

2023 ESG REPORT

STRIVING TOWARDS A FUTURE
WHERE SUSTAINABLE ENERGY
IS WITHIN REACH FOR EVERY
HOUSEHOLD IN INDIA.

www.sael.co



SUSTAINABLE & AFFORDABLE ENERGY FOR LIFE

Striving towards a future where sustainable energy is within reach for every household in India.

Amidst rapid expansion, India is steadfastly progressing towards its goal of achieving Net-Zero emissions by 2070. With increasing global emphasis on the adoption of renewable energy, India has set an ambitious target of reaching a capacity of 500 GW by 2030. At SAEL Industries Limited (SAEL), we are continuously endeavoring to facilitate India's adoption of clean and affordable energy projects for baseload power. As one of India's fastest-growing energy companies, we are dedicated to enhancing the energy landscape nationwide. Presently, we have a committed Renewable Energy (RE) Capacity of 6.3 GW and aspire to expand at a rate of 3-4 GW annually in renewable energy capacity to facilitate the transition to a more sustainable economy. Our strategic objectives are reinforced by our commitment to developing cutting-edge technologies, including advancements in the Waste-To-Energy projects. Through our focused endeavors to implement sustainable practices throughout our operations, we are resolutely committed to realizing a future where sustainable energy is accessible to every household in India.



Story of Our Influence



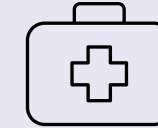
Empowering Local Communities through Employment and Economic Growth

In the heart of rural Punjab, Rajasthan, and Haryana, where the shadow of agricultural waste burning looms large, SAEL's presence has become a beacon of hope. Meet Jagmohan and Sukhveer, a couple from Punjab whose lives were transformed when SAEL began purchasing agricultural waste from local farmers. Not only did this initiative provide them with a steady income, but it also offered a lifeline to the fragile ecosystems surrounding their village. With biodiversity rapidly declining due to climate change and habitat destruction, SAEL's commitment to waste management not only empowers Jagmohan and Sukhveer but also serves as a vital lifeline for countless species that call these fields home.



Protecting Biodiversity and Ecosystems through Waste Management

In the arid landscapes of Rajasthan, where every blade of grass is a precious sanctuary, the Nagpal family stands as guardians of biodiversity. Their farm has long been a haven for myriad species of birds and insects, but the specter of agricultural waste burning threatened to unravel this delicate tapestry of life. Enter SAEL, whose Waste-to-Energy Plants emerged as saviors, offering an alternative to destructive open burning. Today, the Nagpals' fields flourish, not just with crops but with the symphony of nature, thanks to SAEL's unwavering dedication to preserving biodiversity in the face of escalating climate change and ecosystem degradation.



Improving Public Health and Mitigating Air Pollution

In the villages of Haryana, where the air once hung heavy with the acrid scent of burning waste, the Kumar family's story is one of resilience and renewal. Amidst the looming threat of respiratory ailments and compromised health, SAEL's Waste-to-Energy Plants emerged as beacons of clean air and hope. Today, as the Kumar family breathes in the crisp, pollution-free air, they bear witness to the transformative power of SAEL's commitment to environmental stewardship. In an era defined by climate crisis and ecological upheaval, SAEL's efforts not only safeguard public health but also serve as a bulwark against the tide of biodiversity loss, ensuring that future generations inherit a world teeming with life and possibility.

SUSTAINABLE & AFFORDABLE ENERGY FOR LIFE

SAEL

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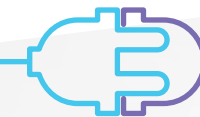
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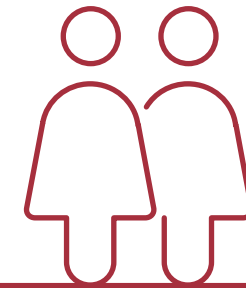
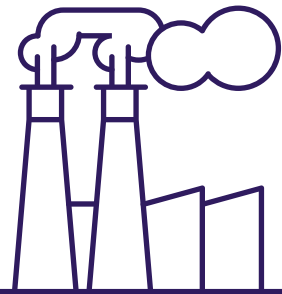
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Highlights of key ESG metrics



SAEL's greenhouse gas emissions

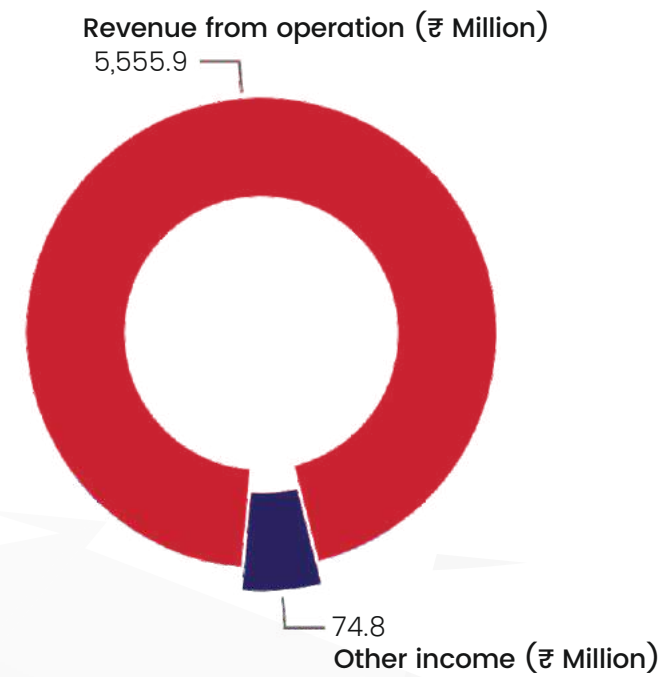
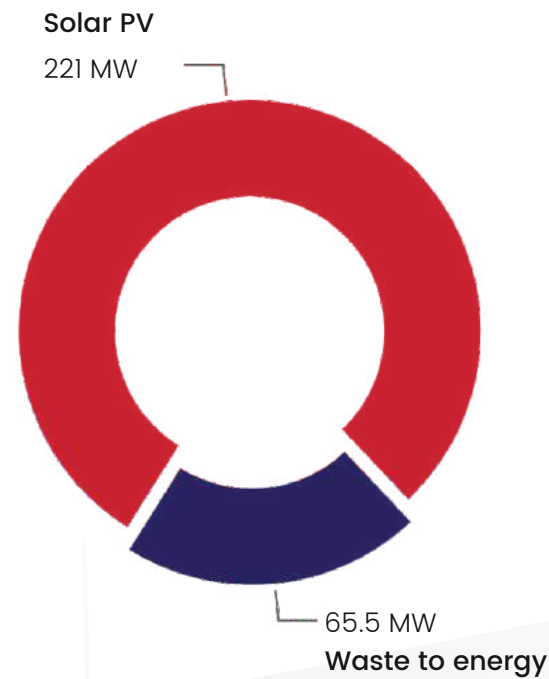
SAEL's electricity generation capacity

Key financial indicators

Revenue streams

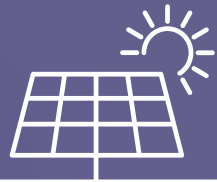
Workforce composition

Project-wise representation

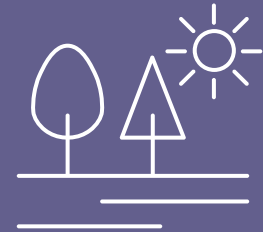


Executive summary

Environmental



We are expanding our renewables portfolio and initiatives intended to transition to renewable energy (i.e., Greening the Fleet) as we progress towards setting our emission reduction targets. We are committed to transitioning to a low-carbon economy.



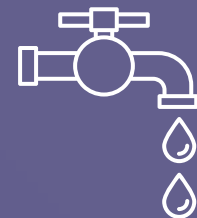
We view effective **land use and biodiversity** as important components of our environmental stewardship efforts. We are protecting biodiversity by conserving habitats, using effective operations and maintenance practices, and restoring habitats for pollinators.



We are prioritizing measuring and reducing our **greenhouse gas (GHG) and air emissions**. Our efforts are informed through our GHG inventory and base year recalculation, which help us more reliably track our footprint and assess our progress.



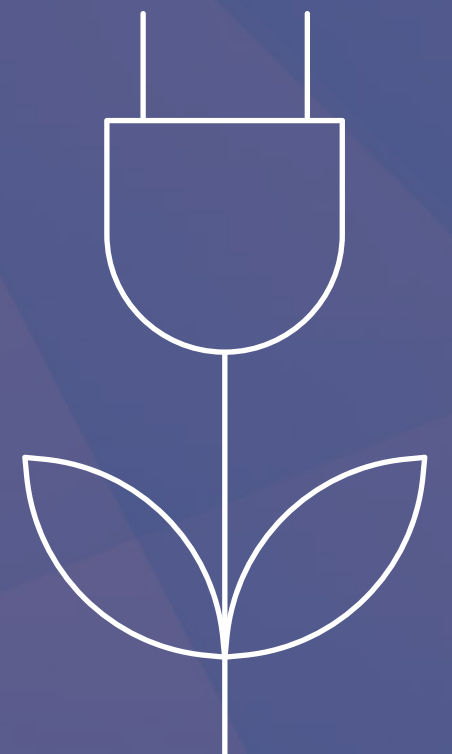
We are striving to limit our environmental footprint through responsible **waste and materials management**. Ongoing updates to an enterprise-wide waste management standard will help us deal with hazardous and non-hazardous waste across the organization.



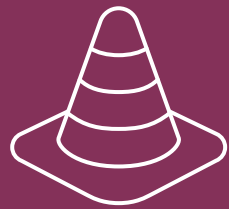
We are continuing with **responsible water management** practices across our projects. In our RE, WTE projects, we prioritize the procurement and utilization of wastewater sourced from nearby sewage treatment plants (STPs) over fresh water, resulting in significant annual savings of millions of liters of fresh water.



We are **mitigating climate change impacts** by increasing the resiliency of our assets. Our presence in multiple jurisdictions and our strategic business diversification provide built-in resilience to certain climate risks.



Social



Public health and safety continue to be our top priorities, as evidenced by the steps we take to protect infrastructure and provide our service communities with specific knowledge in different languages.



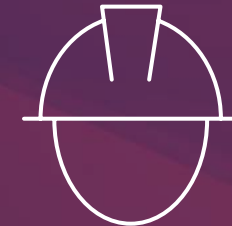
We are promoting **service reliability** to our customers and communities. Through effective asset management and innovative programs leveraging emergent technologies, we are demonstrating our commitment to meeting our customers' energy needs.



Our top priority is addressing grievances across regions and communities where we operate. Our **Grievance Redressal Mechanism (GRM)** offers stakeholders the option to raise and resolve concerns anonymously or by sharing their identity.



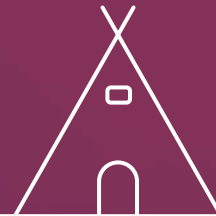
We are committed to **attracting and retaining talent**. We continue to invest in our employees' growth and development through promoting an inclusive employee transition, providing training to our workforce, and hiring locally wherever possible.



Our award-winning approach to **employee health and safety** is driven by our employees. We make this a priority through our annual safety symposia, resources supporting our employees' mental health, and our efforts to maintain health and safety in response to the COVID-19 pandemic.



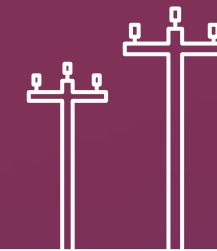
We are actively seeking to enhance the **diversity, equity, and inclusion (DEI)** of our workplace through our employee resource groups, effective talent management processes, and employee feedback that leads to action. We view DEI in our workforce as a key ingredient to our continued success.



We are respectful of **Indigenous peoples**, their lands, their culture, and the important role they have had as traditional stewards of the land.



Our organization's economic development initiatives and community support programs actively **engage the communities** we serve. The Business and Community Development Team, along with our employee volunteers, are making a difference.



When extreme weather events occur, **our teams mobilize to be there for our communities**. Investing in infrastructure resiliency, Emergency Response Plan helps us mitigate the impacts that climate change has on our customers.



Governance



We take pride in our integrated approach to **sustainability governance** that engages stakeholders from across our organization.



Ethics and integrity are values core to our corporate culture. In 2023, we demonstrated these values through our updated compliance and ethics framework, human rights policy, and emergency response plans.



Formal **integration of sustainability with strategy** as a single team further underscores the important mandate sustainability has in contributing to strategic decision making, development, and execution of our broader strategic corporate priorities.



The creation of modernized **risk management** frameworks incorporates risk assessment into our systems of governance.



Maintaining and enhancing the integrity of our IT assets is critical to our organization's success. The introduction of new **cybersecurity** policies, coupled with ongoing employee training, have furthered our efforts to mitigate risks to our cyber infrastructure.



Our engagement in **Government Affairs and Public Policy** facilitates the cultivation of relationships with vital external stakeholders pivotal to our enterprise's success, including regulators. In 2023, we prioritized enhancing our involvement in trade associations and establishing concise guidelines for those representing our interests before regulatory bodies.



INTRODUCTION

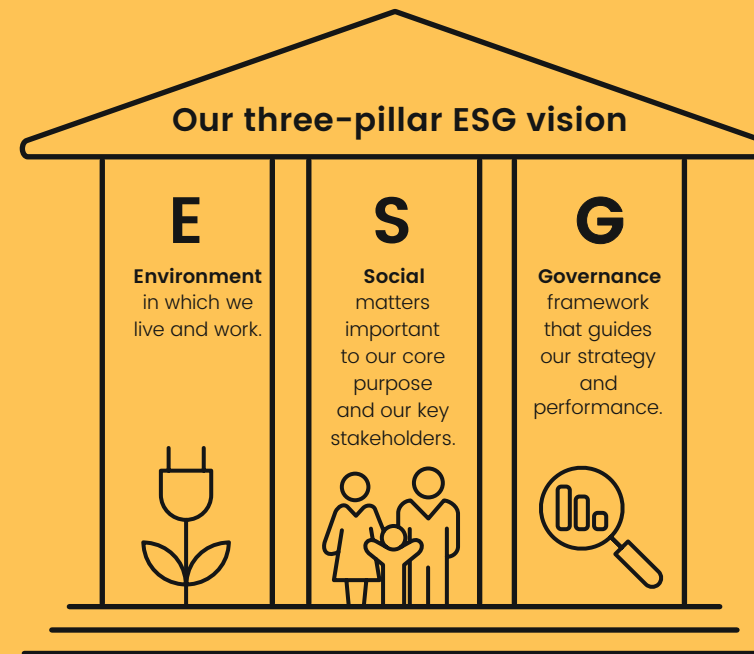
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About this report

We view communications with our stakeholders as integral to the way we do business. We work to maintain an open dialogue with stakeholders about our ESG performance. In this report, we lay out our ESG vision and the actions we've taken this year to make that vision a reality, all aligned with the three pillars that define our sustainability efforts.



“Materiality”, as used in this report, and sometimes referenced as “ESG materiality”, and our materiality review process, are different than the definitions and/or meanings ascribed to these and similar terms in the context of applicable Indian laws and our filings with concerned regulatory authorities in India. Items deemed material for purposes of this report and for purposes of determining our ESG disclosure, evaluations, strategies, and initiatives may not be considered material for reporting purposes under applicable Indian laws.

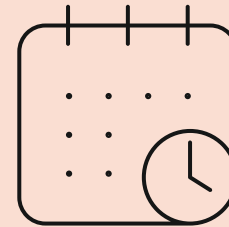
SUSTAINABLE DEVELOPMENT GOALS

Our commitment to the UN SDGs

In 2015, the United Nations (UN) set out 17 global Sustainable Development Goals (SDGs) to streamline and coordinate international action toward critical environmental, social, economic, and political challenges guiding progress toward a more sustainable future. At SAEL, we aim to play our part in contributing towards these UN SDG goals. To concentrate our attention and resources on areas where we can make the deepest impact, we have aligned our ESG strategy to 10 SDGs that are most relevant to our purpose, capabilities, and values.

