

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No.	Particulars	Response
1	Corporate Identity Number (CIN) of the Listed Entity	L31904KA2019PLC121597
2	Name of the Listed Entity	Hitachi Energy India Limited (Formerly known as ABB Power Products and Systems India Limited)
3	Year of incorporation	2019 (February 19, 2019)
4	Registered office address	8 th Floor, Brigade Opus, 70/401 Kodigehalli Main Road, Bengaluru-560092
5	Corporate address	8 th Floor, Brigade Opus, 70/401 Kodigehalli Main Road, Bengaluru-560092
6	E-mail	investors@hitachienergy.com (For investors) poovanna.ammatanda@hitachienergy.com (e-mail id of Compliance Officer and Nodal Officer)
7	Telephone	080-68473700, 080-22041800
8	Website	https://www.hitachienergy.com/in/en
9	Financial year for which reporting is being done	FY 2021-22 (January 01, 2021 to March 31, 2022)
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	INR 8,47,63,350/- divided into 42381675 equity shares of INR 2/- each
12	Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report	Mukesh Arora (Telephone: 080-68473719) E-mail: mukesh.arora1@hitachienergy.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis (Consolidated reporting is not applicable)

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Design and manufacturing of system, equipment, devices and accessories	-
2	Engineering and Installation	Engineering, integration, installation and commissioning of systems, products, and software (including automation, protection and control)	-
3	Services	Post-commissioning services (for system solutions)	-

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Power, Distribution, Traction and Special Application Transformers	27102	-
2	Switchgear, Switching and control apparatus, Surge Arrestors, Relays, Power Capacitors & Power Quality products.	27104	-

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6*	12**	18
International	-	3	3

* 17 factories across 6 manufacturing locations

** excludes 7 sales touch points

17. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of States)	All states & Union Territories
International (No. of Countries)	70+ countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

22.68%

c. A brief on types of customers

The Company serves a wide range of customers – Public & Private Utilities, Industries, Transportation, and Infrastructure companies. These include EPCs (Engineering, Procurement & Construction) & OEMs (Original Equipment Manufacturer) operating in the above segments.

IV. Employees**18. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	1706	1561	92%	145	8%
2	Other than permanent (E)	38	17	45%	21	55%
3	Total employees (D + E)	1744	1578	90%	166	10%
WORKERS						
4	Permanent (F)	561	557	99%	4	1%
5	Other than Permanent (G)	661	637	96%	24	4%
6	Total workers (F + G)	1222	1194	98%	28	2%

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY-ABLED EMPLOYEES						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D + E)	0	0	0	0	0
DIFFERENTLY-ABLED WORKERS						
4	Permanent (F)	9	8	89%	1	11%
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F + G)	9	8	89%	1	11%

19. Participation / Inclusion / Representation of women

Total (A)		No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.3%
Key Management Personnel	3 (includes one of the Board members)	NIL	NIL

**20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)**

	FY 2021-22 (Turnover rate in current FY) Jan 2021 and Mar 2022			FY 2020-21 (Turnover rate in previous FY) Jan 2020 - Dec 2020			FY 2019-20 (Turnover rate in the year prior to the previous FY) Jan 2019 - Dec 2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.1%	13.8%	9.4%	4.8%	7.1%	5.0%	9.0%	14.6%	9.4%
Permanent Workers	4.1%	20.0%	4.2%	3.9%	0.0%	3.9%	0.3%	0.0%	0.3%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Hitachi Energy Ltd. (formerly known as Hitachi ABB Power Grids Ltd.)	Holding	75%	No

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes**

(ii) Turnover / Total Income (in INR) : 4,950.90 Crores

(iii) Networth (in INR) : 1,132.39 Crores

VII. Transparency and Disclosures Compliances**23. Complaints / Grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web link for grievance redress policy)	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes/ Internal	Nil	Nil		Nil	Nil	
Investors (other than shareholders)	NA	NA	NA		NA	NA	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web link for grievance redress policy)	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes, but there is no specific policy	12	Nil	All complaints received had been reported	436	NIL	All complaints received had been reported
Employees and workers	Yes/ Internal	0	0		1	0	
Customers	Yes/ Internal	763	91		630	3	
Value Chain Partners	No	NA	NA		NA	NA	
Other (please specify	No	NA	NA		NA	NA	

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Safe, healthy, and secure operations	Risk	Control of hazards and risks at workplace(s) by implementing controls effectively to ensure these hazards and risks do not cause harm to employees and workers.	Safety is our licence to operate. Fostering safe working environments to protect our people, preserve business continuity and operate effectively in our modern world. HSE Management system has been implemented as per ISO 14001 & 45001 and certified.	Negative
2	Climate change and carbon neutrality	Opportunity	Energy efficiency, Increase use of non-fossil fuel use of renewable energy, and efficient use of water and recycling of materials.	NA	Positive
3	Resource efficiency and circular economy	Opportunity	Reducing the use of resources through circular economy. Opportunity to minimize the use of water, materials, pollution, and waste in our operations and throughout the life cycle of our solutions through a circular mindset.	NA	Positive
4	Sustainable products, services, and solutions	Opportunity	Increase digitalization to extend the life cycle of our solutions.	NA	Positive
5	Responsible Sourcing	Risk	Managing sourcing of materials across the supply chain and comply with regulatory and customer requirements regarding the prohibition and restriction of substances, including hazardous substances and responsible sourcing of conflict minerals.	Integrating sustainable practices in to supply chain procedures Follow the OECD (Organization for Economic Co-operation and Development) due diligence guidance and be involved in relevant trade associations in order to define and improve best practices and encourage responsible sourcing.	Negative
6	Well-being of employees	Opportunity	Health is top priority and needs to be lived everywhere, well beyond the walls of our home, offices, and factories. The Company provides training to all employees in resilience. The Company prepares for the new norms by “powering the way it works”. The Company prioritizes health and well-being in all sites, and make the healthy choice the easy choice.	NA	Positive
7	Diversity	Opportunity	The company believes in integrating diversity and inclusion into all our practices and policies and foster female acceleration through our Female Talent Development Program. Hitachi Energy India sustainability 2030 targets include increasing female diversity from 5.8% to 8-10% by 2025.	NA	Positive
8	Human rights and labor conditions	Risk	Identification, evaluation and managing Human Rights risks in its operation and supply chain and its consequences.	Human Rights policy and control standard is in place to evaluate Human Rights risks at all levels of operations. Supplier Sustainability Development Program (SSDP) is a supplier engagement initiative, to uphold human rights and decent working conditions.	Negative

9	Integrity and anti-corruption	Risk	Hitachi Energy behaves in an ethical, legal and responsible way. Lack of adherence can have consequences i.e. reputational damage with the top line adverse effect; unattractive employer for top talent; regulatory fines and penalties etc.	Hitachi Energy has a very stringent policy on integrity that applies to all. The Hitachi Energy Code of Conduct provides a framework for employees and stakeholders to put business principles into practice with utmost integrity. The Company regularly evaluates culture of integrity, and noncompliance is strictly acted upon.	Negative
10	Developing our people	Opportunity	Cultivating life-long learning and creating inclusive learning opportunities, The Company fosters innovation.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Few of the policies have been approved by the Board and other Group policies are adopted by the Company								
c. Web Link of the Policies, if available	Please refer to the section on 'Links to the Company Policies and Programs' section at the end of Report								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the policies are available to value chain partners through the Company's web page								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The following management systems have been implemented: ISO 9001: 2015 Quality Management System ISO 14001: 2015 Environment Management System ISO 45001: 2018 Occupational Health & Safety Management System								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Sustainability 2030 is the new strategic plan for sustainability where the Company summarizes the main commitments to act and drive business in a sustainable way. Based around four pillars: Planet, People, Peace and Partnerships, our strategy draws from the UN's Sustainable Development Goals, where each pillar has corresponding targets that drive our business to contribute social value, environmental value and economic value.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	By 2030, the Company aims to achieve carbon-neutrality in its own operations. The Company is targeting to reducing carbon emissions by 50% along the value chain. The Company has achieved the first-step target set out in its Sustainability 2030 plan – the use of 100% fossil-free electricity in our own operations. This will ease out > 50% of target to achieve carbon-neutrality in our own operations.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Hitachi Energy has placed sustainability at the heart of its purpose. The Company constituted an Environment, Social and Governance (ESG) committee in the Board meeting held on October 22, 2021. The charter and objectives of this Committee were adopted by the Committee and Board of Directors during the financial period under review. The work under ESG was commenced during financial period under review.

