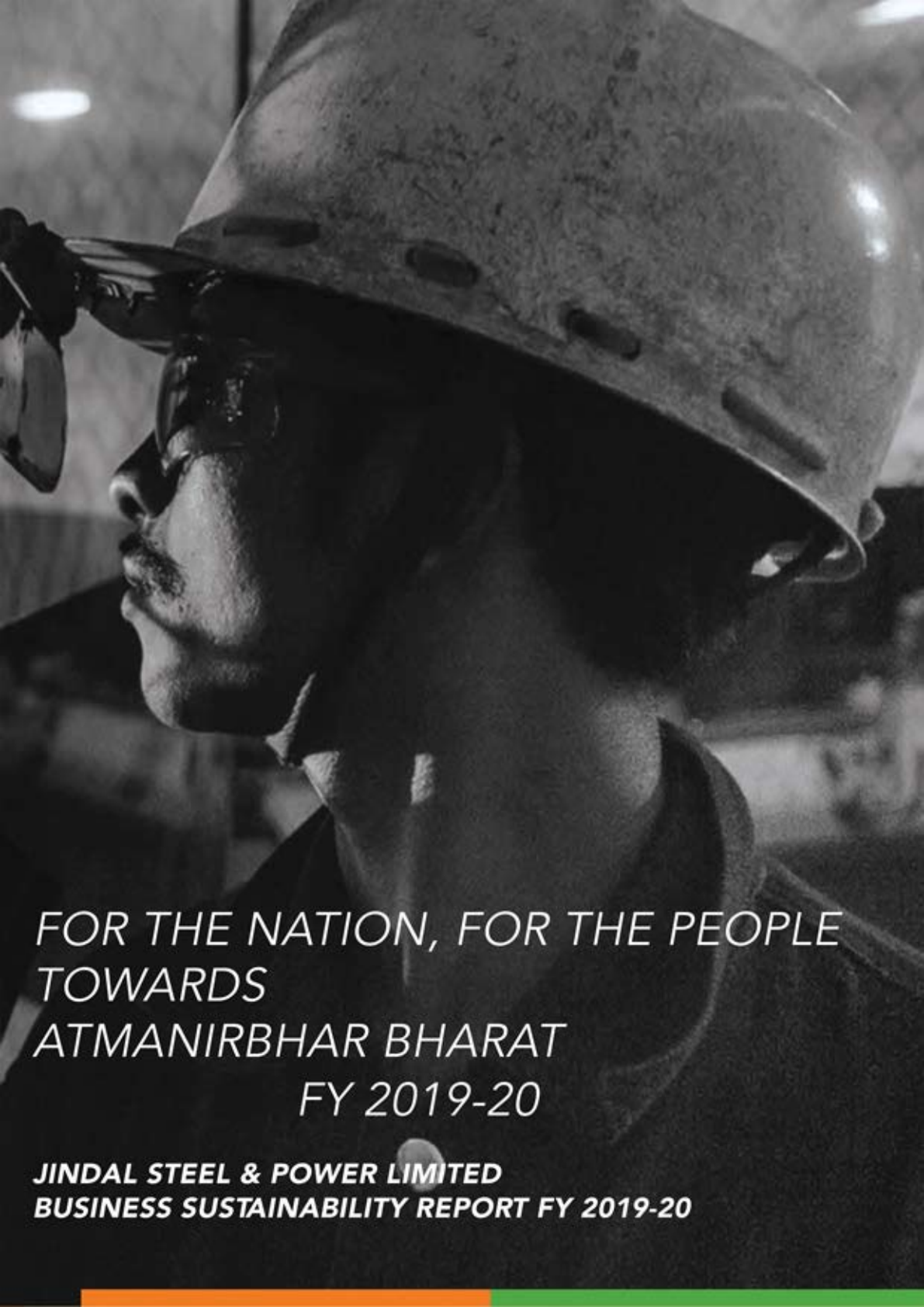


**For the Nation,
For the People, towards
AtmaNirbhar Bharat**

BUSINESS SUSTAINABILITY REPORT

FY 2019-20





FOR THE NATION, FOR THE PEOPLE
TOWARDS
ATMANIRBHAR BHARAT
FY 2019-20

JINDAL STEEL & POWER LIMITED
BUSINESS SUSTAINABILITY REPORT FY 2019-20

Chairman's Message



Dear Stakeholders,

First and foremost, I would like to extend my heartfelt greetings for your continued support during our journey of growth.

It is with immense pleasure that I write to you and present you with JSPL's 6th Business Sustainability Report, titled "For the Nation, For the People towards AtmaNirbhar Bharat", for FY 20.

The latter part of the FY 20 saw unprecedented changes in every aspect of human life due to the emergence of COVID-19. However, we have been able to deliver excellent operational performance by leveraging on our experienced and capable workforce, to mitigate the crisis in the most efficient manner possible. This has also been our hallmark of success since our inception. As with the preceding years, we continue to make sustained efforts towards maximizing our triple bottom-line highlights and create value for all our stakeholders.

Due to the COVID-19 pandemic, we witnessed rapid transformation across all walks of life and took adequate measures to tackle them. JSPL responded to the call of the nation, contributed to the PM Cares Fund and CM Relief Fund and stood beside the countrymen to fight the pandemic-induced human miseries by way of ensuring appropriate healthcare, mitigating hunger in protecting livelihood. We navigated through the challenging times, continued our operation abiding by the safety protocols, protected our employees and family members, further strengthened our created social livelihood in health and education and demonstrated our commitment to building an AtmaNirbhar Bharat.

At JSPL, we aim to achieve sustainable business practices across all operations. We realise that being an energy-intensive industry, we need to reaffirm our commitment to carbon mitigation and adaptation of appropriate green technologies to continue our fight against climate change. We have also invested significantly in adopting advancing technologies and efficient processes as well as academic research to make our businesses are sustainable in the long run. The progress made during the year showcases our commitment to achieve our business objectives.

Yours sincerely,

Naveen Jindal

Managing Director's Message



Dear Stakeholders,

At the outset, I would like to reiterate that this year has been a significant one concerning our business operations. We not only executed well on our strategic plans but also successfully delivered on our financial performance. During the year, we recorded a consolidated Annual Gross Revenue of ₹ 40,813 crores from our operations. Our return to cash profitability during this year was also a result of our performance in terms of cost reduction and subsequent growth in our EBITDA.

These significant achievements have presented a positive outlook for our future business scenarios. As we move forward to increase our customer base and create extensive, durable and sustainable products, we would continually focus to zero in on our debt to become a resilient and responsible organisation.

Sustainable growth is one of the underlying principles of our business and we have identified it as one of the key drivers for our growth strategy. We have always held the belief in creating prosperity and increased growth for all our stakeholders and walk with them on a sustainable path. We have resolved to innovate, set new standards, enhance capabilities, enrich lives with the aim of becoming the most preferred steel manufacturer in the country.

JSPL, as a leading organisation, has realised that responsible economic activity is the basis for long-term success. For JSPL, sustainability means ensuring the organisation's holistic growth and understanding of the impacts on the environment and society. In our efforts to achieve excellence, we not only go beyond compliance against applicable environmental & social norms but also review our performance against global and national industry standards to create new benchmarks.

While presenting you with this Business Sustainability Report FY 20 which showcases the internal robustness of our Company, I assure you that JSPL has adopted world-class technology which has been consistently reducing emissions for climate protection with an equal focus on water conservation, waste minimisation and energy management.

Beyond business priorities, JSPL has always believed in giving back to society by creating shared value. The concept of social responsibility has been evident from the multifaceted and holistic projects designed and implemented towards JSPL's philosophy of nation-building.

I sincerely thank each individual associated with our success journey and welcome all our valued stakeholders to move along with us as we look forward to embarking on a more holistic approach that would recognize the link between our business, environment and society.

Yours sincerely,

V. R. Sharma

JSPL's three-phase response to the COVID-19 crisis

The onset of the COVID-19 pandemic that the world witnessed during the final quarter of FY 2019-20, was one of the most critical challenges in modern times. The global crisis completely altered the way we used to look at our business perspectives. It brought thriving businesses to a halt and brought in a period of uncertainty in every sphere of life.

JSPL adopted a three-phase response to battle COVID-19 – Respond, Return and Reform. As the aftermath of the effects of COVID-19 set in, we kicked off our responses in a phased manner. Our immediate reaction was to respond to the outbreak. We strived to address to challenges amidst the lockdown and return to our pre-lockdown production figures. We have leveraged the lessons learnt to create value, reform and enhance our organisational resilience as the COVID-19 curve declines.

Our response during the crisis

JSPL's response to the COVID-19 crisis!

JSPL contributed INR 25 crores to the PM Cares Fund

JSPL upgraded its hospitals to fight the pandemic by equipping them with additional ventilators/PPE kits and creating isolation wards

JSPL had committed to supply free oxygen if any hospital in the states of Chhattisgarh and Odisha face a shortfall

Each employee of JSPL had contributed to the PM Cares Fund

JSPL provided medical support through its hospitals & health-care centers and created quarantine facilities at its manufacturing locations

JSPL Foundation launched the JSPL's 'Mission Zero Hunger' in the states of Chhattisgarh, Odisha & Jharkhand to end hunger and ensure food security

Cooked food was served to truck drivers, migrant workers and other vulnerable communities in coordination with the local administration

Dry food material to meet the minimum food requirement was provided to institutions like child-care homes, old-age homes, shelter homes for women and homes for specially-abled children

Women self-help groups (SHGs) made disposable and washable masks for the workforce, hospitals and nearby communities

Community settlements, tribal hamlets and villages in Chhattisgarh, Jharkhand & Odisha were regularly sensitized on COVID-19 preventive measures

Vegetable and dairy farmers were facilitated to supply their farm/dairy products in the local community and market

Baby food was provided for the infants

Liquid herbal hand-wash and phenyl was made and supplied by SHGs to local institutions and households

Awareness was made and were propagated in the local languages also

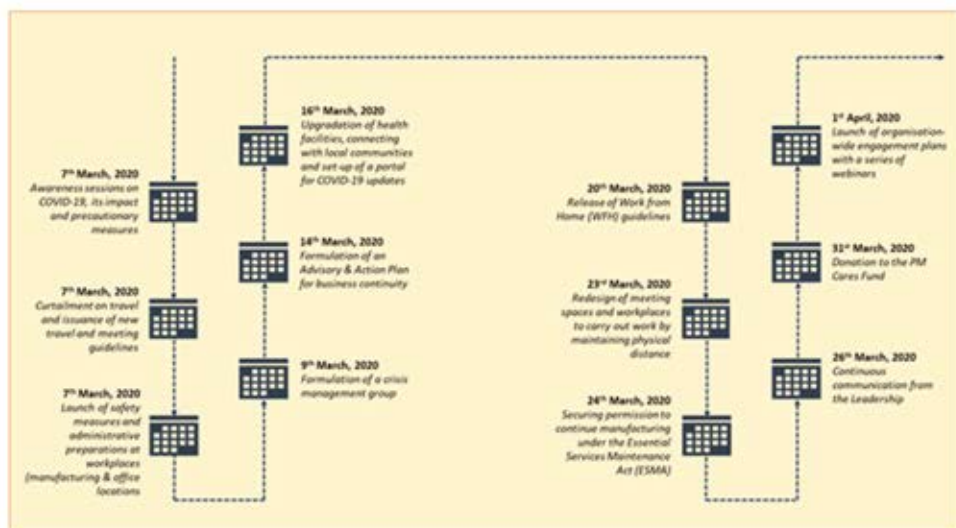


Fig 1: A timeline depicting our immediate response to COVID-19

Battling the lockdown – The people’s perspective

In the second phase, we at JSPL endeavored to recognize the people’s perspective and adopted measures to ensure their well-being in a holistic approach. This helped us in ensuring business continuity during and after the lockdown. We took cognizance of the fact that employee’s experiences are known to have a significant impact on innovation, quality of work, engagement with the organization’s mission and customer experiences.

We assessed the gravity of the situation and adopted a new work approach that aimed to protect the people who are part of our value chain. We did our utmost to ensure the safety and well-being of our employees and local communities by following the measures imposed by the government. We also undertook a variety of internal additional measures to minimize the spread of the outbreak at our plant locations, like mandating working from home to the maximum extent possible, imposing restrictions on travel and embracing the digital medium to interact with our business partners and vendors.



Fig 2: Depiction of human resilience and their needs.

Reform – The way to a new normal

The COVID-19 crisis has been an ultimate test of our strength and the way forward rests on our resiliency and agility that we have built over the years.

A thorough evaluation would be carried out immediately after the crisis is declared over to examine the events and actions for identification of improvement opportunities, while considering:

- The extent of the impact of the crisis on JSPL's assets, reputation, employees and stakeholders.
- The learning and experiences that may aid to the enhancement of JSPL's resilience.
- JSPL's response and effectiveness in handling the crisis, while articulating the facts that could be improved upon in the future.
- Legacy business models/procedures and its viability for JSPL in the 'New Normal'.
- Aspects of the business that could be digitalised/automated to ensure a sustainable virtual and team-based working, enhancing the way the services are delivered and enabling flexibility.
- New capabilities that the people could build upon through cross-training and upgrading their skill-sets.





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Highlights

Standalone Financial



Revenue
₹ 26,228.25 Cr.



Profit after Tax
₹ 617.67 Cr.



Exports
₹ 3,932.13 Cr.

Environment & Safety



Total Energy
Consumption
327 (in PJ)



Total Water
Withdrawal
90.6 (in MN m³)



Lost Time
Injury
37 (Nos.)

Social



Regular
Employees
7500 + (Nos.)



CSR
Expenditure
₹ 26.86 Cr.



Lives
Impacted
2 + million lives
Impacted

Highlights of JSPL's major plants



ANGUL

- A massive ultra-modern 6 MTPA integrated steel plant.
- Houses the world's largest Coal Gasification Plant and the largest-ever built Blast Furnace in India.
- Produces the world's widest plates up to 5 metres in width.
- Houses a 1.2 MTPA Plate Mill.



RAIGARH

- Houses the world's largest coal-based sponge iron facility.
- India's first and only unit that produces Head-Hardened Rails.
- Has a 1 MTPA Rail Mill.
- 3.6 MTPA Steel Melting Shop deploys Zero-Power New Electric Oxygen Furnace.



PATRATU

- Houses a 1.6 MTPA Finished Steel plant.
- Jindal Panther TMT Rebars have been derived from the TMT Rebars produced here.
- Encompasses the country's largest Producer Gas Plant to meet the requirements of the Wire Rod Mill and the Bar Mill.



TAMNAR

- Operates with a Plant Load Factor of nearly 100%.
- The 3,400 MW OP Jindal Super Thermal Power Plant is the largest Power Generation Complex of UMPP scale.
- Connects to the national grid by a 258-km long, 400 kV double-circuit transmission line.



