



K.P. TRANSPORTS PVT. LTD.  
SUSTAINABILITY REPORT  
2022-2023

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## Our Vision and Approach

### Director's Message

It is my pleasure to introduce our company, K.P. Transports Pvt Ltd first Sustainability Report. We endeavour to become a leading industry benchmark for sustainability processes and performance by 2025 through the qualitative engagement of all the stakeholders while ensuring profitable and sustainable growth. We thus started making a decision that will shape the future of our company, our communities, and our planet.

At K.P. Transports Pvt Ltd sustainability in business is the holistic pursuit of a three-step agenda:

- Responsibly managing the business operations, which includes, but is not limited to, creating a safe working environment at all sites and workplaces, conserving energy and water, managing waste and emissions and protecting human rights.
- The understanding of material issues of all stakeholders from their perspective; and
- The usage of this knowledge to actively seek ways to create and share value with each of these stakeholder groups.

We have invested in technology upgrades, automation, computerised process control systems, and operational process efficiencies during the past year, making the operations efficient. We developed our sustainability roadmap in the financial year 2022-23, which identified the focus areas, risks and risk mitigation plans. The enablers have helped a strong sustainability governance structure, champions who have helped strengthen the initiative, and our existing management systems that have helped us leverage and work towards integrating sustainability into our business strategy. We want to take this opportunity to take you through the cornerstones of Environmental, Social, and Governance- the pillars on which our business model rests:

**Quality:** We believe in setting ourselves apart by ensuring excellence in our services and deliverables.

**Environmental Sustainability:** We are constantly working towards adopting sustainable practices in each of our functions. In this endeavour, we are replacing diesel with natural-gas (CNG) to run our vehicles and have tried to minimise our dependency on fossil fuels.

**People Responsibility:** We invest our efforts to be ready for all the eventualities by conducting hazard and operability studies, training our manpower to meet the highest safety standards and securing the workspace practices while mitigating risks by engineering adequate controls.

We are looking for ways to collaborate with all stakeholders to overcome the challenges posed by the above pillars and beyond, achieve sustainable performance and implement sustainability practices. We look forward to working with you on solutions that make a difference and help create a cleaner world.

**Upendra Pathak**  
Director

## Director's message

We are one of the leading companies in the Transportation industry, weaving the values of sustainable development. We are focused on our corporate goals by engaging our vision of responsible stewardship, stakeholder engagement and future-proofing in our work.

We have paved our way for a leading position in the Transportation chemicals industry through robust technological capabilities and a strong relationship with our existing clients.

We are looking at deploying projects aiming to improve our performance in areas of energy, carbon mitigation, water, exploring renewable resources as an energy alternative, waste management and occupational health and safety. We involve our employees through awareness creation, capacity building, training them for certification in areas of continuous improvement, and bringing them to the forefront as we work on delivering solutions together with other stakeholders. We believe the results will build our resilience and will positively impact the organisation's future.

Gender equality is a priority in our agenda of diversity as we work towards a growth trajectory. Hence, for inclusive growth, we are working on initiatives to empower women and help them further their career growth and work towards senior management positions. We also encourage diversity at the workplace and encourage those with skills, background, experience and education to work with us. We encourage our employees to develop their professional and personal capabilities through our assessment systems and a well-structured training and development program.

Our focal area in FY 2022 has been to minimise our environmental footprint on critical aspects such as materials, energy, water, waste and effluent and ensure our employees' health and safety. In FY 2022, we aim at improving stakeholder engagement, carbon management, and performance on economic and social parameters.

In addition to improving our performance on sustainability parameters, we have utilised Integrated Management Systems like QMS, EMS, OHSMS to improve our environmental sustainability performance and drive behaviour based change. A comprehensive sustainability dashboard is being developed to help us track and monitor our performance.

There have been some challenges on the business front due to the recent pandemic induced crisis since the beginning of FY-21; this was against expectations of moderate growth. However, the situation is improving rapidly owing to government support and consumer demand rising worldwide.

Over the past few years, we have worked towards complying with the local laws and regulations in all areas and fulfilling our social responsibility. In the coming years, we are keen to work with our suppliers and support them through awareness-raising to improve their performance on safety, human rights, environmental preservation issues. We have been the proud recipient of the have obtained a 'Bronze Grade' for sustainability rating by EcoVadis. We hope our initiatives will develop a culture of sustainable growth in our organisation and will also motivate our stakeholders.



Suhas Khadilkar  
DIRECTOR

## About Our Reporting

### Company Profile

K.P. Transports Pvt Ltd is one of the leading companies in India engaged in the Transportation business. From our inception as a private Ltd firm in 1992 till date, sustainable transportation and consistent growth have always been a top priority at K.P. Transports Pvt Ltd.

We have 85 transportation offices located in the Pan-India, with sales offices located in strategic locations in India. Our Transportation is interstate and from client warehouse to its dealer warehouse.

The company has a strong focus on systems improvement and has established comprehensive standards of ISO 9001:2015, ISO 14001:2015 and ISO45001:2018.

- Total Employee Strength: 180

### Scope and Boundary

This is our maiden report, and we are publishing this report as per the guidelines of GRI 2016 standards (and applicable revisions thereof) of the Global Reporting Initiative (GRI). The report is compiled in accordance with the Core Option of GRI to consider the relevant aspects of our sector.

This report covers information from 1st April 2022 to 31st March 2023. The information includes overall performance results, targets, plans collected from our transportation offices in Chakan, Pune, India.

### Reporting Principles

We are committed to measuring and reporting our material environmental and social challenges and opportunities. Our report covers those aspects that we have deemed material to our business and our stakeholders. In this respect, we also conducted a materiality assessment with guidance from external consultants, reaffirming the most critical issues that we continue to focus on. The assessment included identifying and prioritising issues that can pose risks to business in the short term and long term; it was conducted in consultation with management, internal and external stakeholders to ensure that the interests of business and stakeholders are accounted for. Further, we have also made efforts to introduce sustainability context in various material issues highlighted in the report. The quality of the report is defined in such a manner to ensure the information presented to stakeholders is unbiased, comparable, accurate, reliable and understandable.

According to the Global Reporting Initiative's reporting framework, we describe our approach for identifying and responding to our most material social and environmental issues within the contents of this report. Our report is aligned with our sustainability framework, which includes:



These 3 key pillars encompass the material issues in our sustainability efforts and are reflected in our reporting, wherein each pillar incorporates social, environmental and economic considerations. All impact boundaries are global and apply to K.P. Transports Pvt Ltd unless otherwise stated throughout the content of this report or reports mentioned therein.

### Assurance

We believe that independent assurance leads to quality and process improvements and reassures readers and our management that the information we publish is accurate and material, and therefore contributes to building trust and credibility with key interest groups. We engage professional assurance providers who combine the strengths of non-financial assurance experience with technical competency in environmental and social standards.

### Managing sustainably

At K.P. Transports Pvt Ltd, steered by our board, we firmly believe in sustainability practice involving responsible stewardship, stakeholder engagement and future-proofing our business. Aspirations and concerns of our diverse stakeholders shape our performance as much as any business decision. Everyone we deal with – our customers, suppliers, employees, shareholders, partners, elected representatives, regulators, NGOs and the media – expects everyone to act responsibly and with integrity at all times. Financial results alone are not enough: the societies and communities within which we operate want companies to focus on enhancing lives and livelihoods by delivering value to all stakeholders, i.e. financial and non-financial. We are aware that overlooking that expectation would risk undermining our prospects for long-term value creation.

We are aware that the purpose of our business is to generate and deliver value for social good. We exist to provide value to all our customers worldwide; we communicate, share, create, learn, and grow with our direct customers, suppliers and other partners. We are aware that engaging stakeholders is an important element of sustainable business. We engaged internal and external stakeholders to understand how we impact and are impacted by the societal pursuit of sustainable development. Along with our stakeholders, we identified material aspects. We have put policies and performance management systems in place to address all material aspects. We have put in stakeholder engagement, grievance redressal and whistle-blower mechanisms.

An increase in wealth and its inclusive distribution profoundly impacts the way people manage their daily lives and expectations. We have to provide solutions to the increasing and changing demands of society.

We follow positive compliance with the applicable environment, social and economic regulations and good industry practices across our operations. We are aware of the risks and responsibilities of our markets across India, evolving regulations and demands by customer groups for product's health and safety. Our operations in Chakan (India) follow Quality, Environment, Occupational Health and Safety Management Systems and are certified for adhering to ISO 9001, 14001, 45001 Management Systems standards. We work with our supply chains to ensure that they too improve their management systems and practices to reduce costs and risks and derive value from our association. Our diverse and youthful workforce is the engine for our innovation and growth. Our board and management are conscious of our employees' role and make best efforts to deliver fair value to employees and their families. Finally, the community around our operations has been an immense support in growing our business and we continue contributing to the economy and society in this region.

Listening to our stakeholders helps us prioritize sustainability issues by identifying those that are most important to them and to us. We have robust policies and systems in place to manage the wide range of sustainability issues we encounter in our business activities. We supplement our policy articulation with robust performance management systems. Many of the significant and material environmental and social aspects, are managed through ISO based Management system standards. We follow ISO 9001 based Quality Management, ISO 14001 based Environment Management, and ISO45001 to address Occupational Health and Safety issues. The Management Systems are periodically audited by certification bodies.