Society must move towards a carbon-neutral energy future to cope with the challenges of climate change. Climate targets have been set across all continents and the ambition level is higher than ever before. Clean energy generation, network infrastructure and electrification of end-use sectors are crucial to decarbonization.

A sustainability plan aligned with a net-zero emissions future is integral to our business, to our growth and long-term success. Through Sustainability 2030, the Company has defined our strategy, which combines innovative solutions with a diverse and inclusive company culture, to contribute to a more sustainable society – aligned with the UN's Sustainable Development Goals (SDGs). Now is the time for all stakeholders to collaborate to solve the challenges of our time. Together with our customers and partners, the Company is co-creating and deploying flexible and resilient energy systems at scale, which are sustainable, efficient, safe and secure.

The Company's ESG targets are aligned with the four pillars of Sustainability 2030 plan: Planet, People, Peace and Partnerships.

ESG targets

<div>Environment</div>	Planet Carbon-neutral in our own operations ↓ 50% CO ₂ emissions along the value chain ↓ 50% waste disposed ↓ 25% freshwater use ↓ 25% hazardous substances and chemicals
<div>Social, Governance</div>	People <ul style="list-style-type: none"> Zero harm Top quartile health absence rates Life-long learning culture Increase female diversity from 5.8% to 8-10% by 2025 Peace <ul style="list-style-type: none"> Zero incidents of corruption and bribery Partnerships <ul style="list-style-type: none"> Increase involvement in multi-stakeholder partnerships

To achieve carbon-neutrality in our own operations, our first step is to invest in fossil-free electricity and energy efficiency, ensuring our facilities are as efficient as possible.

In December 2021, Hitachi Energy India has reached its first-step target to use 100% fossil-free electricity in its own operations, showing fast progress in achieving its Sustainability 2030 target of becoming carbon-neutral in own operations.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Nuguri Venu, Managing Director & CEO
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, Environmental, Social and Governance (ESG) Committee (constituted w.e.f. October 22, 2021)</p> <p>Composition of Committee:</p> <p>Ms. Nishi Vasudeva (DIN:03016991) Chairperson of Committee - Independent Directors (Non-Executive Director)</p> <p>Ms. Akila Krishnakumar (DIN:06629992) Member of Committee - Independent Directors (Non-Executive Director)</p> <p>Mr. Achim Michael Braun (DIN:08596097) Member of the Committee - Non-Executive Directors and Chairman of the Company</p> <p>Mr. Nuguri Venu (DIN :07032076) Member of Committee - Executive Director (Managing Director and CEO)</p>

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board /Any other Committee	Frequency (Annually/ Half yearly/ Quarterly / Any other – please specify)
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against above policies and follow up action	Yes, as may be applicable	On a need basis
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, as may be applicable	On a need basis

	P1 P2 P3 P4 P5 P6 P7 P8 P9
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? Yes/No. If yes, provide name of agency.	No

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable

Questions	P1 P2 P3 P4 P5 P6 P7 P8 P9
The entity does not consider the Principles material to its business (Yes/No)	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	

The entity does not have the financial or/human and technical resources available for the task (Yes/No)

It is planned to be done in the next financial year (Yes/No)

Any other reason (please specify)

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Integrity, transparency and accountability

The Company’s Code of Conduct is the framework that explains the behavior the Company expects of every employee and stakeholder who work with it. The Company’s Code of Conduct provides a framework to put business principles into practice with utmost integrity. It is a breach of the Company Code of Conduct to fail to report a violation or suspected violation that employees know about or to refuse to co-operate with the investigation of a suspected violation. Each employee is responsible for ensuring that his or her conduct and the conduct of anyone reporting to the employee fully comply with all applicable laws and the Company Code of Conduct. The Company with guidance from Group has developed and implemented a systematic approach designed to prevent, detect and resolve any potential integrity concerns. This is supported by tools and processes and a zero-tolerance policy for any violations.

The Company’s integrity program has created an environment where all its employees can be open about identifying risks, asking questions, and raising concerns. This is in line with the Group using a systematic approach, designed to foster a culture of integrity and compliance. This is carried out through leadership and business accountability, supported by strong tools and processes, and a zero-tolerance policy for violations. As a part of the integrity program, employees of the Company are not just encouraged but are required to speak up and to report any suspected or observed violations of the law, the Company Code of Conduct, or if they are asked to do something that might be a violation. They are to report on any of their concerns initially to their direct management, country head of integrity, country human resources manager, or alternatively, through country specific business ethics hotline numbers and e-mail which is routed to the Office of Special Investigations (OSI), which is a corporate function within the Company. The Company’s OSI along with the integrity team then work towards investigation, and resolution of issues reported there-in. The Company has multiple reporting channels available to all its employees/stakeholders and this includes a business ethics hotline and an email id that is available for employees to report integrity and compliance concerns or seek guidance. There is a web-based reporting system available for employee/stakeholders reporting (<http://pg.ethicspoint.com/>). All reports received are subjected to appropriate investigation, follow up, and brought to full closure; systematic process and tracking system and the Company enforces a rigorous non-retaliation policy. The Company’s Anti-Corruption Policy is stated explicitly in the Corporate Regulations on bribery and anti-corruption and emphasizes key components that are essential for ensuring strict compliance to anti-bribery laws but also refraining from corruption. The Company enforces a rigorous zero-tolerance policy against any involvement in bribery or corruption and has put in place robust policies to prevent bribery such as on gifts, entertainment and expenses, charitable contributions and representatives, and measures to ensure ethical supply chains.

The Company also ensures continuous compliance with competition and anti-trust laws. The Company Code of Conduct requires the Company to compete fairly, safeguard confidential information and be mindful of anti-trust risks. The Company’s behavior within its teams, with customers, other business partners and in the communities where it operates, are guided by its business principles - respect, responsibility and determination - in compliance with anti-trust requirements. The Anti-Trust Guidance Notes aim to address practical business situations and provide rules and guidance for all Company employees on how to conduct themselves in order to comply with anti-trust requirements. The Company has an Internal Complaints Committee for the prevention of sexual harassment as a part of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 that aims to provide protection against sexual harassment of women in the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected there with or incidentals thereto. The Company has Internal Complaints Committee at each location and establishments (all locations where more than 10 women are employed).

Essential indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1. (Familiarized at regular intervals, in each board meeting / leadership discussion as specified in the next column)	Independent Directors of the Company at the time of their appointment are familiarized on the Company's Core Values, Code of Conduct including the purpose and the business it operates in. At each meeting of the Board/ Audit Committee, members also deliberate on key integrity matters that helps to reflect and focus on key strategies. As a part of Board, Audit, CSR and ESG, agenda members also discuss various sustainable initiatives of the Company, including regulatory and economic trends in the country. Executive and Non-Executive Directors being part of Hitachi Energy group, also undergo familiarization on various topics like integrity, sustainability, Human Rights, diversity and inclusion etc. at a group leadership level. As a result of all the above awareness, strong brand and governance framework is put in place, which is helping us to become a more focused, successful and value-creating Company.	100%
	3	Ethics and Code of Conduct Anti-Bribery and Corruption (Basic) Anti-Bribery and Corruption (Advance)	50%
Key Managerial Personnel	1	HSE, employee well-being including behavioral and leadership skills, customers, integrity	100%
	3	Ethics and Code of Conduct Anti-Bribery and Corruption (Basic) Anti-Bribery and Corruption (Advance)	100%
Employees other than BOD and KMP	3	Ethics and Code of Conduct Anti-Bribery and Corruption (Basic) Anti-Bribery and Corruption (Advance)	98%
Workers	1	Ethics and Code of Conduct	63%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies/ judicial institutions	Amount in INR	Brief of the case	Has an appeal been preferred? Yes/No
Penalty/Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
Non-monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred? Yes/No	
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Hitachi Energy's Anti-corruption policy is stated explicitly in its Corporate Regulation PGR-LI-02 on anti-bribery and anti corruption and emphasizes key components which are essential to ensuring a strict compliance to anti-bribery laws but also refraining from corruption because it's the right thing to do. Anti-corruption policy : <https://www.hitachienergy.com/about-us/integrity/commitment>

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	1 st Jan 2021 – 31 st March 2022 Current Financial Year		1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issue of conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issue of conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

The Supplier Sustainability Development Program (SSDP) is supplier engagement to uphold human rights and decent working conditions, ensure safe and environmentally sound operations and comply with relevant regulatory requirements in supply chain. Sustainable and compliant suppliers reduce risk of disruption and negative brand impact. Additionally, suppliers experience operational benefits like improved on-time delivery, reduced machine breakdown, increased productivity and overall reduction in cost of manufacturing, thus becoming more efficient and effective".

