

# Responsible Infrastructure



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## Message from the Chairman & Managing Director

Dear Reader,

I am happy to present our 13th Sustainability Report. This Report upholds our legacy of being a responsible corporate citizen and showcases the focused approach that has enabled us to create shared value. The 2021-22 report tracks our performance across the triple bottom line, including environmental responsibility, stakeholder engagement, and business sustainability.

This report includes our 14th consecutive Communication on Progress (COP) on the U.N. Global Compact's CEO Water Mandate, to which HCC is a signatory. The report adheres to the GRI Standards and is independently assured by a third-party agency.



In the past two years, our country and the world have been traumatized by the COVID-19 pandemic. Yet, the accomplishments made during these trying times are no less extraordinary. We, at HCC, have focused on our long-term sustainability initiatives which are aimed at deleveraging the balance sheet and pruning fixed costs. These include augmenting internal capabilities, managing and mitigating risks, being selective in securing new orders, and resolving contractual issues with clients.

Our projects have made additional efforts to remobilize the required workforce and strengthen supply chain management with improved vendor management. These efforts have translated in HCC registering the highest growth, across key performance parameters, compared to the last four years. The turnover reached ₹4,666.3 crore, with operating profits of ₹788.9 crore, and the total order backlog as of March 31, 2022, was ₹15,967 crore.

We have adopted sustainable construction practices that have reduced Portland Cement usage by fly ash utilization and ground granulated blast furnace slag at various projects. This initiative has helped in reducing the GHG emission by 5437 tons CO<sub>2</sub>eq. Besides, we have taken several steps which include protecting the natural environment, choosing non-toxic materials, reducing, and reusing natural resources, and minimizing waste. Our continued emphasis on improving environmental, health, and safety management systems have helped us achieve 32.38 million safe manhours across our project sites.

Our in-house water stewardship program has helped in enhancing the sustainability of our operations. This year, the water use efficiency across operations, accompanied by a community-based water conservation intervention, has helped conserve more than 780 million water litres. HCC has maintained Water Positive status for the eighth consecutive year. In addition, we also ensure that communities in the vicinity have better access to water.

While we have provided a detailed discussion on several sustainability parameters in the pages ahead, we look forward to receiving any feedback or suggested areas of improvement from you on the same.

Ajit Gulabchand

Chairman and Managing Director

## About the Report

Hindustan Construction Company Ltd.'s 13th annual sustainability report is titled Responsible Infrastructure 2021-22. This report details our progress in terms of the economy, environment, and social issues over the reporting period. This report reaffirms our commitment to creating a sustainable future.

## Report Approach

HCC has reported in accordance with the GRI Standards for the period April 1, 2021, to March 31, 2022. The report presents material topic disclosures and performance highlights on the key sustainability issues material to the company. This report includes the 14th consecutive annual 'Communications on Progress' (COP) on the United Nations Global Compact's CEO Water Mandate Initiative, covering the same reporting period.

## Report Content

Our Sustainability Report includes data of our operations for the reporting period 1 April 2021 to 31 March 2022. Data pertaining to workforce including safety, environment, supply chain and community initiatives have been compiled using our centralized database at Corporate office, while it has been verified from individual project sites. The economic performance data disclosed in this report is aligned to the audited financials published in our Annual Report FY 2021-22.

## Report Scope and Boundary

This report covers our performance\* for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 and addresses the performance of all our projects in progress during the reporting year. Any exceptions in the boundary with respect to specific performance disclosures are clearly mentioned within the report.

*\* The economic indicators presented in the report are based on the data that forms a part of HCC's Annual Report.*

## Independent Assurance

The veracity and credibility of this report is assured after proper due diligence by BDO India LLP, a limited liability partnership, a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO has provided assurance as per type 2, moderate level of AccountAbility's AA 1000 Assurance Standard v3.

The assurance statement can be viewed on page no. 37 of the report.