In 2020, a new normal was set by the advent of the COVID 19 pandemic. What it did to the ESG agenda is that worldwide people became more aware of the social. Economic and environmental inequalities and vulnerabilities as the pandemic raged on. As businesses are discovering the needs to re-imagine and re-prioritize their ESG agenda, we are seeing this as an opportunity and a pedestal to serve ourselves and serve our stakeholders in a better and more impact manner. K.P. Transports Pvt Ltd, is actively working since beginning for the circumstances and challenges posed by the novel corona virus disease (COVID-19) outbreak to provide relief and assistance to the hospitals and health workers, COVID hit villages and slums, migrant workers and underprivileged individuals. We have provided free food to daily wage earners, slum dwellers, drivers, COVID Isolation Centre and free ambulance services to transport COVID-19 patients. We have adopted best practices for protection of our employees, workers and other stakeholders both within and outside our factory premises.

## Governance

In order to drive towards a sustainable future, a strong, responsive and all-inclusive governance structure needs to be in place. Balancing value and caring environment and society is steered by our board. K.P. Transports Pvt Ltd is committed to the adoption of best governance practices and adhering to it in the true spirit. Our governance practices are a product of self-desire reflecting the culture of the trusteeship i.e., deeply ingrained in our value system and reflected in our strategic thought process. At a macro level, our governance philosophy rests on five basic tenets viz., Board accountability to the Company and the shareholders, strategic guidance and effective monitoring by

the Board, protection of human rights, equitable treatment of all stakeholders as well as transparency and timely disclosures.

In line with this philosophy, K.P. Transports Pvt Ltd is striving for excellence through adoption of best governance and disclosure practices. The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance with various Corporate Governance Codes to the extent practicable and required by applicable regulations.

#### The Board

In the financial year 2022-23, K.P. Transports Pvt Ltd has a Board comprising of 2 directors.

The directors are: Mr Upendra Pathak and Mr Suhas Khadilkar

The board constitutes part of different committees upholding a broad set of governance principles, delegating management authority to the Vice Presidents within the defined limits. The board reviews key risks including risks arising from imperatives of sustainable development and how they are managed. Risk management is exercised through appropriate internal controls and is periodically reported to the board.

Our board has voluntarily adopted sustainability framework comprising responsible stewardship, stakeholder engagement and future proofing. We also customize and adhere to values and code of conduct as articulated by K.P. Transports Pvt Ltd and voluntary codes and declarations signed or adopted by K.P. Transports Pvt Ltd such as UN Global Compact. For managing sustainability, all the business verticals of K.P. Transports Pvt Ltd coordinate and share resources and knowledge, under a common coordinating group and has a sustainability committee consisting of:

<b>Sr No</b>	<b>Name</b>	<b>Designation</b>	<b>Role</b>
1	Upendra Pathak	Director	Committee Head
2	Suhas Khadilkar	Director	Member
3	Anant Kulkarni	Vice President- Sales &Customer Relations	Member
4	Shilpa Deshpande	General Manager- HR/Admin	Member
5	Ganesh Dushman	EHS Officer	Member
6	Santosh Jahagirdar	Assistant Manager- HR/Admin	Member

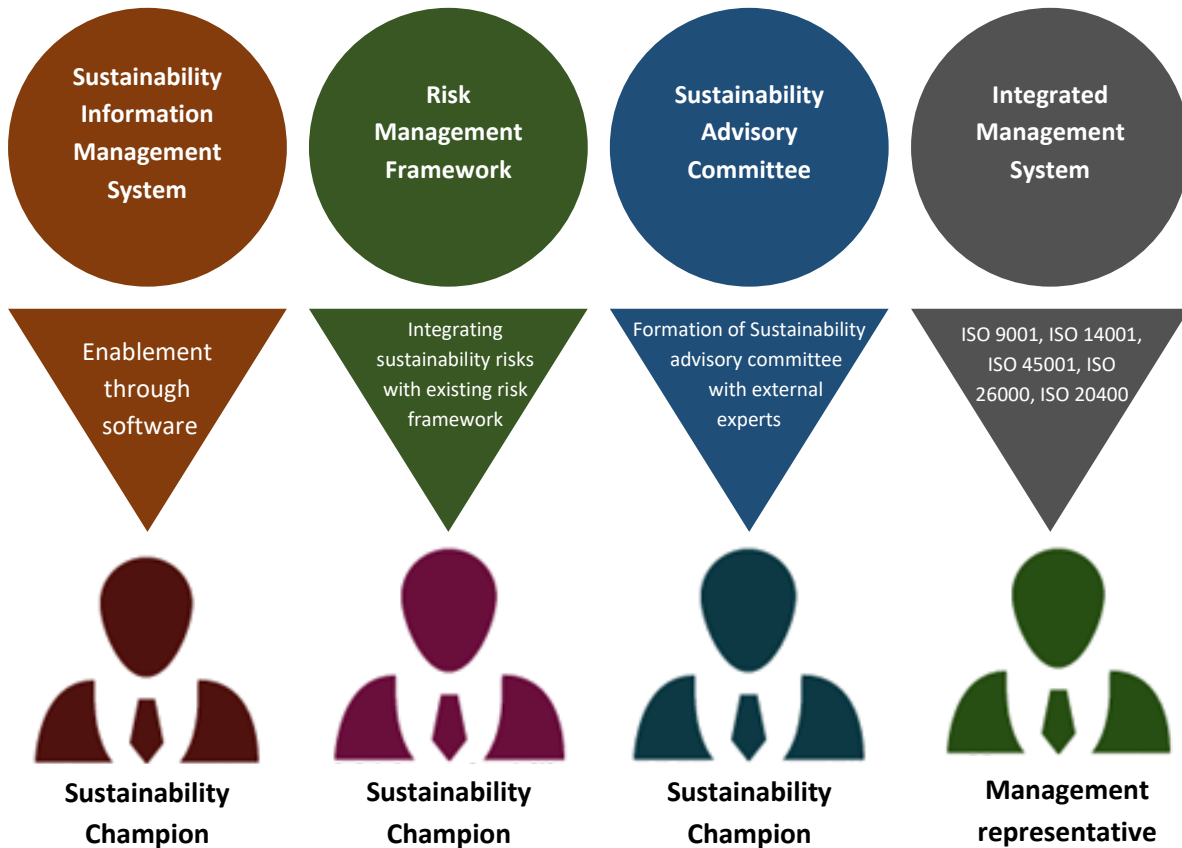


This institutional mechanism is the main enabler for driving sustainability practice and performance. Besides, we have deployed comprehensive set of enablers that drive sustainability:

Vision, KFAs, KPIs, Roadmap & Projects	Sustainability Vision, Vision drill down, KPIs finalized and approved by Sustainable committee	Business Sustainability Champion
	Key Focus Areas (KFAs) for 2022-2023	Directors
	Sustainability roadmap & projects	Sustainability Champion

<b>Dashboard &amp; Review Mechanism in place</b>	<b>Sustainability Dashboard finalized and reviewed on quarterly basis</b>	<b>CSO/ Sustainability Champion</b>
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# Driving Sustainability



In medium term, we want sustainability be integrated with different functions of our business. But in the short term, its separate identity is maintained for focus and emphasis. Many aspects are already integrated with existing functions.

## Norms of Behaviour

The Code of Conduct, which incorporates the Business Principles, is our central guidance document for norms of behaviour. The Code outlines the requirements that every single person working for and with K.P. Transports Pvt Ltd must comply with.

K.P. Transports Pvt Ltd ascribes to code of conduct which is binding on all employees who must sign it on their induction into the Company. It protects the interests of the employee and other stakeholders. *"Integrity, trust, fairness and honesty are the basics that guide our strategies, our behaviour and the relationships we build with people, both internally and externally. Each of us will exercise the highest level of ethical and professional behaviour"* states the code.

Our policies help to ensure that our Business Principles are put into practice in our day-to-day business. In our policy articulation, we follow positive compliance with applicable regulations and good industry practices; extend our responsibility to value chain; engage and co create with stakeholders and apply precautionary approach to environmental impacts.

Our key policies, addressing these material issues include:

Title	Elements Addressed
ENVIRONMENTAL POLICY	<ul style="list-style-type: none"> <li>• Positive legal compliance</li> <li>• Environmental management system</li> <li>• Conserve materials, and Pollution Prevention</li> <li>• Waste prevention, reduction, reuse, recycle and disposal</li> <li>• Engage with stakeholders</li> <li>• Extend environmental care to suppliers</li> <li>• Transparency and disclosure</li> </ul>
ENERGY AND CARBON POLICY	<ul style="list-style-type: none"> <li>• Positive legal compliance</li> <li>• Reduce the energy intensity and carbon footprint</li> <li>• Increase use of renewable energy within our operations</li> <li>• Promote research and development for low carbon solution</li> <li>• Continually improve energy and carbon management</li> <li>• Engage with stakeholders</li> <li>• Monitor, measure and report energy usage and carbon emissions</li> </ul>
SAFETY POLICY	<ul style="list-style-type: none"> <li>• Maintain safe and healthy work environment,</li> <li>• Share responsibility for safety amongst employees</li> <li>• Raise safety awareness</li> <li>• Engage with all stakeholders</li> <li>• Influence our contractors and suppliers,</li> <li>• Continually improve safety performance of our products</li> <li>• Actively communicate and disclose</li> </ul>
HEALTH POLICY	<ul style="list-style-type: none"> <li>• Maintain healthy work environment</li> <li>• Raise preventive health awareness</li> <li>• Engage with relevant stakeholders</li> <li>• Influence our contractors and suppliers,</li> <li>• Minimise negative health impacts of products</li> <li>• Actively communicate and disclose</li> </ul>
BIO DIVERSITY POLICY	<ul style="list-style-type: none"> <li>• Not applicable, as no species listed in the International Union for Conservation of Nature (IUCN) Red List and National Conservation List was found to exist in or near the manufacturing operations of the Company. Our manufacturing facilities are located outside biodiversity sensitive or notified protected areas.</li> </ul>
WATER STEWARDSHIP POLICY	<ul style="list-style-type: none"> <li>• Maintain positive legal compliance</li> <li>• Manage efficient use of water resource by reducing, recycling and reusing water</li> <li>• Minimize and mitigate impacts on water sources and receiving bodies</li> <li>• Continually improve water foot print management</li> <li>• Engage internally and externally with stakeholders</li> <li>• Actively communicate and disclose</li> </ul>