During current FY 2021-22, the Company has trained and assessed 14 high risk supplier partners on SSDP. Additionally, during this period, The Company has trained and developed 7 of our internal people on SSDP, who have been certified by Bureau Veritas as a lead assessor and are able to conduct the supplier assessments independently.

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
As above	As above	-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has in place a Code of Conduct for Directors and Senior Management and Company level Code of Conduct and Related party transaction policy to report any conflict of interest beforehand. Further, conflict of interest can also be flagged by any person through whistle blower mechanism.

There is Integrity Team to handle any instance of conflict of interest reported related to any employee, Directors and Management and outsiders.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe

The Company strive to have a life-cycle perspective when managing environmental aspects and impact. This means looking beyond the environmental impact from our own operations to include our supply chain, the use of our products, and the end of their lives. Environmental considerations are constantly made to reduce environmental impact and risks over the lifespan of our solutions. Life-cycle Assessments (LCAs) and risks as well as collaboration with and feedback from customers are used as input for improving the environmental performance of our products, systems, and services.

The most recent HVDC light technology reduces climate impact by 67% compared to previous generations, thanks to lower power losses. Reduced risk of environmental incidents through dry type transformers and bushings, minimizing contamination and fire risks. Reduced risk of environmental incidents thanks to biodegradable ester fluids in transformers.

For decades, sulfur hexafluoride (SF6) has been the norm in the electrification industry due to its excellent insulation and switching capabilities. However, it has high Global Warming Potential (GWP), and its life-cycle management requires careful handling. As part of our commitment to reduce emissions and enable a sustainable energy future, Hitachi Energy have invested in eco-efficient alternative solutions like EconiQ™ and enhanced SF6 life-cycle management striving for zero leaks. The Company will improve SF6 management through the implementation of a new SF6 management standard.

Essential indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

The Company's R&D activities are carried out in the global R&D and technology centers as well as R&D embedded in the local businesses, leveraging its local competence for creating social, environmental, and economic value, globally. Development of new products, features, localized products, and solutions secures as well as creates additional revenue with increased number of customer engagements and installed bases.

Earlier this year, Hitachi Energy launched EconiQ™ – eco-efficient portfolio which delivers a superior environmental performance compared to conventional solutions. The EconiQ high-voltage offering is proven to significantly reduce the carbon footprint throughout the total life cycle.

The aim is to reduce the environmental impact, increase energy efficiency, and future-proof technology investments. The SF6-free portfolio will grow over time to include:

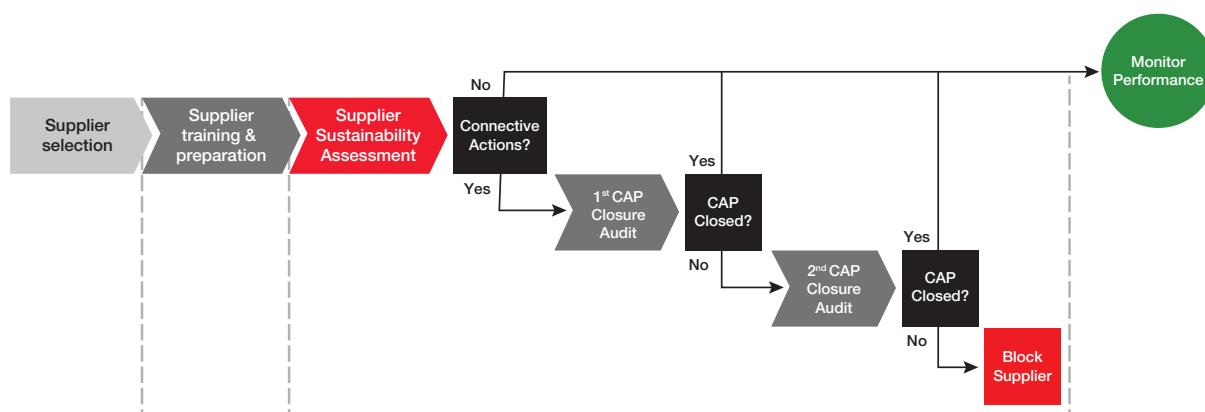
- **Products** which are superior in environmental performance over comparable conventional products
- **Services** that will transform existing and future infrastructure to reduce environmental impact
- **Solutions** which combine products and services that result in total superior environmental performance

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Company has set procedures to select suppliers, contractors and service providers based on their competence and capability to undertake tasks and in compliance with the Hitachi Energy Supplier Code of Conduct which includes health & safety, environment, ethics & integrity, human rights, working conditions among others. As a guiding principle the Company prefers to do business with compliant and sustainable suppliers. The Company has set procedures in place for sustainable transportation as well. At the time of qualification to become Company's supplier, the vendor is assessed across sustainability matrix.

The Company has implemented a Supplier Sustainability Development Program (SSDP) as part of a comprehensive sustainable sourcing initiative. The goal of the SSDP is to ensure compliance with the Supplier Code of Conduct, to support continual improvement of the sustainability performance of suppliers and to provide customers with a highly competitive and sustainable supply chain.

Supplier sustainability development program – overview



Hitachi Energy Power Transformer sources the commodity raw material from reputed and established global and local suppliers which are engaged in long-term business partnership, ensuring the sustainability of the raw materials. Hitachi Energy Transformer follows global standards 1LAA 000048 and instructions for approving the suppliers for control of hazardous substances / material and follow corresponding safety guideline. The Company has established process of securing the yearly volume with close follow up by global commodity supply chain organization across globe.

- b. If yes, what percentage of inputs were sourced sustainably?

Not available

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Hitachi Energy manufactures the transformer using biodegradable and environmentally friendly material which are recyclable, reusable or disposable with specific processes. Solid insulation made from naturally occurring cellulose which are bio-degradable as well as recyclable. Electrical magnetic steel is recycled in multiple electrical applications in industry. Manufacturing processes used for manufacturing transformers are also designed to be safe and environmentally friendly. At the end of the life of the transformer, qualified 3rd party agencies are involved in handling the transformer components and ensuring the laid down recycling / disposal treatments.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Hitachi Energy is not in business of producing plastic packaging material thus Extended Producer Responsibility (EPR) requirements are not applicable. However, whatever the plastic waste that gets generated during manufacturing is collected and disposed of to state pollution control board approved recyclers.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

To understand the environmental impact of the products over their life-cycle, Hitachi Energy has performed LCAs for most of our major products. Over the last years, the Company has also done LCAs for our more complex systems such as HVDC and FACTS, and the Company is looking into quantifying the environmental impact and potential benefits from the service solutions. The Company internal capabilities to do LCAs as per ISO 14040 and ISO 14044 on request from the business units and from its customers.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Life-cycle Assessments (LCAs) and risks as well as collaboration with and feedback from customers are used as input for improving the environmental performance of our products, systems, and services.