We will strive to continue enhancing our sustainability disclosures going ahead. Any feedback and queries are welcome, and may be directed to:

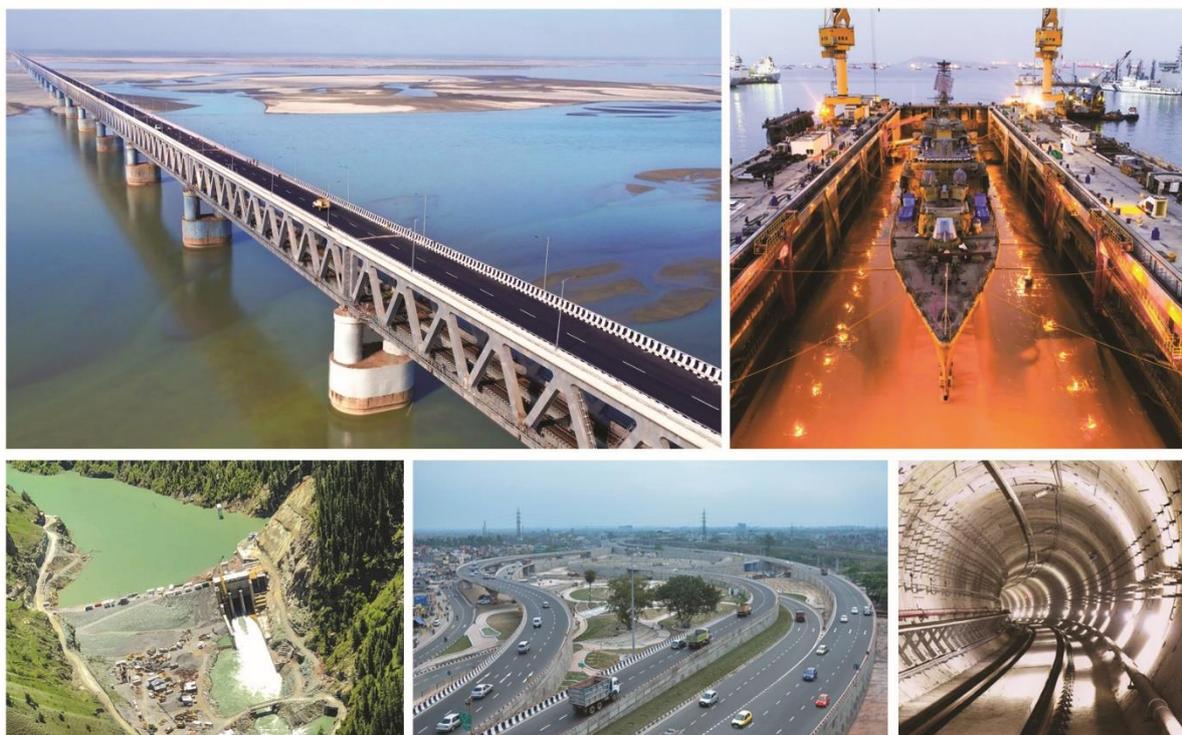
Sandeep Sawant  
General Manager – Corporate Communications  
sandeep.sawant@hccindia.com

## Organizational Overview

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With a group turnover of ₹10,670 Cr (\$ 1.415 billion), its businesses span across engineering & construction and infrastructure.

Founded by Industrialist Seth Walchand Hirachand in 1926, HCC Ltd has constructed a majority of India's landmark infrastructure projects, having constructed 26% of India's hydro power and over 60% of India's nuclear power generation capacities, over 4,036 lane kilometres of expressways and highways, more than 365 km of complex tunnelling of which over 206 km are in the Himalayan region and over 395 major bridges. Today, HCC Ltd serves the infrastructure sectors of transportation, power, and water.

Landmark projects executed by HCC include the Bogibeel Bridge- India's longest rail-cum-road steel bridge; Kishanganga Hydro Power Project - Largest EPC contract of NHPC; Bandra Worli Sea Link – India's first and longest open sea cable-stayed bridge; the Kudankulam Nuclear Power Plant – India's first and largest light water reactors and the Kolkata Metro – India's first Metro.