	<ul style="list-style-type: none"> <li>• Monitor, measure and report water usage and effluent discharges</li> </ul>
QUALITY POLICY	<ul style="list-style-type: none"> <li>• Maintain positive legal compliance</li> <li>• Quality management system</li> <li>• Regular customer engagement, feedback gathering</li> <li>• Engage contractors and suppliers,</li> <li>• Actively communicate and disclose</li> </ul>
HUMAN RIGHTS POLICY	<ul style="list-style-type: none"> <li>• Human rights including non-discrimination, prohibition of child and forced labor, and freedom of association and the right to engage in collective bargaining</li> <li>• Respect the customs and values</li> <li>• Provision of security in keeping with the laws</li> <li>• Disclosure to relevant stakeholders</li> <li>• Protection of Whistle-blowers</li> </ul>
STAKEHOLDER ENGAGEMENT POLICY	<ul style="list-style-type: none"> <li>• Engagement processes specific to each stakeholder group, that is inclusive, material and responsive</li> <li>• Inform, encourage, and build capacity</li> <li>• Delineate scope and mode of engagement</li> <li>• Integrate stakeholder engagement</li> <li>• Review mechanism</li> <li>• Communicate to stakeholders</li> </ul>
SUPPLY CHAIN AND PROCUREMENT POLICY	<ul style="list-style-type: none"> <li>• Screen and evaluate new and existing suppliers</li> <li>• No tolerance to child labour, forced labour, non-discrimination.</li> <li>• Periodic audits of supplier</li> <li>• Build and enhance the capacities</li> <li>• Prefer Renewable or recycled materials</li> <li>• Grievance and whistle blower mechanisms for suppliers</li> </ul>
TRANSPORTATION POLICY	<ul style="list-style-type: none"> <li>• Compliance with safety &amp; emissions, of all vehicles, owned or contracted,</li> <li>• Minimize transportation and chose mode</li> <li>• Periodic audit</li> <li>• Training to drivers</li> <li>• Right information</li> <li>• Video conferencing and other modes</li> <li>• Grievances of the communities</li> </ul>
PRODUCT STEWARDSHIP POLICY	<ul style="list-style-type: none"> <li>• Positive legal compliance to product health, safety and environment</li> <li>• Product stewardship practices;</li> <li>• Life cycle assessment</li> <li>• Engage with stakeholders across product value chain</li> <li>• Recycling of our products</li> <li>• Disclose information of products</li> </ul>
SECURITY POLICY	<ul style="list-style-type: none"> <li>• Physical and information security</li> <li>• Deterrence, intrusion detection and access controls</li> <li>• Share responsibility</li> <li>• Raise security awareness</li> <li>• Security practices in keeping with human rights and right to information</li> </ul>

	<ul style="list-style-type: none"> <li>Contractors and suppliers</li> <li>Protect the information of customers and suppliers</li> <li>Communicate and disclose</li> </ul>
SUPPLIER CODE OF CONDUCT	Prohibition of Child labour, Forced labour, Harassment or Abuse, Discrimination, Unfair working hours, Wages, Benefits and Leave, Violation of Environment, Health and Safety good practices and regulations

### Material issues

**We focus our sustainability activities and reporting on the issues of greatest concern to our stakeholders.**

We engaged external consultants to manage engagement with board, management team of different relevant functions, employees, suppliers, customers and community to obtain feedback to feed into the process to identify the issues that are most significant – or ‘material’ – to wherever necessary, engagement with stakeholders was held by our advisors away from relevant functional management teams.

Materiality analysis has been carried out based on the ratings obtained from the internal stakeholders as well as the external stakeholders on the sustainability issues identified. Each issue is mapped based on the scoring obtained from these two groups as shown below in Materiality Map.



The Sustainability issues identified for materiality assessment along with the corresponding abbreviations used in the Materiality map are as listed below:

Themes	Sustainability Issues	Abbreviations
<b>Governance</b>	Leadership, policy and oversight on sustainability	A1
	Promoting ethical behaviour	A2
	Responsible public policy advocacy	A3
	Stakeholder identification and management	A4
	Sustainability reporting and disclosures	A5
	Leadership, policy and oversight on sustainability	A6
<b>Supply chain management (includes suppliers, contractors)</b>	Employment practices (health & safety, human rights such as wages, work conditions, child/forced labour etc.)	B1
	Environmental management beyond compliances (emissions, effluents ,waste)	B2
	Capacity building of employees	B3
	Sourcing from local/small suppliers	B4
	Fair/transparent vendor selection	B5
<b>Employment practices at plant sites</b>	Occupational health and safety	C1
	Capacity building of employees	C2
	Diversity at workplace (gender, ethnicity, disability)	C3
	Affirmative action for the SC/ST community	C4
	Contract labour management practices	C5
	Collective bargaining/freedom of association	C6
	Market based compensation, benefits and amenities	C7
	Career planning and development	C8
<b>Community engagement at plant sites</b>	Land acquisition and R&R	E1
	Community involvement, engagement and satisfaction	E2
	Benefit sharing / socio-economic benefits	E3
	Local infrastructure development	E4
	Difference in living standards between lease-hold and non-lease-hold areas	E5
<b>Product and Customer</b>	Resource footprints (water, energy, carbon) during the entire product lifecycle	F1
	Resource consumption (water, energy) during usage	F2
	Packaging material disposal	F3
	Investments in new products and processes	F4
<b>Environment performance and Climate Change at plant sites</b>	Emissions (GHG)	D1
	Environment performance management significantly beyond compliance (effluents, solid waste)	D2
	Water consumption	D3
	Energy consumption	D4
	Promoting biodiversity/ecology protection	D5

Based on the outcomes of the Materiality assessment plotted on the map above, we use a ‘materiality matrix’ (see below) to list the issues that our stakeholders are most concerned about against those that have the biggest financial or operational impact on our business.

To create the matrix, we also consulted relevant literature specifically for the chemicals industry combined with KP Transports Pvt Ltd.’s own criteria to assess and quantify risk.

The matrix below shows our most material issues based on our last assessment in December 2022.

GOVERNANCE	<ul style="list-style-type: none"> <li>Stakeholder identification and management</li> <li>Promoting ethical behaviour</li> </ul>
ENVIRONMENTAL	<ul style="list-style-type: none"> <li>Emissions (GHG)</li> <li>Environment performance management significantly beyond compliance (effluents, solid waste)</li> </ul>

	<ul style="list-style-type: none"> <li>• Resource footprints (water, energy, carbon) during the entire product lifecycle</li> <li>• Resource consumption (water, energy) during usage</li> </ul>
SOCIAL	<ul style="list-style-type: none"> <li>• Capacity building of employees</li> <li>• Employment practices (health &amp; safety, human rights such as wages, work conditions, child/ forced labour etc.)</li> <li>• Community involvement, engagement and satisfaction</li> <li>• Local infrastructure development</li> <li>• Land acquisition and R&amp;R</li> <li>• Benefit sharing/socio-economic benefits</li> </ul>

We focus on identified material aspects – articulate our position and policy and deploy management systems to address these aspects. We also focus our sustainability reporting and ongoing stakeholder engagement on these material issues.

### Economic Performance

We quantify and analyse the economic value we are adding, first and foremost for our shareholders, then for our internal stakeholders (i.e. employees), and then for our external stakeholders – suppliers and the broader economic community.

### Indirect Economic Impacts

The company has been established and managed from its location at Chakan for over 15 years and enjoys a long-standing relationship with its stakeholders including its suppliers. The Indirect Economic Impacts, comprising Development and impact of common Infrastructure Investments and services supported (transport links, utilities, community social facilities, sports centres) by K.P. Transports Pvt Ltd saw an increase by 32.9 % in FY 22 as compared to FY 2021.

### Local Employment

We outsource services like security, fabrication, gardening, cleaning, and few maintenance jobs. The company as a policy has given priority to the neighbouring industries and establishments while exploring the agencies for these services.

### Compliance

Meeting all applicable requirements to achieve compliance is one of the key focus areas of our organization. We have been giving utmost priority to meet the applicable laws and regulations. Our management systems, periodic audits ensure that we review and comply our list of legal requirements. We are maintaining a tracking system which has all the applicable laws listed and assigned to the person responsible, along with actions that are required to be taken. These robust systems also safeguard our preparedness to go beyond meeting the compliance and manage potential risks. As a part of risk assessment to ensure that we meet compliance, we analysed transportation safety legislations.

For FY 22, there have been no fines or sanctions imposed on K.P. Transports Pvt Ltd for non-compliance of laws and regulations.

## Responsible Stewardship

### Environmental Footprint

The transportation industry's potential to impact the environment is considered moderate. We recognize our responsibility to monitor, manage and reduce our environmental impacts wherever possible.

Hence, at K.P. Transports Pvt Ltd, we aim to minimize the environmental footprint of our operations to enable us to do more with less: less energy, less carbon, less waste and less use of resources.

Since inception, our organization was designed to follow the highest standards of environmental excellence. Our vehicles are installed with state-of-the-art equipment for emission control and online environmental monitoring system for controlling air pollutants. Our specialty chemicals transportation business attaches great importance to environmental preservation and has integrated environmental concerns into every business decision.