Manufacturing processes are environment friendly, however the LCA assessment are being done internally, impacts will be reviewed for social and environmental concerns.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Hitachi Energy manufactures and delivers transformers to customers and for them the transformers are large capital assets and high level of product reliability requirements. Hence the raw material used are prime grade, complying with the guaranteed parameters, hence the Company has limited scope of use of recycle material. However, the Company makes strong efforts to ensure minimum waste of raw material during production.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Disclosure as above

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not available

PRINCIPLE 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains

People well-being

The Company continues to attract top talent due to its inclusive culture and the immense opportunities available for nurturing their talent. The people strategy is aligned with the Company's overall ambition to be a pioneering technology leader. This requires a stable work environment in a growing market by maximizing the potential of the Company's workforce. To ensure that the Company continues to attract top talent, multiple employer branding initiatives were launched not limiting to career fairs, recruitment drives, university connect programmes and internship opportunities. During the year, the Company has consistently set a clear path to learn and adapt to perform better in the changing market situation with its enhanced performance management and talent strategy, focusing on building a healthy pipeline by attracting, assessing, and developing talent. In addition, persistent attention to provide an inclusive environment to promote diversity in gender, age and culture, including opportunities for global mobility, also form a part of the proactive plan to manage talent in key function areas. The Company's competency has been aligned with the business strategy. The Company recognized exceptional performance and behavior in line with organizational values through its rewards and recognition programme. There was continuous focus on improving the diversity in the workforce throughout the year. A diversity outreach programme was also launched to encourage rehiring of performers who may have left their career for various reasons. The entire approach to well-being was based on increasing diversity, promoting inclusion and recognizing performance. Multiple camps for Covid vaccination were organized in different office locations and factories to facilitate easy access for employees and employee children. Annual medical check-ups and camps were set up through the year to promote physical well-being.

Career development and opportunities

Keeping a strong focus on talent pipeline development, the Company has embarked on a 'Develop & Grow' journey this year, with the objective of enabling a powerful talent ecosystem that helps build and develop capabilities for the future. The Company is building a new paradigm of 'hybrid jobs' that combine technology, domain and industry experience. This enables it to attract skillsets that complement our growth paradigm. The Company also reskilling our workforce through structured learning paths and offering them a new-age skill identity through various talent assessments & customized learning to bridge skill gaps. The Company continues to enable internal talent growth and development by offering open dialogues, having regular performance and development reviews including structured feedback, knowledge transfer and other opportunities for enriching their career. Talent re-deployment has been encouraged by providing avenues for internal mobility through talent rotation when any new opportunity of hire arises. Adding to this, opportunities to work on different projects locally and across geographies / businesses have also been provided.

The Company encourages its employees to progress within the organization as opportunities arise. The organization has a strong talent management process to evaluate the best of talent, encourage and provide career development opportunities for promising employees through individual career development plans. Developing leaders internally continues to be a priority for the Company & with that in mind, succession plans are developed for all critical roles in the organization post talent risk assessments and engagement study.

Essential indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by							
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number	% (D / A)	Number (E)	% (E / A)
Permanent employees									
Male	1561	1561	100%	1561	100%		100%		100%
Female	145	145	100%	145	100%		100%		100%
Total	1706	1706	100%	1706	100%		100%		100%
Other than Permanent employees									
Male	17	17	100%	17	100%		100%		100%
Female	21	21	100%	21	100%		100%		100%
Total	38	38	100%	38	100%		100%		100%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by							
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number	% (D / A)	Number (E)	% (E / A)
Permanent employees									
Male	557		100%	557	100%		100%		100%
Female	4		100%	4	100%		100%		100%
Total	561		100%	561					100%
Other than Permanent employees									
Male	637		100%	637	100%		100%		100%
Female	24		100%	24	100%		100%		100%
Total	661		100%	661	100%		100%		100%

2. Details of retirement benefits for Current Financial Year and Previous Financial Year

Benefits	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	100%	100%	100%	100%
Gratuity	100%	100%	100%	100%	100%	100%
ESI	100%	100%	100%	100%	100%	100%
Others-please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises / offices of the entity accessible to differently-abled employees and workers

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The Company encourages diversity through global policy of Diversity 360 which involves inclusion. The same is specified in our policies and the weblink is : <http://search.abb.com/library/Download.aspx?DocumentID=9AKK107046A6244&LanguageCode=en&DocumentPartId=&Action=Launch>

5. Return to work and retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

100% of the employees who have gone on paternity leave have resumed work.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes.

There are multiple ways, the employees can report their concerns / grievances. The employees may use the Ethics helpline/ dedicated e-mail id, inform the immediate reporting manager / HR representative for the function or the country Integrity Officer, Internal Committee - Prevention of Sexual Harrassment (POSH) etc. The grievances received will be thoroughly examined and enquires will be done in the given timeframe to resolve the same.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent workers	Yes, in case of any grievance, employees can reach out to the location POSH committee or can raise it through the following global portal: https://www.hitachienergy.com/about-us/integrity/reporting-channels/how-do-i-report
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	1 st Jan 2021 – 31 st March 2022			1 st Jan 2020 – 31 st Dec 2020		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No of employees/ workers in respective category, who are part of association(s) or Union (D)	% (C/D)
Total permanent employees	0	0	0	0	0	0
-Male	0	0	0	0	0	0
-Female	0	0	0	0	0	0
Total permanent workers	561	561	100	580	580	100
-Male	557	557	100	574	574	100
-Female	4	4	100	6	6	100

8. Details of training given to employees and workers:

Yes, all the company employees underwent training on health & safety measures.

- Skill upgradation programs are conducted on a periodical basis.
- Previous financial year over 15,000 manhours of training imparted to permanent employees and 1000 manhours of training was imparted to permanent women employees.
- The casual/contractual employees are subjected to skill-based training depending on the work and job roles. Training matrix is designed based on their job risk profiles. As and when required, refresher trainings are provided to upgrade skills based on any changes in the work/job profiles of employees.

Category	1 st Jan 2021 – 31 st March 2022 Current Financial Year					1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year				
	Total (A)	On health and safety measures*		On skill upgradation		Total (D)	On health and safety measures*		On skill upgradation#	
		No. (B)	% (B/A)	No C	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1578	-	100	1188	75.3	1575	-	100	1269	80.5
Female	166	-	100	129	77.7	130	-	100	106	81.5
Total	1744	-	100	1317	75.5	1705	-	100	1375	80.6
Workers										
Male	557	-	100	343	61.7	574	-	100	#	-
Female	4	-	100	4	100	6	-	100	#	-
Total	561	-	100	347	61.8	580	-	100	-	-

*Regular programs on health & safety measures are conducted for all employees and workers.

9. Details of performance and career development reviews of employees and worker:

Category	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1846	1409	76.33%	1689	1444	85.49%
Female	179	106	59.22%	138	119	86.23%
Total	2025	1515	74.81%	1827	1563	85.55%
Workers						
Male	Increment is based on agreeable terms with location Unions					
Female						
Total						

Note : above numbers are based on the Annual salary revision eligibility of the financial year.

At Hitachi Energy, Non-Management Staff (NMS) are also eligible for meritorious increment /promotion according to practice of respective location in addition to normal increment. This practice differs based on the location and terms agreed with Union. Details given below :

- Peenya** : Appraisal period - April to March: Each workman eligible for promotion after every 3rd year
- Mysore** : Appraisal period - January to December: All NMS eligible for promotion once in 4 years
- Maneja** : Appraisal period - April to March: 35% of total strength eligible for promotion & 15% for increment every year

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
If yes, the coverage such system?

