributed essential daily use items** including utensils, water storage units and other items to school, community, and individuals.
- ◇ **Planted more than 850 saplings in Visakhapatnam, Hazira and Sagasahi** to promote a green environment. **1,500 saplings on 1.5 kilometres of road from Railway Crossing- Thakurani to Nalda village in Barbil, Odisha** were planted to restrict the movement of animals.

Sports and Culture

Beneficiaries:

1,01,168 sportsmen

SDG's Impacted



AM/NS India champions fitness, wellness, and sports initiatives to cultivate an active lifestyle among youth, fostering positive change in their lives. Furthermore, we collaborate with communities to conserve and celebrate local festivals and cultural events, enhancing societal bonds.

Key interventions:

- ◇ Support **conduct of 24 rural, state, and national level sports events**, tournaments, and camps.
- ◇ Extended **financial support to The Assam Olympic Association** (Affiliated to Indian Olympic Association) in organizing the **first edition of Assam Youth Olympic 2022 at Guwahati**.
- ◇ **Distributed sports material to local youth clubs** for purpose full engagement in positive activities.
- ◇ **Sponsored the Kickboxing team of Dantewada** to participate in 2nd State Level Kickboxing Championship at Raipur players.
- ◇ **Supported the National Level Tribal Scouts, Guides, Rovers, Rangers Carnival** organized at Sukma, that saw participation of 1,000 youths from across the country.
- ◇ **Offered 120 tribal youths of Dantewada financial award and certificates at the "Adiwasi Yuva Samwad"**.
- ◇ **Supported 9 tribal, local, and traditional cultural events engaging more than 60,000 people**.
- ◇ Illuminated the **Mora village cricket ground with 96 lights benefiting more than 5,000 youths** of nearby locality.



Support for Rural Volley Ball Tournament



Support to local athlete to participate in Kick Boxing Championship



Support to Cricket Summer Coaching camp

In FY 2022-23, AM/NS India engaged more than 1,01,168 youths and people through initiatives in Sports and Culture and other social development activities.

Environment Conservation

AM/NS India strives to plant 400,000 trees by 2025, fostering reforestation and enriching the local ecosystem. These efforts not only mitigate carbon emissions but also enhance air quality and support biodiversity conservation.

On World Environment Day, we planted 1,100 trees in Hazira plant and village, alongside dedicated actions like beach cleaning, contributing to a greener future.



Mega Plantation Drive



World Earth Day Celebration

Employee Volunteering

We harnessed the skills of our employees through employee volunteering. This initiative fosters a deeper understanding among employees of village lifestyles, challenges, and perspectives, promoting meaningful engagement and fortifying stakeholder connections. **Over 18 volunteering events were organized across the country**, both physically and virtually, covering diverse sectors such as environment, women empowerment, health, education, and employability.

In collaboration with Goodera, 323 volunteers actively participated in activities like mentoring, serving as solar ambassadors, creating e-posters for World No Tobacco Day, recording podcasts on environmental topics, crafting seed balls, and embracing a zero-waste lifestyle. **In the fiscal year 2023, a total of 570 volunteering hours were contributed.**



Flood relief support to local community



International Women's Day celebration with local community



Forward Looking Statement

This report may contain forward-looking statements that encompass the Company's anticipated financial standing, operational results, business strategies, and future prospects. These forward-looking statements are based on assumptions and sensible projections.

We have made these assumptions in good faith, believing them to be reasonable in all pertinent aspects. Nevertheless, we must emphasize that the actual outcomes, performances, or achievements may differ from the statements or implications in these forward-looking statements.