In order to minimize our environmental footprint, we have prepared roadmap for sustainability parameters which are built on our existing management systems. We continuously monitor the performance indicators through our sustainability dashboard and work towards achieving the defined targets. As a part of these, we have also undertaken sustainability projects to reduce energy consumption, increase in renewable energy percentage, energy risk management, GHG assessment, emission reduction projects, managing of waste and waste water, reducing water consumption, increasing water recycling percentage, protecting diversity, compliance.

### Environmental Policy

K.P. Transports Pvt Ltd is committed to continual improvement in its environmental performance through participation of employees at all levels and adherence to "ISO-14001 Requirements". This is achieved by:

- Compliance with legislative requirements.
- Prevention of water, air and land pollution.
- Conservation of natural resources.
- Maintenance of ecological balance.
- Improvements in product characteristics and process technology.

### Energy

Energy is of key importance for K.P. Transports Pvt Ltd to carry on its activities. K.P. Transports Pvt Ltd. works on projects to decrease environmental impacts by bringing the energy consumption under control. Accordingly, the targets for energy intensity from renewable and non-renewable sources are defined on yearly basis and monitored; it is reported to senior leadership on a quarterly basis.



### *Energy Consumption within the organization*

	<b>Unit</b>	<b>FY21</b>	<b>FY22</b>
<i>Natural Gas (CNG)</i>	kg	0	48300
<i>Diesel</i>	Litres	2529282	2707073
<i>Electricity Consumption</i>	Kwh	66863	74933

*\*The data represents the energy consumption at all operative units (including administrative office and site offices centre) only.*

There has been an increase in the energy consumption in FY22 over the previous year due to increase in business of K.P. Transports Pvt Ltd. However, we have also undertaken multiple energy conservation projects to identify areas of opportunity for energy savings.

Diesel and electricity consumption is the main contributor to the impact of this process as a result of the use of non-renewable energy sources. This, therefore, validates and highlights the importance of our ongoing investment in energy efficiency projects.

An energy efficiency and audit study was also conducted to enable us to identify opportunities to reduce energy consumption and subsequent GHG emissions.

## Emissions

### *Minimizing our carbon footprint*

Our priority is to manage CO<sub>2</sub> emission from our operations. We are doing this by investing in more efficient technologies and exploring innovative solutions that cut CO<sub>2</sub> emissions by reducing energy consumption or using alternative energy.

We also have targets to help us manage emissions in Scope-1, 2 in our own operations. Though meeting this target proves challenging in some cases, we are determined to reduce our environmental footprint as far as possible. We are doing this by implementing new technologies that improve energy efficiency and looking for opportunity to use alternate efficient energy sources.

The emissions generated from energy consumed outside organization viz. Scope 3 consists of employee commute to work in company owned vehicles, inbound & outbound logistics for transportation of supplied and finished goods.

We put in our best efforts as and when possible to reduce the need for business travel – and associated greenhouse gas emissions – by equipping our offices with state-of-the-art technology to enable our people to communicate and work together through voice, video and web-based conferencing programmes. We have also started familiarising our drivers, related staff and employees on good driving practices to improve vehicular efficiency, and will continue to do so in the coming years.

GHG Emissions	FY 21-22	FY 22-23
Scope 1 (tCO2/year)	6778	7255
Scope 2 (tCO2/year)	648	726
Total Emissions (tCO2/year)	7126	7981

### Methodology

In order to obtain greenhouse gas data, K.P. Transports Pvt Ltd collects and reports environmental data in accordance with the guidelines of the Global Reporting Initiative and the Greenhouse Gas Protocol, to the extent that this is practicable. The figures indicate the emissions caused due to operations in all unit, corporate office. Scope-1 emissions includes fuel consumption and company vehicles; Scope-2 emissions include electricity purchased. The GHG emissions are calculated based on emission factors specified by IPCC and DEFRA.

### Social Footprint

#### Employee Diversity

Our recognition of diversity as a business asset fosters innovation and helps us better understand meeting the needs of our customers.

We believe that diversity and inclusion bring fresh ideas, perspectives and experiences to our business, thereby enabling an innovative and stimulating environment where everyone has the opportunity to grow and deliver value.

We are therefore, committed to providing a workplace that is diverse, encouraging and enabling each employee to fully contribute. We recognize that a diverse workforce strengthens the social fabric and creates an environment that respects, values and empowers every individual to work effectively towards the achievement of our business goals.

As a part of our corporate principles, we encourage our employees to grow professionally and personally to their highest capabilities regardless of their race, colour, gender, age, religion, nationality or disability. We have also adopted the “No discrimination” policy to ensure workplace that fosters inclusive practices and behaviour. We ensure that these principles and policies are supported through goals and communicated to all employees so that they understand and relate to these. We have representations at various committees constituted include both local and expat employees, both men and women ranging from ages 25 – 60 years of age.

#### Employment

##### *Entry level wage, basic salary and remuneration*

Regardless of gender, and all other parameters being equal female employees are paid the same as male across different employee categories. The entry level wage offered by K.P. Transports Pvt Ltd is above the local minimum wage. All employees gradually grow through a fair evaluation and promotion program at K.P. Transports Pvt Ltd.

## Training & Education

### *Skills Management and Career Development*

Our employees are our asset and our focus is to harness knowledge and intellectual capital to be able to contribute to the goals and objectives of the business. We understand that developing employee skills creates a win–win situation in which the company benefits from a more skilled, knowledgeable and capable employee, while the employee gains additional skills or qualifications and has the chance to enhance their career or possibly increase their earning potential in the longer term.

We are committed to developing our human resources through promotion of various activities for all level of employees. We are continually improving our assessment systems and workforce planning, so that we have the right people in place to lead the company in the years ahead, our appraisal process helps us to understand our employee’s challenges, strengths and areas where they seek improvement. These have helped us to develop in our employees a sense of belongingness, teamwork, morale, work area improvement and self-management skills. We impart need based, well planned and effective training to our employees throughout the year.

Our employees are motivated to be responsible for their own development and consult about their growth with line manager. We have also developed skill matrix framework to identify competency levels, skills and qualities of employees vis-à-vis skills required to perform the job well. Based on such mapping, we develop the training calendar for all employees and ensure their progress in their career. It also provides our employees with an opportunity to accelerate their personal development and effectiveness

Our line managers continuously suggest feedback and guide their teams on an informal basis throughout the year, and hold yearly performance reviews to ensure that each individual’s objectives contribute to the company’s overall goals and strategy. Our performance appraisal review system focuses on improving skills, motivating employees and ensuring that we have a pipeline of talent for the future. Each year, all our employees go through the performance appraisal systems to assess their performance and scope of improvement for their growth.

## A world of Opportunities



## Employee benefits

### Defined contribution plan

We operate a provident fund that is a defined contribution plan, the assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and by the company. The company has no further payment obligations once the contributions have been paid.

### Defined benefit plan

We provide for retirement benefit, payable to employees under Indian Labour Laws. The amounts payable in the future depend on salary and years of service of the respective employees. The obligation is calculated annually by independent actuary using projected unit credit method. The

present value of long service award obligation is determined by discounting with interest rates of government bonds that are denominated in the currency in which the benefits are paid, and that have terms to maturity approximating to the terms of the related liabilities. Both employees and employers contribute the allowable percentage to the salary contribution.

#### Senior Management hiring

Our belief in inclusive growth and diverse workforce helps us identifying individuals with required skill set from surroundings to be a part of our management and share their perspectives. In this respect, we also implement programs to improve local hiring at senior management level.

#### Occupational Health & Safety

We are aware of the pressures that life places on its employees and this along with concerns over health and safety risks and hazards drives our desire to create security and maintain safety for employees within the workplace. Training our workers and sub-contractors on occupational health and safety hazards include improving awareness levels, undertaking activities that result in improved internalization of safety rules and reinforcement of positive and safe behaviour.

We work hard to create and maintain a healthy and safe working environment for employees, clients and affected neighbours. Our Occupational Health and Safety policy sets out our commitment to zero harm and most of our employees are represented by health and safety committees. Committee members continue to monitor working conditions at our facilities and report any issues to management as they arise.

The EHS Head of the Company oversees health and safety across the Group. Senior leaders including the directors conduct safety tours to raise awareness, personally assess health and safety standards and make recommendations for improvement.

Our strategy is designed to tackle the root causes of major incidents and to create a mature safety culture across the company using behaviour based as well as process-based safety awareness.

The potential hazards and risks that might arise during our activities are analysed and actions are planned to prevent accidents. Furthermore, eventual emergency cases are assessed and necessary action plans are prepared based on inputs from employees and workers. In order to improve OHS performance and to ensure the participation of the employees, programs such as suggestion development and improvement system are conducted.

All efforts are made to go beyond compliance and business as usual plan so that OHS is ensured, in case any unsafe conditions are observed by the workers or staff, the same is also brought forward through the grievance handling system and studies to prevent occupational accidents and health risks in a healthy and safe work environment are conducted.

Improvement in Injury frequency rate and severity rates are included in the department performance targets of all K.P. Transports Pvt Ltd employees. Dangerous situation notifications, near-miss incidents and accidents are analysed and the root-causes are tried to be eliminated by starting “Hazard Identification and Risk Assessment” process. Occupational accidents and their route-causes are assessed at monthly OHS meetings by all K.P. Transports Pvt Ltd executives and employee

representatives. The root-cause of the occupational accidents occurring at the plant is usually found to be unsafe action rather than unsafe condition.

#### *Occupational Health & safety management*

The Company believes that the well-being of our company and stakeholders is dependent on the health and safety of our workforce. We are committed to preventing the accidental loss of any of our resources, including employees and physical assets and damage and loss to lives and property in our surroundings.

We have reviewed our Group safety policy in the reporting year and have reviewed the accompanying standards such as ISO 45001:2018 and resultant processes. At KP Transports Pvt Ltd, we have formed a health and safety committee of which atleast 50% have representation from workers. The areas of concern raised by workers have been with regards the absence of confidence in staff while working on machines and unsafe work conditions.