Yes, occupational health & safety management system has been implemented as per ISO 45001:2018 and certified.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Activity Based Risk Assessment (ABRA) is conducted for all activities which present a risk to HSE. As part of ABRA, hazards are identified for the activity and risks are assessed. All hazards are reported by the Company and contractor employees to their line managers and entered in the global HSE/SA MIS system.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.
(Y/N)

Yes

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.1
	Workers	0.3	0.09
Total recordable work-related injuries	Employees	1	1
	Workers	10	8
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

As an organization, the Company has established a very strong focus on safety and have helped our employees stay healthy – both, physically and mentally. Targets for 2030 include zero harm – through rigorous risk assessments and

training – and top-quartile health absence rates. The following measures were taken but not limited to the following to ensure a safe and healthy workplace:

- HSE Management system has been implemented as per ISO 14001 & 45001 and continual improvements are done.
- Activity based risk assessment is conducted for all activities which present a risk to HSE. Activity Based Risk Assessments (ABRA) are reviewed when there is an identified control failure (e.g., incident, audit or inspection or should significant change occur (e.g., to the task, process, substances, resources, or technology) that may affect the hazards and risks.
- HSE training - training plans are developed based on the assessment of the current level of competence and awareness. Trainings are in consideration of individual capabilities and cultural aspects. All trainings shall take into account the differing levels of responsibility, risks, ability, language skills and literacy. All relevant staff and persons working on behalf of the Company shall participate in trainings as defined in the training plan.
- Hazards and control measures are communicated before start of the activity and monitored to ensure that controls are implemented. All hazards are reported by the Company and contractor employees to their line managers and entered in the global HSE/SA MIS system. Responsible managers are aware of their top five risks and, considering these in conjunction with their top five incident categories, develop appropriate campaigns or action plans for reducing the risks and managing those areas for improvement.
- All machinery and equipment used by company personnel and contractors for work being performed by or on behalf of company must be suitable and fit for the intended purpose and use. The frequency for inspection of machinery and equipment is determined by assessment of the risks in the use of that equipment, the environment in which the equipment is used or operates and the manufacturers' recommended schedule.
- Internal & external audits are carried out to check the adequacy of systems, procedures, and control are implemented.
- Management reviews the status of the HSE Management System with regard to suitability, effectiveness and adequacy and opportunities for improvement

13. Number of complaints on the following made by employees and workers:

	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0		1	0	
Health & safety	0	0		0	0	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 %
Working conditions	100 %

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Many corrective actions but not limited to following were taken to address safety related incidents and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

- All incidents are investigated as per the classification and corrective actions implemented to prevent its recurrence
- Reintroduction of the LSR in all BUs through a marketing driven campaign to prevent fatal and serious injuries
- All activities are assessed with a risk assessment process and launch of Activity Based Risk Assessment methodology
- Employees exposed to mental stress, particularly during Covid-19 lockdown Employees trained on Health Resilience
- Training of employees and workers to enhance their knowledge and consultation with employees to increase their participation in risk management

Leadership indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees – Yes

(B) Workers – Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Periodic compliance audit of The Company's value chain partners is done for ensuring the statutory dues paid properly.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

None of the employee /workers have suffered high consequence work-related injury / ill-health / fatalities in current and previous financial year.

	Total Number of affected employees / workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Employee	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practice	100 %
Working condition	100 %

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The responsible manager ensure compliance regarding all legal country, state or local regulations. Value chain partners/ contractor workers are trained and authorized to perform the assigned task and ensured each worker adheres to all applicable HSE rules and site procedures of the Company.

PRINCIPLE 4 : Businesses should respect the interests of and be responsive to all its stakeholders

Essential indicators

Sustainability performance forms an important basis for the Company's dialogue with its stakeholders. In recent years, Group has been carrying out surveys with stakeholders that impact the Company's sustainability strategy and priorities. Consultations with both external and internal stakeholders were instrumental in developing the Group sustainability objectives for 2014-2020.

A comprehensive dialogue with key stakeholders and its inputs and feedback enabled Hitachi Energy to revisit its materiality matrix and developed the next level 2030 objectives. The Sustainability 2030 objectives are established by the Group and the legal entity has incorporated the same along with the local objectives

The Company had dialogues with various Government entities - central and state with regards to policy and presentation on the Company's innovative sustainable solutions such as electric vehicle charging and "Make-in-India", smart cities, sustainable mobility solutions, energy efficiency, efficiency upgradation in the railways sector, renewable energy, growth developments & technology keeping the climate change, job skilling, etc. The Company also carried out its Supplier Sustainable Development Program (SSDP) across chosen vendors.

The Supplier Sustainability Development Program (SSDP) is supplier engagement to uphold human rights and decent working conditions, ensure safe and environmentally sound operations and comply with relevant regulatory requirements in supply chain. Sustainable and compliant suppliers reduce risk of disruption and negative brand impact. Additionally, suppliers experience operational benefits like improved on-time delivery, reduced machine breakdown, increased productivity and overall reduction in cost of manufacturing, thus becoming more efficient and effective"

During current FY 2021-22, the Company has trained and assessed 14 supplier partners on SSDP. Additionally, during this period, the Company has trained and developed 7 of our internal people on SSDP, who have been certified by Bureau Veritas as a lead assessor and are able to conduct the supplier assessments independently.

The Company during the period, also organized several customer engagements events to bring the Company's technologies closer to the customers. The Company organized multiple customers connect programs on HSE/SA, to hear to the voice of the customer to further improve the performance and to include the inputs of the customer into the strategy of the Company.

1. Describe the processes for identifying key stakeholder groups of the entity.

Leadership teams across businesses and functions review various audiences - primary to tertiary - to identify

- those that the Company has most interactions and exchanges
- those whom the Company impacts economically and socially, and vice versa
- with whom the Company creates value and enable the energy transition
- communities and those whom the Company can support

These groups have been classified broadly as our key stakeholders, as listed below:

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (E-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (Annually/Half yearly/ Quarterly/Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Business				
Customers	No	E-mails Meetings, Trainings Webinars	Ad hoc	Knowledge sharing Presentation of innovative sustainable solutions
Suppliers	No	Development programs Meetings & E-mails	Annual Ongoing	Supplier Sustainable Development program
Investors	No	E-mail, newspaper advertisement, Boards' report, quarterly financials, annual financials, website, analyst call, annual general meeting	Annual, quarterly and on a need basis	Welfare of investors by management of business operations in best possible way, timely identification of risks and its mitigation and imbibed with principles of integrity and sustainability in all aspects of the Company Business performance Annual general meeting
Employees	No	HSE & sustainability programs & trainings townhalls, employee welfare programs E-mails	Ongoing	Communication & feedback
Competitors	No	Seminars Industry events & Associations	Event-based	Networking & knowledge sharing

Government				
Government and regulators	No	Meetings	Event-based	Presentation of innovative sustainable solutions
Legislators and the law	No	Meetings	Event-based	Compliances
Trade bodies	No	Seminars & conferences	Event-based	Networking & knowledge sharing
Civil society				
International organizations	No	Meetings	Ad hoc	Partner for sustainability programs
Local communities	Yes	Community meetings	Ongoing	Engagement for CSR activities
Academia and scientific community	No	Seminars Meetings, Campus connect programs	Ad hoc	R&D and educational partnerships
Media	No	Meetings, Press Release, and events	Quarterly	Thought leadership, communication & branding
NGOs and civil society organizations, trade unions	No	Interactions & meetings	Ad hoc	Implementation of CSR projects employee welfare

Leadership indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Investors - Annual general meeting and analyst calls

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Not applicable

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups**

Yes. The Company has identified vulnerable/ marginalized stakeholder groups and providing support to the beneficiaries through CSR projects

PRINCIPLE 5 : Businesses should respect and promote human rights

The Company's values are rooted in respect, including respect for the human rights of every single person who works for or with us. Respecting and promoting human rights in our business activities is one of our priorities in our community's impact area. The Group recognizes that respect for human rights is a basic requirement and that failure to do so can cause harm to people and adversely affect business, with potential legal, financial and reputational consequences.

The Company follows its Human Rights Policy and a Social Policy to respect human rights and to avoid causing or contributing to adverse human rights impacts through own activities. The policy draws on the Universal Declaration of human rights, the International Labour Organization (ILO) core conventions on labor standards, United Nations Global Compact (UNGC), The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, UN Sustainable Development Goals (SDG) and the Social Accountability (SA) 8000 standard. All employees have access to the human rights e-learning, which describes the human rights principles and risks for the Company. The Company has made a provision, employees shall report any human rights risk or violation that might occur during projects, services and operations of the Company. Human Rights performance are being monitored based on relevant indicators to evaluate and to prevent human rights impacts in all of the Company's operations and workplaces. The Company's Human Rights and Social Policies specifically refer to the ILO core conventions as the minimum to be achieved, with respect to non-discrimination, prohibition of child and enforced labor, freedom of association and the right to engage in collective bargaining. The United Nations (UN) guiding principles are central to the Company's human rights training. A global awareness-raising program for all focuses on understanding how the Company can potentially impact human rights, the importance of due diligence and how the Company is embedding human rights in business processes, a global capacity building program is under way.