Being the first construction company in India to implement ISO certified Quality, Occupational Health & Safety and Environment Management systems and robust Corporate Governance norms, HCC has also achieved the fastest implementation of SAP- ERP across all its project locations, some even at record-breaking altitudes of 11,000 feet in the Himalayan ranges.

The Company has invested in the early adaption of advanced engineering equipment, new and innovative technology and strategic international associations. HCC's order book as of March 31, 2022, is ₹ 15,967 cr (\$2.12 billion). The company has registered revenue of ₹ 4,666 cr (\$ 619 million) and operating profit of ₹ 789 cr during FY 2021-22.

HCC's commitment to 'Responsible Infrastructure' has been time enduring, with social commitment and environmental responsibility becoming integral principles in its business goals. Its initiatives encompass Disaster Relief, Water Sustainability, Education, Health and Community Initiatives. HCC's sustainability reporting from 2010 to 2021 has been as per the GRI Standards.

Disaster Relief forms a significant area of focus at HCC. The company is a founder member of Disaster Resource Network of India wherein it has steered emergency response teams and rehabilitation to a number of locations struck by natural disasters. Recognizing the emerging water crisis and with a view to make water sustainability a corporate priority, HCC became the first Indian company to endorse the United Nations' Global Compact (UNGC)'s CEO Water Mandate. HCC has demonstrated its water consciousness by implementing a series of rigorous and improved water management practices at its project sites.

## HCC Group of Companies

The HCC Group of companies now comprises HCC Ltd, HCC Infrastructure Co Ltd and Steiner AG in Switzerland.

**HCC Infrastructure Co Ltd** is a leading infrastructure developer engaged in the creation and management of premium assets in the areas of transportation. HCC Infrastructure has developed and operated ~₹7,000 crore (US\$ 928 million) NHA Concessions.

**Steiner AG** is Switzerland's second largest building construction company. With a heritage of nearly 106 years, the company specialises in the turnkey development of new buildings and refurbishments and offers services in all facets of real estate development and construction. The company has registered a revenue of CHF 754 million (₹6,015 crore) and a net profit of CHF 39 million (₹312 crore) in FY 2021- 22. The order backlog is CHF 1 billion (₹8,041 crore) at the end of the year.

## The Board of Directors at HCC

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Ajit Gulabchand | Chairman & Managing Director

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Arjun Dhawan | Vice Chairman & Whole-time Director

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Anil C. Singhvi | Independent Director (upto December 23, 2021)

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N. R. Acharyulu | Independent Director (Non-Executive Director till June 22, 2021 and Independent Director w.e.f. June 23, 2021)

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Santosh Janakiram Iyer | Independent Director

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Mahendra Singh Mehta | Independent Director

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Mukul Sarkar | Nominee Director

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Dr. Mita Dixit | Independent Director

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Arun Karambelkar | Non -Executive & Non -Independent Director (w.e.f. June 23, 2021)

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Further details of our corporate governance are available in the Annual Report FY 2021-22 on our website:

[HCC ANNUAL REPORT 2021-22](#)

(click to download)

Our Equity Shares are listed on the Bombay Stock Exchange (BSE) as well as the National Stock Exchange of India Limited (NSE).

## Business Profile

Specialists in delivering technically complex high value projects across core sectors like Hydro Power, Nuclear Power, Transportation, Water Solutions and Buildings & Industrial.

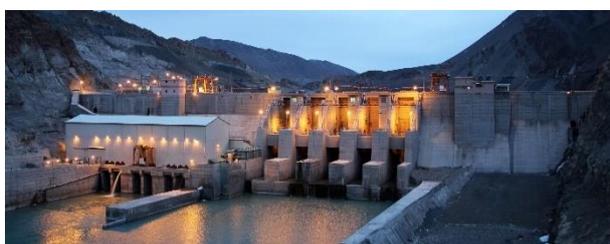
### TRANSPORTATION



Roads | Highways | Expressways | Bridges | Elevated Corridors | Railways | MRTS (Metro Rails) | Ports | Marine Structures

4036 lane km of Expressways and Highways | 395 bridges

### HYDRO POWER PROJECTS



Dams | Barrages | Tunnels | Powerhouses | Shafts | all types of underground works