In FY 22, a number of projects were undertaken such as

- Annual Health Check-ups
- Med-claim Policy for all employees
- PPE Compliance
- Health Risk Assessment

Further for employee well-being, the following were implemented:

- Defined working conditions
- Defined Code of Conduct

We are still in the process of strengthening our risk analysis frameworks, incident reporting and management of key risks including rolling out of EHS programs and projects so that we improve our performance on injury rates, lost day rates, absentee rates and LTI rates for our employees, contractors.

#### *OHS Trainings*

Various trainings on Occupational Health and Safety are provided. Besides that, the personnel working at relevant position receives on-job trainings on occupational health and safety regarding the risks specific to operation.

Furthermore, trainings on compliances, risk assessment trainings, fire, emergency response trainings and emergency drills are conducted. In FY22, we provided on an average 20 hours of training to each employee.

Type of injury & injury rate of employees

	FY 21		FY 22	
	Male	Female	Male	Female
<b>Injury Rate (&lt;24 Hrs.)</b>	Nil	Nil	Nil	Nil
<b>Absentee Rate(1-3 days)</b>	Nil	Nil	Nil	Nil
<b>Lost Day Rate( &gt;3 days)</b>	Nil	Nil	Nil	Nil
<b>Occupational Disease Rate</b>	Nil	Nil	Nil	Nil
<b>Fatalities</b>	Nil	Nil	Nil	Nil

### Anti-competitive behaviour, Anti-trust

Since inception, there has been no legal action taken against us for any anti-competitive behaviour, anti-trust or monopoly practices. We have not identified any instances of non-compliance with laws and regulations, and there have been no disputes, sanctions or fines for any form of non-compliance with any laws and regulations.

## K.P. Transports Pvt Ltd Stakeholder Engagement

### Creating Stakeholder Value

*Mission: We are committed to delivering value to all stakeholders.*

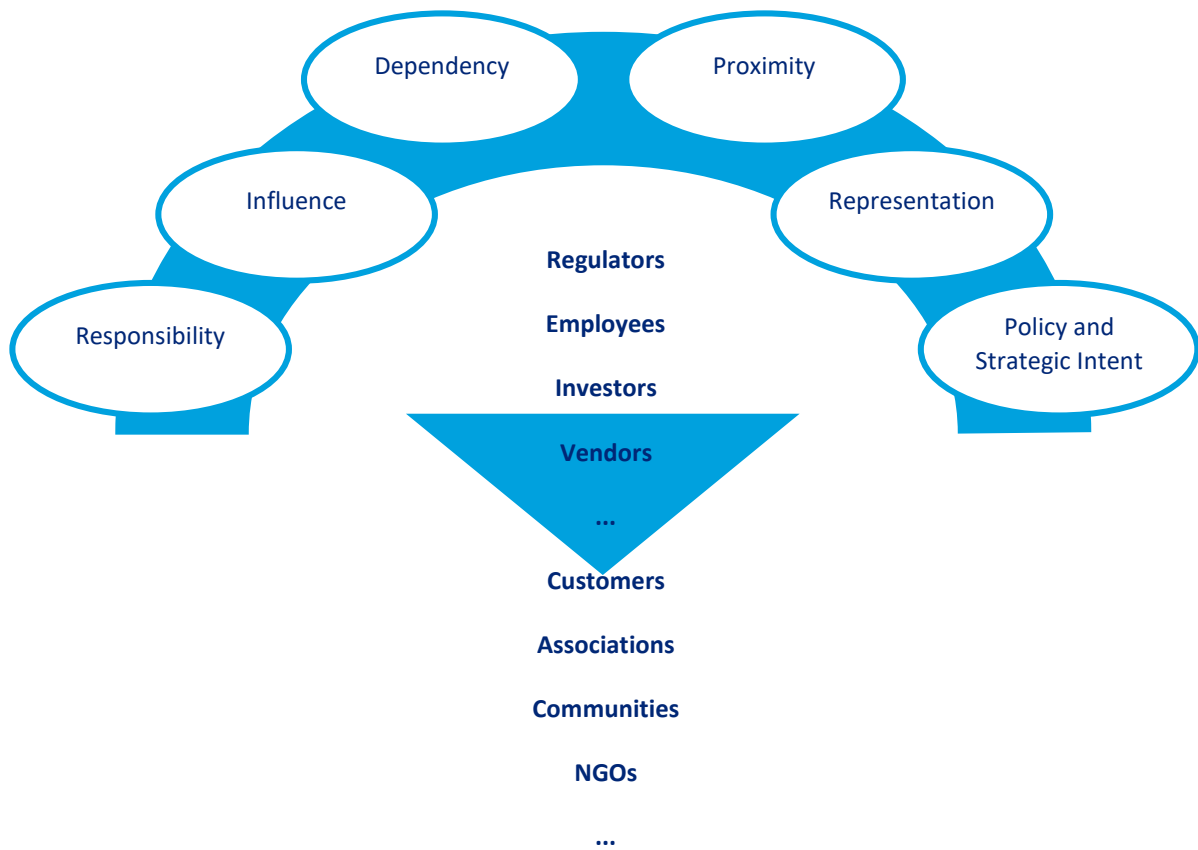
We have identified our stakeholders who are impacted by our business based on peer review, internal expertise, past experiences, survey reports and influence on organization. We believe that every stakeholder involved in our business has to be a winner and only then can it work i.e. employees, community, suppliers, customers, shareholders and society at large have to be winners, too.

To ensure this, we have taken cognizance of our stakeholder concerns and prioritised issues that were material and incorporated this knowledge to actively seek ways to create and share value with each of our stakeholders. We have tried to address sustainability concerns expressed through strengthening our engagement platforms and integrating into our business strategy thus protecting our social license to operate and enhancing our reputation as a responsible organization.

We are aware that certain barriers to effective stakeholder engagement still exist including a lack of skill, strategy, focus and/or process. To avoid some of these common pitfalls, we are in the process of developing deeper engagement plans and processes with each of our external stakeholder groups



For a continuous effective engagement, we will engage with stakeholders through various channels since each stakeholder has different priorities and prefers particular communication channel such as meetings, emails, surveys, site visits, intranet, events, formal gatherings, grievance mechanisms etc. on an ongoing basis. Our approach is also updated on a regular basis based on their views and new trends. In FY 22, we have had stakeholder meetings in which we discussed about the issues concerning stakeholders.



The table below highlights the issues of the identified stakeholders and the communication channel.

Stakeholder Group	Concerns	Engagement Platform
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Timely Delivery</li> <li>• Quality</li> <li>• Pricing</li> <li>• Post-sales Support</li> <li>• Product related certifications</li> <li>• EHS Management Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Customer feedback</li> <li>• Customer Satisfaction Survey</li> <li>• Phone calls, Emails and Meetings</li> <li>• Signed Contracts</li> <li>• Exhibitions, Events</li> <li>• Customer Visits</li> <li>• Websites</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Fair wages and Rewards</li> <li>• Work life Balance</li> <li>• Training &amp; Skill development</li> <li>• Career Growth</li> <li>• Occupational Health and Safety</li> <li>• Job Security</li> <li>• Transparent Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Emails and Meetings</li> <li>• Employee Satisfaction Surveys</li> <li>• Training Programmes</li> <li>• Performance appraisal reviews</li> <li>• Grievance Redressal Mechanisms</li> </ul>



<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Timely Payment</li> <li>• Continuity of orders</li> <li>• Capacity Building</li> <li>• Transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Emails and Meetings</li> <li>• Vendor Assessment &amp; Review</li> <li>• Signed Contracts</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Local Employment</li> <li>• Environmental pollution control</li> <li>• Infrastructure development</li> <li>• Training &amp; Livelihood programs</li> <li>• Participation in social services</li> </ul>	<ul style="list-style-type: none"> <li>• Training &amp; Workshops</li> <li>• Regular Meetings</li> <li>• Need Assessment &amp; Satisfaction Surveys</li> <li>• CSR Reports</li> </ul>
<b>Governments &amp; Regulatory Bodies</b>	<ul style="list-style-type: none"> <li>• Tax and Royalties</li> <li>• Compliance to laws &amp; regulations</li> <li>• Employment</li> <li>• Pollution Prevention</li> <li>• Local Economy Growth</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Reports</li> <li>• Communication with regulatory bodies</li> <li>• Formal Dialogues</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>• Community Relations</li> <li>• Workplace safety and wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>• Social Media</li> <li>• Press Releases</li> <li>• Interviews</li> <li>• Website</li> </ul>

## Suppliers

### Strengthening our supply chain

Our Company is a signatory to the United Nations Global Compact.

We are committed to respecting the human rights of everyone working for K.P. Transports Pvt Ltd either directly as an employee or indirectly as a contractor or a worker employed by one of our suppliers. Our employment policies are consistent with the UN Universal Declaration of Human Rights and the International Labour Organization's Core Conventions.

With an extensive countrywide supply chain, there is a risk that some suppliers or subcontractors might not meet acceptable standards of working conditions and human rights. We procure mainly from relevant accredited suppliers, we screen new suppliers and evaluate supplier performance on various traditional parameters and have recently revised our supplier policy and process to reflect the labour, health and safety, ethical and environmental standards we expect our suppliers to meet.

Based on KP Transports Pvt Ltd.'s values and standards, including the Universal Declaration of Human Rights and the International Labour Organization's Conventions on labour standards, we do not engage child labour, forced or compulsory labour.