BARBIL

- The facility aligns with JSPL's ethics of ensuring environmental sustainability by promoting usage of alternative fuels.
- Pellet production process replaces furnace oil as fuel.
- Uses a circulating fluidised bed as a first-of-its-kind innovative technology.



TENSA

- The iron-ore mine has a capacity of 3.11 MTPA.
- Extracted iron-ore caters to a part of the requirements of its steel plants.
- Makes use of the latest mining technologies and is one of the most environment-friendly mines in India.



OMAN

- Houses Oman's first and largest Steel Melting Shop (SMS), recently expanded to 2.4 MTPA.
- The DRI plant has a capacity of 1.5 MTPA that makes use of the unique gravity-feeding technology, the first-of-its-kind in the world.
- Houses a 1.5 MTPA Rebar Mill.



AUSTRALIA

- Operations include the coal mines at Russel Vale and Wongawilli.
- The site produces high quality coking coal.
- Coal is exported to various steel-producing destinations through the nearby port of Kembla, located with 20 km.



MOZAMBIQUE

- Open-cast coking and thermal coal mine.
- Produces semi-hard coking coal and high-grade thermal coal.
- Has resources up to 2,000 MT and reserves up to 750 MT.
- Has an annual mining capacity of 5 MT.

About the Report

At Jindal Steel & Power Limited, we have incorporated significant changes into our strategic, operational and financial operations to transform ourselves into a profitable, sustainable and socially responsible organisation. Our 6th Business Sustainability Report for FY 2019-20, titled **'For the Nation, For the People towards AtmaNirbhar Bharat'**, further elaborates on our sustainability practices across the business operations, products, services, people, community and the environment. This latest edition of our sustainability report also bears a testimony of our commitment to the United Nations Sustainable Development Goals. (GRI 102-1, 49)

Reporting Period and Boundary

This report reflects in limited scope, our overall performance, best practices and initiatives undertaken during the reporting period. The scope of reporting boundary addresses the performance of both our Indian and overseas operations, unless otherwise stated. The report covers our non-financial performance for the FY 2019-20 dated between 1st April 2019 and 31st March 2020. (GRI 102-46, 50, 51, 52)

Indian Operations



Overseas Operations



This sustainability report is mapped with the National Voluntary Guidelines (NVGs), United Nations Global Compact (UNGC) guidelines and the United Nations Sustainable Development Goals.

Reference Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Wherever necessary, we have explained the assumptions and exceptions while reporting on the GRI indicator standards. (GRI 102-54)

Assurance of the Report

Independent assurance helps in conforming to accuracy, building credibility and trust with our key stakeholders. It also reassures our readers that the information is accurate, reliable and unbiased and covers all the topics of material importance to the organization's stakeholders. For our 6th Business Sustainability Report, we have engaged Ernst & Young Associates LLP to provide external assurance on the non-financial data presented in the report. The scope and basis of assurance have been described in their assurance letter. The assurance has been carried out accordance with the limited assurance criteria of the International Standard on Assurance Engagements (ISAE) 3000.

Access to the Report

Our readers can access the Business Sustainability Reports by visiting the link provided below:

<https://www.jindalsteelpower.com/sustainabilities/business-sustainability-report.html>

Data compilation methodology

The data published in our Business Sustainability Report has been collected through various internal reporting systems. Assumptions and standard calculation methodologies for estimation and quantification of data have been used. Our direct and indirect emissions and energy consumption are calculated using the emissions and energy factors published by the Intergovernmental Panel on Climate Change (IPCC) and Central Electricity Authority (CEA). The financial information be referred from our Annual Report for FY 2019-20. (GRI 102-45)

Suggestions and feedback

We continuously strive to disclose relevant information to our valued stakeholders. We welcome you to share your views, suggestions and feedback on the report at: sustainability@jindalsteel.com. (GRI 102-53)

Our Company

Our organisation

Jindal Steel & Power Limited (hereinafter referred to as JSPL or the Company) is one of the leading players in the Indian steel industry with manufacturing facilities at Angul, Raigarh, Barbil and Patratu and has also stamped its presence in the global arena by producing a wide range of steel products out of its state-of-the-art facilities in Oman. JSPL also has a substantial presence in the domestic power and infrastructure sectors. The Company has its headquarters in New Delhi, India. (GRI 102-3, 6)

JSPL strives to be a globally admired organisation that enhances the quality of life of all its stakeholders through sustainable industrial and business development. As a large global company, JSPL's interests and positive interventions go beyond the operational boundaries. This is because, as an industry leader JSPL feels committed to finding solutions to issues pertaining to both national and global relevance. JSPL assumes responsibility towards solving the most pressing issues and has been successful in taking a tangible step forward in making the world a better place to live in.

JSPL aspires to achieve business excellence through the spirit of entrepreneurship and innovation, optimum utilisation of resources, making the optimum usage of sustainable, environment-friendly procedures and practices, setting the highest ethics and standards, maximising returns to their valued stakeholders and making a positive impact on the community.

Our value creation model

We place utmost importance to our people, allocate financial resources where they can be put to work in the most effective manner, make use of the best technical and marketing knowledge, significantly reduce our environmental footprint on the natural resources, conserve our ore and mineral resources and form strong relationships with major suppliers to create value by producing even stronger and more durable steel, seeking innovation and contributing to the well-being of all our stakeholders.

Our Philosophy: Vision, Mission and Core Values

Under a visionary leadership, we are committed to act responsibly towards innovation, enhancing new capabilities, setting new standards and enriching the lives of people that we touch upon. We focus on creating value for our shareholders and business partners, creating opportunities and providing a better life to our employees, caring for the environment, making a positive impact on the communities and nation building. We have built our business model in a way that transforms our mineral resources into shared value for our stakeholders and creates a positive impact in all spheres of life through sustainable development. Our strong business ethics, values and sound corporate governance guide us in our pursuit to become a recognised and respected business entity with a strong economic, social and environmental performance. (GRI 102-16)



VISION

To be a globally admired organization that enhances the quality of life of all stakeholders through sustainable industrial and business development.



MISSION

We aspire to achieve business excellence through:

- The spirit of entrepreneurship and business excellence
- Optimum utilization of resources
- Sustainable environment-friendly procedures and practices
- Highest ethics and standards
- Maximising returns to stakeholders
- A positive impact on the communities we touch upon



CORE VALUES

- Passion for People
- Ownership
- Sustainable development
- Sense of belonging
- Integrity
- Business Excellence
- Loyalty

Ownership structure

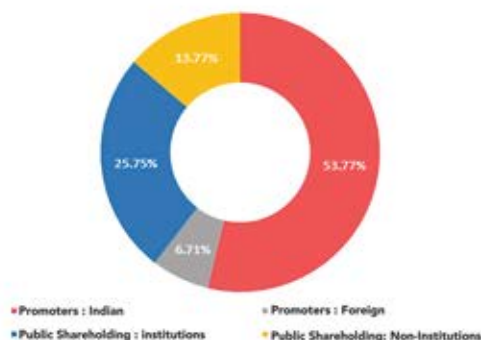
JSPL (NSE: JINDALSTEL), with a turnover of approximately US\$ 5.5 billion, is a part of the diversified OP Jindal Group conglomerate. (GRI 102-5)



Shareholding pattern

The shareholding pattern of JSPL can be broadly categorised into two groups: The Promoters (Indian & Foreign) holding 60.48% and the Public Shareholders (Institutions & Non-Institutions) holding 39.52% of the total equity shares. (GRI 102-7)

Shareholding Pattern (Equity share break up as percentage of total equity) as on March 31, 2020



Strategic objectives

Over the last five years, we have strived hard to transform ourselves into a profitable, sustainable and socially responsible organisation. This has brought in rich dividend as JSPL has been able to achieve its operational and financial targets and carve out a promising growth trajectory.

Increase capacity utilisation for maximising EBITDA.

Transforming our balance sheet by continuing on our deleveraging journey by focusing on enhancing internal cash generation.

Increase our customer and market focus to create a larger pipeline of long-term orders.

As we enter this new decade with a heightened sense of vigour and purpose, we have a strong belief that we would be instrumental in creating a self-sufficient and self-reliant India and also create a new wave of long-term value for all our stakeholders. This has become possible due to our confident and dedicated workforce and a firm commitment from our leaders.

Our strategic efforts have been carefully chosen across the economic, social and environmental platforms, so that they are in-line with our core business strategy and vision of sustainable development.



Short Term

ECONOMIC

- Improve capacity across the Board to improve utilisation and to attain near to full capacity for maximising EBITDA.
- Transform our Balance Sheet by continuing on our deleveraging journey by focusing on enhancing internal cash generation.



Medium Term

- Asset sweating.
- Leverage policies and incentives from the Government.
- Increase share of value-added products.
- Reduce working capital.
- Market focus to create a larger pipeline of long-term orders.



Long Term

- Reduce upstream and downstream business and energy cost.
- Improve cost efficiencies.
- Mitigate financial risks to business.



Short Term

ENVIRONMENT

- Full compliance with the existing environmental laws and regulations.



Medium Term

- Attain rawmaterial sufficiency.
- Reduce impact on environment through research and development.
- Set quantitative targets towards climate action.



Long Term

- Set-up environmental benchmark for the Steel and Power industry.



Short Term

SOCIAL

- Resolve stakeholder grievances and concerns at the earliest.
- Increase our customer and market focus.



Medium Term

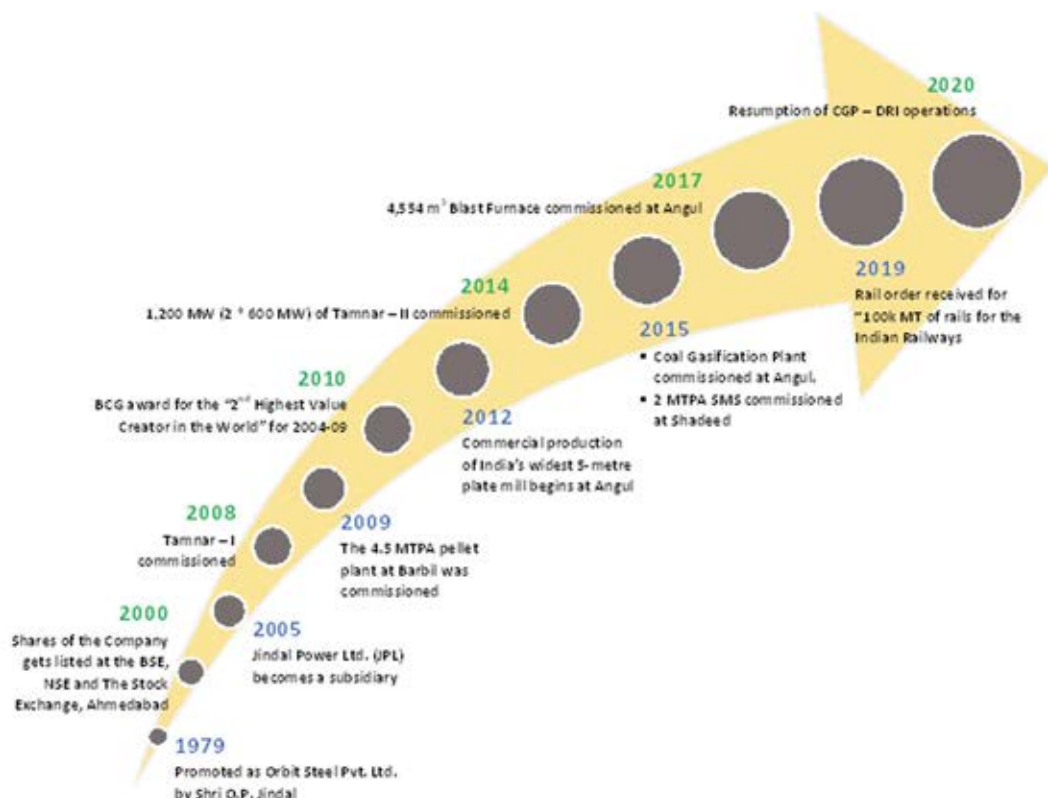
- Zero harm to employees.



Long Term

- Enhance stakeholder well-being through increased engagement and meaningful interaction.

Key milestones during our journey



JSPL's operations

Indian operations



Global operations



Overview of the Steel, Power and Cement Business

Steel

India became the second largest producer of crude steel in 2019 and achieved an annual crude steel production of 108.50 MT during FY 2020. During FY 2016-20, India's finished steel consumption grew at a CAGR of 5.2% to reach 100 MT. The National Steel Policy that was implemented in 2017 to encourage the industry to reach global benchmarks, has envisaged achieving up to 300 MT of steel production capacity by FY 2030-31.

JSPL remains one of the formidable players in the Indian steel industry. Despite a year with global economic slowdown, we not only recorded our best-ever production figures across the Board, but also achieved 12% consolidated growth on our steel production for FY 2019-20. We achieved a consolidated steel production of 8.17 MT in FY 2019-20, up by 12% on a year-on-year basis and consolidated steel sales of 7.94 MT, up by 10% on a year-on-year basis. Our business operations span across the states of Chhattisgarh, Odisha and Jharkhand in India, where we operate some of India's most advanced steel manufacturing facilities. Our global operations include a 2.4 MTPA integrated steel complex at Sohar, Oman. We have created cutting-edge capacities to produce up to 10.25 MTPA Iron through a judicious mix of DRI and Blast Furnace routes catering to our 11 MTPA liquid steelmaking capacities in India and abroad. We also have a well-spread out installed finished steel capacity of 7.95 MTPA prudently spread over a wide range of product mix such as Bar Mills, Plate Mills, Rail Mills, Beam Structural Mills and Wire Rod Mills.

Our state-of-the-art manufacturing technologies coupled with continuous research and development at our global technology excellence centre enables us to create innovative and customised products. Our continually growing customer base bears testimony to the fact that we are well on our journey to become the most preferred steel manufacturer in the country.

Power

JSPL's domestic power business generates economical and efficient electricity through its captive power plants and independent production facilities located in the states of Odisha and Chhattisgarh. We own and operate combined power generation capacities of 5,034 MW that includes the 3,400 MW OP Jindal Super Thermal Power Complex at Tamnar, Chhattisgarh. Our Independent Power Projects (IPPs) have a capacity of 3,400 MW, while our Captive Power Plants (CPPs) have a capacity of 1,634 MW.

Though the COVID-19 pandemic caused a slump of about 25% in the electricity demand, JSPL wasn't adversely affected. Despite a challenging environment and low availability of coal, we were able to generate 9,583 MU in FY 2019-20. During the year, our cash profit stood at ₹961 crores, up by 18% over the previous year.

Cement

JSPL produces the most eco-friendly cement called the Portland Slag Cement, Portland Composite Cement and Ground-granulated blast-furnace slag at its modern plant having a capacity of 0.7 MTPA, located at Raigarh in Chhattisgarh.