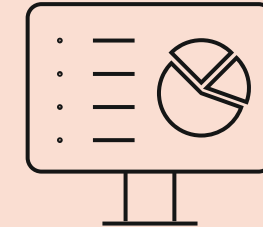
SAEL's selected SDGs





Reporting period

This report describes sustainability initiatives, programs, and projects taking place between January 1, 2023 and December 31, 2023, unless otherwise stated. Historical data from 2022 and earlier may be included to provide context or comparisons. However, to provide important up-to-date information on performance measures and targets, limited sections include data outside of the 2023 reporting period and these are clearly marked, such as our ESG Performance Index and 2023 ESG interim targets.



Reporting frameworks

We rely on several widely accepted ESG reporting methodologies to inform our approach to sharing SAEL's sustainability progress and key performance indicators (KPIs). This helps us ensure the framework we use is aligned with industry standards, allowing us to inform our stakeholders of our ESG efforts in a streamlined manner.

Specifically, we seek to report our ESG goals, progress, and performance in accordance with the Global Reporting Initiative (GRI) standards, and the United Nations SDGs.



About us

Who we are

At SAEL, we are dedicated to providing our esteemed clientele with reliable, accessible, secure, and environmentally responsible energy solutions and associated services. We acknowledge the pivotal role of energy access in enhancing the well-being and satisfaction of both our customers and the communities we serve. Our unwavering commitment is to ensure the provision of Sustainable & Affordable Energy for Life.

Solar module assembly

SAEL distinguishes itself as one of the select Indian Renewable Energy firms equipped with in-house solar manufacturing and assembly infrastructure. Currently, we are developing a robust ecosystem for Solar PV manufacturing, featuring operational solar module assembly lines with a combined capacity of 2.3 GW per year in Rajasthan and Punjab states of India. Furthermore, we are actively enhancing the capacity of our assembly plant to align with our ambitious business objectives.

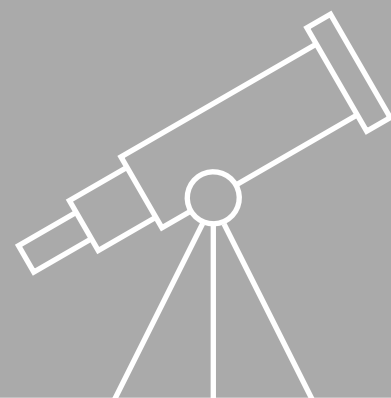
Energy generation business

SAEL possesses and manages a diverse array of solar and waste-to-energy facilities throughout India. Our operations involve the generation and sale of clean energy at both regulated and non-regulated rates, ensuring accessibility to sustainable power sources. With a committed renewable energy project capacity of 6.3 GW, SAEL aims to expand by 3-4 GW annually. The company's trajectory has been impressive, with plans to invest INR 35,000 crores in the renewable energy sector by FY 2027, thereby establishing an annual capacity of 3-4 GW.



Our Values, Purpose, and Guiding Principles

Our purpose of sustaining energy for life guides our actions. This purpose drives us to bring value to our stakeholders as we work towards being a top utility and energy provider and continuously improve our financial performance, as well as our performance in the areas of customer service, employee engagement, and environmental and social responsibility.



Our Strategic Pillars

Growth

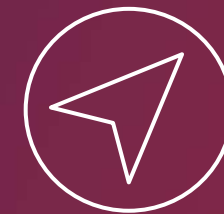
We strive for sustainable growth through strategic locations and the development of world-class energy infrastructure.

Operational Excellence

We believe in doing everything to the best of our capabilities. Our vision of operational excellence is focused on safety, security, and reliability.

Sustainability

Leading the transition to a low-carbon economy through the pursuit of decarbonization initiatives, including partnership opportunities with like-minded corporate citizens and business chambers.



Our Guiding Principles

Customer-Centric

Foster a positive internal and external customer experience at every stage of the customer journey to build customer loyalty and satisfaction. Always consider the outcomes our decisions will have on the customer.

Entrepreneurial

Have an optimistic interpretation of adverse events and see problems as potential opportunities; highly resilient, resourceful, and solutions-oriented even within highly uncertain, resource constrained environments.

Team Work, Trust, Inclusion and Respect

Value diverse teams of people. Encourage and help each other through collaboration. Inspire the exchange of ideas to come up with creative ways of doing things. Extend trust and create a feeling of belonging, listen for understanding to different perspectives by being respectful and professional.

Integrity

Always honest, we do the right thing and adhere to moral and ethical principles for self and team.

Owner Mind-Set

Demonstrate ownership, taking smart risks, while remaining aligned to organizational pillars. Encourage individuals to take responsibility to hold themselves and others accountable.

Outcome Focused

Have passion to exceed ambitious goals and safely deliver high quality business results. Strive to delegate for outcomes rather than by task.

Continuous Learning

Inquisitive and open-minded, actively seeks new and varied experiences, and ideas. Is passionate about continual learning for self and team.

Our Journey

Sustainability is a key strategic pillar at SAEL and is a continuously evolving journey. We strive to meet high standards of responsibility in environmental, social, and governance spheres as part of our purpose of sustaining energy for life.



2022

- Created the Office of ESG, led by the Chief Investment Officer (CIO) and began reporting to the Corporate Governance Committee.
- This year, we have attained a committed capacity of approximately 2247.5 MW.

2024

- Linking sustainability goals to leadership compensation model.
- Harmonizing our ESG performance data collection to meet the criteria outlined in the GRI Comprehensive reporting standards.
- Updating ESG materiality assessment.
- Updating SDG alignment to set ESG goals and sub-targets.
- Expanding emission recording coverage to Scope 3 reporting.
- Ongoing enhancements to ESG policy & practices.
- Enhancing data quality processes.

2023

- Appointed ESG Head; evaluating ESG integration into daily operations and investments, spearheaded by Investment Team.
- Deep review of scope 1 and 2 emissions inventory
- Performed the first ESG materiality assessment
- Published first ESG report
- Over the years, more than 221 MW of operational Solar Ground Mounted Utility Projects have been established, alongside establishment of 1 Module Manufacturing Unit & 1 Module Assembly Unit with a cumulative capacity of 2.3 GW located in states of Punjab & Rajasthan.

2009

- We have launched our inaugural Biomass to Energy project in Sri Muktsar Sahib District, Punjab State, India, signaling our entry into the energy generation sector. This project boasts a capacity of 14.5 MW and has propelled us into a leadership position with a cumulative project capacity of 150.4 MW. Today, we stand as a distinctive player in this domain.



Foresight Unwrapped: Founding Team's Expressions



Mr. Jasbir Singh Awla

Founder, Chairman &
Managing Director



Mr. Sukhbir Singh Awla

Co-Founder & Director



At SAEL, we are committed to delivering essential energy services safely, reliably, and affordably. Our mission centers on fostering sustainable energy practices, driving responsible evolution, operational excellence, and contributing to a sustainable future. Embracing 'Make in India,' we aim to elevate our company and position India globally in all aspects of our endeavors.



Dear Stakeholders,

A few years ago, we initiated a nascent venture driven by a purpose to address prevalent issues, particularly in regions like Punjab, India, where we have firsthand experience. Year after year, we have diligently advanced toward a clean energy transition, mindful of our impact on local communities. Our vision extends beyond emission reduction to encompass the creation of meaningful employment, fostering diversity, uplifting communities, nurturing strong local relationships, and involving community members in decision-making processes. In the past year, we have tirelessly pursued this vision, and in our 2023 ESG Report, we eagerly share some of our proudest achievements and significant milestones from our sustainability journey.

Serving our communities and stakeholders

In our efforts to decarbonize and preserve the environment, we prioritize the social impacts of our work, aiming for a fair and inclusive energy

our decisions, ensuring they benefit both the planet and the communities we serve. For instance, in CY 2023, we allocated approximately Rs 1845.78 Million to communities by directly procuring fuel, previously considered agricultural waste, from farmers, thus alleviating their financial burden and environmental concerns associated with burning in open fields.

We maintain a steadfast focus on nurturing relationships with local stakeholders, integrating community engagement into our operational framework. These partnerships have not only generated numerous local employment opportunities but have also contributed to communities financially through avenues such as municipal taxes, land rentals, and various agreements.

As our business expands, our workforce follows suit. Throughout 2023, we experienced a 6.9% increase in our employee count, welcoming 1792 no. in 2022 to 1915 no. in 2023 new members to our team. Both our existing and newly joined employees have consistently demonstrated remarkable adaptability and proficiency over the past year. It is a source of pride for us to lead a team whose members embody our guiding principles and approach each day with a commitment to making a meaningful impact, driven by our shared purpose of sustainable energy for life.



Governing sustainably

At SAEL, we prioritize honesty, integrity, and commitment to our stakeholders for fostering an equitable energy transition. Upholding good governance and stakeholder interests is central to our ESG strategy and business ethos. These values shape our sustainability initiatives, defining our company identity. Transparency is paramount, as we continuously enhance accessibility to our ESG performance data. In 2023, we refined our governance with new policies, focusing on data security, ethical relationships with governments, and gender diversity in executive management, our specific target of women recruitment in our RE Portfolio is 25% till 2026.

By integrating ESG targets into our corporate scorecard and compensation structure, we're proactively advancing sustainability goals company-wide. Acknowledging continuous improvement opportunities, whether in energy endeavors, indigenous relations, or other initiatives, remains paramount to our commitment.

As we envision the future, we eagerly anticipate collaborating with all stakeholders to forge a more sustainable path forward. We are enthusiastic about embarking on the next phase of our sustainability journey.

Mr. Jasbir Singh Awla

Founder, Chairman & Managing Director

Mr. Sukhbir Singh Awla

Co-Founder & Director

Charting Our Next Course: A Message from Our CEO



Mr. Laxit Awla

Chief Executive Officer



SAEL's founding principle is centered around tackling India's dual challenges of pollution and increasing energy demands. Our primary focus has been on the development of solar and waste-to-energy projects. We have demonstrated through innovative technologies that our projects not only address these challenges but also contribute significantly to the financial upliftment of communities.



Dear Stakeholders,

With great pride, we announce our ongoing progress towards reaching our goal of 6.3 GW energy generation capacity, amid the increasing significance of clean energy in India. In our relentless efforts to support India's energy transition, we are thrilled to have attained the distinction of being the nation's leading producer of Waste to Energy.

This underscores the vast potential for alternative energy sources, which we are poised to leverage fully. As we execute significant sustainable projects, we prioritize maintaining stakeholder confidence and advancing on our journey of sustainable growth. Amidst the global expansion of the energy industry, our contributions align with India's ambition to achieve 500 GW in non-fossil fuel capacity by 2030, positioning the nation as a frontrunner.

Fueling our growth momentum

During the reporting period, we have prioritized the establishment of a robust ecosystem fostering clean energy nationwide. Proudly, we commenced planning for our forthcoming project in Khavda, Gujarat, poised to become the world's largest hybrid power park. This pioneering initiative, the Hybrid Renewable Energy Park, will cover an area 2.7 times the size of Paris and boast a combined capacity of 15 GW. Additionally, we are poised to embark on multiple projects in Rajasthan. Presently, our portfolio secures a capacity of 6.3 GW, showcasing a remarkable 533% year-on-year increase solidifying our status with the largest operational waste-to-energy portfolio in India, as we continue to look towards future growth.

In this reporting period, we've turbocharged our project pipeline by locking in Power Purchase Agreements (PPAs) for 2250 MW energy projects with a range of clients. Our dynamic project portfolio is steered by multiple departments. The Project Management and Assurance team has spearheaded flawless execution, backed by the Construction, Engineering, and Land procurement teams, ensuring our projects shine bright with excellence.

During April 2023 to December 2023 reporting period, our energy sales soared by an impressive 25%, reaching a remarkable 6,73,527 MWh. This surge catapulted our financial performance to new heights. Notably, revenues from power supply surged by 24% year-on-year, totaling 4019 million, alongside a substantial 3%

EBITDA, soaring to 1751 million with an impressive EBITDA margin of 43%.

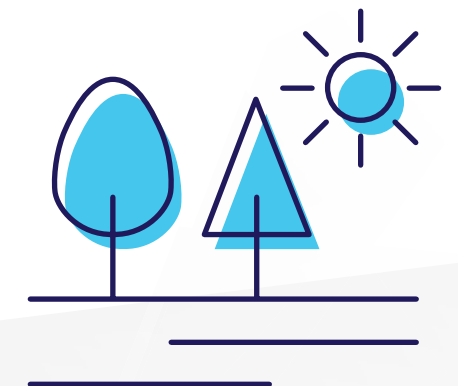
Incorporating sustainability into our supply chain is essential for effective project management, and our techno-commercial team diligently selects top-tier suppliers to uphold this principle. Additionally, we are committed to supporting Atmanirbhar Bharat by prioritizing the sourcing of most raw materials from India.

A strong governance framework forms the cornerstone of our business ethos. At SAEL, we prioritize ethical business practices and transparency. Our commitment lies in engaging with stakeholders openly and actively seeking feedback to bolster stakeholder trust and confidence.

I extend my sincere appreciation to all our stakeholders for their unwavering support, and I commend the dedication of our resilient workforce as we embark on another year, poised to achieve new milestones in business success.

Mr. Laxit Awla

Chief Executive Officer



The Head of Climate Investment Fund- Norfund



Mr. Bjornar Baugerud

Head of Climate Investment Fund- Norfund

“ Recognizing The Paris Agreement’s ambitious aim to cap temperature rise at 1.5°C, we embrace our collaboration’s pivotal role. Inspired by SAEL’s fervent commitment to combat climate change and champion ESG values in its portfolio.



Dear Stakeholders,

Given the unprecedented surge in global energy demand, India, as emphasized by the IEA, is steadfastly committed to an ambitious agenda aimed at bolstering its energy production over the next two decades, with the goal of surpassing the entire current output of the EU. Fortunately, India boasts abundant and widely dispersed resources in solar and agriculture, presenting an exceptional opportunity to harness these resources and convert them into

valuable energy. This pursuit requires significant investments, and at Norfund, we are actively contributing to address this challenge through our collaboration with SAEL via our Climate Investment Fund. I am delighted to announce that we have successfully completed a year of our partnership, marking significant progress in our shared endeavors.

Considering The Paris Agreement’s aim to limit global temperature rise to below 1.5 °C, we acknowledge the crucial role of our collaboration in achieving these objectives. We’re impressed by SAEL’s dedication to addressing climate change and prioritizing ESG concerns in its portfolio during CY 2023. Please review the report for updates on SAEL’s progress as it moves forward.

Mr. Bjornar Baugerud

Head of Climate Investment Fund - Norfund

The Chief Investment Officer & Head of Corporate Development



Mr. Varun Gupta

Chief Investment Officer & Head of Corporate Development

“ With SAEL’s steadfast RE capacity of 6.3 GW which is inclusive of 4 GW Utility scale energy projects and 2.3 GW Solar Module Manufacturing & Assembling Facilities, we are committed to annual expansions of 3-4 GW. We take pride in our dedication to deploying state-of-the-art technology and investing around INR 35,000 crores in projects by FY 2027, supported by a range of international funds, DFI’s, foreign banks & reputed private sector lenders.



Dear Stakeholders,

I am pleased to witness the remarkable growth strides our organization has made in CY 2023, aligning with the fundamental principles of ESG

that are deeply ingrained in our business ethos. Our commitment to contributing to India’s journey towards self-reliance across various sectors remains unwavering, particularly in endeavors aimed at achieving power sufficiency, fostering rural economic development, and advancing Solar PV module manufacturing.