Built 26% of India's Hydel Power generation capacity

### NUCLEAR POWER PROJECTS:



Reactors | Auxiliary Buildings | Spent Fuel Buildings | Safety Pump Houses | Control Buildings

Built 60% of India's Nuclear Power generation capacities | Built 17 out of 26 reactors in India

### WATER SOLUTIONS:



Integrated Water Supply Systems | Bulk Water Transmission | Dams | Barrages | Irrigation | Water Treatment and Sewage Treatment Plants | Aqueducts

Built 7 irrigation dams | 105 water/sewage treatment plants | 21 barrages | 11 aqueducts

### BUILDINGS AND INDUSTRIAL:



Metals & Process Plants and Factories | Residential & Commercial Buildings | Institutional Buildings | Station Buildings

Built 19 Industrial buildings | 14 Commercial buildings | 11 Institutional buildings | 18 Metro station buildings | 47 Power plant buildings

## Vision

To be the Industry Leader and a market driven engineering construction company renowned for excellence, quality, performance, and reliability in all types of construction.

## Mission

- To be the customer's preferred choice for providing construction services
- Constantly assess the needs, realities and values of the customer and set goals to satisfy their needs.
- Continually innovate, develop, and adopt state-of-the-art technologies, methodologies and materials to deliver customer satisfaction through better, faster and cheaper construction.
- Continually aspire to deliver higher standards of safety, occupational health, and environment protection at work
- Continually develop and maintain a robust supply chain that will help us deliver value to the customer on time and to expectations.
- Continually improve the competence of our people through education and by inculcating strict principles of conduct and responsibility, high standards of performance, and respect for individuals and their work.
- Organize work for effectiveness in delivering results and always look to commit today's resources to the future.
- To build a reputation of trust and reliability amongst our customers, other stakeholders, and society.

## Awards and Recognitions

### 2021-22:

- The Lifetime Achievement Award to Mr Ajit Gulabchand, Chairman and Managing Director, HCC, bestowed by Construction Week
- '9th EPC World Awards 2022' to Bogibeel Rail-cum Road Project for 'Outstanding Contribution in Railway Project'
- 'Safety Innovation Award 2022' to DMRC - DC06 Project by Indian Institute of Engineers (IIE) for theme "Safety for Sustainable Development: Role of Artificial Intelligence"
- 'National Safety Award' to Integrated Nuclear Recycle Plant (INRP) - Phase 1 BARC by the National Safety Council
- 'Certificate of Appreciation' to DMRC - DC06 Project by the National Safety Council
- 'Certificate of Appreciation' to Vishnughad Pipalkoti Hydro Power Project by the National Safety Council
- 'Certificate of Appreciation' to Rajasthan Atomic Power Project - Units 7&8 by the National Safety Council
- 'CIDC Vishwakarma Award 2021' to Bogibeel Rail-cum-Road Bridge under Bridge category "Best Construction Project"
- 'Safety Innovation Award 2021' to DMRC - DC06 Project by Indian Institute of Engineers (IIE)

## Memberships

HCC is represented by our CMD Mr. Ajit Gulabchand at several national and global, governmental, departmental and industries forums. Some of these key memberships are:

1. Member of National Council of Confederation of Indian Industry (CII)
2. Chairman, CII Task Force on Public-Private Partnership in Infrastructure
3. Member of Governor's Steering Board of the Infrastructure and Urban Development (IU) Community at the World Economic Forum (WEF)
4. Member of Community of Chairpersons (COC) at WEF
5. Past Chairman and Member of the Governing Council of the Construction Skills Development Council of India (CSDCI)
6. President of the Construction Federation of India (CFI)
7. Member of Disaster Resource Partnership Board, IU, WEF
8. Member of UK India Business Council (UKIBC) Advisory Council
9. Member of Steering Board, Future of Urban Development Services, IU, WEF
10. Member of Steering Board, Partnering Against Corruption Initiative, WEF
11. Member of Steering Board, Future of Construction, WEF
12. Member of the Private Sector Alliance for Disaster Resilient Societies (ARISE), United Nations International Strategy for Disaster Risk Reduction (UNISDR)
13. Member of Board of Trustees – New Cities Foundation
14. Signatory member United Nations' Global Compact's CEO Water Mandate
15. Signatory member of Caring for Climate, United Nation's action platform for business.
16. Signatory member of WEF's CEO Climate Leaders
17. Past President of International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA)
18. Past President and Patron Member of the Governing Council of the Builders Association of India (BAI)
19. Chairman of the Board of Governors and Board of Trustees of the National Institute of Construction Management and Research University (NICMAR)
20. Chairman of the Administrative Council of the Walchand College of Engineering, Sangli
21. Chairman of the Board of Trustees of Gulabchand Foundation and Walchand Memorial Trust