This eco-friendly cement is marketed under the brand name '**Jindal Panther Cement**'. The plant operates the most modern Vertical roller mill supplied by 'Loesche Germany', through a fully computerized process control room. With a highly automated plant and continuous checks at every level, JSPL is able to produce the best quality cement in the country.

JSPL has obtained the licences to produce four types of cement, namely the Portland Slag Cement (PSC), Portland Pozzolana Cement (PPC), Ordinary Portland Cement (OPC) 53 grade, and Ordinary Portland Cement (OPC) 43 grade.

Awards & Accolades

- 'Best Learning & Development Team of the Year' at the Learning & Development World Summit 2019.
- Par Excellence & Excellent Awards to Kaizen Teams of JSPL at the 33rd National Convention on Quality Concepts (NCQC 2019) at IIT (BHU) Varanasi.
- Gold Award (Highest Category) at the International Convention on QC-Circles 2019 (ICQCC) held in Tokyo, Japan to the Kaizen Team – Tech Army of JSPL, Barbil.
- Bronze award in the Metal & Mining Sector by Apex India Occupational Health & Safety Excellence Award – 2019 to JSPL, Barbil.
- Total Productive Maintenance (TPM) Award for the Excellence in Consistent TPM Commitment from the Japan Institute of Plant Maintenance (JIPM).
- Bala Gulshan Tandon Award of Excellence for the year 2019-20 for overall excellent performance in mining by Federation of Indian Mineral Industries (FIMI).
- Several awards at the 21st Mines Environment & Mineral Conservation Week under the aegis of Indian Bureau of Mines, Bhubaneswar.
- Several awards at the 22nd Mines Environment & Mineral Conservation Week under the aegis of Indian Bureau of Mines, Bhubaneswar.
- Mining Innovation Award to TRB Iron-Ore Mines, Tensa at Seminar on Mining organised by IME Journal at Hospet, Bellary, Karnataka.
- Several awards at the 57th Annual Mines Safety Week under the aegis of Directorate of Mines Safety, Chaibasa Region.
- Gold Award at Chapter Convention on Quality Concepts (CCQC) – 2019, Kolkata Chapter.
- 'Apex India Occupational Health & Safety Award (Platinum Category) 2019' for outstanding achievement in OHS Management.
- Health & Safety Excellence Recognition for World Steel Association (WSA) for innovative safety initiatives.
- Health & Safety Icon of the Year Award to Group OHS Head from Apex India Foundation.
- Safety Excellence Award in Platinum Category for JSPL, Raigarh from Foundation for Accelerated Mass Enhancement (FAME), India.
- "Kalinga Safety Awards" to Tensa Mines by Odisha Safety Council.
- Safety Excellence Award in Platinum Category to JPL, Tamnar from Grow Care India.
- Golden Peacock CSR Award 2019 at the 14th International Conference on CSR by the Institute of Directors (IOD) at Mumbai.
- Golden Peacock Special Commemoration Award 2019 for Business Sustainability at Global Convention on Corporate Governance and Sustainability – 2019 by the Institute of Directors at London.
- Mahatma Gandhi Award for CSR Excellence and Social Good.
- ASSOCHAM Women Achievers Award 2019 for best women empowerment initiatives at Women Leadership & Empowerment Summit by ASSOCHAM.
- Grow Care India CSR Awards 2019 in the Platinum Category for Metal & Mining Sector.
- Best CSR Impact Award 2019 under the Steel & Energy Sector by UBS Forum.
- CMSB National Awards 2019 for Best Women Empowerment in the field of CSR.
- Several awards at the Health & Safety Excellence Award 2019 from Apex India Foundation.

External initiatives and association

We believe that as a responsible corporate entity, we need to go beyond compliance management and create shared value for our stakeholders and contribute to build sustainable communities and a progressive nation. We are a member of a number of industrial and trade bodies and participation in these cross-industry forums enable us to simultaneously learn and share our experiences with the world towards building a mutually benefitting society. (GRI 102-12)

We do not participate in lobbying, take a political stance or give funds to any political party. Some of the major industrial and trade bodies with whom we actively engage with are listed below. (GRI 102-13)



Sustainable management

Sustainable growth is one of the underlying principles of our business and we have identified it as one of the key drivers for our growth strategy. We have pioneered the use of innovative technologies that includes enhanced operational efficiencies, greater cost optimization and new product applications. This has been done with our aim of manufacturing world-class products at lower costs with reduced impact on the environment and society.

Sustainability at JSPL means ensuring the organisation's holistic growth with authenticity, such that we are able to ensure our organisation's long-term success and contribute significantly towards building a better world. We constantly endeavour to deliver quality products in a responsible manner, respecting people, their safety and the environment. We have leveraged innovative technologies and aim to create long-term value for our stakeholders by managing risks, improving our production processes, implementing a robust sustainability governance framework and making the optimal use of our environmental and social resources. We are committed to work diligently on the latest available technologies that have the potential to significantly reduce our environmental impact.

The last quarter for FY 2019-20 saw the onset of the COVID-19 pandemic during which the entire world, and the business environment in particular, witnessed rapid changes. We adopted a three-phase approach of respond, return and reform to mitigate the effects induced by the pandemic. As we emerge into an era of 'new normal', we look forward to embarking on a more holistic approach that would clearly recognize the link between our business, environment and society.

Sustainability governance

Sustainability management is strongly ingrained in our corporate governance system. We strongly believe that a sustainable community development is essential for maintaining harmony between the community and the industry. The Health, Safety, CSR & Environment Committee ('HSCE Committee') of the Board of Directors of the Company oversees the implementation of the CSR Policy of the Company.

The HSCE Committee of the Board, chaired by an Independent Director, meets once every quarter to assess the business sustainability performance of the Company. This Committee is chaired by an Independent director. During FY 2019-20, the HSCE Committee met four times to review the Company's performance on the social and environmental concerns. (GRI 102-18)

Sustainability pillars

Similar to last year, we have defined our sustainability approach on five sustainability pillars. Our sustainability framework stands on these five pillars and have been constructed by the careful assessment of material aspects of the organisation, analysis of the risks and mitigation opportunities and the current market scenario. We consider ourselves to be a rapidly growing organisation where we create widespread impact on the lives of our employees and local communities, embed sustainability to optimize resource efficiency and reduce our carbon footprint.

Alignment with the United Nations Sustainable Development Goals

Our approach to sustainability management is designed to meet the expectations of the global sustainability initiatives, while complying with best-in-class industry practices. We support the principle of inclusive growth and equitable government and have undertaken various initiatives/projects in its pursuit. We believe that our growth has a parallel positive impact on the improvement of the civic amenities, level of household income and an overall upliftment of the community living in the vicinity of our business locations.

Stakeholder engagement

Stakeholders play an important role in our day-to-day businesses. We have a dedicated policy for 'Stakeholder Mapping and Stakeholder Engagement', which contains principles and criteria for mapping and engagement of stakeholders. The policy guides us in engaging with our stakeholders in a fair, appropriate and equitable manner for inclusive growth. We always cater to our stakeholders' aspirations and expectations and have identified investors, shareholders, employees, labour unions, local communities, civil societies, NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, government, regulators and competitors as our key stakeholder groups. Our robust stakeholder engagement process, thus, enables us to map our strategy development and decision-making processes in line with our stakeholders' expectations.



We periodically and systematically organize in-depth and extensive consultations with our stakeholders and chart out better ways of responsible operation and value creation. These formal and informal engagement outcomes are discussed at our internal meetings to help resolve their concerns and create a long-term relationship based on mutual trust. (GRI 102-40, 42, 43)

**GOVT. & INDUSTRY BODIES**

- Letters to concerned departments
- One-to-one meetings
- Meeting through other forums
- Public platforms or interactions

- Need-based

- Compliance related to EHS, Tax and labour practices

LOCAL COMMUNITIES

- Need assessment surveys
- Field visits
- Pamphlets, interactions, workshops and seminars
- Impact assessment studies

- Continual

- Road Safety
- Local employability
- Environmental pollution
- Health and hygiene
- Vocational training
- Water

EMPLOYEES

- E-mails
- Interactions
- Employee Satisfaction Survey

- Continual

- Faster decision-making
- Talent pool
- Collaboration
- Job enrichment
- Career growth
- No discrimination

MEDIA

- Press releases on the Company website
- Interviews and Press Conferences

- Need-based

- Financially responsible behaviour
- Responsible ethical conduct
- Environmental and social reporting

CUSTOMERS & SUPPLIERS

- Annual Customer Satisfaction Surveys
- One-to-one meetings
- Annual vendor and dealer meetings
- Exhibitions
- Supplier Audits
- Annual feedback
- Need-based
- Quality
- Packaging and labelling
- Climate change
- Timely delivery
- Timely payment

INVESTORS

- Updates through e-mails
- Investor conferences
- Roadshows
- Interactions with analysts
- Investor page on Company website
- Quarterly updates to all investors
- Need-based
- Sustainable business growth to create long-term value
- Timely receipt of dividends and shares
- Timely receipt of financial reports

Materiality Assessment

We define our material topics that have an impact on our businesses and stakeholder expectations and helps us in understanding what is relevant to our stakeholders over the short, medium and long term. Accordingly, we also evaluate our progress on the identified sustainability issues and also bring ourselves to attention on any new issue.

Last year, we revisited our materiality assessment to re-align sustainability aspects based on their impact on business, changing market scenario and stakeholder expectations. During the reporting period, we conducted multiple interactions with senior management to re-validate the significant material topics that were reported last year. We have also reviewed these aspects in accordance with the GRI sectoral guidance, Sustainability Accounting Standards Board (SASB), World Steel Association and other aspects identified by peer organisations. The degree of relevance of the identified sustainability aspects are same as reported last year. Our 12 material aspects are depicted below. (GRI 102-44, 47).

Our key material aspects

Environmental

01

Emissions
Management

02

Energy
Management

03

Waste
Management

04

Water
Stewardship

Social

05

Occupational
Health & Safety

06

Workforce
Relations

07

Skill
Development

08

Talent
Retention

09

Community

Governance

10

Regulatory
Compliance

11

Corporate
Governance

12

Economic
Performance

Pillar 1: Driving sustainable business growth



We have always strived hard to be recognised as a globally admired organisation that enhances the quality of life of all our valued stakeholders through sustainable development. Sustainable development being one of our core values, we aspire to achieve business excellence through optimum utilisation of resources, sustainable and environment-friendly practices and making a positive impact on the communities we touch upon. Sustainable business practices are our primary focus and we have been working towards developing a robust governance system to help us adopt a proactive approach in making our businesses sustainable.

Governance structure

We strongly believe that good corporate governance is one of the key drivers towards our continued journey of sustainable growth. A strong emphasis on good governance demonstrates our ability to manage business risks in a sensible and responsible manner, with the integration of respect and commitment for all our concerned stakeholders, including the community and society we operate in. Our corporate governance framework stands on the pillars of transparency, accountability and independence. Our philosophies of learning, developing and leading are based on the effective implementation of a strong leadership and robust governance framework. We continuously strive to improve our governance processes and implement better structures in place to create an organisation that would maximize the wealth of our valued shareholders and create a transparent and lasting relationship with our stakeholders.

We at JSPL, have a strong legacy for practicing fair, transparent and ethical corporate governance par excellence. We have voluntarily adopted and evolved various practices of corporate governance by complying to the highest standards that the businesses have achieved globally. In our quest to make our business sustainable, we have adopted the best corporate governance practices keeping in view the international codes of Corporate Governance and the best practices of well-known global organisations.

Our corporate governance framework is based on the following broad practices:



The framework further constitutes the:



JSPL Group Code of Conduct (GCoC)

JSPL has adopted the JSPL Group Code of Conduct (GCoC) to remain constantly vigilant and ensure ethical conduct of its operations. All internal stakeholders of the JSPL Group are subjected to work within the boundaries of the GCoC. We also ensure compliance of ethical standards by all our suppliers and contractors through appropriate clauses in the work contracts. These contracts also include clauses related to Human Rights Protection and Corrupt practices. Our GCoC explicitly includes the behaviour expected from employees on the following aspects:

OUR GCoC EXPLICITLY INCLUDES THE BEHAVIOUR EXPECTED FROM EMPLOYEES ON THE FOLLOWING ASPECTS:



We organise a certification programme on GCoC for all our employees through an e-learning module, in which the explanation is provided via practical examples and an assessment test. The employees are mandatorily required to complete this certification and sign-off on declarations pertaining to compliance on GCoC.

Vigil Mechanism

We have implemented a whistle-blower mechanism, which is governed by our Group Whistle Blower Policy. The policy covers all our employees, wherein, the main objective is to provide a platform to raise concerns, irregularity or misconduct pertaining to negligence, public health and safety, criminal offence and unethical/favoured/biased behaviour, among others. The policy encourages employees to report any violations to the Group Ethics Officer without fear and provides them with adequate protection. We have also placed strict mechanisms to ensure confidentiality and protect the whistle-blower from any harassment or victimisation. During this reporting year, no complaint has been received under this head, nor any personnel has been denied access to the Audit Committee. This policy is directly monitored by the Chairman of the Audit Committee.

Our Board

JSPL's Board is broad-based and plays a pivotal role in ensuring good corporate governance. It comprises of qualified members from the industry, with their roles, responsibilities and accountability clearly defined. The members bring in the required skills, competence and expertise that allow the Board to take effective decisions and guide the management team for achieving the Company's objectives and enhancing the stakeholders' value. (GRI 102-18)

The Board meets at least once every quarter to review the quarterly results, performance of the Company and other items on the agenda.

Board of Directors

The Board of Directors is the apex body constituted by shareholders for overseeing JSPL's overall functioning. As on 31st March 2020, JSPL's Board consisted of 10 Directors. Besides the Chairman, an executive promoter director, the Board comprises of two executive directors, one non-executive promoter director (woman director), five non-executive non-independent directors and one nominee director.

The composition of the Board is in conformation with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. JSPL has identified the following core skills, expertise, competencies and attributes while nominating candidates on the Board:

- ◆ Wide management and leadership experience
- ◆ Industry experience
- ◆ Functional and managerial experience
- ◆ Behavioural Competencies
- ◆ Corporate governance & ethics
- ◆ CSR and sustainability

During the reporting period under review, the Board of Directors met six times. The Board meeting were convened at every quarter of the calendar year and the intervening gap between two Board meetings was within the limit prescribed under the Companies Act and the Listing Regulations.