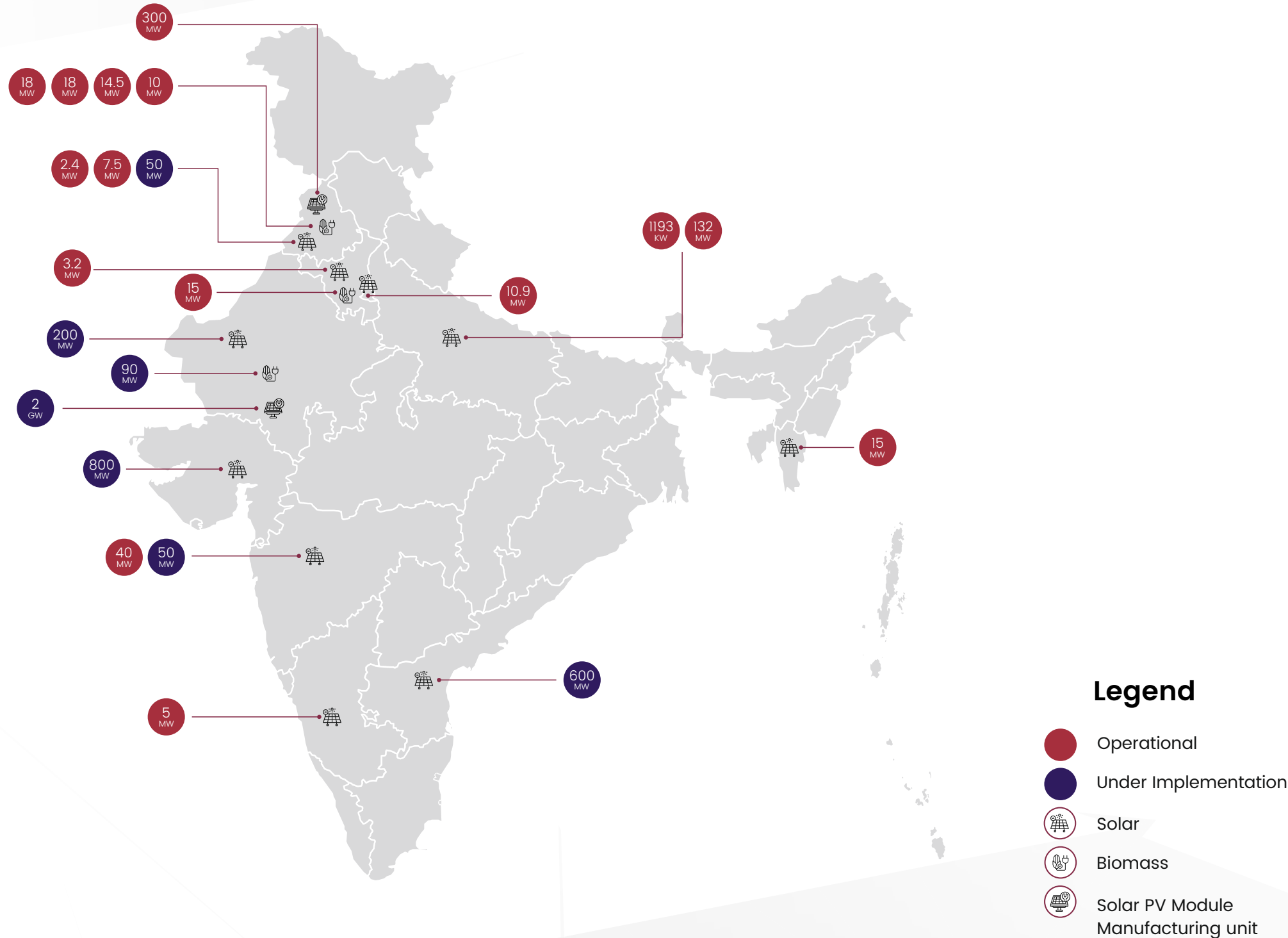
Recognizing limitations in other RE projects meeting India’s growing energy needs, we champion alternative solutions like WTE and Energy Storage. Our strategic focus reflects this. Notably, our WTE projects, with PLFs exceeding 90%, benefit rural economies and empower women. With SAEL’s RE capacity of 6.3 GW, we commit to annual expansions of 3-4 GW. Our operational Module Assembly Line at 300 MW, signifies our steadfast pursuit of project self-reliance.

Mr. Varun Gupta

Chief Investment Officer & Head of Corporate Development

Our Project Portfolio

Our project portfolio spans 24 sites, encompassing both operational and under-implementation projects, strategically located across 10 Indian states: Punjab, Haryana, Rajasthan, New Delhi, Uttar Pradesh, Karnataka, Maharashtra, Mizoram, Gujarat, and Andhra Pradesh.



SAEL by the numbers



65.5 MW (GROSS)

BIOMASS Business in Operation

99.4 MW (GROSS)

BIOMASS Business Under Implementation



221 MW (NET CAPACITY)

Solar Business in Operation

6,300 MW (GROSS)

This capacity is inclusive of under-implementation Ground Mounted Solar PV Projects & Module Manufacturing & Assembling Units.



Environmental Preservation and Economic Prosperity

Burning the Future: Stubble Burning's Impact on Indian Agriculture

Agriculture stands as a foundational pillar in India's economy, supporting the livelihoods of millions. However, a critical issue within this sector, particularly in states such as Punjab, Haryana, and Uttar Pradesh, revolves around stubble burning. Post rice and wheat harvests, farmers frequently turn to this method to swiftly clear fields for the next crop cycle. Despite its immediate convenience, this practice yields severe consequences. Stubble burning emits harmful pollutants into the air, significantly contributing to hazardous air quality. Consequently, the region grapples with respiratory ailments and health complications, especially during the winter season. Moreover, this practice leads to soil pollution, degrading the quality of fertile land, and causes water pollution as ash and residues seep into nearby water bodies. To address this issue, governments have introduced bans and offered incentives for adopting alternative methods such as straw management and mechanized solutions to mitigate this environmental threat.

Empowering Women, Combating Pollution: SAEL's Innovative Stubble Solution

At SAEL Industries Limited, we take immense pride in spearheading innovation to combat the critical issues associated with stubble burning and its adverse environmental and health effects. Our pioneering strategies have effectively redefined paddy straw from being perceived as waste to becoming a valuable asset for farmers. Through

our initiative of purchasing straw, we not only create economic opportunities and meaningful employment for farmers but also contribute significantly to reinforcing the national grid. This is achieved by utilizing cutting-edge technology from global industry leaders to efficiently convert paddy straw into electricity. Furthermore, we actively promote female entrepreneurship by providing support to women engaged in paddy stubble collection programs. Our steadfast commitment encompasses environmental conservation, reduction of pollution, fostering economic growth, empowering women, and advocating for biodiversity preservation and public health improvement.

SAEL Solar: Forging a Path to Sustainable Growth and Environmental Harmony

At SAEL Solar, the fusion of environmental conservation and economic prosperity isn't just an abstract concept; it's a fundamental guiding principle shaping our operations. Through the utilization of solar energy, SAEL Solar actively contributes to reducing carbon footprints and preserving valuable resources, all while fostering economic growth. Our commitment to innovation and sustainable practices not only generates employment opportunities but also bolsters local economies and drives energy independence. With an unwavering dedication to both environmental stewardship and financial success, SAEL Solar epitomizes the seamless integration of sustainability and profitability, leading the way toward a brighter, greener future.



OUR APPROACH TO ESG REPORTING

IN THIS SECTION

[ESG Reporting Strategy](#)

[Top ESG Priorities](#)

[Narration Of Our Main Material ESG Subjects](#)

[Our Key Stakeholders](#)



ESG Reporting Strategy

At our company, we deeply understand the significance of handling environmental, social, and governance (ESG) impacts to cultivate lasting value and construct a sustainable business. We firmly believe that effectively managing these impacts is fundamental not just for preserving our standing but also for fortifying our ability to adapt and ensuring the enduring success of our business. By giving priority to ESG considerations, our aim is to generate value not only for our stakeholders but also for society and the planet at large. Our commitment to responsible business practices is steadfast, and we persistently strive to define our ESG objectives with unwavering integrity and careful attention to detail.

Report Boundary & Scope

This report covers the operational landscape and activities of SAEL Industries Limited, operating across diverse regions in India. It presents a comprehensive overview of our business operations and associated efforts, all aimed at creating value for our stakeholders over short, medium, and long-term periods. The document provides an unbiased and fair depiction of our essential operations, elaborating on the initiatives undertaken and strategies developed during the year 2023. This year marked significant progress toward rapid expansion.



Board and Management Assurance

The Board of Directors and Management Team acknowledge their responsibility in maintaining the credibility of this ESG Forward-Looking Report and ensuring the authenticity of its contents. This document provides a comprehensive outline of all significant matters and articulates our proactive strategy in addressing essential material subjects with impartiality and precision.

Reporting Principles and Approach

The report is based on fundamental principles that emphasize strategy and forward-thinking, consistency, benchmarking, reliability, and thoroughness. Additionally, our approach is centered on building relationships with stakeholders and prioritizing materiality, forming the foundation for future-focused reporting. The development of this report has been guided by GRI principles, ensuring precision, balance, clarity, fairness, trustworthiness, and timeliness.



Top ESG Priorities

SAEL Industries Limited is a leading force among Renewable Energy Generation Companies. Our steadfast dedication is focused on fostering sustainable growth while simultaneously promoting social, economic, and environmental advancement. Acknowledging the extensive impact of our business operations on various individuals, we consider every involved entity as a stakeholder. This understanding led us to create an initial list of all relevant parties.

Continuing to refine this list based on relevance, influence, and the scale of impact, we identified our key stakeholders. We deeply understand the crucial role that effective stakeholder engagement plays in shaping our business performance. As a result, we are committed to nurturing mutually beneficial relationships built on transparency, trust, and openness. Our detailed Stakeholders and Community Engagement Strategy, meticulously laid out within our Environment and Social Management System (ESMS), acts as the guiding framework for our engagement initiatives.

At the heart of this process is our dedication to comprehending the aspirations and concerns of our stakeholders, enabling us to give them appropriate priority. The invaluable feedback we receive from these interactions acts as a guiding force, helping us identify critical subjects that deeply intertwine with our business strategy. This understanding directs our continuous improvements toward operational excellence.

In assessing the importance of material topics, we've carefully utilized the SASB criteria, considering potential impact on corporate value, resonance among stakeholders, relevance across industries, and SAEL Industries Limited's level of control over each issue. Our intention is to subject our list of material topics to a thorough annual review. This approach guarantees that we consistently prioritize the most pressing sustainability concerns, while also integrating feedback from stakeholders into the core of our initiatives.

Sources	1 Filter	2 Classification	3 Description	4 Report Coverage (Proposed)
Investor and Stakeholder Engagement	<ul style="list-style-type: none"> Potential to affect SAEL's value, reputation or operations Of interest to stakeholders Relevant across industry Actionable by SAEL 	Level 1	<ul style="list-style-type: none"> Risks that can have broad impact on financial performance, operations, reputation or have legal implications Significant interest to stakeholders and opportunities for SAEL for which we expect to set targets 	<ul style="list-style-type: none"> Extensive discussion of management approach Data in graphics Performance discussion
Frameworks (SASB)				
External Research		Level 2	<ul style="list-style-type: none"> Significant environmental or social impact resulting from SAEL's operations Of high interest to stakeholders, lenders and potential investors 	<ul style="list-style-type: none"> Discussion of management approach Data Performance discussion
Megatrends Analysis				

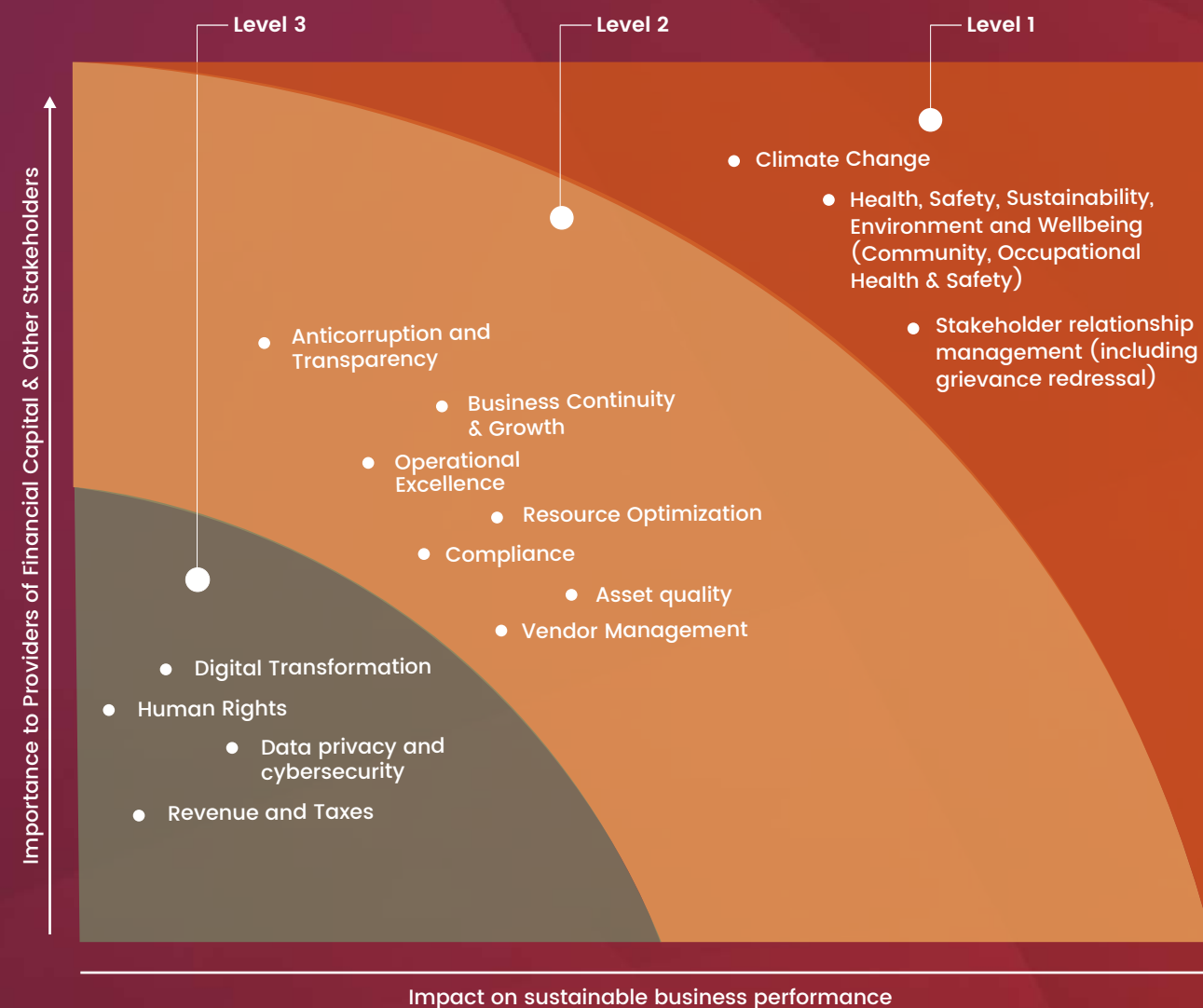
¹ These criteria align with SASB's criteria for a material topic.

Narration Of Our Main Material ESG Subjects

To accurately depict the depth of associated risks and the breadth of coverage provided in this progressive report, as well as in our future publications, we've systematically categorized our material topics into three distinct levels. Each level comprises various subtopics and their corresponding metrics. Leading the forefront are our Level 1 topics, encompassing the most critical ESG-related risks and opportunities of significance to SAEL Industries Limited. These

topics require heightened attention, and in upcoming reports, we are dedicated to providing a comprehensive overview of the measures taken to address them.

Simultaneously, our Level 2 and Level 3 topics, though significant, entail relatively lower risks or opportunities in comparison to Level 1. As a result, these levels will receive proportionally less content in our publications.



Our Key Stakeholders

Stakeholder Map



- External Stakeholders
- Internal Stakeholders

For comprehensive information regarding stakeholder engagement, including details on its significance, methods, frequency, key concerns addressed, and our corresponding approaches, please visit our website at www.sael.co.