GRI Content Index

GRI STANDARD	DISCLOSURE	Page No
GRI 2: General Disclosures 2021	2-1 Organizational details	7
	2-2 Entities included in the organization's sustainability reporting	9
	2-3 Reporting period, frequency and contact point	5
	2-4 Restatements of information	5
	2-5 External assurance	5
	2-6 Activities, value chain and other business relationships	11
	2-7 Employees	55
	2-8 Workers who are not employees	55
	2-9 Governance structure and composition	27
	2-10 Nomination and selection of the highest governance body	28
	2-11 Chair of the highest governance body	29
	2-12 Role of the highest governance body in overseeing the management of impacts	29
	2-13 Delegation of responsibility for managing impacts	29
	2-14 Role of the highest governance body in sustainability reporting	29
	2-15 Conflicts of interest	29
	2-16 Communication of critical concerns	29
	2-17 Collective knowledge of the highest governance body	29
	2-18 Evaluation of the performance of the highest governance body	29
	2-19 Remuneration policies	Disclosed as part of AM/NS India's Annual Report
	2-20 Process to determine remuneration	Disclosed as part of AM/NS India's Annual Report
	2-21 Annual total compensation ratio	No chosen to disclose
	2-22 Statement on sustainable development strategy	21
	2-23 Policy commitments	29
	2-24 Embedding policy commitments	29
	2-25 Processes to remediate negative impacts	29
	2-26 Mechanisms for seeking advice and raising concerns	29
	2-27 Compliance with laws and regulations	29
	2-28 Membership associations	7
	2-29 Approach to stakeholder engagement	24
	2-30 Collective bargaining agreements	Union representation is absent at our primary operational sites, with the exception of the Pune location, where there is a union specifically associated with downstream processing. Consequently, we have elected not to disclose this information.

GRI STANDARD	DISCLOSURE	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25
	3-2 List of material topics	24
GRI 201: Economic Performance 2016	3-3 Management of material topics	34 & 35
	201-1 Direct economic value generated and distributed	35
	201-2 Financial implications and other risks and opportunities due to climate change	34
	201-3 Defined benefit plan obligations and other retirement plans	34
GRI 202: Market Presence 2016	201-4 Financial assistance received from government	Financial assistance obtained from banks, government and shareholders is addressed within the Annual report
	3-3 Management of material topics	31 & 57
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	57
	202-2 Proportion of senior management hired from the local community	31
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	66-75
	203-1 Infrastructure investments and services supported	66-75
	203-2 Significant indirect economic impacts	Information is currently unavailable.
GRI 204: Procurement Policy	3-3 Management of material topics	30 & 38
	204-1 Proportion of spending on local suppliers	Adequate information is currently unavailable
GRI 205: Anti-corruption 2016	3-3 Management of material topics	29
	205-1 Operations assessed for risks related to corruption	29
	205-1 Operations assessed for risks related to corruption	29
	205-2 Communication and training about anti-corruption policies and procedures	31
GRI 206: Anti-competitive Behavior 2016	205-3 Confirmed incidents of corruption and actions taken	29
	3-3 Management of material topics	29
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	29
	GRI 207: Tax 2019	3-3 Management of material topics
207-1 Approach to tax		
207-2 Tax governance, control, and risk management		
207-3 Stakeholder engagement and management of concerns related to tax		
GRI 301: Materials 2016	207-4 Country-by-country reporting	Not Applicable
	3-3 Management of material topics	36-39
	301-1 Materials used by weight or volume	39
	301-2 Recycled input materials used	38-39
	301-3 Reclaimed products and their packaging materials	While steel is being recycled, processes for reclaiming steel at the end of life have not been put in place as these are not practical in the sector.