During the year under review, the Company has not received any grievances related to human rights. The Company, in line with the Group policy, seeks to raise its standards, and increase its understanding, and mitigation of human rights risks.

Essential indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	% (B/A)	No. of employees/ workers covered (D)	% (C/D)
Employees						
Permanent	Employees were given induction training on policies before starting their work					
Other than permanent						
Total employees	All the employees were covered					
Workers						
Permanent	Workers were given induction training on policies before starting their work					
Other than permanent						
Total workers	All the employees were covered					

2. Details of minimum wages paid to employees and workers, in the following format:

Category	1 st Jan 2021 – 31 st March 2022 Current Financial Year				1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year					
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No C	% (C/A)		No . (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1706 - Minimum wages paid, as per the respective State Statutory provisions and same is followed for female employees									
Female										
Other than permanent										
Male	38 - Minimum wages paid, as per the respective State Statutory provisions and same is followed for female employees									
Female										
Workers										
Permanent										
Male	561 - Minimum wages paid, as per the respective State Statutory provisions and same is followed for female employees									
Female										
Other than permanent										
Male	661 - Minimum wages paid, as per the respective State Statutory provisions and same is followed for female employees									

3. Details of remuneration / salary / wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category	Number	Median remuneration/ salary / wages of respective category
Board of Directors (BOD)	4	42,80,000	0	-
Key Managerial Personnel (KMP)	3	1,50,83,360	0	-
Employees other than BOD and KMP	1,558	12,68,901	145	10,04,530
Workers*	557	11,21,536	4	23,43,472

Workers* - Remuneration data of workers is maintained separately by each location and depends on collective bargaining agreement. Hence remuneration comparison cannot be determined.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) - Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

– The Company has Internal committees to redress various grievances.

6. Number of complaints on the following made by employees and workers:

1 st Jan 2021 – 31 st March 2022 Current Financial Year			1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		
	Filed during year	Pending resolution at the end of the year	Remarks	Filed during year	Pending resolution at the end of the year
Sexual harassment	0	0		1	0
Discrimination at workplace	0	0		0	0
Child labour	0	0		0	0
Forced labour/ Involuntary labour	0	0		0	0

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Policies are made and awareness been given to employees on the same.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/Involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

Leadership indicators**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

No such incidents/requirements so far

2. Details of the scope and coverage of any human rights due-diligence conducted.**3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Provisions are available

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced labour/Involuntary labour	100%
Wages	100%
Others-please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No such risk / concerns

PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment

Hitachi Energy is a global technology leader that is advancing a sustainable energy future for all. The Company serves customers in the utility, industry and infrastructure sectors with innovative solutions and services across the value chain. Together with customers and partners, the Company pioneers technologies and enable the digital transformation required to accelerate the energy transition towards a carbon-neutral future. The Company is advancing the world's energy system to become more sustainable, flexible and secure whilst balancing social, environmental and economic value.

To meet the changing needs of a growing population and limit global warming to 1.5 degrees, large-scale volumes of variable energy generated from renewable sources need to be efficiently integrated into the world's energy system. To facilitate the deployment of technology at the scale and speed required, The Company believes that it must adapt and adopt new business models and collaborate with all stakeholders to support sustainable, flexible and secure energy systems such as power grids. As more renewable power sources join to gradually replace carbon-based energy, the Company needs to ensure grids remain resilient, and become more flexible as they adapt to fast-changing demands and increasing decentralization. Only through effective digitalization of all elements of the energy value chain can this be delivered. Making energy more accessible, affordable, and sustainable also needs better energy efficiency at all stages of distribution and a reduced environmental footprint throughout the life cycle of all components.

Sustainability 2030 is new strategic plan for sustainability where the Company summarizes the main commitments to act and drive business in a sustainable way. Based around four pillars: Planet, People, Peace and Partnerships.

Hitachi Energy India understands that ESG factors have become the norm to build resilient and successful businesses. Our ESG targets are aligned with the four pillars of Sustainability 2030 plan : Planet, People, Peace and Partnerships. Our strategy draws from the UN's Sustainable Development Goals, where each pillar has corresponding targets that drive our business to contribute social value, environmental value and economic value.

Together with customers, partners, and key stakeholders, the Company is contributing to accelerating the energy transition to ensure a sustainable energy future for all.

Essential indicators

1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Total electricity consumption (A)	2,14,957	1,56,480
Total fuel consumption (B)*	1,31,28,309	49,26,942
Energy consumption through other sources (C)	26	21
Total energy consumption (A+B+C)	1,33,43,292	50,83,443
Energy intensity per Rupee of turnover (Total energy consumption/turnover in Rupees)	0.00026	0.00014
Energy intensity (optional) – the relevant metric may be selected by the entity		

* Fuel consumption does not include the fuels consumed from fleet operations.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, GHG (Green House Gas) emission assessment done by DNV Business Assurance India Private Limited in 2021.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,27,099	1,80,026
(ii) Groundwater	2,51,160	1,69,572
(iii) Third party water	1,44,27	11,441
(iv) Sea water/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,92,686	3,61,039
Total volume of water consumption (in kilolitres)	2,90,479	2,12,447
Water intensity per Rupee of turnover (Water consumed / turnover)	0.0000059	0.0000062
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. Company has taken various initiatives during the year for water conservation to reduce freshwater consumption and installed efficient wastewater treatment systems at its manufacturing sites. In line with Zero Liquid discharge approach, our many units are recycling treated wastewater for gardening as well as flushing purpose. The focus is to reduce wastewater economically and produce clean water that is suitable for reuse (e.g., irrigation), thereby saving money and being beneficial to the environment.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
NOx	As per applicable	Complied	Complied
SOx	CPCB / SPCB standards	Complied	Complied
Particulate matter (PM)		Complied	Complied
Persistent organic pollutants (POP)		Not applicable	
Volatile organic compounds (VOC)		Not applicable	
Hazardous air pollutant (HAP)		Not applicable	
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, environment assessment done by Pollution Control Board approved laboratory in respective states.

6. Provide details of Green House gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	31,338	21,107
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	23,763	23,484
Total Scope 1 and Scope 2 emissions per Rupee of turnover		0.0000011	0.0000013
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, GHG (Green House Gas) emission assessment done by DNV in 2021

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

By 2030, the Company aims to achieve carbon-neutrality in our own operations. The Company is targeting to reducing carbon emissions by 50% along the value chain. And reducing waste – along with our use of precious resources, like water.

To achieve carbon-neutrality in our own operations, our first step is to invest in fossil-free electricity and energy efficiency, ensuring our facilities are as efficient as possible.

In December 2021, the company has reached its first step target to use 100% fossil-free electricity in its own operations, showing fast progress in achieving its Sustainability 2030 target of becoming carbon-neutral in own operations. By using 100% fossil-free electricity in our own operations, the Company has reduced our CO₂ equivalent emissions by over 50% compared to 2019. The Company did this through projects generating own fossil-free electricity, such as installing solar roof panels, switching electricity contracts to green tariffs, buying International Renewable Energy Certificates (IRECs), and signing Power Purchase Agreements (PPA).

The company is continuing to invest in its journey towards carbon-neutrality by further increasing energy efficiency, as well as electrifying its own operations.

The Company's ambition extends beyond carbon-neutrality. The Company is working to reduce waste – along with our consumption of precious resources, like freshwater. The Company will support SDG 12 (Responsible Consumption and Production) and SDG 6 (Clean Water and Sanitation). The Company will minimize the use of water, materials, pollution, and waste in our operations and throughout the life cycle of our solutions through a circular mindset.

8. Provide details related to waste management by the entity, in the following format:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	100.2	46
E-waste (B)	15.69	0.01
Bio-medical waste (C)	0.44	1.23
Construction and demolition waste (D)	0.01	0.00
Battery waste (E)	3.19	0.00
Radioactive waste (F)	0.00	0.00
Other hazardous waste. Please specify, if any. (G) (Used Oil, Resin, oily quartz & papers, glass wool, discarded containers)	373	273
Other non-hazardous waste generated (H). Please specify, if any. (Ferrous - MS & SS) & Non-ferrous (Copper, Aluminum) Wood waste & dust (Break-up by composition i.e. by materials relevant to the sector)	7,479	6,805
Total (A+B + C + D + E + F + G + H)	7,972	7,125
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	70	40
(ii) Landfilling	3,410	2,605
(iii) Other disposal operations	4,491	4,479
Total	7,971	7,124

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, Periodic audits are done by DNV as per ISO 14001: 2015

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Managing waste from our own operations has been a company's priority and has been continuously improved through the company management system standard for waste management.