Mr. Naveen Jindal

Chairman & Executive Director



Mrs. Shalu Jindal

Non-Executive Director



Mr. V. R. Sharma

Managing Director



Mr. D. K. Saraogi

Whole-time Director



Mr. Ram Vinay Shahi

Independent Director



Dr. Aruna Sharma

Independent Director



Mr. Arun Kumar Purwar

Independent Director



Mr. Hardip Singh Wirk

Independent Director



Mr. S. K. Garg

Independent Director



Mr. Anjan Barua

Nominee Director - SBI

Our Committees

The Board provides and evaluates the Company's strategic direction, management policies and its effectiveness and constitutes of 8 standing committees, which meet at regular intervals to discuss and decide on our business policies and strategy apart from the regular business matters. It is also authorised to constitute additional functional Committee(s) from time to time, depending on the needs of the business. For more details, please refer JSPL's Annual Report for FY 2019-20, available on the website.



Our Ethics or Governance Policies

At JSPL, we strive to conduct our businesses and strengthen our relationships with our esteemed stakeholders in a manner that is dignified and responsible. We have, thus, instituted various codes, policies and framework to ensure ethical conduct of our businesses. With these policies, we deal with all our stakeholders in an integral, transparent and independent manner.

KEY CODES

Group Code of Conduct (GCoC)

Internal Procedures and conduct for Prevention of Insider Trading

Practices and procedures for the fair disclosure of Unpublished Price-Sensitive Information

Compliance

As one of India's leading organizations, compliance is of paramount importance to us and we ensure they are managed effectively.

A brief on environmental compliance is also included in the agenda for the Board Meetings on a quarterly basis where any non-compliance, show cause notices, orders or any changes in the regulations are reviewed. During FY 2019-20, we have not been levied with any environmental fines [Indian operations].

Regarding Product Health & Safety, there were no incidents fines or non-compliance with respect to the regulations or voluntary codes concerning health & safety impacts of products and services, product related marketing communications, and product information disclosure and labelling.

During the reporting period, there had been no non-compliances identified related to discrimination, child labour, forced labour or involuntary labour. However, there was one complaint regarding sexual harassment which was resolved as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and policy.

A brief snapshot of our various compliances is provided below. (GRI 307-1, 417-1, 419-1)



Indian operations

Economic performance

Even with the onset of the COVID-19 pandemic towards the later part of FY 2019-20, JSPL was able to achieve record growth in production levels across the board. We grew by more than 12% on a consolidated basis and by more than 13% on a standalone basis, compared to the previous financial year. We are also pleased to report that our standalone steel sales rose by 12% on a y-o-y basis. The standalone EBITDA stood at ₹ 5,777 crores for the same period.

During FY 2019-20, we achieved a consolidated steel production of 8.17 MT and consolidated steel sales of 7.94 MT. We were also able to register a profit after tax of ₹ 617.67 crores, on a standalone basis, for the first time in the last 6 years. This was made possible due to our strong turnaround strategy that has been put into action and implemented in a meticulous and planned approach by our committed team of experienced professionals.

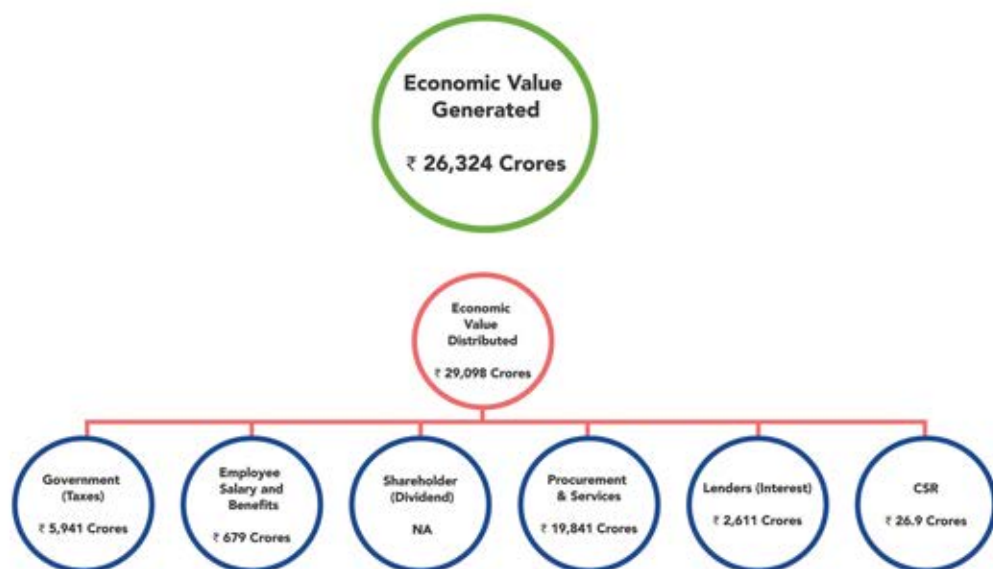


Fig 3: JSPL Standalone - Generation and distribution of economic value.

In 2020, we also brought in the concept of “**The One Thing**” to further align and sharpen the focus of our top 600 executives that would enable them to prioritize their time and energy on the 20% of tasks and strategies, enabling them to achieve 80% of the results on the enhanced targets.

CRISIL Credit Rating

BBB

with a positive outlook

ICRA Credit Rating

BBB(-)

with a positive outlook

We are well on our path to become a Net-Debt-Free-Company as it is one of our key long-term strategies. For FY 2019-20, we successfully met all our debt service obligations. We are targeting a debt reduction of ₹ 5,000-5,500 crores in FY 2020-21 and eyeing a net debt target of ₹ 15,000 crores in FY 2022-23.

Our stupendous performance and return to cash profitability are the result of our performance in terms of cost reduction. During the reporting year, we were able to achieve record production levels of more than 560,000 tonnes average production per month on a continuous basis. We were also able to find the right balance between value addition and value engineering, which resulted in our total EBITDA to increase by almost ₹ 3,000 per tonne.

Our global operations have also shown a positive outlook. Our operations in South Africa were able to turn our EBITDA around from negative US\$ 2.4 million in FY 2018-19 to a positive US\$ 3.9 million in FY 2019-20. We are also confident that our operations in Australia would also start to become EBITDA positive over the next financial year. (GRI 200-103, 201-1)

Risk Management

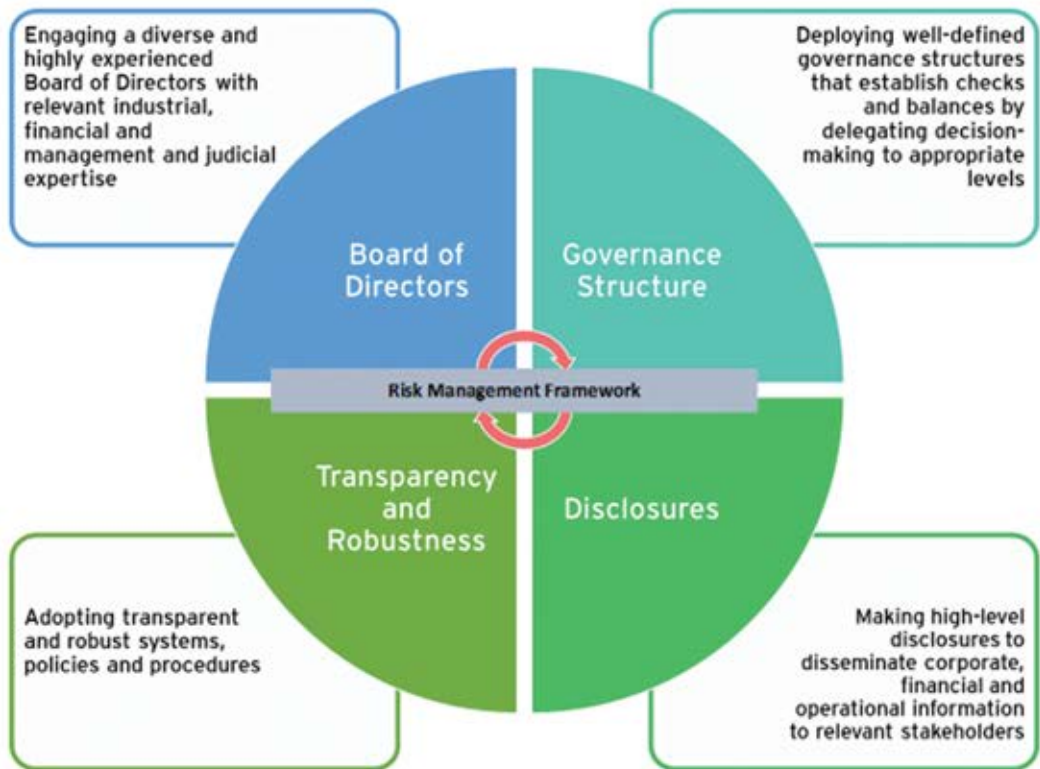
JSPL has a robust risk management policy in place to ensure that the risk management process is reliable and broad-based to ensure that the organisation is well-guarded against foreseeable risks that might occur in the future. Our risk management system encompasses risk identification, evaluation, reporting and resolution to ensure that our operations functions smoothly to make our businesses sustainable. The risk management system is an integral part of our business decision-making procedure that provides adequate protection and value enhancement to all our concerned stakeholders.

We comply with all the necessary regulations and encourage strict adherence to all the applicable laws and statutes. The identified risks are further evaluated by the subject matter experts (SMEs) with periodic review at the senior management and Board levels. Furthermore, we have the requisite internal control system that ensures adherence to laws, optimal utilisation of resources and financial discipline. The internal audit department closely monitors the compliance of all our operations. They supervise all the internal processes and recommend the necessary changes to prevent any deviation from the path charted out. We also have an in-house Management Assurance and Audit Services (MAAS) department that is headed by the President Chief Assurance and Audit Executive, that prepares an annual Risk-Based Audit Plan (RBAP) to test the internal controls. Based on the approved plan, the management undertakes corrective actions based on control gaps and the improvements identified during the review.

Risk management strategy

We have a strong risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. We have established processes and guidelines to recognize, manage and mitigate these risks to protect the interests of our shareholders and stakeholders.

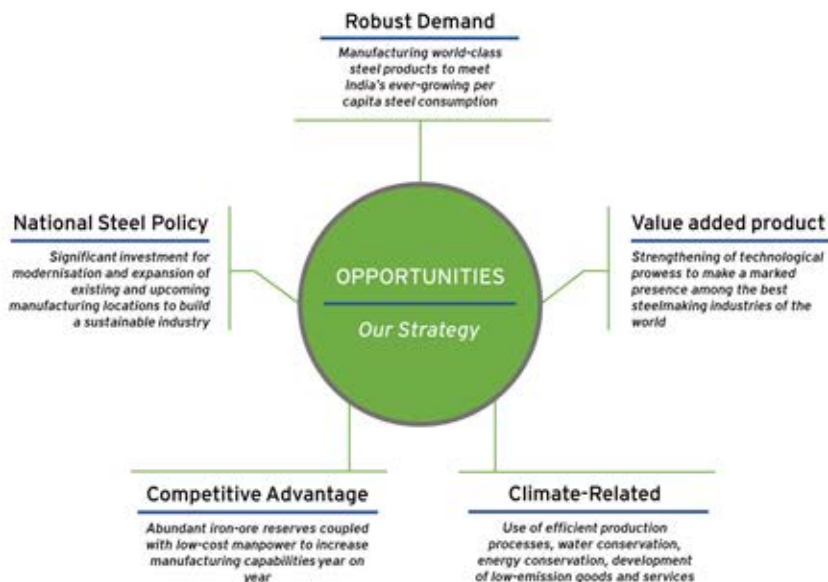
Our senior management sets the overall tone for the risk minimisation culture through a defined approach, clearly assigned risk mitigation responsibilities and appropriately delegated authority. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself, significantly mitigates any risk.



Risks & Opportunities

To create a long-term shared value for all our stakeholders, we pay detailed attention or plan a course of action to mitigate the risks to our businesses along with leveraging on our opportunities for growth. We at JSPL, strictly adhere to all the applicable laws and regulatory norms in addition to implementing a robust risk management framework that is embedded into our business model. (GRI 102-15)





Public policy

JSPL works in tandem with the government, regulatory agencies, NGOs and industry associations to identify opportunities and participates in framing public policy matters. We also make use of these forums to voice our views. We practice the policy of political neutrality, and as per our Code of Business Conduct, we avoid political contributions, campaigns and promotions of such nature. The only contribution allowed by our company are donations towards recognised charitable causes.

Emergency preparedness

We have a team of highly qualified, experienced and skilled professionals deputed to provide the adequate support to the management on matters related to any untoward incident that may occur across any of our sites. We have ensured to install the state-of-the-art safety systems and fire-prevention and mitigation technologies across all our facilities in order to safeguard them. Our on-site emergency plans detail the products, by-products, inventory of all the hazardous substances or gases produced/generated during a process. A plot-plan identifies the Hazard Zones, Iso-Risk Contour, Emergency Control Room, assembly points, main, material & emergency exits, fire hydrant line along with the number of hydrant points in different colour codes, emergency command structure along with the role of each key personnel, names of members of the combat and rescue team along with the safety coordinator. Emergency preparedness plans, and response procedures are reviewed and approved by the local authorities. We also conduct emergency mock-drills at all our sites on a periodic basis.



Pillar 2 - Manufacturing world class products

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



We consider ourselves as an industrial powerhouse and one of the leaders in the Indian steel industry. We produce economical and efficient steel through backward and forward integration.

We own and operate state-of-the-art facilities in Chhattisgarh, Odisha and Jharkhand on the domestic front apart from our mines and mineral assets located in Australia, Mozambique, South Africa, amongst others. Our world-class products are a proof of our ever-growing export footprint and presence in 30 countries.

8.17 MTPA

Consolidated Steel Production
for FY 2019-20

₹ 8.26 cr

Amount spent on R&D

Our unique product portfolio, from the widest flat products to a whole range to long products, caters to the market needs across the steel value chain. We have pioneered the production of Hot Rolled Parallel Flange Beams and Columns in India, have introduced the world's longest 121-metre long rails and are also the first to manufacture Head Hardened Rails for high-speed trains and metros in India. We are also the proud manufacturers of the high-strength Jindal Panther TMT Rebars equipped to withstand shock loading and cyclic loading condition making them ideal for constructions in high seismic zones. Apart from these, we also manufacture customised steel products like Weld Mesh and Cut & Bend Rebars aimed to speed up the construction process.

Our special grade plates at Angul plant caters to various critical applications such as boilers, ship building and petroleum pipes, including high-strength grades for automotive and earth movers, structural steel for oil exploration platforms, ballistic launch applications, bullet-proof vehicles and stainless-steel low thickness plates for nuclear applications.

Product stewardship

We at JSPL, are committed to limit the impact that our products might have on the environment by ensuring the usage of resource-efficient and sustainable manufacturing processes and technologies. We are continuously optimizing utilization of natural resources. We encourage responsible design, use, reuse and recycling of our products throughout the value chain. Wherever possible, we work in close tandem with those involved in processing and using our products to improve the environmental performance throughout the value chain. We understand that the steel industry churns out products that lead to a significant increase in the CO₂ emissions. We have, thus, adopted multiple strategies to ensure our minimal carbon footprint.