Mr. Arjun Dhawan, Director & Group Chief Executive Officer of HCC is the member of:

1. CII infrastructure Council
2. World Economic Forum's Strategic Infrastructure Initiative
3. Young Presidents' Organization (YPO) Mumbai chapter

## Our Approach to Sustainability

### Management Approach

As a responsible construction and infrastructure major in India, HCC is aware of its business responsibility. Our business vision has been closely woven around the triple bottom line approach. Environmental responsibility and social commitment are considered in addition to our financial performance as we pursue sustainable growth.

We have adopted construction practices that are sustainable, ensure prudent use of natural resources, minimize the impact on the environment, and preserve the eco-system. Sustainability is embedded in the core values of our work as we continue to innovate and apply next-gen practices to execute some of the largest projects in the country.

### Stakeholder Engagement

We have systematically identified, prioritised, and engaged with a diverse set of stakeholders considering the present and potential impacts of our business on them and vice versa. We revisited our list of key stakeholders and material topics and validated them for their relevance to our operations for the current reporting FY 2021-22.

Our assessment of sustainability issues is primarily shaped by the nature of our activities, degree of impact on business, and stakeholder expectations. For adopting the GRI Standards, below is the outcome that reveals our stakeholders and the modes of engagement.

Stakeholders	Modes of engagement
Customers / Clients:	<ul style="list-style-type: none"> <li>One to one engagement with the client regularly to find new opportunities and resolve any issue during the operations.</li> <li>Formalized Customer Feedback obtained on various parameters such as Quality of Construction, HSE implementation, Adequacy and Competence of Human Resources, time schedule, etc. through a standard questionnaire on every quarter.</li> </ul>
Suppliers / Subcontractors:	<ul style="list-style-type: none"> <li>One on one engagement continuously to fulfil the requirements and resolve the issues.</li> <li>Pre-assessment and feedback system: Every vendor assessed based on various parameters, including the safety and environment, those vendors who got the higher scores to get selected.</li> </ul>
Employees:	<ul style="list-style-type: none"> <li>HCC interacted with employees through regular communications, E&amp;C connect emails, employee intranet, departmental meetings, training programs, and structured performance management system.</li> </ul>
Investors and Shareholders:	<ul style="list-style-type: none"> <li>HCC continuously engages with the investors and shareholders through regular communications; quarterly analyst meets, AGM, EGM, annual report, publications, grievance committee, designed user-friendly website in July 2019. We show our non-financial performance through Annual Sustainability Report, CSR reporting, and Business Responsibility report.</li> </ul>
JV Partners:	<ul style="list-style-type: none"> <li>Partnership development is a critical management approach in the strategic business sector, minimizing business risk during the bid and project execution.</li> </ul>
Local Communities:	<ul style="list-style-type: none"> <li>We continuously engage with the local communities around the project site to identify their needs and expectations. We actively engage with local government bodies on a need basis. This approach helps us better management of our project site.</li> </ul>