Environment

IN THIS SECTION

- Greenhouse Gas and Air Emissions
- Waste and Materials Management
- Protecting Biodiversity & Natural Ecosystems
- Water Management
- Climate Resiliency and Policy Advocacy

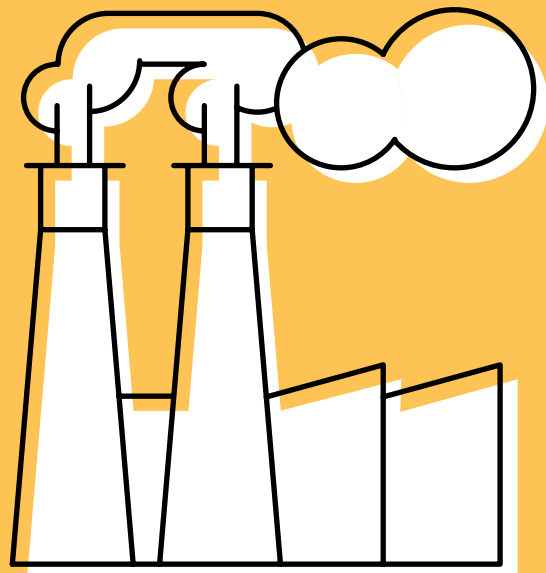


Sustainable Development Goals:



Greenhouse gas and air emissions

Mitigating GHG emissions stands as a core objective in our efforts to combat climate change. While our business inherently yields significant emission reductions compared to baseline scenarios, we remain committed to prioritizing our responsibility by allocating resources towards setting goals to reduce both direct and indirect emissions.



Our GHG inventory

By developing a corporate GHG inventory, we continue to build on our understanding of both the direct and indirect impacts of our business' operations so that we are better equipped to manage and reduce our GHG footprint where feasible. SAEL's GHG emissions are consolidated through an operational-control approach.



Emission scope definitions by the GHG Protocol

Scope 1 emissions

Direct GHG emissions from sources owned or controlled by the company.

Scope 2 emissions

Indirect GHG emissions from the generation of purchased energy consumed by the company.

Scope 3 emissions

All other indirect emissions that occur in a company's value chain but from sources not owned or controlled by the company.



Emission Management

At SAEL, our dedication lies in diminishing greenhouse gas (GHG) emissions and advocating for the integration of renewable energy into the broader energy portfolio. With steadfast commitment, we effectively prevented the release of 5,82,857.10 tonnes of CO₂e emissions in the reporting year.

Although our operations are not highly emission-intensive, we maintain rigorous monitoring and assessment of both our direct and indirect emissions. We have identified Biomass and grid electricity as substantial

contributors to our emissions. To efficiently manage our greenhouse gas (GHG) inventory, we categorize emissions throughout our value chain based on their sources. Across our operations, we aim to minimize emissions by establishing annual targets to monitor and evaluate our progress.

SAEL is currently strategizing the implementation of an IT-enabled cloud-based platform to enhance the monitoring of ESG parameters across our sites.

■ The greenhouse gas emissions attributable to our business operations

Emissions Scope & Activities	tCO ₂ e
Scope 1	5838.77
Emissions due to fuel consumption - Solar Projects, Corporate Office	280.57
Emissions due to fuel consumption (Other than power generation) - Waste to Energy Projects, Corporate Office	1369.38
Emissions from fuel combustion for biomass to Energy projects at site	4188.83
Scope 2	43,988.44
Emissions due to electricity purchase from grid for use at SAEL Headquarter	34.63
Electricity import for use from grid for Solar Projects	19,213.04
Electricity import for use from grid for Waste to Energy Projects	24,740.77
Aggregate emissions encompassing both Scope 1 and Scope 2 categories	49,827.21

■ The greenhouse gas emission avoidance attributed to our business operations

Emission reduction by supplying energy via a solar energy project to the grid.	2,88,770.40
Emission reduction by supplying energy via a biomass to energy project to the grid.	2,94,086.70
Combined emission reduction from Solar and biomass-to-energy projects	5,82,857.10

* The Emission Estimation Toolkit* based on which results are presented above can be downloaded from this link: <https://disk.yandex.com/i/aAk183yo2l3lpw>

SAEL's Certified Carbon Projects

SAEL's projects have secured certification/listing from diverse carbon market registries and standards, aligning with their specific criteria. Currently, a total of 7 projects are registered and validated for listing, further verification, and issuance of carbon credits by both the Global Carbon Council (GCC) and The Verra Registry. Additionally, 6 projects are in the process of validation for Gold Standard certification, while 9 projects are undergoing validation for GCC certification by the conclusion of CY 2023.



Rasmus M. Liebig-Andersen

E&S Head in Renewable Energy Investments

“ SAEL's growth with ESG integration inspires industry transformation.”

As the Environmental & Social Head overseeing renewable energy investments at Norfund, I am proud to witness SAEL's remarkable growth and steadfast commitment to integrating sound ESG principles into its operations throughout the calendar year 2023. SAEL's proactive approach to sustainability has not only resulted in the acquisition of new projects but has also reinforced its position as a leader in the industry. The diligent efforts of SAEL's team in upholding environmental and social standards align closely with Norfund's values as a shareholder. We commend SAEL for its dedication to sustainability and look forward to continuing our partnership in driving positive environmental and social impact in the renewable energy sector.



Waste and materials management

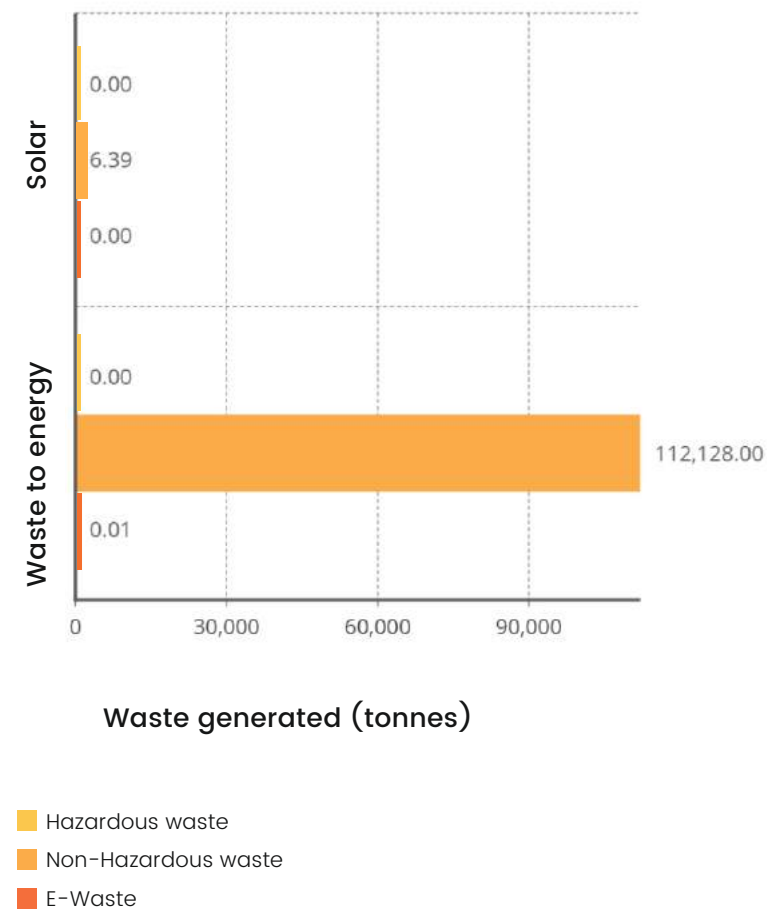
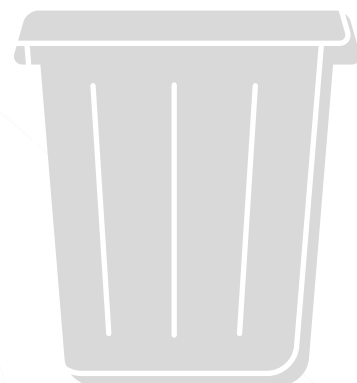
Limiting our waste footprint and responsibly managing the hazardous and non-hazardous waste we generate is an important component of our efforts to protect the environment and the communities where we work and live.



Development, deployment of new waste management standard

In 2023, an enhanced enterprise-wide waste management protocol was established to establish standards, ensure uniformity in on-site waste management practices organization-wide, and adhere to regulations governing waste generation, handling, storage, and disposal in the communities we operate in.

At SAEL, we prioritize zero landfill waste practices. The ash produced from our WTE projects is sold to vendors with transparent disclosure of its intended use, such as in brick manufacturing or civil works, promoting the Circular Economy and enhancing the local economy. Furthermore, we promote recycling and composting at our remote facilities where municipal services are unavailable. Importantly, we uphold binding buyback arrangements with the majority of material suppliers upon completion of the product lifecycle, particularly concerning Solar PV projects.



Analysis of waste volume per business category for the year 2023

The new waste management standard:



Identifies how we deal with both hazardous and non-hazardous waste.




Distinguishes the roles of stakeholders across the organization – from senior leaders to contractors – in upholding the standard.



Outlines how training, reporting and emergency response will bolster our efforts to responsibly and safely manage our waste footprint.

Protecting Biodiversity & Natural Ecosystems

 GRI: 102-12, 102-21, 102-43, 304

Land use and biodiversity

At SAEL, we value and seek to protect the ecosystems that we work in. We strive to be good environmental stewards and take pride in our efforts to help these ecosystems thrive, while maintaining high standards of service for our customers.



How we are protecting biodiversity

Adjusting operations and maintenance practices



At our power generation and manufacturing facilities, we collaborate with biologists to actively monitor and protect local and migratory species, ensuring strict adherence to environmental permits and deploying adaptive mitigation strategies to maintain high environmental standards.

Conserving habitats



We adhere to IFC Performance Standards, notably "PS 6 - Biodiversity Conservation," conducting thorough Environmental and Social Screening to preemptively avoid selecting lands with biodiversity sensitivities. If identified, we actively seek alternative locations for our projects.

In the course of calendar year 2023, our portfolio's respective projects underwent thorough ecological and habitat assessments.

Restoring habitats

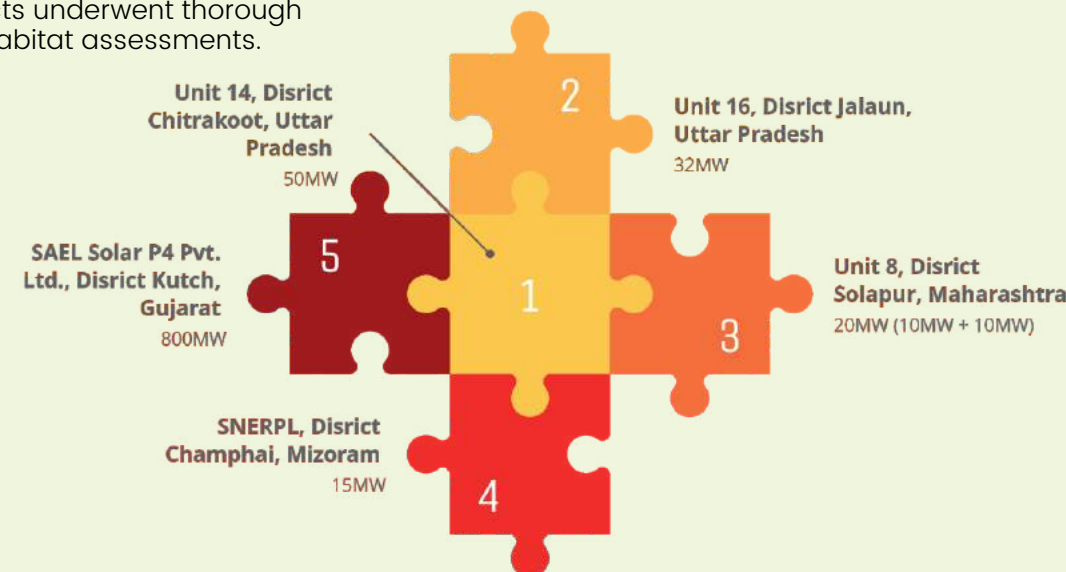
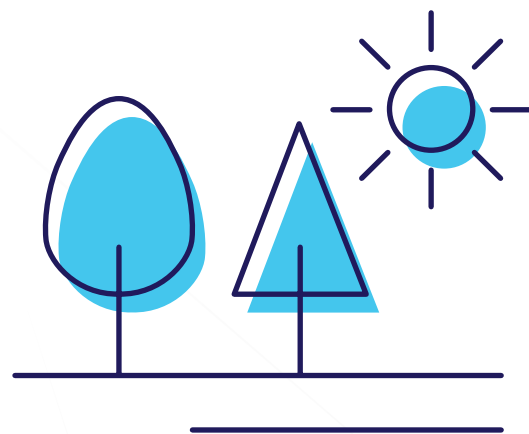


We acknowledge the potential impact of our infrastructure projects on local species, including birds and pollinators. To mitigate this, we initiate the cultivation of dedicated pollinator gardens during the construction phase of our facilities, and we commit to maintaining these gardens throughout the project's lifespan.

Local expertise value

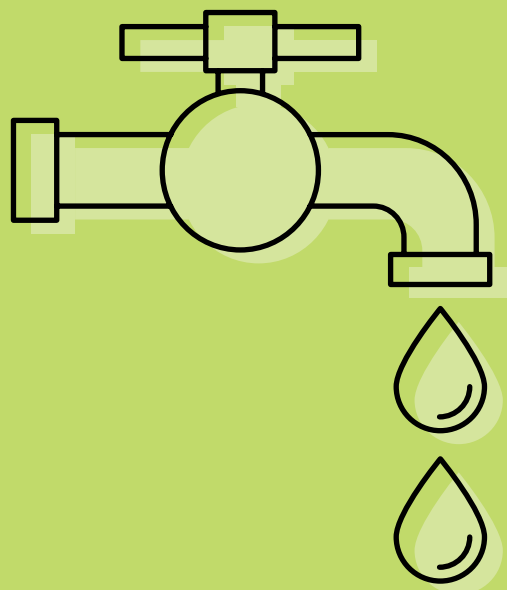


We collaborate with local partners to adopt best land use practices and minimize our impact on local ecosystems. Their insights and expertise help us enhance our approach, ensuring biodiversity preservation and reliable service delivery to our customers.



Water management

We are taking steps in an effort to minimize our impact on freshwater and groundwater through responsible resource management, conservation, operation, and reuse of wastewater.



Water oversight at our facilities

Energy generation projects

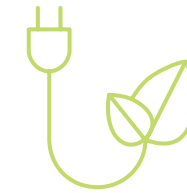
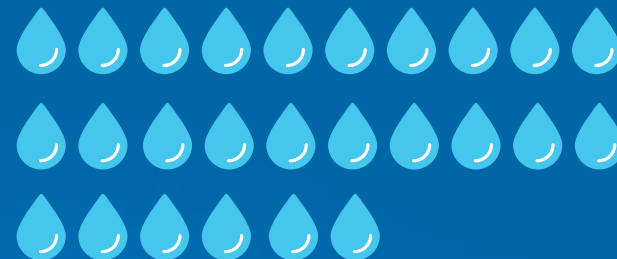
At our Waste to Energy projects and Solar PV module manufacturing facilities, we maintain a stringent policy against using fresh water for cooling tower operations, except when alternative options are unavailable or authorized by relevant authorities. Our commitment to sustainability drives us to employ advanced cooling technologies, optimize water recycling, and pursue eco-friendly strategies to reduce water consumption across our operations.

Choosing air chillers over water chillers for our upcoming 2GW module manufacturing unit in Kishangarh District, Rajasthan will conserve around 100,000 liters of water daily.