As part of our innovation processes, we have established a multidisciplinary R&D department that is agile to adapt to the changing market trends and stringent regulatory constraints. We practice high-quality needs-based customer segmentation that can guide customer-centric innovation and product planning.

Innovation to address the production loss due to feed delay

The Kaizen team – Tech Army of JSPL's Barbil unit won the Gold Award (highest Category) at the International Convention on QC Circles – 2019 (ICQCC) held at Tokyo, Japan.

The four-member team has presented a case study on 'Low Cost Automation' in a mixer area of the pellet plant to address the production loss due to feed delay, which was highly appreciated by the jury members.

Organised by the Union of Japanese Scientists and Engineers (JUSE), the convention had witnessed above 2,000 participations from 20 countries including Japan, UK, USA, Singapore, China, Korea, Taiwan, Malaysia, Mexico and Bangladesh.

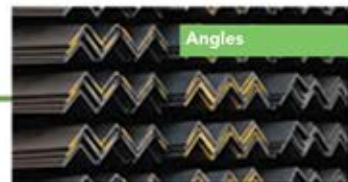
The theme of the convention was – 'Creating a brighter future through TQM and QC Circle activities'. The team had represented the country through the Quality Circle Forum of India (QCFI).

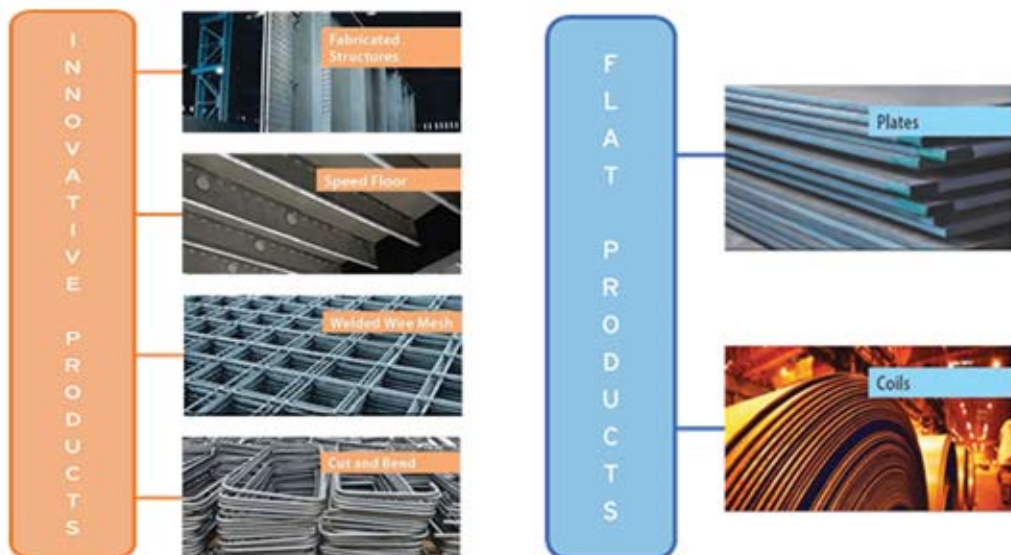
Our products

(GRI 102-2)

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Production data

Over the last three decades, our experience across varied economic cycles and overarching philosophy has helped us to consistently ramp up our production capabilities towards creating a high value product portfolio. During the reporting year, we were able to deliver a commendable financial performance and emerge as a key player in the Indian steel industry. We can proudly say that FY 2019-20 had been another consecutive year of resurgence for us.

We have created cutting-edge capacities to produce up to 10.25 MTPA Iron through a judicious mix of Direct Reduced Iron (DRI) and Blast Furnace routes that caters to our 11 MTPA liquid steelmaking capacities across three locations in India as well as abroad. Our state-of-the-art manufacturing facilities have been strengthened through partnership with national and international players, incorporating new technology and re-engineering key processes.

The FY 2019-20 has raised the bar of our operational performance, as we recorded our "best ever" production levels across the Board. Our steel production grew by more than 12% on a consolidated basis and by more than 13% on a standalone basis, in comparison with the last fiscal year.

Highlights of the commendable performance of our overseas operations during FY 2019-20

JSIS steel production increased by
9.37%

Highest-ever annual production of Direct Reduced Iron achieved at JSIS

Highest-ever annual production at the Steel Melting Shop at JSIS

Wash plant and digging operations have been effectively ramped up to output 5 MT at peak performance at JMML

We own India's largest single-location pellet manufacturing facility with 4.5 MTPA Dry Grinding Unit and a 4.5 MTPA Wet Grinding Unit. This helps us process low-cost iron-ore fines, thereby, handing us a cost advantage. Equipped with the state-of-the-art technologies and a close proximity to iron-ore mines, JSPL's Barbil Plant has emerged India's largest pellet exporter in the recent years.

Our key production figures from FY 2019-20 are listed below.

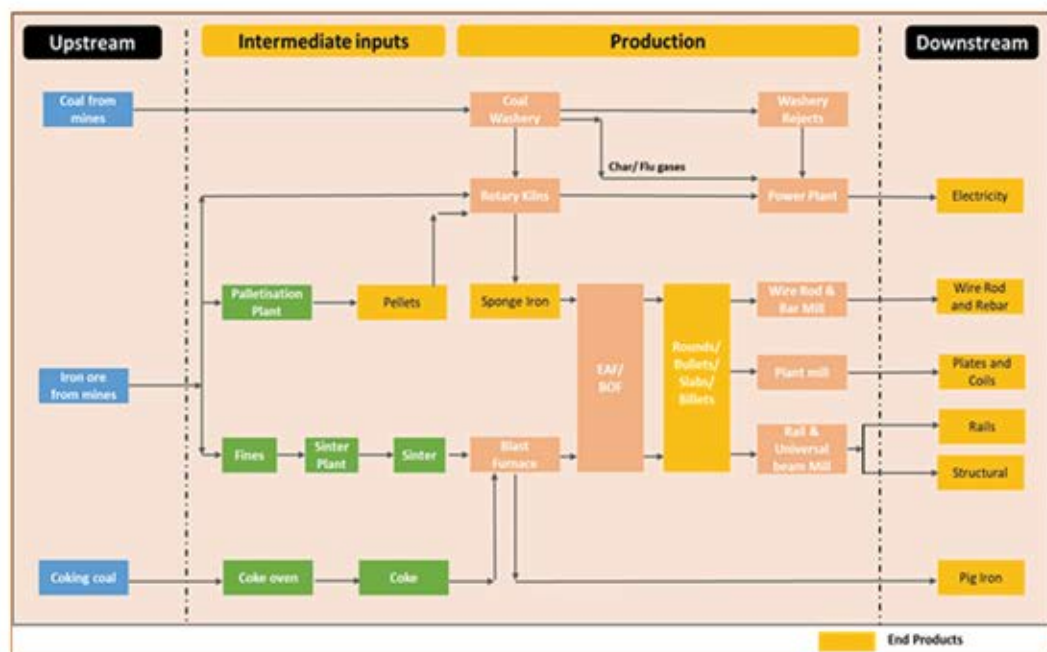
Production	Unit	FY 19-20	FY 18-19
Consolidated steel	Million Tons	8.17	7.30
Electricity produced*	MU	9,583	10,396
Iron Ore	Tons	25,75,673	27,65,369

*Power generated at Jindal Power Limited, Tamnar

Value chain

At JSPL, we undertake a demand-oriented approach to streamline our supply chain operations. In the process, we create and sustain jobs, help communities develop new skills, support education, build infrastructure and help improve the healthcare for our employees. We also create value for our esteemed customers by offering them a greater flexibility at all times. We have a dedicated supply chain management team to oversee the raw materials, inventories, customer project deadlines transportation and distribution and sale of our finished products.

Our main raw materials are iron-ore and coal. Iron-ore is sourced from captive mines through long-term alliance with the domestic mining companies, whereas, coal is sourced from captive mines in India, Australia, South Africa and Mozambique. With the completion of our Capex cycle, we are all set to embark on our journey of achieving steady growth earnings. We ensure that all our projects are placed at strategic locations that are close to the source of raw materials, end markets and evacuation infrastructure. As a result, we are considered amongst the most economical, high quality producers of steel and power in the country, with a comprehensive and diversified product portfolio. (GRI 102-9)



Marketing and Communication

JSPL has been ranked the third-largest producer of steel in India in terms of tonnage capacity, where our products have a major influence across various industry sectors such as oil & gas, metals & mining, power & utilities, iron & steel and infrastructure. We put continuous efforts on innovation and deployment of state-of-the-art technologies to bring out the best products in the market. We believe that competitive pricing of an element decides the success or failure of a product and, as a result, we offer the best value for our products to our valued customers. To keep expenses as low as possible, we are simultaneously investing in our core capabilities – the latest technologies, processes and employee know-how that has enabled us to deliver quality products at the lowest possible costs time and again.

The strong and competitive pricing policy for our products is decided keeping in mind the prevalent government regulations, competition, market-demand and production costs. We have adopted a competitive market-penetration pricing policy in line with providing customer-centric products and services and building vital and trusting relationships. It is an essential task of our business growth strategy to correctly understand the pulse of the market, continuously re-evaluate our strategies, think out of the box to develop sustainable products and modify them, if necessary, to cater to the needs of the customers.

With the onset of digitalisation across various segments of the industry, i.e., the Industry 4.0 era, we aim to focus and leverage the use of digital technologies, analytics and automation across the value chain and reduce our overall carbon footprint. Our dedicated customer marketing team ensure that there is no infringement to stakeholder privacy and usage of double standards to influence any vulnerable community. Our marketing strategy conforms to all local legal, ethical and cultural standards of the areas we operate and market our products in. We take utmost precaution in ensuring that customers have the complete information they need while purchasing our products.

Our marketing and communication strategies can be explained by the 4Ps (Product, Price, Place and Promotion).



Markets served

We have a global footprint that serves both the national and international markets. Over the years our continuously growing footprint has reached 30 countries.



Pillar 3 - Acting on our environment



Steel is integral to the fabric of modern society and can be considered one of the key drivers of economic growth, progress and nation building. Steel manufacturing is one of the most resource-intensive industries that rely heavily on the natural resources of our planet. It makes use of a complex array of activities that require intensive energy utilisation, effective waste generation, mitigation and emissions management systems. We have, thus, invested in installing the best-in-class technologies across all our facilities and have incorporated sustainable environment-friendly practices as one of our mission plans to improve our operational and environmental performance to achieve business excellence.

JSPL is a signatory to the World Steel Sustainable Development Charter, 2015 and is also a Climate Action member with World Steel Association. Our policies reflect the purpose and intent of UNGC, World Steel Sustainable Development Charter, GRI guidelines and as per the international standards such as ISO 14001, OHSAS 18001 and ISO 9001. We are also in the process of implementing ISO 50001 across all our plant locations in India. (GRI 300-103)

JSPL has formulated an effective Environmental Policy that outlines the guiding principles and implementation procedures for effective adoption of the measures. This policy, however, extends only to our plants and facilities. Our subsidiaries like JPL, NSPL, etc., have their separate environmental policies. We ensure that the suppliers and contractors engaged with us comply to our Environmental Policy.

In the recent years, there has been a growing call to mitigate the ill-effects of climate change. The Paris Agreement of 2015 and India's Nationally Determined Contributions (NDCs) assume prime importance in this respect, which intends to reduce the emission intensity of its GDP by 33-35% by 2030 from its 2005 levels. We are fully aware of the carbon footprint that our operations have on the environment and have taken active measures to reduce the CO₂ emissions and restrict the particulate emissions below the prescribed levels.

All our units are Zero Liquid Discharge (ZLD) facilities and we take adequate measures to treat, recycle and reuse our wastewater after proper treatment. We have also undertaken various initiatives aimed minimising our environment footprint consciously through plantation, creation of ponds and water harvesting systems.

Raw materials

Being continuous and energy-intensive processes, steel and power require an uninterrupted supply of raw materials. The raw materials that we procure, are processed in several steps to produce our finished products. Iron-ore is sourced from captive mines and through long-term purchase agreements with mining companies. Jindal Power Limited (JPL) power plants are located at close proximity to multiple coal mines and this yields a cost advantage to us in terms of lower logistics costs. For example, JSPL's captive power plant at Raigarh is located on a coal pit head.

Attaining adequate raw material without having significant impact on the natural resources is a part of our environment strategy. JPL stands at an advantage due to the recent government initiatives aimed towards commercial mining and is expected to boost domestic power production. JPL also aims to win coal blocks/coal linkages that would secure its supply of raw material and improve on its operational abilities. Across the overseas operations, with a view to ensure availability of coal and other raw materials, JSPL has, through its other subsidiaries, acquired exploration/mining interests in Botswana, Indonesia, Madagascar, Namibia and Tanzania. We are also identifying alternate sources of key raw materials at close proximity to our manufacturing facilities supported by the identification of alternate modes and routes for material transportation. These steps go a long way in de-risking the supply of raw materials.

Raw Materials	Unit	FY 19-20	FY 18-19
Iron ore	Ton	1,64,35,382	1,35,42,273
Limestone and Dolomite	Ton	50,28,696	13,59,484
Bentonite	Ton	37,124	36,589

Energy management

Coal is used as the principal fuel in our thermal power plants to generate electricity. We source coal domestically through auction and from international captive mines. The Coal Management Group ensures that coal sourcing is carried out at a cost-effective price.

Being an energy and resource intensive industry, we undertake our energy-saving measures on a serious note. We believe in the policy of conservation of energy and work towards adopting the most energy-efficient systems and practices across all our operations. Optimisation of energy usage, diversifying the power portfolio on non-renewable sources of energy and the use of renewables to reduce our carbon footprint and produce green energy are also a part of our energy portfolio. To this effect, we have overseen the utilisation of a solar plant of 15 kWp on top of the training centre at Raipur, which is used to power streetlights within the unit. We have also commissioned a 30 kW (415 V) on-grid solar power plant and a 5 kW (230 V) Hybrid Solar Power plant at Barbil.

We have implemented ISO 50001 Energy Management Systems standardization at four of our plants, namely, Angul, Barbil, Raipur and Tamnar and are in the process of implementing the energy minimization, conservation and technology adoption measures across all our remaining plants and facilities. We have aligned ourselves with the National Steel Policy, with the aim of being an energy-efficient steel producer in an environmentally sustainable manner.