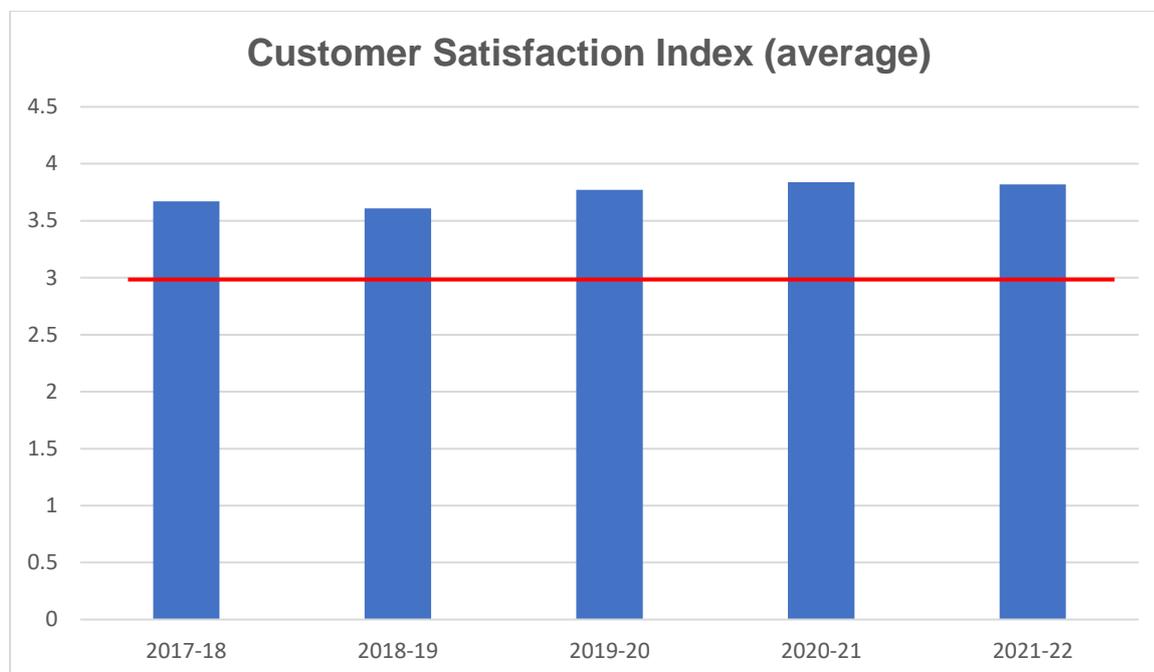
## List of Material Topics

The material topics that have the impact on the business considering principles set by GRI standards are as follows:

<b>Material Topic</b>	<b>Importance for HCC / Commitment of the HCC</b>
Economic Performance	We always try to improve our economic performance by re-crafting our strategic position and calibrating business objectives.
Procurement Practices	As an EPC company, sustainable supply chain and material management give us a competitive advantage.
Materials	While doing the resource optimization, the emphasis is on procuring material locally, thus reducing the time and cost.
Energy	Increasing energy savings directly relate to reduced cost of power and fuel, and thus reduced operational cost.
Water	Water is a critical requirement for our business and hence must be conserved. We have focused our efforts on water management and making HCC water positive.
Emissions	We have been using GGBS Fly-Ash to the extent possible and promote sustainable growth by enhancing energy efficiency and developing low-carbon technologies for building infrastructure.
Effluents and Waste	Reducing the waste and judicious use of natural resources.
Employment	We have an efficient recruitment and selection process to find and attract the best talent.
Labour Management Relations	The safety, health, and wellbeing of all our workforce are given the highest priority by providing them the best facilities.
Occupational Health and Safety	We always try to provide a safe and healthy workplace and comply with all health and safety regulations.
Training and Education	We provide the best learning opportunities to the employees and workers for their individual and professional development.
Diversity and Equal Opportunity	We respect gender diversity and equal opportunity and in intrinsic to our philosophy and culture.
Non-discrimination	We follow a zero-tolerance approach to the issues of employee discrimination.
Child Labour	We follow a zero-tolerance approach to bonded labour and child labour.
Local Communities	We give a holistic approach to support communities around project sites. We have specific thrust areas such as environment, health, disaster relief, education, and rural development.