Total quantity consumed, 2022: 7,78,470 KL



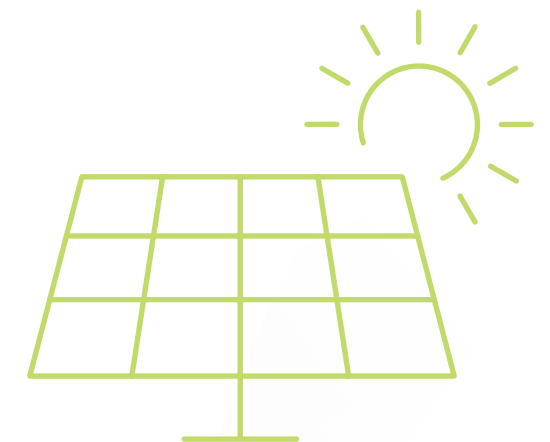
Total quantity consumed, 2023: 9,89,680 KL



Lowered water, energy usage in our facilities

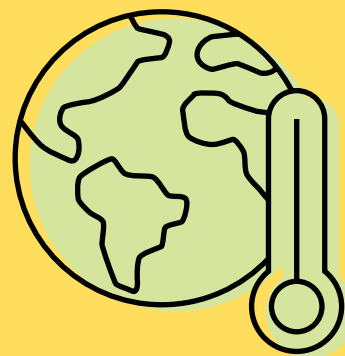
At our solar PV energy generation facilities, we prioritize minimal water usage for operational activities. We achieve this through efficient methods such as optimizing module cleaning processes, utilizing recycled water where possible, implementing advanced cooling systems that minimize water consumption, employing drought-resistant landscaping, and continually exploring innovative technologies for further water conservation.

- Opting for solar trackers instead of fixed solar PV panel mounting structures for our projects aims to enhance the energy generation efficiency.
- Partially meeting the energy requirements of our solar PV panel assembly unit located in Ferozpur District with a 500KW solar rooftop PV system.



Climate Resilience and Policy Advocacy

Through sustained internal collaboration with subject matter experts, we are enhancing our TCFD Climate Change Assessment to deepen our understanding of climate risks and fortify our systems to withstand climate change impacts. As climate challenges escalate, so does our response, as we continuously explore strategies to improve resilience and adapt to extreme weather events. This ongoing effort underscores our dedication to operating our business in a manner that provides clean, efficient, and dependable energy.



Resilience through diversity

We are confident that SAEL possesses inherent resilience due to the diversity of our business models and the geographic spread of our operations. We perceive this diversification as advantageous, as it mitigates the organizational-level effects of emerging climate risks and offers numerous opportunities as we transition towards a low-carbon economy.

Diversification supports resiliency

Inherent resilience
Strategic diversification

Regional diversification

Operating in multiple regions across India to reduce exposure to localized climate risks."

Multiple business modalities

Engaged in energy generation via waste-to-energy, solar PV, and solar PV module manufacturing, with additional diversification strategies underway.

Strategic segmentation

Leveraging regulated and unregulated expertise to navigate regional complexities.

Policy advocacy

In the calendar year 2023, SAEL demonstrated proactive commitment and progress towards achieving national climate change mitigation goals by actively participating in various forums, including the Renewable Energy Expo India, ESG Symposium 2023, Krishi Darshan Expo, and SustainXchange Symposium. During these events, the company emphasized its pivotal role in meticulously highlighting its substantial contribution to carbon emission reduction through its alternate energy business. Additionally, SAEL underscored its dedication to ecosystem well-being, particularly through support for local farmers and communities, while advocating for increased community involvement in its initiatives in the future. This comprehensive approach reflects SAEL's holistic engagement in sustainable practices, showcasing its significant impact on both environmental and social fronts.



SOCIAL

IN THIS SECTION

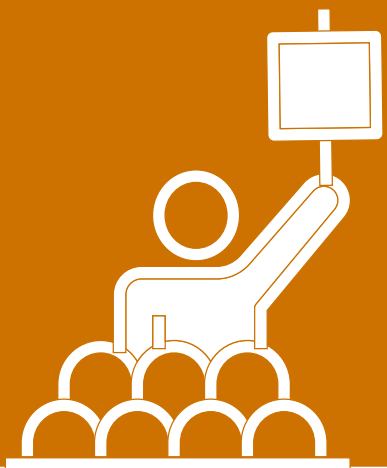
- Employee Welfare & Progress
- Employee Health & Safety
- Talent Attraction & Retention
- Diversity, Equity, and Inclusion
- Community Support and Economic Development

Sustainable Development Goals:



Employee Welfare & Progress

At SAEL, we prioritize employee welfare and progress. We offer comprehensive wellness programs and professional development opportunities to ensure our team's well-being and continuous growth. Through initiatives like health benefits, training, and mentorship, we foster a supportive environment where every employee can thrive personally and professionally.



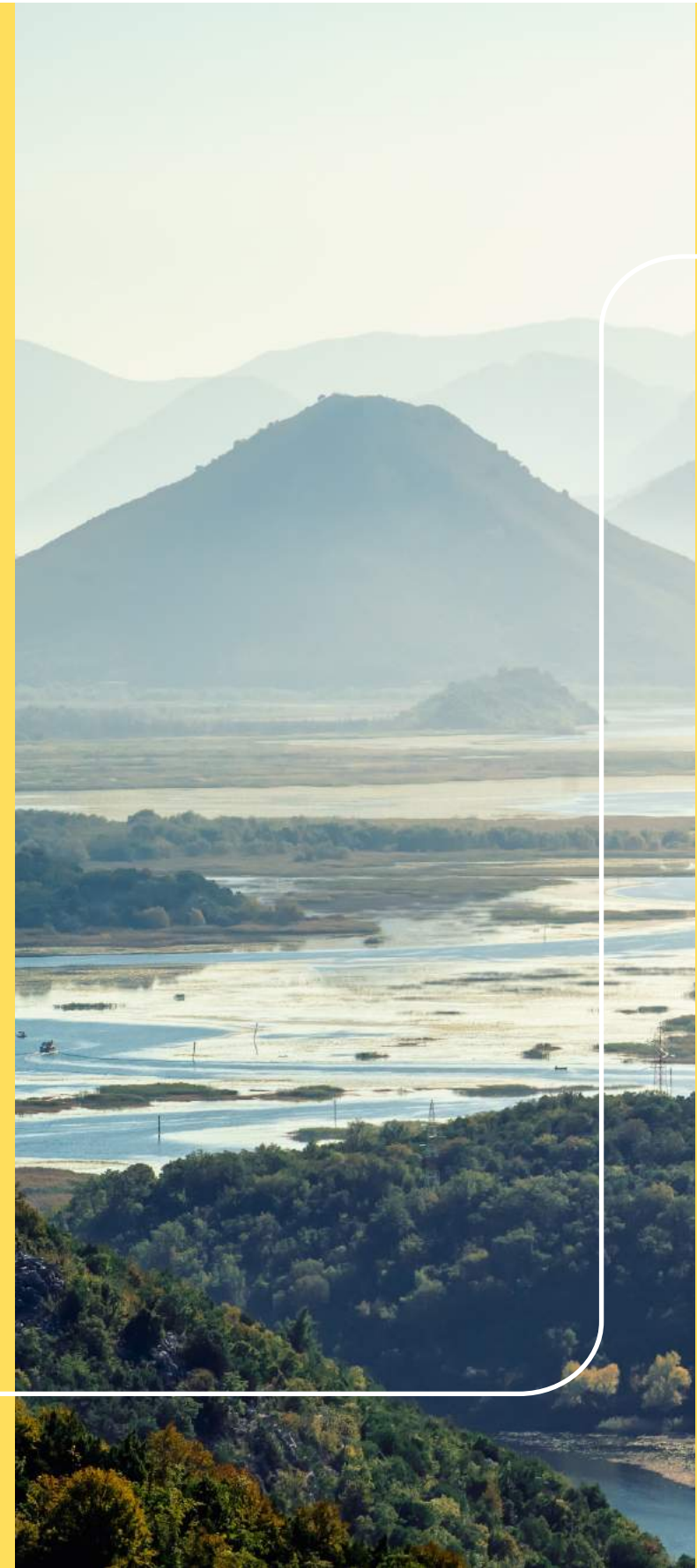
Succession planning

Recognizing and nurturing future leaders is fundamental to fostering sustainable growth and constitutes a critical aspect of talent management at SAEL. We are committed to cultivating the next generation of leaders who will steer our organization toward future success. In 2023, we enhanced our succession framework and maintained our emphasis on providing our leaders with the necessary tools and skills to identify and nurture talent effectively. Through an ongoing process of reviewing succession opportunities, requirements, and capabilities, we anticipate being well-prepared for transitions and further developing our leadership team.



Mental health

In 2021, we encountered unprecedented challenges stemming from the COVID-19 pandemic and ongoing workplace transformations. We commend our employees for demonstrating remarkable dedication and commitment in confronting these obstacles. Recognizing the toll that overcoming such extraordinary circumstances can exact on mental health and overall well-being, we remain steadfast in our commitment to supporting our employees to foster a sense of safety and enable them to perform at their best each day. To address the stress and personal challenges that may have arisen during the year, we implemented various measures and policies aimed at promoting mental health management. These initiatives included expanding access to our Employee Assistance Program and Headspace Health, as well as introducing more flexible work arrangements to facilitate improved work-life balance for our employees.



Employee health and safety

Safeguarding the health and safety of employees is critical to providing our high-quality water and energy services. Our award-winning safety approach has allowed us to provide the training and resources necessary to keep our employees safe and protected at work.



Maintained consecutive incident-free man-hours: 32,53,856 in CY 2022 and 86,81,727 in CY 2023.

In CY 2023, SAEL achieved an 87% Health & Safety System implementation score.

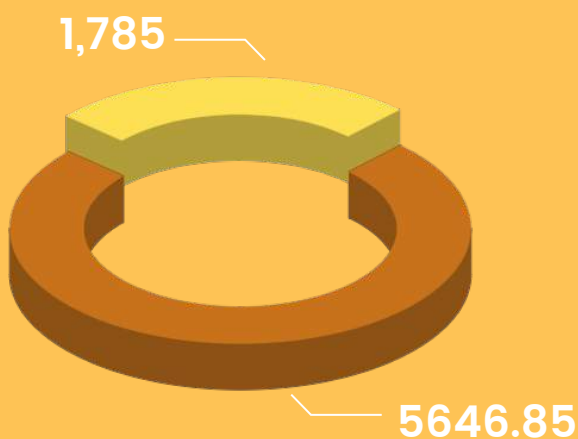


Employee training by the numbers

Training and skill development is critical to our employees' success and an important component of our approach to building talent in our workforce. We take pride in the investments we make in helping our employees learn and grow, and believe it is one of the keys to sustaining growth and operational excellence. Since 2022, we started increasing the budgets for our employees' professional development and believe this will pay dividends in the future.

Health & Safety Training (Hours)

- Waste to energy projects
- Solar PV Energy generation and assembly units



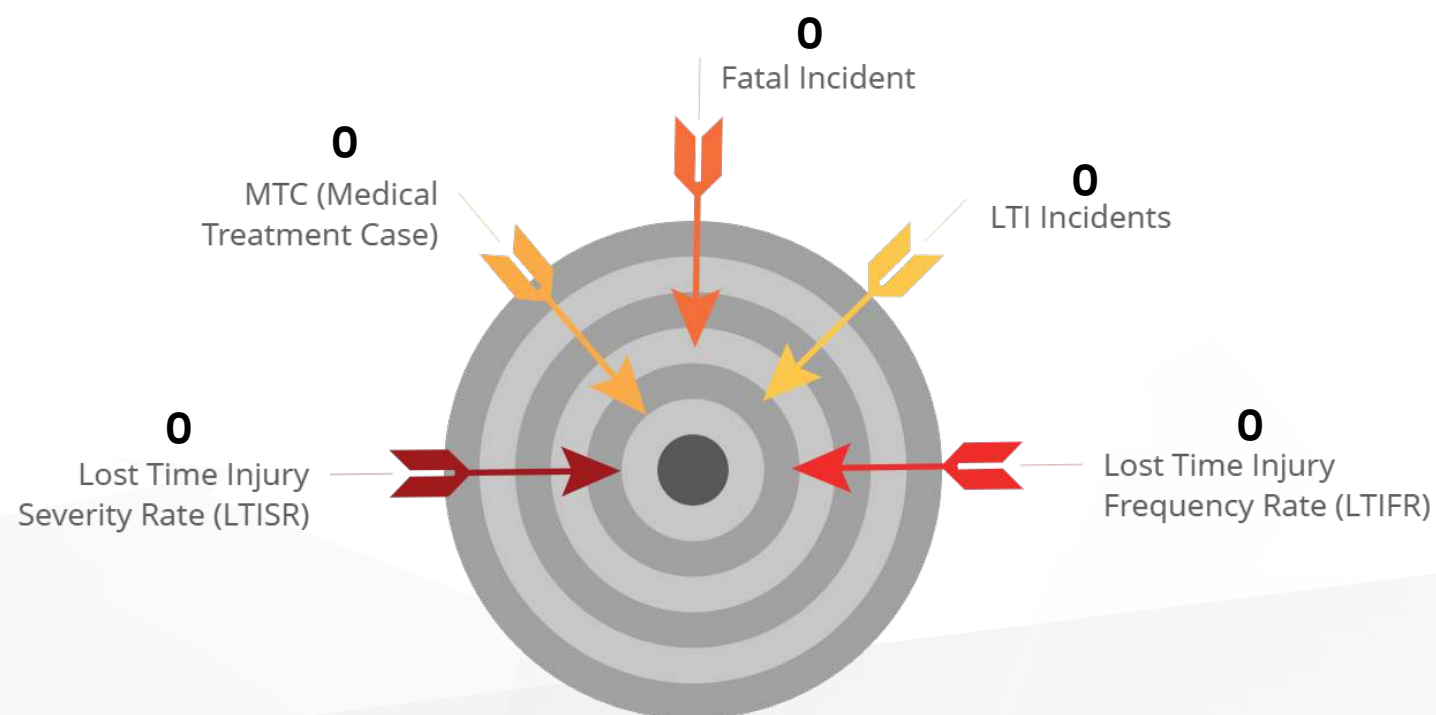
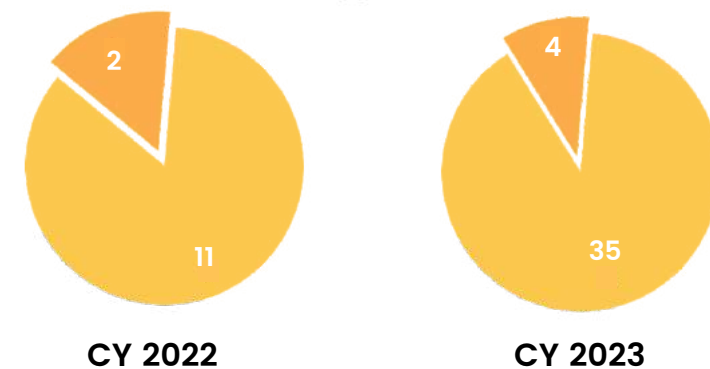
GRI: 203-2, 401, 404



Emergency planning

SAEL Industries Limited prioritizes thorough emergency preparedness planning across all project phases. Through rigorous assessment, training, and monitoring, SAEL ensures swift and effective responses to unforeseen events, fostering safety, sustainability, and community resilience.

- Yearly mock drills conducted facility-wide
- Yearly emergency procedure training sessions.



Talent attraction and retention

SAEL's employees are foundational to our ability to provide excellent service to our customers and value to our shareholders. We work hard to not only attract talented people, but also to invest in their growth and development so they can thrive alongside our business.



Inclusive transition

We seek open dialogue and collaboration with the communities in which we operate and believe diversity and inclusion results in a more just society, resilient communities, and a high-performing workforce. As we move forward on executing our strategic priorities, and as we navigate towards our 2-2.5GW/year RE target, we will strive to do so in a responsible way that also considers the social impacts to our stakeholders.

SAEL's approach to greening our fleet broadly supports the United Nation's International Labor Organization definition of Just Transition: "A Just Transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind." We believe that supporting the goals of a Just Transition means striving for inclusive, open dialogue with our stakeholders, to seek input and feedback, and to continue to foster an inclusive energy transition while striking an effective balance in providing service to our customers.

Our decarbonization efforts offer exciting opportunities to provide accessible renewable energy and low-carbon

technologies to the communities we serve, create meaningful work, and foster the growth of new industries. However, we also understand that existing carbon-intensive industries play an important role in fueling local economies. This is why, as we transition, we intend to continue offering retraining opportunities for employees and seek ways to generate local jobs where possible.