During the reporting year, total energy consumption was 327 PJ, where, our direct energy consumption amounted to 320.4 PJ while indirect energy consumption amounted to 6.6 PJ. (GRI 302-1)

15 kW_p Solar Plant
Alternate use of energy in Raipur

commissioning of **35** kW_p
Solar plant in Barbil

₹ 90 Lacs
Procurement of LED lights at Barbil

Energy consumption (PJ)	FY 19-20	FY 18-19
Direct energy	320.4	310.3
Indirect energy	6.6	6.4

During FY 2019-20, we undertook various steps in relation to energy conservation ranging from process re-engineering, enhanced capacity utilization, use of higher quality fuel, installation of Variable Frequency Drives (VFDs), optimum load utilization, demand side management and replacement of conventional lighting with LED lights, among others. At Angul, we increased the use of by-product gases from 15% to 25%, which resulted in a significant drop in the consumption of coal. We have also installed systems that monitors our energy consumption along with the required control actions on a daily basis. (GRI 302-4)

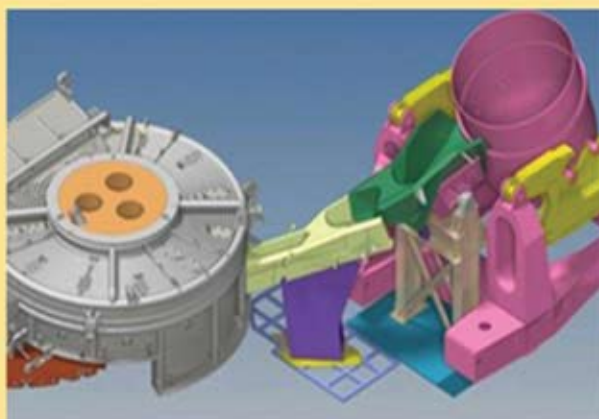
We have implemented a number of initiatives in clean energy technology like the installation of Back Pressure Recovery Turbine (BPRT) at the Blast Furnace at Raigarh, Top Pressure Recovery Turbine (TRT) at Blast Furnace at Angul, waste heat recovery boilers for power generation, modification of the Electric Arc Furnace to Neo-Oxy Furnace, etc. Furthermore, we are also in the process of installing Coke Dry Quenching (CDQ) system at Coke Oven at our Angul Plant. We ensure that the energy efficiency measures are adopted and implemented on an annual basis to enhance energy efficiency at all our plants. These energy efficiency measures have been driven by a team of certified energy managers.

Conversion of the existing Electric Arc Furnace to Neo Electric Oxy Furnace (NEOF)

At JSPL, the conversion of an existing Electric Arc Furnace to a Neo Electric Oxy Furnace (NEOF) has resulted in huge energy savings along with the corresponding reduction in emissions. The advantages of NEOF are listed below:

- **Low capital as well as time investment in comparison to BOF.**
- **High productivity.**
- **High yield.**
- **Zero power required for melting.**
- **Zero electrode consumption.**
- **Less refractory and flux consumption.**
- **Less slag generation.**

These advantages resulted in lower conversion cost of steel and ultimately reduced the cost of steelmaking.



Environment and climate change

Climate change is one of the biggest issues that the steel industry is facing in this century. We understand that reducing CO₂ emissions in steelmaking must be tackled on the global level and we are committed to making substantial CO₂ reductions by implementing breakthrough technologies transfer and collaborating with industry associations and leaders. To this effect, we have incorporated strategies into our businesses to improve processes and drive product innovation. As a sustainable business organisation, we aim to implement a number of promising technological innovations to tackle the ill-effects of climate change. Reducing CO₂ by making use of the efficient use of energy has always been one of our key priorities.

Our total GHG emissions across our operations during the reporting year was 32.3 MntCO₂. Scope-1 emissions was 31.2 MntCO₂ and Scope-2 emissions was 1.1 MntCO₂. (GRI 305-1, 2)

Emissions (MntCO ₂)	FY 19-20	FY 18-19
Scope 1	31.2	30.1
Scope 2	1.1	1.1

Air emissions

We at JSPL, are committed to monitor and control our air emissions through various interventions. We keep a track and have taken the necessary steps to monitor emissions from all our manufacturing sites, which has helped lower our emissions across all levels.

The very nature of our operations entail extensive consumption and utilisation of the natural resources. Necessary checks have been kept in place to keep our pollution levels within the prescribed limits. We are elated to announce that during the reporting year, emissions generated from all our manufacturing sites fell within the permissible limits as notified by MoEFCC, CPCB and the SPCBs. We have ensured that all our plants are located at the nearest possible distance from the coal mines, so that emissions from transportation are reduced to the minimum possible extent. Also, Continuous Emission Monitoring Systems (CEMS) have been installed at Raigarh, Angul, Patratu, Barbil and DCPD site for regular monitoring. (GRI 305-7)



The details of air emissions from manufacturing plants is provided in the following table:

Emissions	FY 19-20	FY 18-19
SOx Load (1000' MT)	90	88
NOx Load (1000' MT)	38	48
PM Load (1000' MT)	6	10

Our operations do not consume a substantial amount of Ozone Depleting Substances (ODS). During FY 2019-20, the ODS gas used in our plants was R-22 gas, that was consumed in condensers, chillers and AC units during routine servicing and repair. The total consumption of ODS gases in our plants was 3.12 Tons, amounting to 0.17 tonnes of CO₂. (GRI 305-6)

Water management

Water is one of the most critical resources in the steelmaking industry, where it is extensively used for processing of the ore, casting, rolling, dust suppressant and as a coolant. We at JSPL, recognise water security as a serious issue across the world and place a key focus on implementing a better water management approach across all our operations. We manage our water resources in strict accordance to the Corporate Responsibility of Environmental Protection (CREP) along with the local water withdrawal permits for our manufacturing sites.



As a strong supporter of the United Nations Sustainable Development Goals, we recognise access to safe and clean water and sanitation as a basic human right. We, thus, seek to minimise our water-related impacts and, in particular, ensure that we manage our business activities in a way that protect the shared water resources.

To reduce our dependency on external sources of water, we continuously reengineer improvement programmes. We have implemented rainwater harvesting systems in and around our plant locations for groundwater recharge. Check dams and multiple settling ponds have also been constructed for rainwater harvesting. The surplus rainwater collected in the open pits is used as make-up water during plant operations. The environmental footprint is minimised through plantation drives, cre-

tion of ponds and water harvesting systems that are implemented across all our plant locations.

During reporting period, we withdrew 90.6 Million m³ of freshwater. Water for our plants is drawn from surface water, groundwater, municipal water supply and rainwater harvesting pits. (GRI 303-3)

Water withdrawal by source	FY 19-20	FY 18-19
Surface water (Million m ³)	90.19	80.10
Ground water (Million m ³)	0.40	0.22
Municipal water supply (Million m ³)	0.01	0.04

We have adopted the concept of Zero Liquid Discharge (ZLD) at all our plant locations which ensures that the complete wastewater is recycled and reused within the plant premises, ultimately leading to reduced consumption of raw water. ZLD is maintained in accordance with the principle of responsible consumption and production. We have facilitated a recycle-and-reuse policy for conserving water. We have installed effluent treatment plant with secondary and tertiary treatment facilities along with Reverse Osmosis (RO) system at our Angul Steel Plant. The recycled water is used for different purposes like scrubbing of residue from the blast furnace, use of blow down water for slag granulation, installation of close-circuit effluent-recycling system in DRI plant, slag-cooling and dust suppression. The sewage treated water is reused for horticulture and development of a green belt.

Waste management

Material efficiency is an integral part of the modern steelmaking infrastructure. We aim to use all our raw materials to their full capacity and thus, ensure zero wastage. This guarantees that almost every co-product that is generated during the steelmaking process is used in new materials. We believe that proper and efficient use of our by-products would increase our material efficiency rate as a whole. With a huge infrastructure across all our facilities, we are aware of the environmental implications and, thus, place a strong emphasis on reducing and recycling of waste. We produce the most eco-friendly cement called the Portland Slag Cement, Portland Composite Cement and Ground-granulated blast-furnace slag. This approach uses the concept of 'waste to wealth' and helped us minimize the amount of waste sent to the landfills, reduce emissions and preserve raw materials.

We prioritize waste prevention equally to recycling, as this approach minimizes resource consumption, in addition to costs. Waste generated from our operations include tailings produced during extraction and beneficiation processes, slag and sludge during mineral processing, fly ash from power plant, tar and char. For recycling waste, such as fines and iron-dust, we have installed sinter plant at Raigarh and Angul, based on Slag Atomising Technology (SAT) of Ecomaster, Korea.

During the process of product development and manufacturing, we aim to generate as little waste as possible and any unavoidable waste is recycled or disposed of properly. Accumulated waste is documented in detail to enable proper classification and handling. The hazardous waste is disposed of as per the respective applicable regulations.

Hazardous Waste disposal	Unit	FY 19-20	FY 18-19
Hazardous waste	Tons	494	562
Hazardous waste	KL	253	296

Solid waste management at JSPL is based on the principle of "4Rs" i.e. reduce, reuse, recycle and restoring the materials. Through internal waste recycling efforts, sale and disposal by third-party professionals, we successfully extend the lifecycle of waste and improve resource utilisation. (GRI 306-2)

Fly ash that is generated from our plants is utilised in the manufacture of fly ash bricks and other waste management avenues. We are continuously working on our ability improve our waste utilisation percentage. We are also utilizing the EAF dust, mill scale and sintered fines to make iron bearing bricks which is used in Blast Furnace. This can be seen as a gainful utilization of solid wastes in the manufacturing of conventional products. We have also ventured into construction material business of which most of the products are manufactured from the waste material generated out of steel and power production processes.

Non-Hazardous Waste disposal	Unit	FY 19-20	FY 18-19
Scrap	Tonnes	82,262	99,461
Dust	Tonnes	1,87,654	2,89,068
Mill scale	Tonnes	49,222	16,011
Ash	Tonnes	56,68,752	53,63,630
Slag	Tonnes	15,29,449	19,57,005

Biodiversity

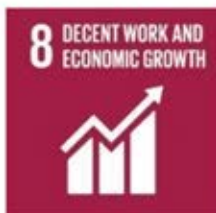
We at JSPL has been continuously seeking to integrate biodiversity management and ecosystem services into our business strategy. We have a wide range of operations spread across the globe and some of our units directly impact the habitat and biodiversity on which it is located. We, thus, adopt sustainable mining practices to reduce the impact of our operations on the flora and fauna. We work to proactively manage our impact on the biodiversity and strive to protect the surrounding ecosystems. All our mines work according to comprehensive mining plans approved by regulatory authorities of the geographies.

Maintenance of an ecological balance and a perfect environment has been of utmost importance to JSPL. We have undertaken various afforestation measures during the project life cycle for the development of green belt covering vast tracts of land in and around our projects and townships. The species for afforestation are selected based on their adaptability to the local conditions. The afforestation measures that are undertaken by us not only contribute to the aesthetics, but also go a long way in serving as carbon sinks for the various GHG emissions.

To aid our biodiversity programs, we have developed nurseries within our plant premises. We aspire to transform 33% of the available space of all our manufacturing locations into a green zone.

JSPL's administration takes care of the horticulture department at all its project sites and are headed by experienced horticulture officers. Mass tree plantations are organised at regular intervals in consultation with the forest department. Saplings are given free of cost to villagers to aid in the afforestation activities.

Pillar 4 - Creating a safe and engaging workplace



At JSPL, we believe that human capital is one of our key resources to ensure business sustainability and continuous growth. As a responsible organisation, we strive hard to provide a safe and dynamic working environment to all our employees. We have a strong belief that this ensures a higher productivity rate and employee satisfaction. We further believe in nurturing individual growth that provides a collective sustainable growth for the entire organisation. We consider our employees to be our backbone and implement various policies for their all-round development.

We consider health and safety performance as one of the critical parameters to measure our rate of progress. We are committed to carry out all our operations free from any accidents and occupational illnesses and have established a robust health and safety management system to eliminate any untoward injuries. We strive hard to provide a dynamic work environment to ensure a higher productivity rate by implementing the best possible health and safety practices for ensuring the safety of all our stakeholders, inclusive of our employees and contractors. It is our aspiration to work safely, at all times, and providing the safest of working conditions for all our workforce is considered one of our moral responsibilities.

At JSPL, we constantly work towards building a productive environment for all our employees across all locations. Our open-door policy ensures a healthy, transparent and engaging work environment. We encourage our employees to communicate with the management on a regular basis to express their views and the senior leadership, in turn, engage with their team to keep them updated with the latest industry trends.

We are guided by our core values: 'Passion for People', 'Sense of Belonging', 'Integrity' and 'Loyalty', to ensure high productivity, employee satisfaction and persistent motivation for our workforce. (GRI 400-103)

Talent Retention

Human capital is considered one of our strongest assets. We invest in building the best-in-class teams led by an exceptionally talented management. Over the years, we have nurtured the development of talent by providing our people with the right platform to sharpen their capabilities, encourage innovation to hone their skills. We work hard towards preparing our people with a visionary leadership.

Our human resources management policies are focused on transformational HR processes to ensure zero discrimination, equal opportunities for career progression, training opportunities,

career guidance and performance review without discrimination. JSPL's HR strategy is to align its HR Policies, Standards and Roles & Responsibilities with the overall business strategy, giving the department the perform its operations in an efficient manner across all business verticals. Ensuring high productivity, employee satisfaction and providing persistent motivation are the key focus areas of our HR team.

LEAD

Leadership Exploration and Development

Unique and comprehensive program with an aim to blend organisational competency development with individual behaviour.

JLMT

Jindal Lead Management Trainee

Coveted program that covers the high-potential talent at the mid-management level that are hired from some of the premier business schools across the country.

YLP

Young Leaders' Programme

Program to boost employee engagement.

TPM

Total Productivity Maintenance

Program to boost employee engagement.

We aspire to provide our employees with a fair remuneration that is at par with the current market norms. As on 31st March 2020, JSPL had 7877 regular employees, of which 3.4% were women. We also have one permanent employee with disability. Gender sensitization programs are provided to male students and contractors encouraging them to create a hospitable, safe, and equitable place for our female workforce. 100% of our permanent employees are covered under performance evaluation and feedback process schemes. (GRI 102-8, 41)

During this reporting period, our organizational premises maintained harmonious and cordial industrial relations with our workforce while engaging with contractual employees and other partners across all our facilities. In FY 2019-20, more than 25,000 temporary/contractual employees were hired across our operating units. (GRI 401-1)

Total Regular employees	Unit	FY 19-20	FY 18-19
Male	Nos.	7,607	7,864
Female	Nos.	270	316
Age <30	Nos.	1,135	1,039
30<Age<50	Nos.	5,819	6,116
Age>50	Nos.	923	1,025

Excludes corporate offices

New Hire	Unit	FY 19-20	FY 18-19
Male	Nos.	772	1,178
Female	Nos.	52	56
Age <30	Nos.	425	713
30<Age<50	Nos.	361	477
Age>50	Nos.	40	44

Attrition	Unit	FY 19-20	FY 18-19
Male	Nos.	641	746
Female	Nos.	81	52
Age <30	Nos.	230	259
30<Age<50	Nos.	354	436
Age>50	Nos.	123	103

Digital intervention in HR



'Onboarding Touch Point'
- An online link that is sent to employees to update all their personal information



Robust online 'Performance Management System (PMS)'
for setting goals, recording KRAs and mapping competencies



'Employee Self Service'
- A platform, which at the touch of a button, provides basic employee information



Digitalisation of HR processes and deployment of a human capital management software - 'HRMYHR'

Skill development

At JSPL, we don't limit ourselves to just attracting and recruiting the best talents to join our coveted organisation. We believe that continuous learning and skill upgradation are considered valuable assets that employees have in their possession and go a long way in keeping them upbeat with the latest industrial trends. We lay a great emphasis to help employees identify gaps in their learnings, rewarding them for their exceptional performance, identifying scope for automation

and enabling career growth in the competitive market. We roll out periodic learning and development modules for all our staffs that enables them to carry out their assigned roles and responsibilities diligently. To increase transparency, our employees are encouraged to have regular discussions with the top management.