## Formalized Customer Feedback System

The company obtains customer's feedback on various performance parameters through a standard questionnaire every quarter, which are analyzed to arrive at corrective measures. If the project is getting Customer Satisfaction Index (CSI) below 3 in any of the quarters, the Management Representative and the concerned Project Manager interact with the customer to have a better understanding of their expectations. The corrective actions to mitigate the causes of dissatisfaction are finalized and implemented.



## Business Development:

As an essential part of the business development process, we interact with clients of the upcoming projects during pre-qualification and at various stages of the bidding cycle to understand their expectations. It includes understanding project requirements, visiting the site to ascertain project execution feasibility, construction methodology, logistics, risks, and mitigation measures. If needed, a strategic partnership is formed with international contractors for new technology or sharing the expertise required to execute large and technically complex projects. A 'Partner Management' approach has been adopted to bid specific interactions with the joint venture partners. Over the last five years, HCC has aligned itself to the changing needs of Indian Infrastructure by focusing on the transport and energy sectors. Our order book as of March 31, 2022, is ₹159.67 billion.

## Risk Management

HCC has established a well-documented and robust risk management framework under the provisions of the Act. Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are managed systematically by categorizing them into Enterprise Level Risk & Project Level Risk. These risks are further broken down into various subcategories of risks such as operational, financial, contractual, order book, project cost and time overrun etc. and proper documentation is maintained in the form of activity log registers, mitigation, reports; and monitored by respective functional heads. Review of these risk and documentation is undertaken by Risk Management Committee regularly at agreed intervals.

## Supply Chain

HCC's supply chain comprises of multiple suppliers/stakeholders that are spread across the country. Labour contractors, technology/equipment providers, joint venture partners, and raw material suppliers are an integral part of our supply chain, with cement, aggregates, steel being the essential raw materials for us. HCC believes in creating sustainable partnerships with all its Business Partners, who play a vital role in helping us deliver quality products and services safely, ethically, and responsibly. Every supplier and contractor evaluate and given separate weightage for OHSE compliance and preference is given to the ISO 14001 and ISO 45001 certified supplier or contractor.

HCC has taken steps to procure goods and services from local & small producers, including communities surrounding their workplace. More than 75% of primary raw materials are procured through Indian suppliers. Items like aggregates, sand, etc., are procured locally. Also, the general stores material required for workers and officers' camps is procured locally, which positively impacts the local market.

HCC always strives to partner with the best suppliers. The supplier portal on HCC's website enables suppliers to collaborate effectively with HCC by providing customized access for meaningful information exchange over the Internet.

## Our Employees

### Management Approach

People have always been the driving force and the of HCC. Our focus on well-being of our employees continues. Our policies supporting the wellness, health and security of our employees have kept them engaged and continuing with us for long tenures. Despite various challenges, we have been able to develop, engage and retain our talent and workforce across project sites. Continuous counselling and emotional support through tie-ups with Medical Practitioners have kept our employees motivated and secure in a family environment.

FY 22 has witnessed relatively lesser impact of Covid across industries. Our staff being 100% vaccinated, had helped us keep all our projects up and running as usual. With the changing global scenarios, we have adapted ourselves to the global norms and policies. All our corporate offices staff have been operating virtually to ensure their safety. Work from home has been seamless as the employees were supported with digital infrastructure to ensure Business Continuity.

Our HR processes have now been digitized enabling our employees that are working from across geographies are able to access and comply to the processes making them more efficient. Online Performance Review process has not only brought in more transparency in the process and increased levels of trust but also enables us to maintain a record of every employee over years. Our performance linked pay program acknowledges the contribution and efforts of our employees and rewards them accordingly.

We continue to nurture and grow our talent through various behavioural, functional and technical learning programs. Our Leadership programs are designed to engage and develop our top talent in order to build our Leadership pipeline internally. Job rotations and job enrichment are integral part of Talent Development enabling employees to handle larger roles and responsibilities gradually.

HCC has also been focusing on diversity and inclusion. We have been hiring employees from across genders, regions, religions, physical abilities, education backgrounds and experience. We have also strengthened our Leadership Team with an endeavour to achieve our Business Goals and enable multi-fold growth over the coming years. We continue to review our HR policies and build processes and systems to ensure a best in class, future ready organisation and a preferred choice of employer in the industry.