GRI STANDARD	DISCLOSURE	Page No
GRI 302: Energy 2016	3-3 Management of material topics	43-45
	302-1 Energy consumption within the organization	45
	302-2 Energy consumption outside of the organization	45
	302-3 Energy intensity	45
	302-4 Reduction of energy consumption	45
	302-5 Reductions in energy requirements of products and services	45
GRI 303: Water and Effluents 2018	3-3 Management of material topics	40-41
	303-1 Interactions with water as a shared resource	40-41
	303-2 Management of water discharge-related impacts	40-41
	303-3 Water withdrawal	42
	303-4 Water discharge	42
	303-5 Water consumption	42
GRI 305: Emissions 2016	3-3 Management of material topics	46-47
	305-1 Direct (Scope 1) GHG emissions	48
	305-2 Energy indirect (Scope 2) GHG emissions	48
	305-3 Other indirect (Scope 3) GHG emissions	48
	305-4 GHG emissions intensity	48
	305-5 Reduction of GHG emissions	48
	305-6 Emissions of ozone-depleting substances (ODS)	49
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	49
GRI 306: Waste 2020	3-3 Management of material topics	50-51
	306-1 Waste generation and significant waste-related impacts	50-51
	306-2 Management of significant waste-related impacts	50-51
	306-3 Waste generated	51
	306-4 Waste diverted from disposal	51
	306-5 Waste directed to disposal	51
GRI 401: Employment 2016	3-3 Management of material topics	54
	401-1 New employee hires and employee turnover	56
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	57
	401-3 Parental leave	57

GRI STANDARD	DISCLOSURE	Page No
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	61
	403-1 Occupational health and safety management system	61
	403-2 Hazard identification, risk assessment, and incident investigation	62
	403-3 Occupational health services	63
	403-4 Worker participation, consultation, and communication on occupational health and safety	64
	403-5 Worker training on occupational health and safety	64
	403-6 Promotion of worker health	64
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	64
	403-8 Workers covered by an occupational health and safety management system	64
	403-9 Work-related injuries	64
403-10 Work-related ill health	There was no incident of work related ill health	
GRI 404: Training and Education 2016	3-3 Management of material topics	58 & 59
	404-1 Average hours of training per year per employee	59
	404-2 Programs for upgrading employee skills and transition assistance programs	58 & 59
	404-3 Percentage of employees receiving regular performance and career development reviews	58 & 59
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	55
	405-1 Diversity of governance bodies and employees	55
	405-2 Ratio of basic salary and remuneration of women to men	55
GRI 406: Non-discrimination 2016	3-3 Management of material topics	55
	406-1 Incidents of discrimination and corrective actions taken	There has been no incidents of discrimination.
GRI 408: Child Labor 2016	3-3 Management of material topics	38
	408-1 Operations and suppliers at significant risk for incidents of child labor	38
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	57
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Responsible sourcing policy includes commitment from suppliers to eliminate forced or compulsory labor
GRI 410: Security Practices 2016	3-3 Management of material topics	62
	410-1 Security personnel trained in human rights policies or procedures	62
GRI 411: Rights of Indigenous Peoples 2016	3-3 Management of material topics	No such violation or incident occurred till date
	411-1 Incidents of violations involving rights of indigenous peoples	
GRI 413: Local Communities 2016	3-3 Management of material topics	66-75
	413-1 Operations with local community engagement, impact assessments, and development programs	66-75
	413-2 Operations with significant actual and potential negative impacts on local communities	Not assessed during the reporting period, however we conduct a thorough Environment Impact assessment (EIA) study when necessary for any major expansion/modification projects. Operation related impacts and mitigation plans are covered in these reports and are available on MoEF website.

Glossary

AAQMS: Ambient Air Quality Monitoring Stations

ABP: Annual Business Plan

AM/NS India: ArcelorMittal Nippon Steel India, representing the joint venture between ArcelorMittal and Nippon Steel.