The higher management plays an important role in developing a positive workplace for its employees by providing them on-the-job trainings. We believe imparting new technical skills to employees in the mining industry have the potential to enhance safety, reduce the environmental footprint and reduce operating costs. There is also a continued focus on teambuilding and innovation to provide a platform for the employees to excel at all levels.

The regular employees received more than 1.9 lac manhours of training and the contractual employees received around 0.3 lac manhours of training. Apart from our employees, we have provided vocational training opportunities through the OP Jindal Community College (OPJCC) to more than 1.2 lakh youngsters and have contributed significantly to the national skill pool. More than 6,000 students were empowered through industry-specific training programmes and world-class educational institutions. (GRI 404-1, 2)

52%

Regular employees, including associated manpower received safety upgradation training during FY 2020

53%

Casual/temporary/contractual employees received safety upgradation training during FY 2020

Performance Management System (PMS)

The Performance Management System is a robust online platform that enable our executives to set their goals, record their Key Responsibility Areas (KRAs) and keep a track of their competency levels. The performance evaluation of employees is carried out in accordance with their individual performance level and group performance level. The promotion criterion of employees varies depending on the job role and its impact. For employees in technical grades and in junior management, promotions are based on a defined point system and on the recommendation of their reporting officer. For promotion in the higher management grades, eligible employees are promoted based on the availability of next higher role in the organisation and all such employees are required to undergo a potential/competency assessment in addition to meeting the point criteria, tenure criteria, reporting officer recommendation.

Human rights and workforce relations

At JSPL, we continually strive to make our organisation employee friendly. We believe that a competent and motivated workforce is one of the key enablers on our path to sustainability. Primary focus on building, nurturing and strengthening of workforce relations, in addition to retaining our existing workforce for a longer time is considered vital for our day to day operations. As we embark on our journey to become the most preferred steel manufacturer of the country, we recognize that we need to leverage on the enthusiasm of our people.

Our Board of Directors meet on a periodic basis, review and resolve labour issues, if any, to maintain workforce harmony. Importance is given on building a cooperative relationship between the

labour and the management to ensure that all the human rights policies are taken into consideration.

We fulfil our commitment on human rights by complying with all the national and local legislations. This is well-defined within our mechanism to monitor the compliances of The Child Labour (Regulation and Abolition) Act, 1970 and The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in addition to the rules and regulations as may be applicable from time to time in the countries and the states within those countries that we operate in. During the reporting year, there have been no complaints related to child labour, forced labour or involuntary labour. However, we do regret to announce that there had been one case of sexual harassment that was resolved as per the POSH Act and Policy, and the recommendation given was implemented by the HR.

We have the following management-recognised employee associations at various locations. (GRI 102-41)

Location	Name of the Union
Angul	- Jindal Mazdoor Sabha - Jindal Workers Union
Raigarh	Jindal Steel Power Worker Union
Tamnar	Jindal Power Factory Workers Union
Tensa	Bonai Mazdoor Sangh
Oman	JSIS Labour Union
Mozambique	Sindical Committee which is linked to SINTICIM (National Union of Workers in the Construction, Wood and Mines Industry in Mozambique)
South Africa	National Union of Mine Workers (NUM)

Occupational Health and Safety

Steelmaking involves a hazardous work environment, which may include accidents involving machinery, forklifts, explosions, fire, etc. These hazards may cause severe damage to life, property and equipment. Health and safety, thus, play an important role in our process of value creation. At JSPL, we follow world class corporate global safety standards which serve as a central framework for site-specific safety management systems and procedures. We are committed to carry out all our operations free from occupational hazards and illnesses. We, thereby, engage with our employees in determining, managing, mitigating and eliminating various forms of hazards to reduce the possibility of occurrence of risk.

We strongly believe that ensuring safety, health and well-being of employees at the workplaces is one of the key responsibilities of the management. With our aim to be among the world's best on the occupational, health and safety fronts in the near foreseeable future, we have devised world-class Global OHS Safety Standards that provide a central framework for unit specific safety management manuals, systems and procedures. These standards address general safety, occupational health, process safety and emergency preparedness.

Over the years, we have performed our operations in strict accordance with the OHSAS 18001 standard. We also have clear preference to work with OHSAS 18001 certified contractors/manpower suppliers/vendors. Our operations conform to the International Occupational Health & Safety

Management Standard ISO 45000 and are certified by some of the world's renowned external accredited agencies through periodic surveillance.

Our Commitment

JSPL is committed to put every possible effort to ensure the health and safety of its stakeholders at all its workplaces and to carry out all its operations free from accidents, hazards and occupational illnesses. We firmly believe in providing safe working conditions to our workforce as a moral responsibility. We at JSPL, aspire to be one of the safest workplaces in the world by developing world-class safety features across all our units.

Our Commitment to Health and Safety

- 1 All injuries and work-related illnesses can and must be prevented
- 2 Managers are responsible and accountable for the health and safety performance
- 3 Essential employee engagement and training
- 4 Working safely
- 5 Excellence in health and safety to drive business excellence
- 6 Integration of health and safety into all business processes

Our Resources

We have a team of highly qualified, experienced and skilled professionals deputed at all our operating sites to provide adequate support to the management on occupational health, safety and fire related incidents. The latest state of the art technologies has been adopted and in-built design safety features have been incorporated into the existing steel making processes along with the upcoming expansions/projects. Full-fledged fire stations have been established which are equipped with a competent firefighting unit along with the latest firefighting machines to mitigate any fire emergency not only within the company's operations but also to serve nearby communities and industries in case of need.

Modernized Occupational Health Centres (OHCs) have been established at all our operational units. These OHCs are manned with qualified, experienced and skilled doctors with supporting nursing staff on round the clock basis and equipped with highly sophisticated pathological and diagnostic equipment to serve the company employees and nearby societies.

To note, a Sputum Testing Centre, under the Revised National Tuberculosis Programme (RNTCP), has been inaugurated at the OHC situated at Jindal Nagar Township of Angul. We are also proud to announce that several programmes have also been initiated for improving the healthcare and quality of life of people in the villages around our plant at Angul.

Proactive Safety Initiatives

At JSPL, we have initiated several structured proactive safety initiatives with the objective of making our workplaces safe for all our employees. These initiatives are monitored at regular intervals to ensure their continuity, consistency and effectiveness.



Safety Performance Review Forum



JSPL has constituted a four-tier safety performance review forum across the Board, site, department and contractor levels. These forums meet at regular intervals for reviewing the health and safety performance, wherein, a time bound action plan is prepared after every meeting. Compliance status of such action plans are reviewed in the successive meeting.

Chaired by Independent Directors, convenor is Company Secretary and members are from BoD and Unit Heads.
Meets every quarter.

Chaired by Unit Head, convenor is Unit OHS Head and members are all HoDs.
Meets every month.

Chaired by HoD, convenor is Departmental Safety Officer and members are all Section Heads and representatives of workers and contractors.
Meets every month.

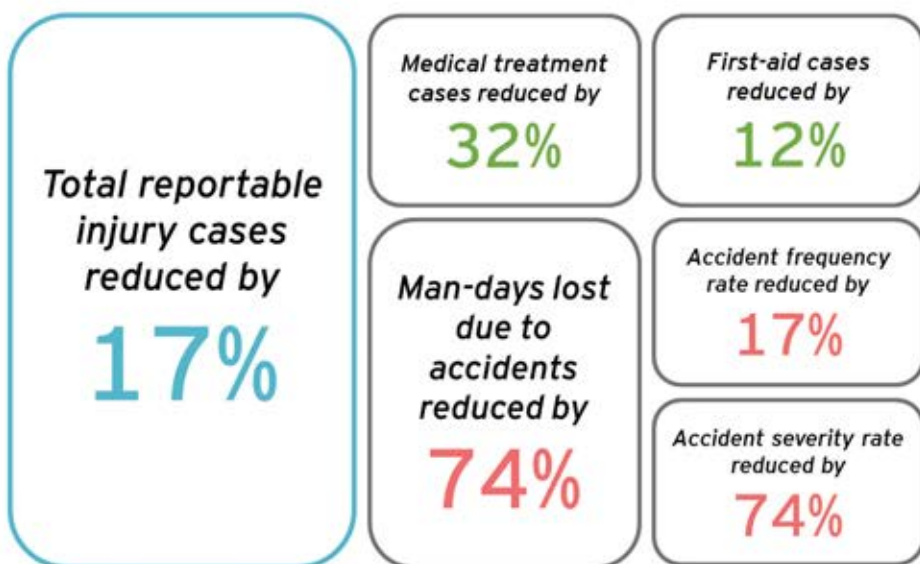
Chaired by Head of Procurement or Head of HR, convenor is Unit OHS Head and members are representatives from all major contractors.
Meets every month.

Safety performance

We at JSPL, aim to be among the world's best on the occupational health & safety fronts in the foreseeable future. We have maintained various incident and accident recording systems as per the regulatory requirements. During the reporting period, a total of 37 Lost Time Injuries (LTIs) and 3 fatalities were caused at our operating sites in India. We are working on the implementation of additional precautionary measures to prevent such incidents from occurring further. We sincerely mourn for the lives lost and are committed to strengthen our occupational health and safety systems and processes to achieve zero harm in the future. As we aspire to be the most preferred steel manufacturer of the country, we shall put out all possible efforts to ensure the health, safety and wellbeing of our employees. (GRI 403-9)

At JSPL, we aim to be among the world's best on the occupational health and safety fronts in the near future and have initiated several proactive safety activities and measures to ensure that our employees are engaged in ensuring a safe workplace. We have developed world-class Global OHS Safety Standards, that provide a central framework for unit specific safety management manuals, systems and procedures. These standards conform to General Safety, Occupational Health, Process Safety and Emergency Preparedness.

During FY 2019-20, we achieved our best-ever safety performance on several parameters compared to the last fiscal year.



Safety performance on several parameters

Indian operations

Types of injuries	Unit	FY 19-20	FY 18-19
Regular Employees			
LTIs	Nos.	17	13
MTIs	Nos.	21	19
WIs	Nos.	57	50
Man-days Lost	Nos.	1,098	6,777
Contractual Employees			
LTIs	Nos.	20	16
MTIs	Nos.	23	41
WIs	Nos.	93	126
Man-days Lost	Nos.	12,714	42,899

Our health & safety best practices



Safety Induction



On-The-Job Safety Training



Safety Reviews



Safety Audits



Medical Examinations



Mock Drills

Pillar 5 - Delivering value to our stakeholders



Across the globe, businesses are being increasingly called upon to demonstrate how their operations benefit and uplift the communities they operate in. This means that engagement with communities is becoming increasingly important for businesses to maintain their licenses to operate and safeguard their global reputation. Adoption of a transparent approach is integral when engaging with communities, to operate effectively and responsibly in all across operations.

At JSPL, we strongly believe in the development of sustainable communities to maintain harmony within our business operations across all locations. A relationship of mutual trust between our stakeholders and the communities that we work in, are vital to our success. We endeavour to make a positive contribution, especially to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives. The central role that we play in many of our communities has made them one of our critical stakeholders. Our goal is to create superior value for the communities, our employees, suppliers and customers and hence, we have embraced the concept of a regular, open and two-way dialogue with local stakeholders at all our sites. This has instilled a sense of confidence in the people who trust us to address their challenges. (GRI 400-103)

Community Development and the JSPL Foundation

As a socially responsible organisation, we align our values and practices with the expectations of our diverse stakeholders. We make use of creativity, efficiency, innovation and integrity to develop a sustainable community. We strongly believe that sustainable community development is essential for maintaining harmony between the community and the industry, and thus endeavour make significant contributions to the underprivileged section of the community by supporting a wide range of socio-economic, educational and health benefits for their betterment.

On the recommendations of the Health, Safety, CSR and Environment Committee ("HSCE Committee"), our Board of Directors have approved JSPL's CSR Policy, which can be found on the website of the Company at <https://www.jindalsteelpower.com/sustainabilities/csr-overview.html>.

We at JSPL, believe in building social capital in the community by facilitating social investments based on community partnerships. We have been constantly operating within the framework of the Triple Bottom Line and have developed a system that is in sync with the environmental as well as community needs.

Through our 360° approach for implementation of all CSR activities, we ensure the successful adoption, implementation and completion of our community projects. This approach ensures that all core principles in sustainability, social and ecological resilience are integrated across all stakeholders. JSPL Foundation has been steering the community participation and ownership of social

development projects by way of capacity building and effective collaboration.



A symbol of women empowerment

Miss Manju Munda has been a symbol of women empowerment and is a source of inspiration and motivation for young girls in the field of sports.

A resident of Sialijoda village of Deojhar GP in Keonjhar district of Odisha, Manju has been living with her mother and two brothers in a single-roomed house.

JSPL Foundation had started training on Martial Arts in the same school that she studied in. Her talent was identified, and she was enrolled for the martial arts coaching class in 2011, when she was 9 years old.

Since the tender age of 6, Manju has been provided with support on nutrition, sports gear, stipend, travel expenses, training, etc.

Out of her participation in 38 tournaments, she has won 28 medals in various State, National and International tournaments. She added another feather to her cap when she represented India and won a Gold medal in the "International WUSHU Stars Championship, Moscow, Russia", in February 2019, when she defeated her opponents from Egypt, Kazakhstan and Russia in her final match. Apart from sports, we have also helped Manju to pursue her graduation at Women's College, Joda.

JSPL Foundation's approach is built on the principles of sustainability, partnerships with the community and stakeholders. This has helped us in developing needs, forge and implement partnerships and secure funds for the development projects. For effective participation, tools and techniques such as Participatory Rural Appraisal (PRA), Need-Profile Analysis and Need-Prioritisation are effectively used. We also make sure to involve the communities in the project implementation and participatory monitoring phases. We continually promote environmental conservation, skill-building, education, population stabilisation, creation of community infrastructure, safe drinking water and sanitation, generation of livelihoods, entrepreneurship development, sports, art & culture, along with other activities related to community welfare. Our CSR activities are aligned with Schedule VII, under the Companies Act, 2013.