We are committed to our demonstrated success in fostering local employment opportunities within our service regions. Prioritizing the creation of local jobs and integrating local procurement practices into our operational framework enhances our ability to effectively communicate and engage with the communities we serve.

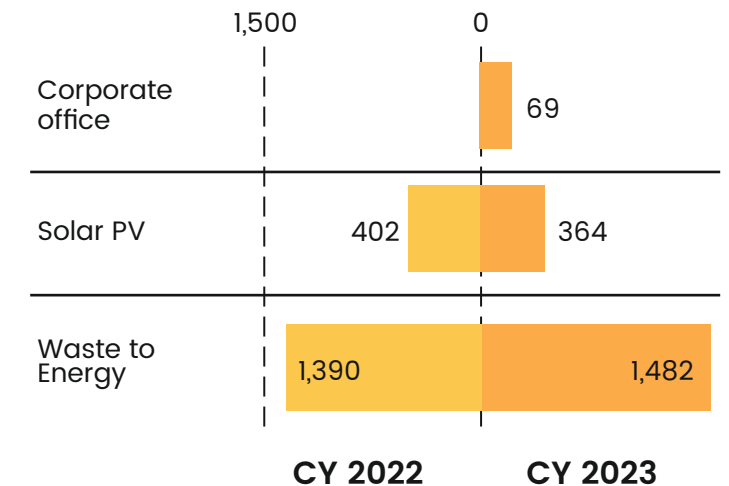
Our established proficiency in inclusive transition strategies not only benefits our expansion into new areas but also aligns with our ongoing commitment to advancing towards a low-carbon economy, all while responsibly considering the welfare of local workers, families, and communities.

GRI: 203-2, 401, 404, 413

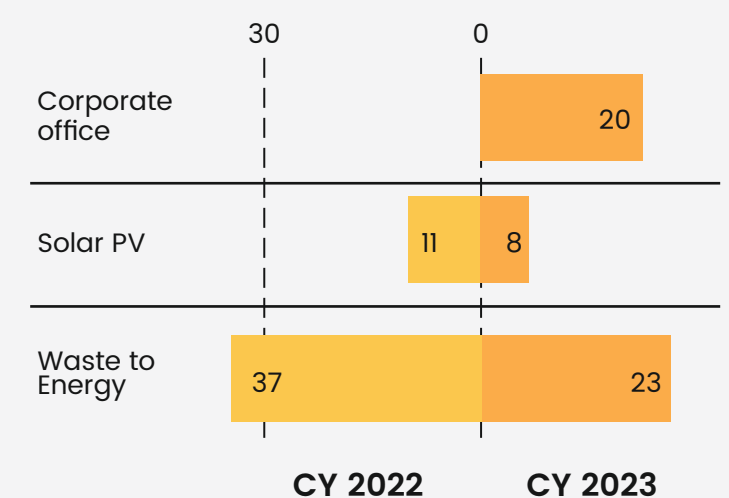


Employees across our business portfolio

■ Annual assessment of workforce distribution across project portfolio.

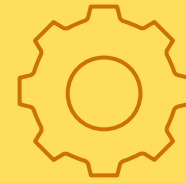
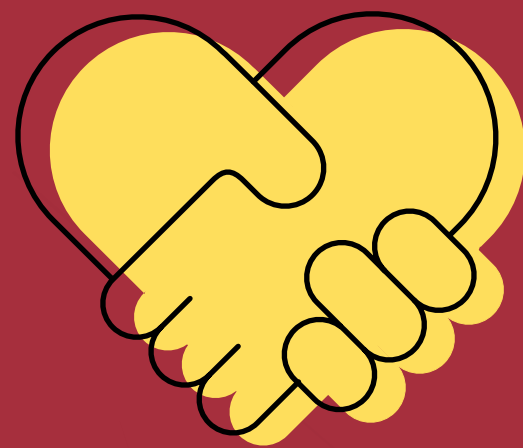


■ Analysis of the female workforce distribution across project portfolios over successive years.



Diversity, equity, and inclusion

We believe a diverse workforce and inclusive culture are key ingredients for innovation, operational excellence, and organizational efficacy. When our employees with different backgrounds and identities can come to work knowing they will be included and given the resources they need to succeed, our organization thrives. The premium we place on DEI is a reflection of our values, purpose, and company culture.



DEI in the workplace

In 2023, we updated our policies regarding diversity, equity, and inclusion in the workplace to ensure they are reflective of our values and the current climate.

In addition to this updated policy, our employee resource groups (ERGs) have continued to serve as strong sources of community building for

our woman-identifying, and racial and ethnic minority employees. ERGs play a role in supporting employees who face systemic disadvantages by providing safe spaces where they can connect with their colleagues and advance the interests of their identity groups.

In addition to prohibiting harassment and discrimination, our DEI in the workplace framework also sets out our key focus areas:



Enhance workforce diversity



Cultivate a culture of inclusion in the workplace and community



Leadership commitment



DEI governance



Self-identification

At SAEL, we believe our workforce is made better when employees are provided tailored resources to help them succeed.

A critical component of providing these resources is having adequate information on the groups with which employees identify so we can fill any gaps in our programming and evolve our DEI approach to suit the needs of our changing workforce. In 2023, we began giving employees the opportunity to identify as LGBTQIA+, members of racial and ethnic groups, veterans, or persons with disabilities, helping us enhance our understanding of the diverse identities represented in our workforce and better adapt our programs to meet their needs.

Community support and economic development

In addition to guiding our core operations, our purpose and guiding principles encourage us to give back to the communities where we operate. We believe this investment in local communities strengthens our business and builds opportunities for stakeholders across our service areas.



The unsung heroes – our Business and Community Development Team

Developing energy generation projects that contribute to essential services like electricity requires collaboration from various stakeholders. Within SAEL, a crucial component of this collaborative effort is our Business and Community Development (BCD) Team. The BCD managers play a central role in fostering mutually beneficial solutions that promote the success and well-being of our company, customers, and communities. Their dedication ensures that we navigate challenges effectively and achieve outcomes that create value for all stakeholders involved.

What does a day in the life of a BCD representative look like?



Promptly addresses grievances through our organization-wide Grievance Redressal Mechanism, which adheres to the 2012 IFC Performance Standards. We provide timely support to stakeholders, focusing on environmental, health, safety, and social aspects related to our power projects and Solar PV module manufacturing units.



Joining local Chambers of Commerce and working with local and state economic development teams to incentivize business migration to service territories and drive community investment.



Managing pivotal transactions between SAEL and local communities, such as land deals, biomass acquisitions, and waste-ash

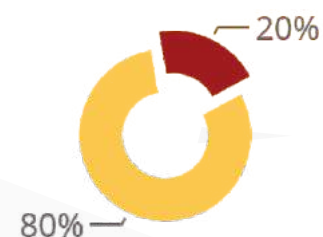
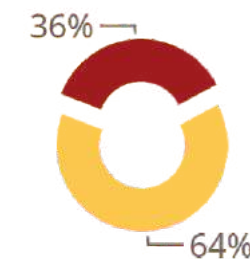
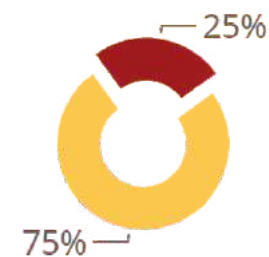
transactions, necessitates upholding fair and transparent commercial practices, with mutual information exchange among stakeholders.

In the calendar year 2023, SAEL allocated and spent approx. INR 40 lakhs towards activities and initiatives in fulfillment of the organization's Corporate Social Responsibility.

Throughout the calendar year 2023, SAEL strategically devised and executed 22 initiatives to fulfill the organization's commitments to Corporate Social Responsibility.

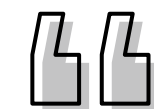
In 2023, SAEL held 25 stakeholder consultation events to inform local stakeholders about its activities, gather feedback, and maximize positive social impacts through collaboration.

● Waste to energy
● Solar PV



Supreet Gupta

Chief Human Resources Officer



We are dedicated to making SAEL a great place to work and pursue professional growth.

Our greatest asset is our diverse, talented, and dedicated people whose contributions enable SAEL to thrive and grow.

As the organization moves to the next level, the importance of continuous learning and skill development cannot be overstated. As we strive to maintain our competitive edge and drive innovation forward, we invest in our employees by providing them with the resources, support, and opportunities needed to expand their knowledge base, enhance capabilities, and stay ahead of the curve in their respective roles. We are also proud to support various community engagement initiatives and volunteer opportunities that allow us to give back and make a difference.

I extend my heartfelt gratitude to each and every one of you for your unwavering dedication and contributions to our shared success. Together, we are not only shaping the future of our organization but making a meaningful difference in the world. Here's to another year of growth, innovation, and unparalleled achievements.





Community giving strategy

In 2023, our Environmental, Social & Governance department developed a comprehensive strategy to drive greater impact in the communities where we live and work. This strategy includes four standardized themes aligned across SAEL.

While these are corporate themes, it is important that the local teams determine the best focus based on community needs. This is aligned with our local operating approach. We are also working to increase awareness of our engagement opportunities and recognizing employees who go above and beyond.

As we look to the future and begin implementing this strategy, we believe these efforts will support enhanced impact in our communities and improved employee engagement.

Education and a next-generation workforce



Diversity, equity, and inclusion



Resilient communities



Environmental stewardship



GOVERNANCE

IN THIS SECTION

Sustainability Governance

ESG Oversight

Ethics and Integrity

Risk Management

Sustainable procurement

Empowering Financial Growth

Empowering Environmental and Socio-Economic Progress

Sustainable Development Goals:



Sustainability governance

At SAEL, our approach to sustainability governance is based on cross-functional collaboration, accountability, and strategic oversight.



Strong corporate governance

SAEL's Board of Directors (the "Board") has functions and responsibilities related to the organization's strategic plans, risk management, human resource management, financial information, communications and disclosure, corporate governance, and sustainability, among other things.

Board oversight is an essential element in the integration of sustainability performance into SAEL's corporate strategy. The Board is supported by its six standing committees. The Corporate ESG Committee was involved in oversee drafting and reviewing this ESG report.

SAEL Board Members



Mr. Jasbir Awla



Mr. Sukhbir Awla



Mr. Laxit Awla



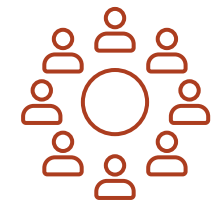
Mr. Inge Stolen



Mr. Harbhajan Singh

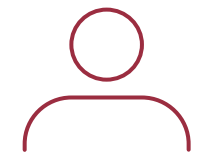


Mr. Hemant Sahai



Board Highlights

(as at December 31, 2023)



2 of 6

Directors were independent

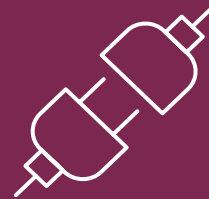


100%

of independent Directors were India based

ESG oversight

The Corporate ESG Committee is mandated to review and make recommendations to the Board regarding sustainability matters, including ESG matters, and their integration into SAEL's business. This includes oversight of the ongoing development and progress of SAEL's sustainability plan and initiatives.



Integrating sustainability across the business

Senior management shares quarterly updates with the Corporate ESG Committee so that it, and the Board, are provided with reliable and up-to-date information, insights, and performance tracking on key ESG initiatives.

With the appointment of Ambuj Mishra as Head - Environmental, Social and Corporate Governance, SAEL continues to prioritize sustainability across the organization, integrating it into the development and execution of our broader strategic corporate priorities. In addition to this role in forming our corporate strategy, the ESG team has continued:

- Facilitating stakeholder engagement on sustainability topics
- Supporting groups across the organization in integrating ESG principles into their work
- Collecting sustainability data
- Reporting ESG disclosures
- Directing business units to integrate E&S considerations and align decisions with SAEL's ESMS guidelines.

Our Project Committees (PCs) have also continued to guide our sustainability efforts across regions and sectors. RPCs are comprised

of employees from various regions within which SAEL operates.

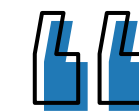
The EHS&S Officers, those work to identify and address sustainability issues relevant to their region at the local level. In 2023, the RPCs developed Regional Sustainability Plans that identified key ESG issues affecting their regions and business lines. These plans tailored targets to RPCs' unique contexts, rooted in broader organizational ESG priorities and UN SDGs. Since identifying their strategies, the PCs have worked together to coordinate their efforts with organizational priorities and implement their plans.

In 2023, our PCs made strides in achieving their goals across ESG priorities. They narrowed their environmental focus to reducing their carbon footprints and addressing climate change, social focus to supporting employees and communities, and governance focus to integrating sustainability into their general business strategies. The RPCs have made impressive progress toward operationalizing these goals, with some building relationships with external players critical to helping them hit their targets, identifying the environmental impact of their targets on specific projects and assets, and taking other steps to make their plans a reality and support SAEL's overall sustainability and business strategy.



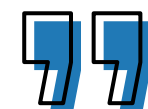
Ambuj Mishra

Head - ESG



Sustainability is foundational to how we do business at SAEL.

By building sustainability into our core strategy, we are embedding ESG considerations into our decision-making processes and evolving our approach to developing our corporate strategy with a view toward long-term value creation. We believe this will not only help us make a more positive impact on the environment and the communities where we live and work, but will also support our other strategic pillars of Growth and Operational Excellence.



Ethics and integrity

Our commitment to ethics and integrity compliance is enshrined in our ESG goals and we hold ourselves accountable through our corporate scorecard. In addition, we have worked hard to provide information and a host of resources to equip our employees to meet our high ethics and integrity standards.



Featured policies

- Land Acquisition Policy
- Code of Business Conduct
- Anti-Bribery and Anti-Corruption Policy
- Corporate Social Responsibility (CSR) Policy
- Stakeholder Engagement & Communication Policy
- Consequence Management Policy
- IT Code of Conduct Policy
- Contractor Management & Supply Chain Policy
- Environment and Social Policy
- Human Resources Policy
 - Attendance Management Policy
 - Employee Leave Policy
 - Employee Travel Policy
 - Dress Code Policy
 - Prevention of Sexual Harassment (POSH) Policy
 - Separation Policy



Refer our website for other policies



Human Rights Policy

At SAEL, we seek to promote human rights across our value chain. In 2023, through the publication of our Human Rights Policy, we made a public commitment to respect, support, and protect fundamental personal freedoms. This action highlights how our organization is working to keep business practices aligned with international standards.

In crafting this policy, we followed principles influenced by United Nations guidelines and frameworks. This policy helps us operationalize company values and integrate humanitarian responsibility into what we do.

By prioritizing human rights, we hope to set expectations for our company and throughout our value chain.



Our Code of Business Conduct and Ethics employee resources

Email

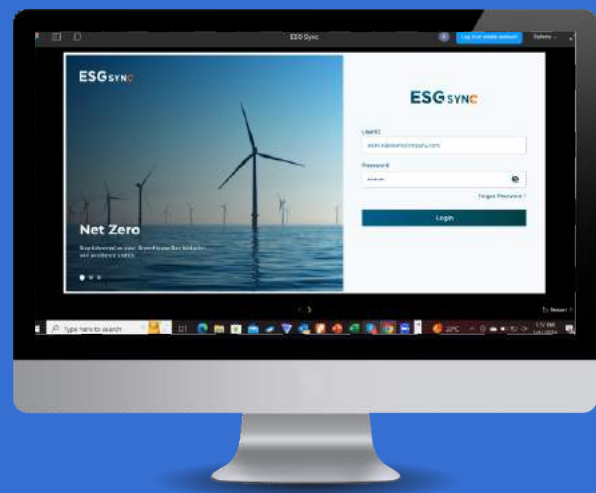
We have a dedicated compliance question address that employees can email to ask about compliance or company policies.

Ethics reporting line

Our employees can use this reporting line to anonymously report suspected breaches of our Code of Business Conduct and Ethics.