ARP: Acid Regeneration Plant

BEE: Bureau of Energy Efficiency

BP p.l.c.: British Petroleum

CII: Confederation of Indian Industry

CEO: Chief Executive Officer

CEMS: Continuous Emission Monitoring System

CFO: Chief Financial Officer

CBAM: Carbon Border Adjustment Mechanism

CDRI: Cold Direct-Reducing Iron

CONARC: Conventional top-blown BOF process and electric ARC process

CSR: Corporate Social Responsibility

CSIR – CRRI: Central Road Research Institute

CY21: Calendar Year 2021

CY22: Calendar Year 2022

DANTESCO: Dantewada Education Support and Training for Employment and Livelihood Creation Opportunities

DMS: Document Management System

DM: Demineralized

DRI: Direct Reduced Iron

EAF: Electric Arc Furnace

EBIDTA: Earnings Before Interest, Depreciation, Tax, and Amortization

ESG: Environmental, Social, and Governance

EPS: Earnings Per Share

ET: Effluent Treatment

ETP: Effluent Treatment Plant

FES: Fume Extraction System

FY: Financial Year

GHG: Greenhouse Gas

GCal: Gigacalories

GJ/tcs: Gigajoules per ton of crude steel

GRI: Global Reporting Initiative

HBI: Hot Briquetted Iron

HDRI: Hot Direct Reduced Iron

HOC: Hot Oil Circuit

HSE: Health, Safety, and Environment

ILO: International Labor Organization

INA: Infrastructure and Administration

INI: Intermediate Non-Inventory

ISA: Indian Steel Association

ITR: International Tax Review

IT/ITES: Information Technology/Information Technology Enabled Services

ksm³: kilo standard cubic meters

KW: Kilowatt

KLD: Kilo Liters per Day

LED: Light Emitting Diode

LTI FR: Lost Time Injury Frequency Rate

M&A: Mergers and Acquisitions

MMT: Million Metric Tons

MP: Mining Plan

MTPA: Million Tons Per Annum

MT: Metric Tons

MW: Megawatt

MWh: Megawatt-hour

NABL: National Accreditation Board for Testing and Calibration Laboratories

NACE: National Association of Corrosion Engineers

NH-6: National Highway 6

NGO: Non-Governmental Organization

NOx: Nitrogen Oxides

NSDC: National Skill Development Corporation

NSIC: National Small Industries Corporation

NTPC: National Thermal Power Corporation

OWF: Offshore Wind Farm

PAT: Performance Achieve and Trade

PRAISE: Platform to Recognize and Appreciate Individuals/teams for Significant Efforts

POSH: Prevention of Sexual Harassment

ppm: Parts Per Million

PV: Photovoltaic

R&D: Research and Development

RO: Reverse Osmosis

ROCE: Return on Capital Employed

RTO: Regenerative Thermal Oxidizer

SAFAL: Sustainable Agriculture for Alternative Livelihood

SMS: Short Message Service

SOx: Sulfur Oxides

SSC: Service Centers

STP: Sewage Treatment Plant

tCO₂/tcs: Tons of Carbon Dioxide per Ton of Crude Steel

TMCP: Thermo-Mechanical Control Process

UN: United Nations

UNGC: United Nations Global Compact

UNICEF: United Nations International Children's Emergency Fund

UNIDO: United Nations Industrial Development Organization

UNDP: United Nations Development Programme

UNPRME: United Nations Principles for Responsible Management Education

WS: World Steel

WSA: World Steel Association

ZLD: Zero Liquid Discharge



Introduction

DNV Business Assurance India Private Limited ('DNV') was engaged 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 2022 ('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'). The intended user of this Assurance Statement is the management of the Company. Our assurance engagement was planned and carried out between October 2023 - March 2024.

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

The Management of the Company 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 AM/NS India.

We do not provide any services to the Company which in our opinion, constitute a conflict of interest with this assurance work. Our assurance engagements assume that the data and information provided by the Company to us as part of our review have been provided in good faith and are free from misstatements.

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; mines at Thakurani & Sagasahi and Corporate Office at Mumbai) as brought out in the section 'About the Report' and GRI Content index of the Report for the non-financial activities undertaken by the Company during the reporting period 1st January 2022 – 31st December 2022. For environmental performance disclosure, the boundary is limited to operational sites & mines. The boundary for the Greenhouse Gas (GHG) emissions calculations is in line with the World Steel Association (WSA) methodology and the upstream value of mining & transport is excluded.