Our supply chain and procurement policy details out list of issues that needs to considered while evaluating new and existing suppliers. We recognize our dependency on the quality products offered by our suppliers to meet the expectations of our customers in a long-term and therefore take utmost care while screening of new and existing suppliers. We have planned to include sustainability criteria in the 'request for quotation' (RFQ) process which determines which suppliers we will work with. Audits will also enable K.P. Transports Pvt Ltd to identify issues and build corrective action plans with suppliers to address them. We also have plans to develop our capability building programs to train suppliers in areas of concern revealed in audits.

During the reporting period, we conducted supplier assessments; we have not identified significant actual or potential negative impacts within our supply chain at this stage.

As a baseline for building a sustainable business relationship with our supplier, we are planning to require all our suppliers to conform to the environmental, social and economic requirements. These requirements will form an integral part of any commercial agreement between KP Transports Pvt Ltd. and the supplier.

Training & capacity building of suppliers, awareness and engagement are critical for building a sustainable industry. We are planning to hold training sessions, supplier day events and briefings aim to build knowledge and commitment among our suppliers.

Our sustainability experts are available to support the supplier development by training, sharing best practices, defining corrective action plans, and monitoring their implementation. Adequate implementation of corrective actions is verified during resolving audits.

We plan to increase the number of audits and conduct structured engagements with our supply chain on sustainability concerns and, where possible, influence their behaviour or change to suppliers that use more sustainable business practices. In the coming years, we plan to collaborate with the suppliers to assess the actual impacts and create an action plan for improvement in areas of concern.

As we grow the business, our ability to assess our suppliers, as well as our influence over our suppliers to follow international best practice, will improve; we plan to increase engagement with our supply chain on sustainability concerns and, where possible, influence their behaviour or change to suppliers that use more sustainable business practices.

We have adopted sustainability criteria according to the level of risk associated with the contract. In the future, we will initiate the screening of new and existing suppliers using such criteria and conduct impact assessment.

#### Procurement Practices

We always prefer sourcing of raw materials and equipment locally, as compared to distant sources, keeping other technical requirements same. Only in some cases, wherein our expectations with respect to quantity and price or customer's requirements are not met, we procure from away. This way we ensure that our major spending on sourcing is distributed within the state thereby contributing to the economic growth of our local supply chain. Our spending on local sourcing has been consistently increasing over last few years.

In our efforts to ensure the same, we encourage and guide our local suppliers to implement best practices, produce best quality products and meet all applicable compliances since they are our key stakeholders who can create an impact on our brand globally.

## Employees

### Employee engagement

Open & regular communication is fundamental to employee engagement. We use our internal engagement process to work with our employees through communication sessions, workshops, seminars & training, employee appraisal, employee committees, cultural events and email contact. The engagement explores innovative ideas in quality, EHS, production, grievances etc., understanding challenges to meet expectations of employee and management.

Furthermore, K.P. Transports Pvt Ltd ensures that the employees can share any issue at work and outside of work with the managers, customers, suppliers and authorities. In order to ensure the communication among the employees at all levels and to establish an effective and structural communication, the communication needs are determined using various means. K.P. Transports Pvt Ltd attaches great importance to communication with not only its employees but also all of its stakeholders.

The Company acknowledges that creating an open, close and continuous communication environment is of vital importance in maintaining the motivation and efficiency of its employees. To overcome the language barriers, therefore, all announcements and communication is done in both local as well as English language.

We also engage with our employees almost every day to discuss about job, personal and organization growth through various ways such as morning meeting, daily meeting, monthly communication meeting and participative management activities, Employee Engagement Survey, Internal Sport and Get Together.

### Labour management relations

In order that we improve labour management relations, we have developed a management worker involvement program, this involves an open-door policy which allows for free and fair discussions on issues such as health and safety, terms and conditions of health and safety and other specific concerns.

The workers have the freedom to join or associate with a union of their choice, though we do not have any union within our Company. The safety committee acts as their representative committee; its purpose is to facilitate co-operation and reach consensus between employer and employees regarding the terms and conditions within the sector. The agreed terms and conditions are contained within a collective agreement that all business within the sector must observe.

### Minimum Notice periods

Management's decisions and declarations are commuted through a written note on the notice board. While minimum notice period of 30 to 90 days, depending on the position of the employee relating to operational changes is specified in the relevant agreements, we also openly discuss such operational changes during our employee meetings before any changes are made. The process is peaceful and productive across all locations.

## Human Rights

### Our engagement with internal and external stakeholders

Our human rights approach is aligned with universally accepted human rights standards and we support the human right issues included in the Universal Declaration of Human Rights.

The businesses of K.P. Transports Pvt Ltd are committed to make best efforts to adhere to internationally recognized human rights and seeks to avoid complicity in human rights abuses, we support the human right issues included in the Universal Declaration of Human Rights. Integrity, trust, fairness and honesty are the basics that guide our strategies, our behaviour and the relationships we build with people, both internally and externally. The Company endeavours to uphold the human rights outlined in the Global Compact, not only in terms of its employees, as detailed above, but also for others such as customers and business associates.

These guidelines serve as the pillars in areas where local regulations are assessed as weak or non-existent. We are also non-tolerant to any human rights violation that comes to our attention within our organization and supply chain.

Our human rights policy is committed applies to every employee and sits alongside other specific policies such as health & safety, environment, anti-corruption etc.

## Community Engagement

Our social responsibility has a direct synergy to our business goals and this assumed an increased strategic importance during the year 2008 of economic crisis and subsequent economic recession. We reviewed our strategic plan and initiated more focused activities to achieve higher community satisfaction.

### Community Meets

The key communities are identified and community needs are systematically identified through interaction with the leading community members, need assessments and the “Health Camps” that we organize regularly from our company.

Once in a year, we organize these camps and interaction sessions wherein we showcase the efforts we have taken to achieve excellence in our business and be responsible to our surroundings in addition to our planned efforts to educate, and other community initiatives. The representatives from public institutions, schools, universities, village representatives, business community representatives and other leading community members attend the community meets.

### Social Satisfaction

We work in close association with various local administrative and government authorities to ensure a continuous improvement in Social relations.

The celebration of local festivals in the near-by temples and the donation to temples for the society welfare are some of the key contribution done by us regularly. Some other activities carried out by us as a part of our community service are: Organizing blood donation and medical camps, education for the students from the surrounding community, Monetary and material support to needy persons,

helping local community in their needs, to promote community harmony between the organization and surrounding community.

## Customers

As a responsible citizen, we strive to be the customer's business partner of choice. We are committed to fulfilling the present needs and anticipating the unmet needs of our customers. We believe in delivering value for customers through creativity, innovation, productive relationships, quick response and simplicity in all that we engage in.

## Customer Satisfaction

The customer feedback survey conducted annually by K.P. Transports Pvt Ltd has helped us to greatly improve our performance on various aspects, K.P. Transports Pvt Ltd has improved continuously on various attributes including its service quality; KP Transports Pvt Ltd.'s technical team works closely with its customers to address their difficulties. We constantly encourage our customers to provide feedback through mail exchanges, meetings, phone calls, feedback surveys. Our marketing team, who is the face of K.P. Transports Pvt Ltd, ensures that there is a continual dialogue and work towards meeting their expectations.

Every year we conduct self-assessments on customer satisfaction based on certain relevant parameters wherein we analyse the results and suggest corrective actions for any dissatisfaction.

## Customer Privacy

Customer privacy and security is a vital part of our responsibility to customers and essential to our relationship.

Our customers trust us with their personal information and their privacy. Protecting that information and respecting their privacy is fundamental to maintaining their trust. Our privacy rules include confidentiality of information, and preferences, securing their information.

We are in the process of developing a framework to further strengthen our privacy programmes in line with the GDPR, starting with how we collect, use and manage customers' information – from ensuring the confidentiality of their personal information and respecting their permissions and preferences, to protecting and securing their information. We have had no violations to customer privacy in FY 22.

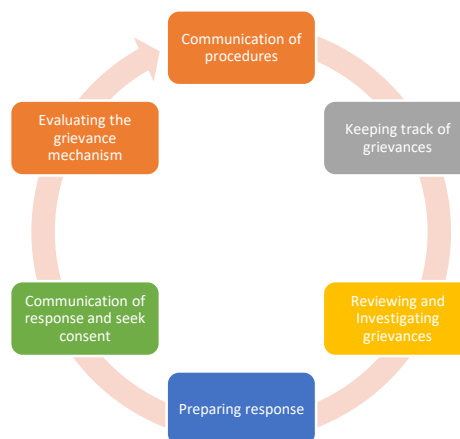
## Responsible advertising and marketing communications

To demonstrate responsibility and good practice in commercial communications across the world and enhance overall public confidence in marketing communications, during reporting period, we have developed and adopted the guidelines on responsible advertising and communications in line with principles of the appropriate Chambers of Commerce. These guidelines reflect our recognition to our social obligations. Such self-regulation enables us to create, enhance and preserve consumer trust and confidence in the business communities. In FY 22, there were no incidents or cases related to marketing communications including advertising, sponsorship or promotion.

## Grievance Redressal Mechanisms

We recognize that a grievance redressal mechanism contributes to effective management and strengthening of the stakeholder engagement.

We have adopted grievance policy which defines the formal grievance procedure for all stakeholders. K.P. Transports Pvt Ltd. has suggestion/grievance boxes at the all operative locations for all stakeholder and this does attract suggestions and issues from time to time. Stakeholders can raise their concerns directly and submit a formal grievance. The grievance will then be assessed by an independent department who



would get in touch with respective department for resolving such issues. Post this, communication is sent to the stakeholder about the actions taken to resolve their concern within 30 days. If the stakeholder is not satisfied, he/she may escalate it further to the Senior Management who will respond through a process of consultation and discussion.