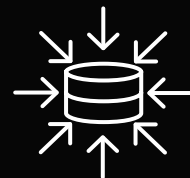
Risk management

To prepare us for the challenges and opportunities that come our way, we have integrated enterprise risk management processes and policies into our governance structure. We identify, assess, and plan for risks facing our business and believe that information-sharing, monitoring, analysis, and communication are critical to maintaining a culture of responsible governance.



Risk management frameworks

In 2023, we continued to assess the resilience of our business. Building on the climate-related scenario analyses conducted regularly that helped us identify various transition and physical risks and opportunities, we moved forward with beginning to operationalize climate-related insights across the business. We began the process of formally integrating the identified risks into the organization's enterprise risk management framework and longer-term strategic outlook.



Our diverse stakeholder groups require clear and comprehensive data representation. In 2023, we initiated collaboration with a chosen service partner to design 'ESG Sync', a cloud-based software platform. Upon integration within SAEL, this platform will function as a centralized hub for sharing public disclosures pertaining to sustainability and ESG. This marks a significant advancement in our sustainability endeavors, enhancing the accessibility of our ESG data.



Dushyant Chachra

Chief Financial Officer
Power Business

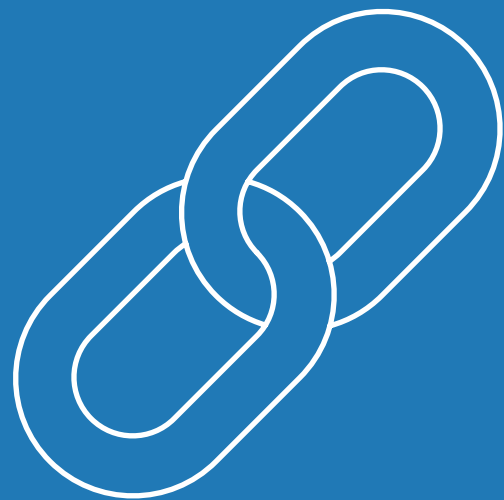
Driving impact, growth, and compliance for a sustainable future.

Being part of SAEL is immensely rewarding as our efforts yield significant environmental and community benefits, fostering a sense of satisfaction. In 2023, we fortified our governance structure, emphasizing resource optimization, project profitability, and adaptability to dynamic business environments. Our rapid growth trajectory aligns with our commitment to compliance, including stringent adherence to regulatory requirements.



Sustainable procurement

We strive to manage our ESG impact at all points in our supply chain across our business. Working with like-minded suppliers is crucial in achieving this goal and we have implemented policies and standards in an effort to further our work with partners who share our values.

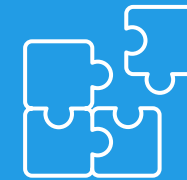


Supplier Code of Conduct

We seek to select suppliers that engage in practices that reflect our values and corporate purpose and we view this as an important component to building a sustainable value chain over time. In addition to being guided by our sustainability goals in selecting upstream suppliers, we seek to work to encourage entities downstream in our supply chain to act with integrity through our Policy on Supplier Code of Conduct. This year, we updated the code to reflect changing conditions and business processes. The new policy sets expectations for suppliers to adhere to ethical labor standards and, where possible, pursue sustainable practices. In setting out these criteria, we seek to make our supply chain more ethical, resilient, and sustainable.



To learn more, check out our **Policy on Supplier Code of Conduct** on our website.

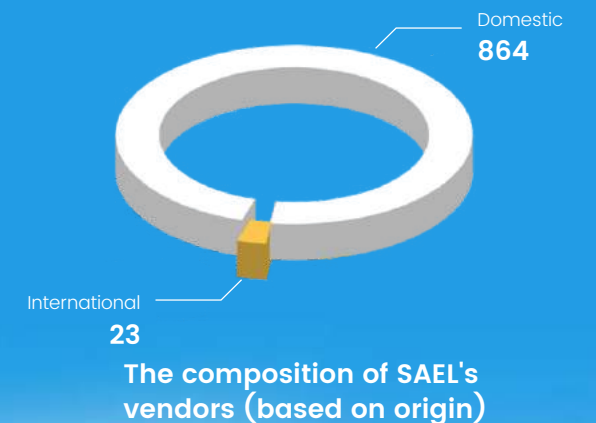


Supplier diversity

At SAEL, the value we place on diversity and inclusion isn't limited to our workforce. We are working to expand the perspectives represented in all our stakeholder groups and striving to build a more inclusive business from different angles. We believe promoting diversity in our supply chain is not only foundational to who we are and reflective of our values, but also creates more resilient value chains and promotes operational excellence.

In 2023, our procurement department worked hard to include a more diverse set of perspectives in our supply chain to help our business remain competitive and innovative. For further, we are equipped to implement our commitment to diversity, equity, and inclusion by mindfully enhancing our outreach and programming to build a more inclusive value chain. This year, we are proud that

our supply chain included a diverse combination of women, ethnic minority, service-disabled veteran owned companies, and we are looking forward to continuing to build more relationships with partners like these who offer unique perspectives.



GRI: 102-9, 102-43, 204, 308, 405, 414



Empowering Financial Growth

SAEL's commitment to "Empowering Financial Growth" epitomizes our unwavering dedication to cultivating a dynamic and thriving financial environment through the adoption of industry-leading methodologies. We firmly believe in driving sustainable expansion by adhering to stringent financial protocols and embracing innovative approaches. Our pursuit of financial excellence encompasses judicious fiscal stewardship, strategic investment practices, and meticulous risk evaluation. Through a steadfast

focus on transparency, accountability, and operational efficiency, we ensure that each financial decision contributes positively to the advancement of our company's growth trajectory. Guided by a philosophy of continual enhancement and forward-looking strategies, SAEL not only catalyzes financial growth within our organization but also extends value and opportunities for sustainable prosperity to our stakeholders.

Organizational Scale

Particulars	Unit	FY 2024
▶ EBIDTA	(₹ Million)	2,406.04
▶ Market Capitalisation	(₹ Million)	-
▶ Total Revenue	(₹ Million)	5,555.9
▶ Net Debt	(₹ Million)	-
▶ Total Equity	(₹ Million)	-
▶ Consolidated Net Profit	(₹ Million)	-
▶ Consolidated Net Loss	(₹ Million)	-775.1

Economic Value Generated

Particulars	Unit	FY 2024
▶ Revenue from Operations	(₹ Million)	5,481.2
▶ Other Income	(₹ Million)	74.8

Economic Value Distributed

Particulars	Unit	FY 2024
▶ Cost of Materials Consumed	(₹ Million)	1,883.0
▶ Cost Incurred in Training & Development	(₹ Million)	-
▶ Employee Wages and Benefits	(₹ Million)	213.5
▶ Finance costs	(₹ Million)	1,473.2
▶ Depreciation and amortisation expense	(₹ Million)	1,708.0
▶ Other expenses	(₹ Million)	1,053.3



Empowering Environmental and Socio-Economic Progress

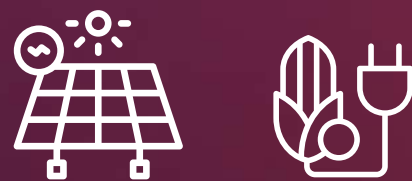
“Advancing Environmental and Socio-Economic Transformation through our core business divisions- Solar & Waste to Energy Power Generation along with Solar PV Module Manufacturing & Assembling Facilities.”

SAEL Industries Limited is dedicated to addressing a critical challenge directly linked to the global issue of climate change. Through our two core business divisions—Electricity Generation via Solar PV Modules and Biomass-to-Energy Generation—we are actively combatting environmental degradation. In the absence of our projects, biomass would be burned in open fields, leading to significant ambient air pollution and the loss of biodiversity, particularly impacting agricultural areas in India. By harnessing solar and biomass resources, we have generated and supplied electricity to the grid, displacing energy that would otherwise be produced by conventional sources such as coal-based thermal plants and nuclear facilities, thereby contributing to India's energy mix with cleaner alternatives.

Biomass to Energy Generation presents a vital solution compared to the environmental and economic consequences of open burning. During the reporting period of Calendar Year 2023, SAEL procured 5,97,508 tonnes of biomass, generating 3,24,212.53 megawatt-hours of energy, and averting 2,94,086.70 tonnes of CO₂ equivalent emissions. Similarly, our Solar PV projects generated 3,13,880.87 megawatt-hours of energy, leading to an avoidance of 2,88,770.40 metric tonnes of CO₂ emissions by integrating renewable energy into the grid.

At SAEL, we think socioeconomic empowerment and sustainable development go hand in hand. Our dedication to rural economies is demonstrated by the construction of a cutting-edge Waste-to-Energy plant, in which we invest approx. about INR 5 Crores (~US\$ 670K). This money is allocated directly to the cost of biomass fuel and salaries, which are then distributed throughout the state's rural economies, creating both direct and indirect employment opportunities for about 2000 people. We work hard to guarantee that our solar projects also have a beneficial and long-lasting effect on the communities in which they are located, through equitable land agreements and the provision of socioeconomic benefits.

This narrative highlights SAEL's steadfast dedication to environmental stewardship and socio-economic empowerment, representing a seamless fusion of ecological and economic imperatives in our pursuit of positive change.



Augmentation to Rural Economy

Activities	Workers Employed	Category
Plant Operation Including the feeding of paddy straw.	400*	Skilled & Semi-Skilled
Cutting, Collection and storage of Paddy Straw from fields.	800*	Skilled/Unskilled
Transportation, Loading & Unloading	800*	Unskilled
Total Employment	2,000*	Include Engineers, MBAs, Plant Operators, ITIs, etc.



Note: *These Values are approximate.

We Value Your Feedback

Your feedback holds great value to us, and we kindly ask you to view the current report as an embodiment of our ongoing dedication to align our organization with global ESG Principles. We are excitedly looking forward to the release of our second ESG Performance Report following the culmination of CY 2023. Your insights are pivotal in shaping our forthcoming ESG performance reporting, and your thoughtful comments have the potential to significantly align next year's report with your expectations.

1. Quality of content covered in the report?

- A. Excellent
- B. Good
- C. Low
- D. Poor

2. Clarity of information presented in the report?

- A. Excellent
- B. Good
- C. Low
- D. Poor

3. Quality of design of the report

- A. Excellent
- B. Good
- C. Low
- D. Poor

4. What additional information would you like to see in our future reports?

5. Any other suggestions or areas of improvement?

Kindly provide your contact information for further correspondence:

Name :
Designation :
Organization :
Contact Address:

PLEASE EMAIL YOUR FEEDBACK TO:

Ambuj Mishra
Head – ESG

✉ Email: ambuj.mishra@sael.co ☎ Tel: 01144910011

SAEL Industries Limited
Corporate Headquarter
Asset 11, Third Floor, WorldMark-1, Aerocity,
Mahipalpur, New Delhi- 110037

Notes



GRI Content Index¹

No.	Disclosure	Source and notes	Priority issue alignment
Organizational Profile			
102-1	Name of the organization	About us Our Project Portfolio	
102-2	Activities, brands, products, and services	About us	
102-3	Location of headquarters	Stay connected	
102-4	Location of operations	Our Project Portfolio	
102-6	Markets served	About us Our Journey Our Project Portfolio	
102-7	Scale of the organization	About us Our Journey Our Project Portfolio	
102-8	Information on employees and other workers	Talent attraction and retention Employee demographics	
102-9	Supply chain	Sustainable procurement	
102-10	Significant changes to the organization and its supply chain	About This Report	

¹ Scope of disclosure: Unless explicitly noted, annual data herein is presented for the fiscal year beginning on January 1 and ending on December 31 of the specified year, and data reflecting a specific point in time is given as at December 31 of the specified year. Unless explicitly noted, all relevant metrics include SAEL's businesses in India. Unless explicitly noted, all relevant metrics are provided for operationally-controlled assets only, and data is provided on a 100% basis for each such asset. Historical data that was not available is represented by "-".

No.	Disclosure	Source and notes	Priority issue alignment
Organizational Profile (continued)			
102-11	Precautionary Principle or approach	SAEL's operations are carried out in accordance with the Precautionary Principle. SAEL acknowledges that when an activity poses a threat to human health or the environment, precautionary measures should be taken.	
102-12	External initiatives	Our commitment to the UN SDGs Awards and recognition (risk management) Protecting Biodiversity & Natural Ecosystems Internal Stakeholders' Well-being, safety and development Community support and economic development	
Strategy			
102-14	Statement from senior decision-maker	Message To Stakeholders From Our Leadership	
102-15	Key impacts, risks, and opportunities	Message To Stakeholders From Our Leadership Top ESG Priorities	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	About us Our values, purpose, and guiding principles Our Journey Sustainability governance	
102-17	Mechanisms for advice and concerns about ethics	Ethics and integrity Sustainability governance	

No.	Disclosure	Source and notes	Priority issue alignment
Governance			
102-18	Governance structure	Our Journey Sustainability governance ESG oversight	
102-19	Delegating authority	Sustainability governance	
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability governance ESG oversight Empowering results	
102-21	Consulting stakeholders on economic, environmental, and social topics	Message To Stakeholders From Our Leadership Engaging Stakeholders Protecting Biodiversity & Natural Ecosystem	
102-22	Composition of the highest governance body and its committees	Sustainability Governance	
102-23	Chair of the highest governance body	Sustainability Governance	
102-24	Nominating and selecting the highest governance body	Sustainability Governance	
102-25	Conflicts of interest	SAEL Code of Business Conduct and Ethics Risk management	
102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability governance	
102-27	Collective knowledge of highest governance body	Sustainability governance	
102-28	Evaluating the highest governance body's performance	Sustainability governance	

No.	Disclosure	Source and notes	Priority issue alignment
Governance (continued)			
102-29	Identifying and managing economic, environmental, and social impacts	Message To Stakeholders From Our Leadership Engaging Stakeholders	
102-30	Effectiveness of risk management process	Risk Management	
102-31	Review of economic, environmental, and social topics	Sustainability governance Narration of Our Main Material ESG Subjects	
102-32	Highest governance body's role in sustainability reporting	Sustainability governance Message To Stakeholders From Our Leadership ESG Reporting Strategy	
102-33	Communicating critical concerns	Greenhouse Gas and Air Emissions Ethics and integrity Risk management	
102-34	Nature and total number of critical concerns	No critical concerns have been identified	
102-35	Remuneration policies	Talent Attraction and Retention	
102-36	Process for determining remuneration	Sustainability Governance	
102-37	Stakeholders' involvement in remuneration	Sustainability Governance	

No.	Disclosure	Source and notes	Priority issue alignment
Stakeholder engagement			
102-40	List of stakeholder groups	Stakeholder engagement	
102-41	Collective bargaining agreements	Stakeholder engagement	
102-42	Identifying and selecting stakeholders	Stakeholder engagement	
102-43	Approach to stakeholder engagement	Message To Stakeholders From Our Leadership Stakeholder engagement Protecting Biodiversity & Natural Ecosystems Sustainable procurement	
102-44	Key topics and concerns raised	Narration of Our Main Material ESG Subjects	
102-46	Defining report content topic boundaries	Reporting Period and Frameworks About this report Stakeholder engagement	
102-47	List of material topics	Narration of Our Main Material ESG Subjects	
102-48	Restatements of information	About this report	
102-49	Changes in reporting	About this report	
102-50	Reporting period	About this report	
102-51	Date of most recent report	---	
102-52	Reporting cycle	About this report	
102-53	Contact point for questions regarding the report	Stay connected	
102-54	Claims of reporting in accordance with the GRI Standards	About this report	
102-55	GRI content index	Appendix: GRI Index	

