

plants into one single treatment plant to improve efficiency, unified RO plants installed to reuse process water and reduce natural water intake, water plants efficiency improvement, increased monitoring plan to optimize water consumption, leakage arrest by replacement of pipes and fittings resulted in an optimized water consumption with a specific water consumption reduction by our sites.

The Company took up several Lean Six Sigma projects across all manufacturing locations to improve the environmental performance of the Company.

Waste management

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

All wastes are sent to relevant Pollution Control Board (PCB) authorized recyclers. Of the total wastes disposed this year, 70 percent were recycled through these authorized recyclers and co-processing units whereas the rest was reused by own and co-production facilities. The Company has also identified and implemented means to reduce sending waste to landfill rather sent to co-production. The Company had identified process for pulp recovery to re-use in the production with an overall recovery of 300 kg every day. Over 155 tonnes of scrap was given for co-processing, thus reducing the wastes sent to landfill or incineration. The Company understands that it is important to minimize the environmental impact related to its own manufacturing and service activities, and the real challenge is in reducing the impact along the whole value chain which includes the impact from its products, from material selection through production, operation and end-of-life treatment. A majority of the Company's products have a very long operating lifetime, hence, high efficiency and low emissions during operation of the product are essential in reducing the total environmental impact.

The Company took up several Lean Six Sigma projects on waste minimization and re-use. The packing wood project resulted in over 10,000 sqft of packing wood being reused by the Peenya factory resulting in over 20 percent of wood waste reduction. The Company's Mysuru factory took up a project to re-use waste, resulted in 200 MT of wood dust collected, compressed as briquettes and used as biofuel in the boiler.

Group uses a process called the Gate Model for product and technology development. Sustainability aspects are built into this model and includes a standardized Life Cycle Assessment (LCA) procedure. The Group also develops Environmental Product Declarations (EPD) to communicate the environmental performance of core products over its entire life cycle. EPDs are based on detailed LCA studies conducted using the LCA model and declared according to international standard ISO/TR 14025.

LCAs have been conducted for various products such as power transformers, gas insulated switchgears, and current relays, etc. and these also have environmental product declarations (EPD). EPDs provide quantitative information on all concerned aspects in comparable terms, for example energy used, resources, materials used, global warming effects and use of non-renewable resources in each one of the phases.

Supply chain sustainability

The Company extends its influence to ensure a responsible working environment of direct and indirect stakeholders. This includes partners in the supply chain who share considerable footprint in the product value chain.

The Company's Supplier Code of Conduct is the basis on which the Company builds its strategy to source responsibly. The Supplier Code of Conduct defines the Company's requirements for its suppliers and is integrated with the General Terms & Conditions. The Company considers its suppliers as business partners and requires that they conduct their business consistent with the standards and principles of the Company. Complying with the applicable environmental and OHS regulations, internationally proclaimed human rights standards and ensuring equality of opportunity are expected as the minimum level of commitment.

The Company has implemented a Supplier Sustainability Development Program (SSDP) as part of a comprehensive sustainable sourcing initiative. The goal of SSDP is to ensure compliance with the Supplier Code of Conduct, support continual improvement of the sustainability performance of suppliers and to provide customers with a highly competitive and sustainable supply chain. In the scope of this program, the Company selects a group of suppliers each year. Then they are trained and audited to identify areas of improvement in the following domain:

- General management
- Working hours
- Remuneration
- Social benefits
- Health and safety
- Environmental protection

In the year 2020, your Company assessed 15 high risk suppliers and completed training for them. Further the GPQS (Grid Power Quality Systems) SCM (Supply Chain Management) also conducted Supplier Assessment of 6 identified suppliers, through virtual audits with in-house certified sustainability auditors, despite the COVID-19 pandemic situation.

This program helped the participating suppliers identify and mitigate risks and strengthen their systems. Also, through this program, the risk profiles of the selected suppliers have shown steady improvement. In fact, in one Local Operating Unit, Quality Supply Base achieved HSE assessments as high as 99 percent.