Employees can access the grievance mechanism form through Grievance Box or Grievance Online. Employees can raise their concerns directly with their supervisors, senior management, or shop steward, or submit a formal grievance form to [hr@kptransports.com](mailto:hr@kptransports.com) if necessary, a hearing with an independent external chairperson will be convened to resolve the issue.

We are in the process of deploying a more robust stakeholder grievance mechanism that can be extended to all stakeholders which will also monitor and report lessons learned throughout the process of handling grievances and can help ensure continual improvement of the company's operations, it will also create a base level of information that can be used by the company to report back to the stakeholder. We aim to deploy the same in next year. Currently there are no pending grievances.

Grievance Areas	Number of grievances identified
Labour Practices	Nil
Environment	Nil
Society	Nil
Human Rights	Nil

## Whistle Blower

We have also formulated whistle blower policy to encourage all employees to fearlessly come out with their complaints regarding any kind of value violations, misuse of company's property, mismanagement or wrongful conduct prevailing in the company. A standard committee has been formed to uphold the organization discipline and values. The policy ensures that 'whistle blower' looked upon as 'Value Champion' will be given fair treatment and identity is protected.

Violation of any law or regulations
Corruption, bribery, theft, fraud, coercion and wilful omission
Conflict of interest
Procurement frauds
Mismanagement, Gross wastage

Manipulation of Company data
Stealing cash/company assets; leaking confidential information
Unofficial use of Company's material/human assets
Activities violating Company policies
Danger to public health and safety
Abuse of authority, Discrimination

## Political Contributions

Our code of conduct guides us to respect the Government, laws and institutions in the nations where we operate. While participating in democratic processes encourages us to remain apolitical and not to entertain any requests related to representation in elections or request for fund from parties or sharing of resources or opinion formation.

## Future Proofing

Our business endeavours to become industry benchmark for sustainability processes and performance in the coming years through qualitative engagement of all stakeholders, while ensuring profitable and sustainable growth.

## Climate Risks

Although, we do not foresee any immediate threat to our business operations in next 10 years due to climate changes, even then as a responsible global and national citizen, we plan to take appropriate measures from time to time to cope with any situation, aligning our action plan with the Indian Government's national policy. We understand the situation and give topmost priority for sustainability. Going by the future predictions about climate in India, we are quite safe and there is no need of pressing any panic button right now. Due to nationwide effects e.g. Sea Level Rise /Global Temperature increase/Precipitation behaviour change/Land subsidence/Agriculture GDP decline/Mass emigrations etc., we will be affected indirectly from the problems arising out of climate change. The Indian Government has been taking- up all the possible measures proactively by adopting various plans for up to next several years. We are bound to comply by all the directives issued from time to time, by the concerned authorities.

Throughout the world, countries are experiencing a need to protect their populations and productive capacities in the face of new climate challenges. At the same time, each country has the responsibility to reduce greenhouse gas emissions and its contribution to a global problem. These two goals require significant adaptation and mitigation efforts as countries adapt to a new lifestyle. India has begun implementing interesting strategies to adapt to climate change, to mitigate some of the effects that are already felt across sectors, and to protect farmland, coasts and cities.

We are in the process of conducting a detailed inventory of our GHG footprint and plan to analyse the life cycle impacts of our product, improving our energy performance including increasing our purchase of renewables and CO<sub>2</sub> intensity per ton of operations. We have also adopted the precautionary approach in all areas of decision making. We keep our eyes open to the happening's taking place all over the globe and will keep on updating our position status to cope up the needs arising out of these natural changes.

The emergence of billions more consumers in the next 20 year will drive up demand for a range of different resources. This soaring demand will occur at a time when finding new sources of supply and extracting them is becoming increasingly challenging and expensive, notwithstanding technological improvement in the main resource sectors.

Compounding the challenge are stronger links between resources, which increase the risk that shortages and price changes in one resource can rapidly spread to others. Hence overall as a business, our focus is on exploring products and staying updated on the latest technologies to develop efficient service in a more efficient way.

### Operational Excellence

The Sustainability Committee reviews management of sustainability risks and updates the business risks on a periodic basis. It also identifies sustainability issues that need to be integrated with the business plan. The following six key issues were identified as having environmental impacts in FY 22:

#### *Energy*

We understand our contribution and impact on climate and have aligned our existing processes and initiatives to improve our carbon footprint. K.P. Transports Pvt Ltd. heavily uses energy resources during its operations. The electricity and diesel consumed for the different operations causes some greenhouse gas emission. We have undertaken projects over the last two years in that direction such as energy saving Initiatives to reduce the energy consumption and will continue to do so.

We plan to develop a technology roadmap wherein we can budget investments in quality improvement and modernization of technologies that will not only improve our operational efficiency but also increase the energy efficiency of the existing equipment and process. It will also help us reduce our dependence on fossil fuels. Long term sustainability was one of the key criteria while designing the projects. The key objectives aimed at reducing cost and wastages whilst maintaining product quality and energy efficiency.

We are constantly reviewing our energy performance and mapping the energy scenario as aligned to our growth strategy. Our engineers have also been reviewing the properties of the relevant equipment in terms of energy consumption and benchmarking it for comparison while purchasing new equipment or changing a process. In the coming years, we plan to partner with energy solution providers.

#### *Renewable energy:*

Over 70% of our emissions are from fossil fuel generated diesel, we understand the finite nature of fossil fuels and its impact on the environment and the need to invest in renewables. We will hence be exploring the feasibility of replacing diesel with better alternative of CNG and electric vehicles for all sites in the coming years.

#### *Emissions*

Monitoring and control of greenhouse gas emissions known to cause climate change which is a global issue, is important to K.P. Transports Pvt Ltd.

Our emissions data is closely linked to our energy consumption and we are working towards aligning our carbon strategy & targets with the energy strategy and targets. We will be looking to improve our emissions performance, awareness levels and capability of our employees and key stakeholders on emissions management and mitigation.



## Water

We realize that water is a precious natural resource and its efficient use is essential to demonstrate our commitment to the planet, hence we set and monitor intensity targets.

We are focused on creating awareness on water use and its management in FY 23 across all levels of employees and completing our water footprint assessments during the coming years.

## Waste

### Hazardous and non-hazardous solid waste

Efforts for reducing hazardous and non-hazardous waste, reduction of material waste increasing waste recycling and improving waste intensity were undertaken in FY 22, we are working towards a target of ZERO waste to municipal landfills by FY 25. We also plan to develop a waste management framework to improve our performance.

## Initiatives to Achieve the UN SDGs

The Sustainable Development Goals (SDGs) are a set of development goals for international society as a whole to pursue from 2016 to 2030 that were adopted as part of a resolution titled “Transforming our world: the 2030 Agenda for Sustainable Development” at the UN Sustainable Development Summit in September 2015. The SDGs comprise 17 goals and 169 targets for realizing a sustainable world. Governments and civil society, as well as the private sector, including corporations, are expected to utilize their resources and coordinate to help achieve the SDGs.

In accordance with its vision of realizing Sustainability, K.P. Transports Pvt Ltd aims to not only help solve environmental and social issues but contribute to the sustainable development of society and the planet. As such, we believe that many aspects of our vision of realizing Sustainability parallel the SDGs. We have laid out below how some of our wide-ranging initiatives are contributing to the realization of the SDGs.



**K.P. Transports Private Limited** is a participant in the Climate Neutral Now Initiative by UNFCCC. (FY 2022-23)

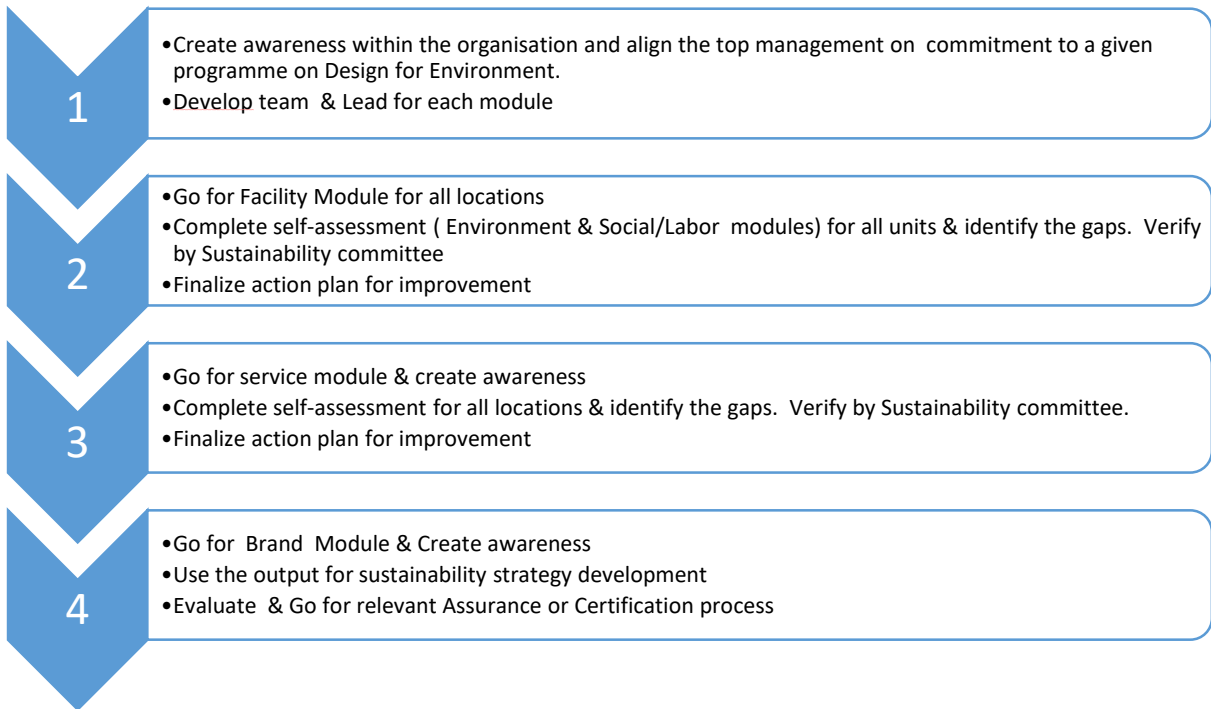


**K.P. Transports Private Limited** has been working with Prajnanabodhini, a NGO that is active in Educational and Social fields. (FY 2022-23)