We planned and performed our work using DNV's assurance methodology VeriSustain^{TM1}, to obtain the evidence we considered necessary to provide a basis for our assurance opinion 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. The reported topic boundaries of non-financial performance is based on the internal and external materiality assessment covering AM/NS India's operations as brought out in the sections 'About the Report' section of the report.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. The reported data on economic performance, expenditure towards Corporate Social Responsibility (CSR) activities, 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.

Basis of our Opinion

As part of the assurance process, a multi-disciplinary team of sustainability specialists performed assurance work for selected sample sites of AM/NS India. We adopted a risk-based approach, that is, we concentrated our

¹ The VeriSustainTM protocol is based on the principles of various assurance standards including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI Principles for Defining Report Content and Quality, international best practices in verification and our professional experience; and is available on request from www.dnv.com



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 mines Thakurani & Sagasahi, plants at Hazira & Paradeep and virtual interaction with the corporate team located at the 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.
- Interviews with 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.
- Examined and reviewed sustainability performance documents and other information made available by the Company related to the non-financial disclosures and consolidating the sustainability performance information related to the identified GRI Topic-specific Standards.

Opinion and Observation

Based on the verification undertaken, nothing has come to our attention to suggest that the Report does not properly adhere to the GRI Standards 2021 and disclosures related to the following GRI Standards which have been chosen by AM/NS India to bring out its performance against the set of identified material topics:

- GRI 203: Indirect economic impact 2016 – 203-1;
- GRI 205: Anti-corruption 2016 – 205-1, 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, 305-3*, 305-4, 305-5, 305-6, 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.

*GHG emissions scope 1, 2 & 3 calculation is done using World Steel Association (WSA) methodology.

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustainTM:

Materiality

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

The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and inputs from peers and the industry, as well as issues of relevance in terms of impact for AM/NS India's business. The list of topics has been prioritized and reviewed by the Company's senior management and brought out in the Report for disclosures. The Company has indicated that there is no significant change in material topics from the previous reporting period.

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 brings out the stakeholders who have been identified as significant to AM/NS India, as well as the modes of engagement established by the Company to interact with these stakeholder groups. AM/NS India identifies and prioritizes its formal and informal processes of engagement with its significant stakeholders based on significance of actual and potential impacts of the Company's activities and this process 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 adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups using selected GRI Standards. The Company has further linked its material topics to its overall strategies, management approach and goal setting processes.

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 systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with AM/NS India's management teams and process owners at the sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

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 organization and its stakeholders is reported?

The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its branch locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of the GRI's Principle of Completeness.

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 the disclosures related to AM/NS India's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

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, which are based on the principles enclosed within ISO IEC 17029:2019 – Conformity assessment – General principles are requirements for validation and verification bodies, 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 as required by relevant ethical requirements including the ISAE 3000 (Revised) Code of Ethics. 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 Management Report for intern use of AM/NS India. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

For DNV Business Assurance India Private Limited,

 Date: 2024.03.29 09:38:29 +05'30' Anjana Sharma Lead Verifier, DNV Business Assurance India Private Limited, India	Digitally signed by Kakaraparathi, Venkata Raman Date: 2024.03.29 10:02:54 +05'30' Venkata Raman Kakaraparathi Assurance Reviewer, DNV Business Assurance India Private Limited, India
Ankita Parab (Verifier) Varsha Bohiya (Observer)	

29th March 2024, India.

DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

² The DNV Code of Conduct is available on request from www.dnv.com (<https://www.dnv.com/about/in-brief/corporate-governance.html>)

AM/NS INDIA

ArcelorMittal Nippon Steel India Limited

contact@amns.in | 1800 309 8905 | +91 7208414333

Registered Office

27 km, Surat-Hazira Road, Hazira, Surat - 394270, Gujarat, India

Corporate Office

Raheja Towers, 6th & 7th Floor, BKC, Bandra East, Mumbai - 400051, Maharashtra, India