No.	Disclosure	Source and notes	Priority issue alignment
Economic Performance			
103-1	Explanation of the material topic and its boundary	Narration of Our Main Material ESG Subjects	<ul style="list-style-type: none"> • Climate resiliency • Transitioning to a low-carbon economy • Talent attraction and retention • Infrastructure investment and resiliency • Employee health and safety • Ethics and integrity • Transparency and disclosure • Risk management
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
201-1	Direct economic value generated and distributed	Empowering Financial Growth	
201-2	Financial implications and other risks and opportunities due to climate change	Greenhouse Gas and Air Emissions Risks Management	
Market presence			
103-1	Explanation of the material topic and its boundary	Our Approach to ESG Reporting	<ul style="list-style-type: none"> • Talent attraction and retention • Community support and economic development • Diversity, equity, and inclusion • Ethics and integrity
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—	
202-2	Proportion of senior management hired from the local community	SAEL does not document the location of employees prior to employment.	
Indirect economic impacts			
103-1	Explanation of the material topic and its boundary	About us Our values, purpose, and guiding principles Our Journey Engaging Stakeholders Sustainability governance ESG oversight	<ul style="list-style-type: none"> • Climate resiliency • Transitioning to a low-carbon economy • Greenhouse gas and air emissions • Energy reliability • Talent attraction and retention • Community support and economic development • Infrastructure investment and resiliency • Cybersecurity • Sustainable procurement
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
203-1	Infrastructure investments and services supported	About us Our Project Portfolio	
203-2	Significant indirect economic impacts	Talent attraction and retention Community support and economic development	

No.	Disclosure	Source and notes	Priority issue alignment
Procurement practices			
103-1	Explanation of the material topic and its boundary	Sustainable procurement	
103-2	The management approach and its components	Policy on Supplier Code of Conduct	• Community support and economic development
103-3	Evaluation of the management approach		• Sustainable procurement
Anti-corruption			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Narration of Our Main Material ESG Subjects	
103-3	Evaluation of the management approach		
205-1	Operations assessed for risks related to corruption	Risk Management	• Ethics and integrity • Transparency and disclosure • Risk management • Cybersecurity
205-2	Communication and training about anti-corruption policies and procedures	Ethics and Integrity	
205-3	Confirmed incidents of corruption and actions taken	Nil	
Anti-competitive behavior			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Ethics and Integrity	• Ethics and integrity • Transparency and disclosure • Risk management
103-3	Evaluation of the management approach		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Code of Business Conduct and Ethics	

No.	Disclosure	Source and notes	Priority issue alignment
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Environment

Energy

103-1	Explanation of the material topic and its boundary	Our Commitment to UN SDG's	
103-2	The management approach and its components	Climate resiliency and energy efficiency	
103-3	Evaluation of the management approach	Greenhouse gas (GHG) and air emissions	
302-1	Energy consumption within the organization	Emission Management	<ul style="list-style-type: none"> • Transitioning to a low-carbon economy • Greenhouse gas and air emissions • Energy efficiency • Land use and biodiversity • Customer experience and affordability • Risk management
302-3	Energy intensity	Emission Management	
302-4	Reduction of energy consumption	Emission Management	
302-5	Reductions in energy requirements of products and services	Emission Management	

No.	Disclosure	Source and notes	Priority issue alignment
Water and effluents			
103-1	Explanation of the material topic and its boundary	Narration of Our Main Material ESG Subjects Water Management	<ul style="list-style-type: none"> • Climate resiliency • Land use and biodiversity • Water management • Public health and safety
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
303-1	Interactions with water as a shared resource	Water management Climate Resiliency and Energy Efficiency	
303-2	Management of water discharge-related impacts	Water management Waste and Materials Management	
303-3	Water withdrawal	Water management	
303-4	Water discharge	Water management	
303-5	Water consumption	Water management	

No.	Disclosure	Source and notes	Priority issue alignment
Biodiversity			
103-1	Explanation of the material topic and its boundary	Our Commitment to the UN SDG's	
103-2	The management approach and its components	Protecting Biodiversity and Natural Ecosystems	
103-3	Evaluation of the management approach	Environmental Preservation and Economic Prosperity	
304	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>Species impact</p> <p>SAEL has collected this information for its operations in the following regions; Aandhra Pradesh, Gujarat, Haryana, Maharashtra, Mizoram, National Capital Region, Punjab, Rajasthan, and Uttar Pradesh. SAEL will evaluate opportunities to disclose this information publicly in the future.</p>	
304-2	Significant impacts of activities, products, and services on biodiversity	<p>SAEL has collected this information for its operations in the following regions; Aandhra Pradesh, Gujarat, Haryana, Maharashtra, Mizoram, National Capital Region, Punjab, Rajasthan, and Uttar Pradesh. SAEL will evaluate opportunities to disclose this information publicly in the future.</p>	<ul style="list-style-type: none"> • Climate resiliency • Land use and biodiversity • Ethics and integrity • Risk management
304-3	Habitats protected or restored	<p>SAEL has collected this information for its operations in the following regions; Aandhra Pradesh, Gujarat, Haryana, Maharashtra, Mizoram, National Capital Region, Punjab, Rajasthan, and Uttar Pradesh. SAEL will evaluate opportunities to disclose this information publicly in the future.</p>	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<p>SAEL has collected this information for its operations in the following regions; Aandhra Pradesh, Gujarat, Haryana, Maharashtra, Mizoram, National Capital Region, Punjab, Rajasthan, and Uttar Pradesh. SAEL will evaluate opportunities to disclose this information publicly in the future.</p>	

No.	Disclosure	Source and notes	Priority issue alignment
Emissions			
103-1	Explanation of the material topic and its boundary	Narration of Our Main Material ESG Subjects	
103-2	The management approach and its components	Climate Resiliency and Energy Efficiency	
103-3	Evaluation of the management approach	Greenhouse Gas and Air Emissions	
305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas and Air Emissions	
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas and Air Emissions	<ul style="list-style-type: none"> • Climate resiliency • Transitioning to a low-carbon economy • Greenhouse gas and air emissions • Public health and safety
305-4	GHG emissions intensity	Scope 1 , Scope 2 and Scope 3 emissions	
305-5	Reduction of GHG emissions	Environmental Preservation and Economic Prosperity Greenhouse gas (GHG) and air emissions	
305-6	Emissions of ozone-depleting substances (ODS)	Other emissions from electricity generation	
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x) and other significant air emissions	Other emissions from electricity generation	

No.	Disclosure	Source and notes	Priority issue alignment
Waste			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Waste and materials management	
103-3	Evaluation of the management approach		
306-1	Waste generation and significant waste-related impacts	Waste and materials management	<ul style="list-style-type: none"> • Climate resiliency • Land use and biodiversity • Waste and materials management
306-2	Management of significant waste-related impacts	Waste and materials management	
306-3	Waste generated	Waste generation	
306-4	Waste diverted from disposal	Waste diverted	
306-5	Waste directed to disposal	Waste directed to disposal	
Environmental compliance			
103-1	Explanation of the material topic and its boundary	Transitioning to a low-carbon economy and managing our emissions	<ul style="list-style-type: none"> • Climate resiliency • Transitioning to a low-carbon economy • Ethics and integrity • Transparency and disclosure • Risk management
103-2	The management approach and its components	ESG oversight	
103-3	Evaluation of the management approach	Our Commitment to the Environment	
307-1	Non-compliance with environmental laws and regulations	Nil	

No.	Disclosure	Source and notes	Priority issue alignment
Supplier environmental assessment			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Sustainable procurement	
103-3	Evaluation of the management approach		
308-1	New suppliers that were screened using environmental criteria	SAEL does not currently screen suppliers using environmental criteria. SAEL has engaged primary suppliers with sustainability-focused questionnaires to gauge sustainability performance in the supply chain. SAEL continues to evaluate opportunities to integrate environmental criteria into supplier screening processes.	<ul style="list-style-type: none"> • Climate resiliency • Ethics and integrity • Sustainable procurement
308-2	Negative environmental impacts in the supply chain and actions taken	SAEL does not currently track supply chain environmental impacts. SAEL's Policy on Supplier Code of Conduct seeks to hold suppliers to a high degree of compliance with relevant environmental regulations.	
Social			
Employment			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Talent attraction and retention	
103-3	Evaluation of the management approach		
401-1	New employee hires and employee turnover	Talent attraction and retention	<ul style="list-style-type: none"> • Talent attraction and retention • Employee health and safety • Ethics and integrity
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SAEL's full-time employees are eligible for the following benefits: life insurance, health care, disability and invalidity coverage, parental leave, and stock ownership.	
401-3	Parental leave	Parental leave	

No.	Disclosure	Source and notes	Priority issue alignment
Labour/management relations			
103-1	Explanation of the material topic and its boundary	Internal Stakeholder' Well-Being, Safety and Development SAEL Code of Business Conduct and Ethics	<ul style="list-style-type: none"> • Public health and safety • Talent attraction and retention • Employee health and safety • Ethics and integrity
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
402-1	Minimum notice periods regarding operational changes	SAEL adheres to notice periods identified in relevant union agreements. In instances without union agreements, an internal review process identifies appropriate time periods to notify employees of significant operational changes.	
Occupational health and safety			
103-1	Explanation of the material topic and its boundary	Employee health and safety Environmental, health and safety Health and safety laws and regulations Our Commitment to Health & Safety	
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
403-1	Occupational health and safety management system	An internal management system is in place. SAEL is currently in the process of implementing OHSAS 45001 certification.	
403-2	Hazard identification, risk assessment, and incident investigation	Current practices to identify hazards, assess risks, and investigate incidents include pre-job hazard analysis and collaborative discussions.	<ul style="list-style-type: none"> • Talent attraction and retention • Employee health and safety • Ethics and integrity
403-3	Occupational health services	The occupational health services currently contributing to hazard identification, minimization, and elimination include Job Safety Analysis (JSA) and Job Hazard Analysis (JHA).	
403-4	Worker participation, consultation, and communication on occupational health and safety	Worker participation, consultation, and communication on occupational health and safety is facilitated through collaboration with Union and collective bargaining units. Annual regional safety planning meetings are also held.	
403-5	Worker training on occupational health and safety	Worker training on occupational health and safety is facilitated by following site annual safety plans.	

No.	Disclosure	Source and notes	Priority issue alignment
Occupational health and safety _(continued)			
403-6	Promotion of worker health	Worker health is promoted through safety standards and guidelines, and safety symposia.	
403-8	Workers covered by an occupational health and safety management system	Workers covered by an EHS management system	
403-9	Work-related injuries	Internal Stakeholder' Well-Being, Safety and Development	
403-10	Work-related ill health	Internal Stakeholder' Well-Being, Safety and Development	
Training and education			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Talent attraction and retention	
103-3	Evaluation of the management approach		
404-1	Average hours of training per year per employee	Training by the numbers	
404-2	Programs for upgrading employee skills and transition assistance programs	<p>Talent attraction and retention</p> <p>Upgrading employee skills: Leadership and professional skills are developed through various leadership training courses, trainer qualification programs, and mentorship opportunities. Specialized skills are developed by facilitating over 10 in-house training programs and hundreds of online training courses.</p> <p>Transition assistance programs: Led through the Employee Assistance Program. This program provides pre-retirement planning and services such as counselling and training for adjusting to post-work changes.</p>	<ul style="list-style-type: none"> • Transitioning to a low-carbon economy • Talent attraction and retention • Employee health and safety • Diversity, equity, and inclusion • Risk management
404-3	Programs for upgrading employee skills and transition assistance programs	Performance reviews	

No.	Disclosure	Source and notes	Priority issue alignment
Diversity and equal opportunity			
103-1	Explanation of the material topic and its boundary	Diversity, equity, and inclusion Sustainable procurement	<ul style="list-style-type: none"> • Talent attraction and retention • Diversity, equity, and inclusion • Ethics and integrity • Transparency and disclosure
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
405-1	Diversity of governance bodies and employees	Employee demographics Board of directors	<ul style="list-style-type: none"> • Talent attraction and retention • Diversity, equity, and inclusion • Ethics and integrity • Transparency and disclosure
405-2	Ratio of basic salary and remuneration of women to men	---	
Non-discrimination			
103-1	Explanation of the material topic and its boundary	SAEL Code of Business Conduct	<ul style="list-style-type: none"> • Talent attraction and retention • Employee health and safety • Diversity, equity, and inclusion • Ethics and integrity • Transparency and disclosure • Risk management
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
406-1	Incidents of discrimination and corrective actions taken	Nil	
Rights of Indigenous peoples			
103-1	Explanation of the material topic and its boundary	ESG Oversight	<ul style="list-style-type: none"> • Public health and safety • Employee health and safety • Diversity, equity, and inclusion • Ethics and integrity • Risk management • Sustainable procurement
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
411-1	Incidents of violations involving rights of Indigenous peoples	ESG Oversight	

No.	Disclosure	Source and notes	Priority issue alignment
Human rights assessment			
103-1	Explanation of the material topic and its boundary	SAEL Code of Business Conduct	
103-2	The management approach and its components	Responsible Procurement Policy	
103-3	Evaluation of the management approach	Ethics and integrity	
412-1	Operations that have been subject to human rights reviews or impact assessments	Environment and Social policy.	<ul style="list-style-type: none"> • Public health and safety • Talent attraction and retention • Employee health and safety • Ethics and integrity • Risk management • Sustainable procurement
412-2	Employee training on human rights policies or procedures	Environment and Social policy.	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	SAEL does not currently integrate human rights clauses or human rights screening into investment agreements and contracts. SAEL's Policy on Supplier Code of Conduct seeks to hold suppliers to a high degree of compliance with relevant human rights regulations.	
Local communities			
103-1	Explanation of the material topic and its boundary	Talent attraction and retention	
103-2	The management approach and its components	Community support and economic development	
413-1	Operations with local community engagement, impact assessments, and development programs	Community support and economic development Community engagement	<ul style="list-style-type: none"> • Public health and safety • Community support and economic development • Ethics and integrity • Transparency and disclosure • Risk management • Sustainable procurement
413-2	Operations with significant actual and potential negative impacts on local communities	Nil	

No.	Disclosure	Source and notes	Priority issue alignment
Supplier social assessment			
103-1	Explanation of the material topic and its boundary	Sustainable procurement	
103-2	The management approach and its components	Sustainable procurement	
103-3	Evaluation of the management approach	Sustainable procurement	
414-1	New suppliers that were screened using social criteria	SAEL seeks to integrate health and safety criteria in supplier screening processes. SAEL has engaged primary suppliers with sustainability-focused questionnaires to gauge sustainability performance in the supply chain. SAEL continues to evaluate opportunities to integrate additional social criteria into supplier screening processes.	<ul style="list-style-type: none"> • Public health and safety • Community support and economic development • Diversity, equity, and inclusion • Ethics and integrity • Transparency and disclosure • Risk management • Sustainable procurement
414-2	Negative social impacts in the supply chain and actions taken	SAEL does not currently track supply chain social impacts outside of health and safety compliance. SAEL's Policy on Supplier Code of Conduct seeks to hold suppliers to a high degree of compliance with relevant social regulations.	<ul style="list-style-type: none"> • Sustainable procurement
Public policy			
103-1	Explanation of the material topic and its boundary	Sustainability Governance	<ul style="list-style-type: none"> • Ethics and integrity
103-2	The management approach and its components	ESG Oversight	<ul style="list-style-type: none"> • Transparency and disclosure
103-3	Evaluation of the management approach	ESG Oversight	<ul style="list-style-type: none"> • Risk management • Governmental affairs and public policy

No.	Disclosure	Source and notes	Priority issue alignment
Customer health and safety			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Climate resiliency and energy efficiency	
103-3	Evaluation of the management approach		
416-1	Assessment of the health and safety impacts of product and service categories	SAEL strives to comply with all relevant regulations governing the health and safety of its customers.	<ul style="list-style-type: none"> • Public health and safety • Employee health and safety • Ethics and integrity • Transparency and disclosure • Risk management
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Nil	
Customer privacy			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	SAEL Code of Business Conduct and Ethics	
103-3	Evaluation of the management approach	Risk management	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil	<ul style="list-style-type: none"> • Public health and safety • Customer experience and affordability • Ethics and integrity • Risk management • Sustainable procurement
Socioeconomic compliance			
103-1	Explanation of the material topic and its boundary		
103-2	The management approach and its components	Ethics and integrity	
103-3	Evaluation of the management approach		
419-1	Non-compliance with laws and regulations in the social and economic area	Nil	<ul style="list-style-type: none"> • Public health and safety • Ethics and integrity • Transparency and disclosure • Risk management

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