1. Annual health check-ups are done within the organization for well-being of all employees.
2. We are planning to organise health check-up camps in nearby villages in FY 2023-24

#### *Our Deployment Plan*



## General Standard Disclosures

#	Disclosures	Coverage	Section	Page No.
<b>Section: Strategy &amp; Analysis</b>				
102-14	Statement from senior decision-maker	Fully	Vision and Approach	2
<b>Section: Organizational Profile</b>				
102-1	Name of the organization	Fully	Company Profile	6
102-2	Activities, brands, products, and services	Fully	Product Portfolio	7
102-3	Location of headquarters	Fully	Company Profile	6
102-4	Location of operations	Fully	Company Profile	6
102-5	Ownership and legal form	Fully	Company Profile	6
102-6	Markets served	Fully	Company Profile	6
102-7	Scale of the organization	Fully	Company Profile	6
102-8	Information on employees and other workers	Fully	Employee Diversity	25
102-41	Collective bargaining agreements	Fully	Labour Management Relations	36
102-9	Supply chain	Fully	Company Profile	6
102-10	Significant changes to the organization and its supply chain	Fully	Scope and Boundary	7
102-11	Precautionary principle approach	Fully	Governance	9
102-12	External initiatives	Fully	Vision and Approach	2
102-13	Membership of associations	Fully	Company Profile	6
<b>Section: Identified Material Aspects &amp; Boundaries</b>				
102-45	Entities included in consolidated financial statements	Fully	Scope and Boundary	7
102-46	Defining report content and topic Boundaries	Fully	Reporting Principles	7
102-47	List of material topics	Fully	Material Issues	15
103-1	Explanation of the material topic and its Boundary	NA	-	-
102-48	Restatements of information	NA	-	-
102-49	Changes in reporting	NA	-	-
<b>Section: Stakeholder Engagement</b>				

102-40	List of stakeholder groups	Fully	Creating Stakeholder Value	31
102-42	Identifying and selecting stakeholders	Fully	Creating Stakeholder Value	31
102-43	Approach to stakeholder engagement	Fully	Creating Stakeholder Value	31
102-44	Key topics and concerns raised	Fully	Creating Stakeholder Value	31
<b>Section: Report Profile</b>				
102-50	Reporting period	Fully	Scope and Boundary	7
102-51	Date of most recent report	NA	-	-
102-52	Reporting cycle	Fully	Scope and Boundary	7
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102-54	Claims of reporting in accordance with the GRI Standards	Fully	Scope and Boundary	7
102-56	External assurance	Fully	Assurance	8
<b>Section: Governance</b>				
102-18	Governance structure	Fully	Governance	9
<b>Section: Ethics &amp; Integrity</b>				
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103-2, 3	The management approach and its components Evaluation of the management approach	Fully	Material Issues, Governance	9,15
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201-2	Financial implications and other risks and opportunities due to climate change	Fully	Climate Risks	45
201-3	Defined benefit plan obligations and other retirement plans	Fully	Employee Benefits	28
201-4	Financial assistance received from government	Fully	Economic Performance	17
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Fully	Entry level wage, basic salary and remuneration	26
202-2	Proportion of senior management hired from the local community	Fully	Senior Management Hiring	29
203-1	Infrastructure investments and services supported	Fully	Indirect Economic Impact	18

203-2	Significant indirect economic impacts	Fully	Socio-economic contribution	18
204-1	Proportion of spending on local suppliers	Fully	Procurement Practices	35
<b>Environment</b>				
301-1	Materials used by weight or volume	Fully	Materials	19
301-2	Recycled input materials used	Fully	Materials	19
302-1	Energy consumption within the organization	Fully	Energy	20
302-2	Energy consumption outside the organization	Not Covered	-	-
302-3	Energy intensity	Fully	Energy	20
302-4	Reduction of energy consumption	Fully	Energy	20
302-5	Reductions in energy requirements of products and services	NA	-	-
303-1	Water withdrawal by source	Fully	Water Resource Management	23
303-2	Water sources significantly affected by withdrawal of water	Fully	Water Resource Management	23
303-3	Water recycled and reused	Fully	Water Resource Management	23
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NA	-	-
304-2	Significant impacts of activities, products, and services on biodiversity	NA	-	-
304-3	Habitats protected or restored	NA	-	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	NA	-	-
305-1	Direct (Scope 1) GHG emissions	Fully	Emissions	22
305-2	Energy indirect (Scope 2) GHG emissions	Fully	Emissions	22
305-3	Other indirect (Scope 3) GHG emissions	Fully	Emissions	22
305-4	GHG emissions intensity	Fully	Emissions	22
305-5	Reduction of GHG emissions	Fully	Emissions	22
305-6	Emissions of Ozone-depleting substances (ODS)	Fully	Emissions	22
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air	Fully	Emissions	22

306-1	Water discharge by quality and destination	Fully	Waste Water Management	24
306-2	Waste by type and disposal method	Fully	Waste Management	21
306-3	Significant spills	Fully	Waste Management	21
306-4	Transport of hazardous waste	NA	-	-
306-5	Water bodies affected by water discharges and/or runoff	NA	-	-
301-3	Reclaimed products and their packaging materials	NA	-	-
307-1	Non-compliance with environmental laws and regulations	Fully	Compliance	18
NA	NA	Fully	Emissions	22
NA	NA	Fully	Environmental Expenditures	25
308-1	New suppliers that were screened using environmental criteria	Fully	Strengthening our supply chain	34
308-2	Negative environmental impacts in the supply chain and actions taken	Fully	Strengthening our supply chain	34
103-2	The management approach and its components	Fully	Grievance Redressal Mechanisms	44
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401-1	New employee hires and employee turnover	Fully	Employment	25
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fully	Employee Benefits	28
401-3	Parental leave	Fully	Return to Work and Retention Rates	36
402-1	Minimum notice periods regarding operational changes	Fully	Labour Management Relations	36
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403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Fully	Occupational Health and Safety	29
403-3	Workers with high incidence or high risk of diseases related to their occupation	Fully	Occupational Health and Safety	29
403-4	Health and safety topics covered in formal agreements with trade unions	Fully	Labour Management Relations	36
404-1	Average hours of training per year per employee	Fully	Training and Education	26
404-2	Programs for upgrading employee skills and transition assistance programs	Fully	Training and Education	26
404-3	Percentage of employees receiving regular performance and career development reviews	Fully	Training and Education	26
405-1	Diversity of governance bodies and employees	Not Covered	-	-
405-2	Ratio of basic salary and remuneration of women to men	Fully	Employment	25
414-1	New suppliers that were screened using social criteria	Fully	Strengthening our supply chain	34
414-2	Negative social impacts in the supply chain and actions taken	Fully	Strengthening our supply chain	34
103-2	The management approach and its components	Fully	Grievance Redressal Mechanisms	44
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412-2	Employee training on human rights policies or procedures	Fully	Human Rights	37
406-1	Incidents of discrimination and corrective actions taken	Fully	Human Rights	37
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Fully	Human Rights	37
408-1	Operations and suppliers at significant risk for incidents of child labor	Fully	Human Rights	37
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Fully	Human Rights	37
410-1	Security personnel trained in human rights policies or procedures	Fully	Human Rights	37
411-1	Incidents of violations involving rights of indigenous peoples	NA	-	-
412-1	Operations that have been subject to human rights reviews or impact assessments	Fully	Human Rights	37
414-1	New suppliers that were screened using social criteria	Fully	Strengthening our supply chain	34
414-2	Negative social impacts in the supply chain and actions taken	Fully	Strengthening our supply chain	34
103-2	The management approach and its components	Fully	Grievance Redressal Mechanisms	44
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413-2	Operations with significant actual and potential negative impacts on local communities	Fully	Impact assessment on communities	40
205-1	Operations assessed for risks related to corruption	Fully	Our performance as per the UN Global Compact's ten principles	37
205-2	Communication and training about anti-corruption policies and procedures	Fully	Our performance as per the UN Global Compact's ten principles	37
205-3	Confirmed incidents of corruption and actions taken	Fully	Our performance as per the UN Global Compact's ten principles	37
415-1	Political contributions	Fully	Political Contributions	45
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Fully	Anti-competitive behaviour	31
419-1	Non-compliance with laws and regulations in the social and economic area	Fully	Compliance	18
414-1	New suppliers that were screened using social criteria	Fully	Strengthening our supply chain	34
414-2	Negative social impacts in the supply chain and actions taken	Fully	Strengthening our supply chain	34
103-2	The management approach and its components	Fully	Grievance Redressal Mechanisms	44
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416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Fully	Customer Health and Safety	43
417-1	Requirements for product and service information and labeling	Fully	Products and Service Information	24

417-2	Incidents of non-compliance concerning product and service information and labeling	Fully	Products and Service Information	24
102-43 102-44	Approach to stakeholder engagement Key topics and concerns raised	Fully	Customer Satisfaction	43
102-2	Activities, brands, products, and services	NA	-	-
417-3	Incidents of non-compliance concerning marketing communications	Fully	Responsible Advertising and Marketing communications	43
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Fully	Customer Privacy	43
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