Integration of sustainability considerations in Research & Development (R&D) gate models to ensure that Health, Safety, and Environment are considered and understood when assessing R&D projects.

Reducing generation of waste and reducing the wastes that is sent for final disposal remains the Company's focal area. Waste reduction is incorporated in the product design stage to ensure waste minimization in manufacturing process. Source segregation of waste, in-house recycling of packaging materials and reuse continues to add more value to waste and reduces the quantum of non-recyclable wastes that are sent to landfill. All wastes are sent to relevant Pollution Control Board (PCB) authorized recyclers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

Not applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the company has complied with the applicable environmental law/ regulations/ guidelines in India

Leadership indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
From renewable sources		
Total electricity consumption (A) #	1,07,218	48,931
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,07,218	48,931
From non-renewable sources		
Total electricity consumption (D)	1,07,739	1,07,548
Total fuel consumption (E)*	1,31,28,309	49,25,715
Energy consumption through other sources (F)	26	20
Total energy consumed from non-renewable sources (D+E+F)	1,32,36,074	50,34,510

Total electricity consumption from renewable source consists of renewable energy from solar power, PPAs with third party & purchasing of International Renewable Energy Certificates (I-RECs)

*Fuel consumption does not include the fuels consumed from fleet operations.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, GHG (Green House Gas) emission assessment done by DNV Business Assurance India Private Limited in 2021.

2. Provide the following details related to water discharged:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	23,915	18,239
- No treatment	0	0
- With treatment – please specify level of treatment*	23,915	18,239
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment		
(v) Others	1,78,291	1,30,353
- No treatment	0	-
- With treatment – please specify level of treatment*	1,78,291	1,30,353
Total water discharged (in kilolitres)	2,02,206	1,48,592

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

*Water treatment is done before discharge of water to meet quality requirements as per conditions of consent to operate.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area :

- 1) Maneja Village, Vadodara (Semi-critical)*
- 2) Peenya Industrial Area, Bengaluru Urban (Over exploited)*

(ii) Nature of operations :

- 1) Manufacturing of transformers, bushings & breakers
- 2) Manufacturing of control panels, sub station automation system & grid automation products

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	2,20,561	1,46,513
(iii) Third party water	565.6	480.6
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	2,21,126.6	1,46,993.6
Total volume of water consumption (in kilolitres)	1,35,050	1,04,411.6
Water intensity per Rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	11,946	7,147
- No treatment	0	0
- With treatment – please specify level of treatment	11,946	7,147
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0

- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	74,130	35,435
- No treatment	0	0
- With treatment – please specify level of treatment	74,130	35,435
Total water discharged (in kilolitres)	86,076	42,582

*As per block-wise Ground Water Resource Assessment -2020 by Central Ground Water Board

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per Rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (web link, if any, may be provided along-with summary)	Outcome of the initiative
1	100% fossil-free electricity in its own operations	Generating own fossil-free electricity, such as installing solar roof panels, buying International Renewable Energy Certificates (IRECs), and signing Power Purchase Agreements (PPA).	Co ₂ emission reduction
2	Solar power panels installation	Rooftop solar for the electrification of a project site office. Battery stores the energy and provides backup during non-generation hours.	Co ₂ emission reduction
3	Energy efficiency improvement programs	Oven fuel and thermic fluid system optimization. Replaced conventional and Metal Halide lights with energy efficient Light Emitting Diode light fixtures. Installation of lighting transformers to get constant voltages.	Co ₂ emission reduction
4	Reduction in freshwater use	Switching over from groundwater to canal water has resulted in saving of water in RO operation and equipment performance due to better quality (less TDS/Hardness)	Water footprint reduction

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, Business Continuity Planning (BCP) is part of Hitachi Energy's organizational resilience program. It is designed to reduce the impact of a business interruption which could occur due to a range of events ranging from financial, natural causes or man-made events. It helps Business Unit/Function to respond effectively to the disruption and restore its essential services and mission critical processes as quickly as possible to ensure timely recovery. It provides a reference tool for the actions required during or immediately following an emergency or incident that threatens to disrupt Business Unit/Function normal business activities.

The key objectives of this business continuity plan are to:

- Identify advanced preparations and procedures that will enable Business Unit/Function to respond quickly to disruptive incidents, and ensure continuity of critical business functions
- Reduce employee injury or loss of life, and minimize damage and losses
- Have documented plans and procedures to ensure effective execution of recovery strategies for critical business functions
- Reduce and mitigate disruptions to business operations
- Identify teams which would need to respond to incidents and define specific responsibilities
- Quantify the impact of incidents in terms of monetary, time, operations, and work force
- Recover quickly from an emergency and resume full operations

Steps

Key Business Processes & Recovery Priorities

List all the key processes and sub processes that must be maintained or quickly restored in the event of a disruptive incident. It provides a high-level description for each of the process and assigns a priority (criticality) ranking to each of them.

Risk assessment

Risk assessment is one of the main parts of the BCM system. The RA process involves identification, analysis, and evaluation of all possible risks, hazards, and threats to the operating environment, and defines likelihood / impact of disruptive events caused by such threats.

Once the risks have been identified, their impact on different aspects of operations are gauged. Those risks which affect mission-critical operations should be handled first. The following strategy is used to handle risks:

- **Prevent** – Risks which are of high probability with high impact. These risks must be attended first by using mitigation, prevention or any other strategy to lessen or avoid its impact
- **Accept** – Risks which have low probability and low impact. Nothing specific needs to be done for such risks, but the organization should be vigilant. If a back-up strategy is put in place for such a risk, all the better
- **Contain** – Risks which have a high probability of occurring but having low impact on operations. Use mitigation strategies to minimize impact of the risk on business operations
- **Plan** – Low probability but high impact events. Though this may be once in a lifetime event, its impact could be disastrous. The business should plan the steps to be taken if such a risk occurs. Once the steps to be taken are in place, production can be resumed in the shortest possible time with the least loss

Business Impact Analysis

The Business Impact Analysis (BIA) identifies and prioritizes the mission-critical business processes and key functions, disruption related operational impacts, and the resources (internal and external) required to recover critical operations.

A properly executed BIA will guide in reducing the overall operational and financial impacts, reduce potential losses, and enhance the business operations.

Business Continuity Strategy

Business Continuity Plan describes the strategy devised to maintain business continuity in the event of a disruption to operations. This strategy will be invoked when the primary facility(ies) somehow be damaged or inaccessible, and business critical operations are interrupted.

Recovery Priorities

The strategy is to recover critical business functions at an alternate site location (if an off-site strategy has been put into effect to provide recovery service). Critical business functions are the most critical for immediate recovery at the secondary location.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Not available

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not available

PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The Company is operating in a dynamic, competitive, and regulated environment, making the operations and compliance more complex.

The Company is committed to follow the law of the land and has a policy of zero tolerance to non-compliance which is an integral part of its culture and operating philosophy. To support, streamline and adapt quickly with the ever-changing policy framework, the Company has key industry memberships as given below.

Essential indicators

1. a. Number of affiliations with trade and industry chambers/ associations. - 4
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. no.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries	State & National
2	Indian Electrical and Electronics Manufacturers' Association	National
3	Sweden Chamber of Commerce India	National
4	Central Board of Irrigation and Power	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Not applicable since the Company has not received any adverse order from regulatory authorities towards issues related to anti-competitive conduct.

Leadership indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others - please specify)	Weblink, if available
1	Electrification of public transport and development of urban infrastructure	CII Karnataka Industry forum	-	-	-

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

The Company's Social Policy focuses on society, human rights, children and young workers, freedom of engagement, health and safety, harassment and disciplinary practices, employee consultation, equality of opportunity working hours, compensation, suppliers, community involvement and business ethics.