We believe that the UN Sustainable Development Goals can be realized in full through active local participation and cooperation. Our CSR programmes are being implemented under the umbrella support of our CSR arm, the JSPL Foundation. We are proud to announce that JSPL Foundation has constantly evolved itself as a flag-bearer of the social development mission of our organisation. The JSPL Foundation has time and again contributed to the betterment of the society through our CSR interventions. These interventions are also aligned with all of the 17 Sustainable Development Goals.

Ms. Shallu Jindal, chairperson of JSPL Foundation, spearheads the CSR initiatives of the conglomerate. She keenly focuses on the various CSR interventions to facilitate holistic community developments, in the operative areas of JSPL and its subsidiaries. She works tirelessly to help the underprivileged section of the society get the best of the educations and has become the source of inspiration for the CSR professionals working with the community on a daily basis. During the reporting year,

we made significant contributions towards community development projects, which amounted to ₹ 26.86 crores, up from ₹ 13.72 crores during the last fiscal year. (GRI 413-1)

Employee engagement

We are always eager to maintain a healthy dialogue with our employees to ensure that their needs are met, and their grievances are adequately addressed. We have a clear focus, passion and commitment towards our valuable employees, as they are our key business enablers.

We have put adequate measures in place to build a platform for our employees to become future leaders of the organisation. We recognise that there are many aspects to employee engagement. These are inclusive of the way that we work with and build relationships with the management-recognised unions and other representative bodies. We are proud to announce that our employees work diligently to add value to our customer base, which has reflected well on our outstanding performance during this financial year.

We continue on our path to invest in talent and the right leadership keeping in mind our vision for the future. We believe that employee engagement should account for professional development as well as the employees' mental health. We have set up modern residential townships and housing facilities to accommodate the employees and their families. The social infrastructures also include hospitals, schools, recreation facilities for our employees.

We have initiated various awards programs like GEM of JSPL, Executive of the Month, etc., given at the various plant locations. We also have an initiative called SMILE (Self-motivated individual for learning and empowerment), wherein, individuals pick up projects and compete at the Unit level to win prizes.

Employee benefits

Maternity Leave

Group Mediclaim Policy

Group Personal Accident Insurance Policy

Career Development Scheme for higher studies

Loan Policy

Marriage Gift Policy

Fee Waiver Scheme for wards of JSPL employees at JSPL Group institutions

State-of-the-art residential facilities for employees of DAV Savitri Jindal High School

Employee Share Purchase Schemes, namely, JSPL ESPS-2013 & JSPL ESPS-2018

Funeral Expense Assistance Policy

Supplier management

We aim to be a supply chain expert in our quest to become the most preferred steel manufacturer of the country. At JSPL, we undertake a demand-oriented approach to streamline our supply chain and in the process, create value for our customers. We have a dedicated supply chain management team who help us choose our suppliers with utmost care, based on their quality, performance, competitive value addition and pricing.



Customer delight

To become the first choice of our customers is at the centre of everything that we do and increasing our customer base is one of our prime objectives. With our continued priority towards customer centricity, we plan to build trust among our customers by providing them with our world-class products and services. We continually look forward to making improvements on our speed of delivery, completion of orders and maintaining a higher ratio of long-term orders to short term orders.

Being a customer centric organisation, we seek to innovate by understanding our customers' needs and the ever-changing market trends. We have set up a multi-disciplinary R&D department that guides us to manufacture durable and customer-centric products.

29

Customer complaints received and resolved satisfactorily during FY 2019-20

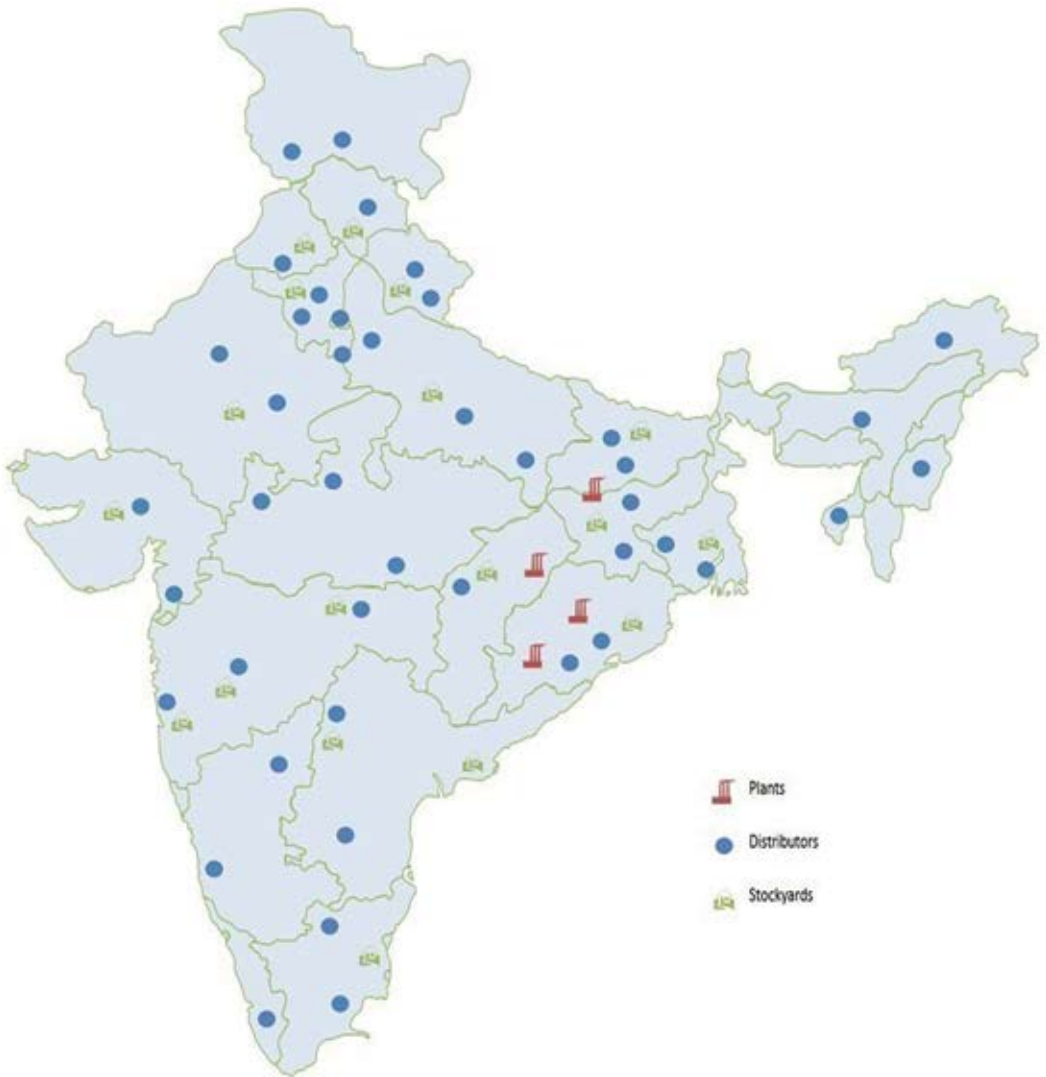


Fig 4: Our pan-India presence with multiple customer touchpoints.

Assurance Statement

(GRI 102-56)



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The Management and Board of Directors
Jindal Power & Steel Limited,
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Independent Assurance Statement

Ernst & Young Associates LLP (EY) was engaged by Jindal Steel & Power Limited (the 'Company') to provide independent assurance on its Business Sustainability Report 2019-20 (the 'Report') covering the Company's sustainability performance during the period 1st April 2019 to 31st March 2020.

The development of the Report based on the Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards), its content, and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), and our conclusions are for 'limited' assurance as set out in ISAE 3000.

Scope of assurance and methodology

The scope of our work for this assurance engagement was limited to review of information pertaining to environmental and social performance for the period 1st April 2019 to 31st March 2020. We conducted, on a sample basis, review and verification of data collection and general review of the logic of inclusion/ omission of necessary relevant information/ data and this was limited to:

- Remote verification of data, on a selective test basis, for the following units/ locations, through consultations with the concerned team;
 - Angul (Odisha)
 - Tamnar (Chhattisgarh)
- Remote verification of data of all other manufacturing locations, on a selective test basis, through consultations with the concerned team;
- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting.



Limitations of our review;

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2019 to 31st March 2020);
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, Corporate Social Responsibility Reports, or other sources available in the public domain;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention provided by the Company;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

Observations and opportunities for improvement

During the review process, we observed that:

- The Company has developed the Report as per the "in accordance"- core criteria of the GRI Standards of the Global Reporting Initiative. The report fairly provides description of the Company's performance disclosures under the aspects identified material.
- The Company may further improve on the accuracy of compilation and completeness of reporting certain aspects viz. waste, emissions and human resource data by strengthening internal review mechanism.

Conclusion

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us not to believe that the Company has reported on material sustainability issues relevant to its business.

Ernst & Young Associates LLP

Chaitanya Kalra
Partner

Dated: May 17, 2021
Place: Mumbai, India

GRI Index

GRI Standards: Core option			
GRI Standard	Title	Reference Section	Pg. No.
General disclosures			
Organisational Profile & Strategy			
102-1	Name of the organization	About the Report	10
102-2	Activities, brands, products, and services	Our Products	38
102-3	Location of headquarters	Our Company	12
102-4	Location of operations	JSPL Operations	17
102-5	Ownership and legal form	Ownership Structure	14
102-6	Markets served	Markets served	45
102-7	Scale of the organization	Overview of Steel, Power and Cement business	19
102-8	Information on employees and other workers	Pillar 4	53
102-9	Supply chain	Value Chain	43
102-11	Precautionary Principle or approach	Risk & Opportunities	37
102-12	External initiatives	External initiatives and association	22
102-13	Membership of associations	External initiatives and association	22
102-14	Statement from senior decision-maker	Chairman's message, MD's message	2,3
102-15	Risks and opportunities	Risk and opportunities	37
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Vision, Mission and Core Values	13
Governance			
102-18	Governance structure	Our Board	30
Stakeholder engagement			
102-40	List of stakeholder groups	Stakeholder engagement	24
102-41	Collective bargaining agreements	Pillar 4	53
102-42	Identifying and selecting stakeholders	Stakeholder engagement	24
102-43	Approach to stakeholder engagement	Stakeholder engagement	24
102-44	Key topics and concerns raised	Materiality assessment	26
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Please refer JSPL Annual report FY 2019-20; https://jspl.s3.ap-south-1.amazonaws.com/jindalsteelpower/custom/1606890754_AR_19_20.pdf	-
102-46	Defining report content and topic boundaries	About the Report	10
102-47	List of material topics	Materiality assessment	26
102-48	Restatements of information	Energy & Emission There was change in energy consumption data due to correction in calculation	-

102-50	Reporting period	About the Report	10
102-51	Date of most recent report	About the Report	10
102-52	Reporting cycle	About the Report	10
102-53	Contact point for questions regarding the report	About the Report	10
102-54	Claims of reporting in accordance with the GRI Standards	About the Report	10
102-55	GRI content index	GRI Index	69
102-56	External assurance	Assurance Statement	67
Specific disclosures			
GRI 200 Economic Topics			
103	Management Approach	Pillar 1: Driving sustainable business growth	28
GRI 201 Economic Performance			
201-1	Direct economic value generated and distributed	Economic performance	34
GRI 300 Environmental Topics			
103	Management Approach	Pillar 3: Acting on our environment	46
GRI 301 Materials			
301-1	Materials used by weight or volume	Raw materials	46
GRI 302 Energy			
302-1	Energy consumption within the organization	Energy management	47
302-4	Reduction of energy consumption	Energy management	47
GRI 303 Water			
303-3	Water withdrawal by source	Water management	50
GRI 305 Emissions			
305-1	Direct (Scope 1) GHG emissions	Environment and climate change	49
305-2	Energy indirect (Scope 2) GHG emissions	Environment and climate change	49
305-6	Emissions of ozone-depleting substances (ODS)	Air emissions	49
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Air emissions	49
GRI 306 Effluents and Waste			
306-2	Waste by type and disposal method	Waste management	51
GRI 307 Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	Compliance	33
GRI 400 Social Topics			
103	Management Approach	Pillar 4: Creating safe and engaging workforce Pillar 5: Delivering value to our stakeholders	53,62
GRI 401 Employment			
401-1	New employee hires and employee turnover	Talent retention	53

402-1	Minimum notice periods regarding operational changes	21 days (as per Industrial Disputes Act, 1947)	-
GRI 403 Occupational Health and Safety			
403-9	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Safety performance	60
GRI 404 Training and Education			
404-1	Average hours of training per year per employee	Skill development	55
404-2	Programs for upgrading employee skills and transition assistance programs	Skill development	55
GRI 413 Local communities			
413-1	Operations with local community engagement, impact assessments, and development programs	Community development, For more details of our efforts, please refer JSPL annual report and CSR report FY 2019-20 https://www.jindalsteelpower.com/investors/annual-report.html	62
417 Marketing & Labelling			
417-1	Requirements for product and service information and labelling	Compliance	33
GRI 419 Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	Compliance	33

(GRI 102-55)

NVG mapping

NVG Principle	Response
Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Pillar 1: Driving Sustainable business growth
Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Pillar 2: Manufacturing world class products Pillar 3: Acting on our environment Pillar 5: Delivering value to stakeholders
Principle 3 Businesses should promote the well-being of all employees	Pillar 4: Creating a safe and engaging workplace
Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Sustainable management Pillar 5: Delivering value to stakeholders
Principle 5 Businesses should respect and promote human rights	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace Pillar 5: Delivering value to stakeholders
Principle 6 Businesses should respect, protect, and make efforts to restore the environment	Pillar 3: Acting on our environment
Principle 7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Our Company
Principle 8 Businesses should support inclusive growth and equitable development	Pillar 5: Delivering value to stakeholders
Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner	Pillar 5: Delivering value to stakeholders

UNGC Mapping

UNGC Principle	Description	Reference Section
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace Pillar 5: Delivering value to stakeholders
Principle 2	Business should make sure they are not complicit in human rights abuses.	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace Pillar 5: Delivering value to stakeholders
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Pillar 4: Creating a safe and engaging workplace
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace
Principle 5	Businesses should uphold the effective abolition of child labour.	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace Pillar 5: Delivering value to stakeholders
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Pillar 1: Driving Sustainable business growth Pillar 4: Creating a safe and engaging workplace
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Pillar 3: Acting on our Environment
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Pillar 3: Acting on our Environment
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Pillar 3: Acting on our Environment
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Pillar 1: Driving Sustainable business growth



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