

## PRINCIPLE 8

### BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the Current FY.

Name and brief details of project	SIA Notification No	Date of notification	Whether information is available in public domain?	Frequency of Review by Board	Web link if available
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Not Applicable:

The Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013 and its subsequent amendments does not mandate Social Impact Assessment for the transmission business (including substations). Transmission lines (TL) do not lead to any physical displacement and hence, rehabilitation and resettlement is not applicable to the projects.

AESL has adopted a Right of Way approach in its transmission and distribution lines which does not warrant land acquisition. However, compensation for ROW w.r.t. crop, tower area, corridor area etc. is provided as per the local administrative orders

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

Name of Project for which R&R is ongoing.	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
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Not Applicable as AESL has adopted a Right of Way approach in its transmission and distribution lines which does not warrant land acquisition. However, compensation for ROW w.r.t. crop, tower area, corridor area etc. is provided as per the local administrative orders.

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

We keep our communities at the heart of everything that we do at AESL. Consequently, we continuously engage with local communities to work on projects underlying the national and global priorities. For any grievance, community members can directly lodge their complaints either in writing or orally to the company designated personnel- mostly CSR head at the Business Unit.

Further, program officers maintain constant contact with key community stakeholders to enable complaint lodging on a one-on-one basis. Alternatively, the whistleblower mechanism is also an option for lodging grievances.

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

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Directly sourced from MSMEs/ small producers	20.8%	15.1%
Sourced directly from within the district and neighbouring districts	12.08%	8.0%

**8. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Locations categorized. as per RBI Classification System	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Rural	1.79%	10.9%
Semi-urban	13.04%	23.5%
Urban	12.82%	61.7%
Metropolitan	73.14%	3.9%

Note: w.r.t. New Job created in Respective Financial Years

**Leadership Indicators**

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

Details of negative social impact identified	Corrective action taken
Not Applicable	Not Applicable

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

SI No	State	Aspirational District	Amount spent
		No CSR project by AESL in designated aspirational districts as identified by government bodies	NIL

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

In line with AESL's Diversity, Equity & Inclusion policy & Supply chain Procurement policy, we provide equal opportunities for all, regardless of their background.

AESL is a Power sector company, and the sector is heavily regulated. A company like us needs to adhere to strict safety and quality standards. Therefore, we have restricted ability to diversify our procurement practices.

The company primarily deals with procurement of raw materials (like coal, LDO etc.), machinery, and technology that are specific to power generation, Transmission, and distribution. These are usually procured from specialized suppliers, which generally are not necessarily owned or operated by marginalized or vulnerable groups. However, the company sources all goods and services following non-discrimination approach and follows fair & Equal opportunity to all its suppliers / vendors partners.

The Company often procures goods/services locally due to logistical reasons. If there's a lack of suppliers from marginalized/vulnerable groups in these areas, it might not be feasible for the company to procure them from such groups.

The company supports marginalized/vulnerable groups through hiring practices, community outreach programs, and corporate social responsibility (CSR) initiatives. The company promotes inclusivity and social responsibility in several ways through:

- Diverse Hiring Practices:** AESL ensures that the hiring practices are inclusive, providing equal opportunities for all, regardless of their background.
- Supplier Diversity:** While the nature of the power sector might limit the ability to procure from marginalized/vulnerable groups, AESL still strives for diversity in their procurement practices where possible.

**3. Community Development:** AESL operates near local communities at some sites. Hence, AESL contributes to the development of these communities through various initiatives, such as awareness, infrastructure development, education programs, sustainable livelihood, and healthcare facilities.

The company currently uses local community through contractors for back office operations and maintenance, also have preference for female employees for office related works. Currently ~20% females contract workforce is deployed at Head office.

**(b) From which marginalized /vulnerable groups do you procure?**

AESL has equal opportunities for all, regardless of their background hence, this metric is not tracked.

**(c) What percentage of total procurement (by value) does it constitute?**

AESL has equal opportunities for all, regardless of their background hence, this metric is not tracked.

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

SI No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared	Amount spent
	Nil	Nil	Nil	Nil

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable as no adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved		

**6. Details of beneficiaries of CSR Projects:**

SI No	CSR Project (Focused Area)	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1	Meri Sangini Meri Margdarshika - AESL (cluster – II @ Nagpur, Maharashtra)	4,174	Not Identified
2	Sustainable Livelihood Programs @ ADTPS Dahanu tribal belt (Wadi Development, Swabhiman center, Natural Farming, Vermi composting)	380	100%
3	Education @ ADTPS Dahanu tribal belt (Digitalisation of school, BALA painting, Library, infrastructure )	7,837	100%
4	Sustainable Livelihood Development @ AEML ('Swabhimaan' in Mira Road and Malad - Malwani areas)	4,011	100%
5	Education @ AEML (Uththan – Mumbai with BMC schools)	23,600	55%
6	Health - eye screening & Medical camps @ AEML Mumbai & ADTPS Dahanu	Mumbai - 15,656 Dahanu - 3,674	Mumbai - 56% Dahanu -100%

For further information, refer CSR section on page 232.