The policy is drawn principally on six sources:

1. The Universal Declaration of Human Rights
2. The UN Guiding Principles on Business and Human Rights
3. The International Labour Organization's Declaration on Fundamental Principles and Rights at work
4. The OECD Guidelines for Multinational Enterprises
5. The Global Sullivan Principles and
6. The Social Accountability 8000 (SA 8000) standard

The Company has its Corporate Social Responsibility (CSR) policy and framework for action along with clear focal areas against which community engagement projects are taken up predominantly in and around its factory locations.

The details of beneficiaries of CSR Projects are given in response to clause 6 of Leadership indicators

Essential indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The company is committed to sustainable and inclusive development of the community's social capital through active engagement. Social surveys are organized through NGO partners to receive the grievances of community, if any. CSR projects are identified and implemented in the following focus areas:

- Promote gender equality and empowering of women in engineering workforce
- Endorse education, employability & healthcare
- Social impact projects to collaborate with communities to provide innovative off-grid solutions to improve access to electricity in the country, especially in rural areas for its development
- Support national disaster management and other Government initiatives
- Aid in sustainable development goals

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	1 st Jan 2021 – 31 st March 2022 Current Financial Year	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year
Directly sourced from MSMEs / small producers	90%	70%
Sourced directly from within the district and neighboring districts	80%	60%

Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

Sl no.	State	Aspirational district	Amount spent (in INR Crores)
1	Karnataka	Bengaluru, Mysore **	1.50
2	Tamil Nadu	Chennai **	0.02
3	Gujarat	Vadodara **	0.52

Note :

The administrative cost spend of 0.102 INR Crore is exclusive of the spend listed above

** The CSR projects undertaken by the entity are in the districts as listed above and they do not fall under the 'designated aspirational districts' as identified by government bodies

- 3.**
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No) - No
 - From which marginalized / vulnerable groups do you procure? - Not applicable
 - What percentage of total procurement (by value) does it constitute? - Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Not applicable

6. Details of beneficiaries of CSR Projects:

Sl. no.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1)	Women in Manufacturing, Engineering - achieving gender equality and empowering women	80	100%
2)	Ambulance service for local community, providing mobile physiotherapy services for disabled	1800	100%
3)	Green initiatives for traffic islands	Society	
4)	Nutrition kit to 500 under privileged Government school children at Vadodara	500	100%
5)	Creating additional 50 beds at Prakriya Hospital at Peenya	>3000	80%
6)	Supporting C V Raman Government Hospital for new 56 bed ICU facility	>3000	100%
7)	Creating additional medical facility at Govt. Hospital at Halol (Panchmahal)	>3000	100%
8)	Augmenting Pediatric & Neonatal medical facility at Govt. Health Centre at Savli	>3000	100%
9)	COVID-19 Support - Paediatric ICU at Govt. district Hospital, Mysore	>3000	100%
10)	Sustainable Public Mobility - piloting societal adaptation of clean energy in public mobility at IIT Madras	About 1000	-
11)	Smart Electric Grid - laboratory for quality education and skill development at NIT Warangal	About 1000	-
12)	Smart & Sustainable Community - connecting industry, innovation and infrastructure at IIT Roorkee	About 1000	-

PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company's customers have following channels through which complaints can be sent and following mechanism is in place to respond to the same:

- 1) Customers can place the complaints through:
 - a. Our Contact Center
 - b. Through E-mail / Letter to the concerned area sales office or project management/order handling or through the EPC/OEM/Distributor from which they have purchased the finished product.
- 2) Upon receipt of the complaint, the sales team or the factory team who have received the complaint, will raise in the system through Customer complaint resolution process (CCRP) tool. The progress of these CCRP tickets is tracked monthly.
- 3) Customers if not satisfied with pace of resolution or the resolution itself, can also request for a escalation matrix.
- 4) Transactional NPS (Net Promoter Score) is used to track the customer feedback and analyzed to take corrective action if necessary.
- 5) High severity customer complaints are monitored on monthly basis at management meetings.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

The product manual provides information on environmental and social parameters, wherever it is relevant to the product.

For products installed in the field, the Company can offer life cycle management solutions through our service operations. This will support decision-making for customers to manage and maintain their assets, including when it is time for upgrades and decommissioning of assets. The Company is expanding our solutions for product end-of-life management, which have already contributed to large amounts of recycled material in certain markets. One of the key pillars of our service strategy is extending the life of our customers' electrical infrastructure.

3. Number of consumer complaints in respect of the following

	1 st Jan 2021 – 31 st Mar 2022 Current Financial Year		Remarks	1 st Jan 2020 – 31 st Dec 2020 Previous Financial Year		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data privacy	None	None		None	None	
Advertising	None	None		None	None	
Cybersecurity	None	None		None	None	
Delivery of essential services	None	None		None	None	
Restrictive trade practices	None	None		None	None	
Unfair trade practices	None	None		None	None	
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link of the policy.

Yes, the web link is as follows - <https://www.hitachienergy.com/offering/solutions/cybersecurity>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cybersecurity and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No action taken or underway on issues relating to data privacy of customer

Leadership indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

- Yes, web link is as : <https://www.hitachienergy.com/offering>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company gives the following to inform and educate consumers about safe and responsible usage of products and/or services.

- Product operational manual
- Customer training on product, if required
- FAT : Factory Acceptance Test confirmation
- On-site commissioning support

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

The Company manages product life cycle management process like:

- EOL – End Of Life policy or
- LTB – Last Time Buy policy

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. product safety is a critical component of each of our solutions and is exemplified as part of our management system, which contains a standard specifically for HSE requirements during product R&D. Each R&D project is accompanied by a project specific HSE plan, requiring assessment of HSE risks, opportunities, and aspects. Additionally, all our products are provided with safety manuals, which include information concerning the safe use of our products. Overall, our product safety and design programs allow us to incorporate safety by design and offer more value with less HSE & Sustainability impact.

On packing box, the Company prints “FRAGILE MARK” & Glass symbol for upside down indication, Umbrella mark and don't stack, Don't stamp marking.

Yes. The Net Promoter Score (NPS) survey methodology is adopted to understand how the Company is perceived by its customers. The surveys are administered online through a web-based application at planned interval.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - None
- b. Percentage of data breaches involving personally identifiable information of customers - Not Applicable

Links to the Company Policies and Programs' section

Health, Safety, Environment and Sustainability Policy (Hitachi-ABB Group):

https://search.abb.com/library/Download.aspx?DocumentID=8DAA5004678_en%20&LanguageCode=en&DocumentPartId=&Action=Launch

Social Policy (Hitachi-ABB Group):

<https://search.abb.com/library/Download.aspx?DocumentID=9AKK107991A1293&LanguageCode=en&DocumentPartId=&Action=Launch>

Human Rights Policy (Hitachi-ABB Group):

<https://search.abb.com/library/Download.aspx?DocumentID=9AKK107991A1296&LanguageCode=en&DocumentPartId=&Action=Launch>

Corporate Social Responsibility Policy (Company):

<https://www.hitachienergy.com/in/en/investor-relations/corporate-governance>

Sexual Harassment of Women at the Workplace Policy (Company):

<https://www.hitachienergy.com/in/en/investor-relations/corporate-governance>

Code of Conduct (Company):

<https://search.abb.com/library/Download.aspx?DocumentID=9AKK107680A9270&LanguageCode=en&DocumentPartId=&Action=Launch>

Supplier Code of Conduct (Hitachi Energy Group):

<https://www.hitachienergy.com/about-us/supplying/code-of-conduct>

Sustainability Development Goals:

<https://www.hitachienergy.com/in/en/news/press-releases/2021/06/hitachi-abb-power-grids-announces-sustainability-2030>

Corporate Governance (Company):

<https://www.hitachienergy.com/in/en/investor-relations/corporate-governance>

Integrity Program (Hitachi Energy Group):

<https://www.hitachienergy.com/ch/de/about-us/integrity>

Hitachi Energy Whistleblower - Protection Policy (Company):

<https://www.hitachienergy.com/in/en/about-us/integrity/reporting-channels/whistleblower-protection-policy>