An organisation with project sites spread out across the country and in remote areas, people inclusiveness & motivation is achieved by focussing on quality of life of the employees particularly at the sites, nurturing talent, building people skills, providing career progression, deploying employee engagement initiatives, providing dignity at work, respect for diversity, timely communication to employees through various modes viz. Homeport – the employee intranet, Newsletters, E-News etc.

### Attracting talent

With the growing demand for the specialised talent, our strong employer brand coupled with efficient and streamlined recruitment practises augment our ability to attract talent. We provide higher degree of autonomy & flexibility, versatile career path, and a culture of openness and professional development activities combined with advanced technology and IT infrastructure. A recruitment tool has been developed internally, aiming at creating an effective and robust database with reduction of paper consumption. Most of the recruitment processes are managed electronically.

Our project sites often located in remote & difficult geographical locations add a layer of complexity and difficulty in attracting talent. However, with a defined recruitment process & workforce planning driven by higher employment value proposition enable us to overcome the demographic challenges.

We ensure that our employees deployed at these projects are provided with high quality facilities as well as a safe and secure living environment.

During the pandemic, the processes relating to key HR activities like recruitment, on-boarding, and learning & development underwent a change. Entire recruitment process was made on-line, on-boarding new hires underwent a change to become fully digital & virtual induction process was introduced.

## **Employee Wellbeing**

We strive to create the skills, motivation, values, and trust to achieve the targets and at the same time ensures the long-term health and sustainability of both the organization's internal and external stakeholders, with policies that reflect equity, development and well-being and help support environmentally friendly practices.

The physical health, mental health and the social wellbeing of all our employees including workers are given the utmost priority. We conduct safety and health related trainings and awareness drives at all our project sites for our employees, contract workers and members of the surrounding communities. The safety performance across all project sites is monitored centrally at the corporate office on a continual basis and is reported to the senior management.

During the pandemic, periodic communication on safety protocols, hygiene practices, emergency numbers, list of hospitals, guidelines for quarantining and isolating, and much more were provided by HR. Also, assistance was provided by HR to employees at all project sites and their families across India needing medical help.

While we have kept and will continue to keep the safety and security of our workforce and their families as our first priority, we are constantly working on making our workforce more productive by continuously exploring and reviewing different HR practices.

## **Skills Development**

With the rapid growth of construction sector, there has been great demand placed on diverse range of skilled as well as unskilled workforce. Learning and Development continues to be an important aspect of our human resources strategy. Skill development not only enhances the personal growth of our employees but is also key to realizing our vision of being an industry leader renowned for excellence, quality, performance, and reliability in engineering construction. A wide range of technical and managerial training programs, catering to specific needs of various business sectors, functions and individual employees, are conducted through both internal and external trainers.

Graduate and management trainees are provided with focussed trainings through a combination of classroom and on-the-job training as well as special assignments. These training programs, together with coaching and mentoring provided by seniors, help them transition smoothly into corporate life within HCC. We also focus on training the workers; including sub-contract and PRW staff, in order to upgrade their skills, creating a safe working environment and contributing to their continued employability. We are working on converting a part of training and skilling to online mode. Many of the online HR processes already implemented like online Performance Management System, Employee Portal etc. will ensure that HR activities & employee connect do not get affected due to work from home or remote working.

## **Performance Management System**

The Performance Management System at HCC provides a platform to employees for a transparent discussion and feedback on performance and development on an annual basis. To foster an environment of meritocracy and teamwork the rewards are linked to individual, functional / business

and organizational performance. An online appraisal system through Homeport – the employee intranet was designed to capture inputs on Performance as well as Personal attributes.

## Zero tolerance to discrimination

As a responsible employer, we are committed to fair labour practices and are in compliance with all applicable laws. We follow a zero-tolerance approach on the issues of employee discrimination, bonded labour, child labour, corruption and unethical conduct. We strictly enforce age verification of employees and contract labourers at our project sites.

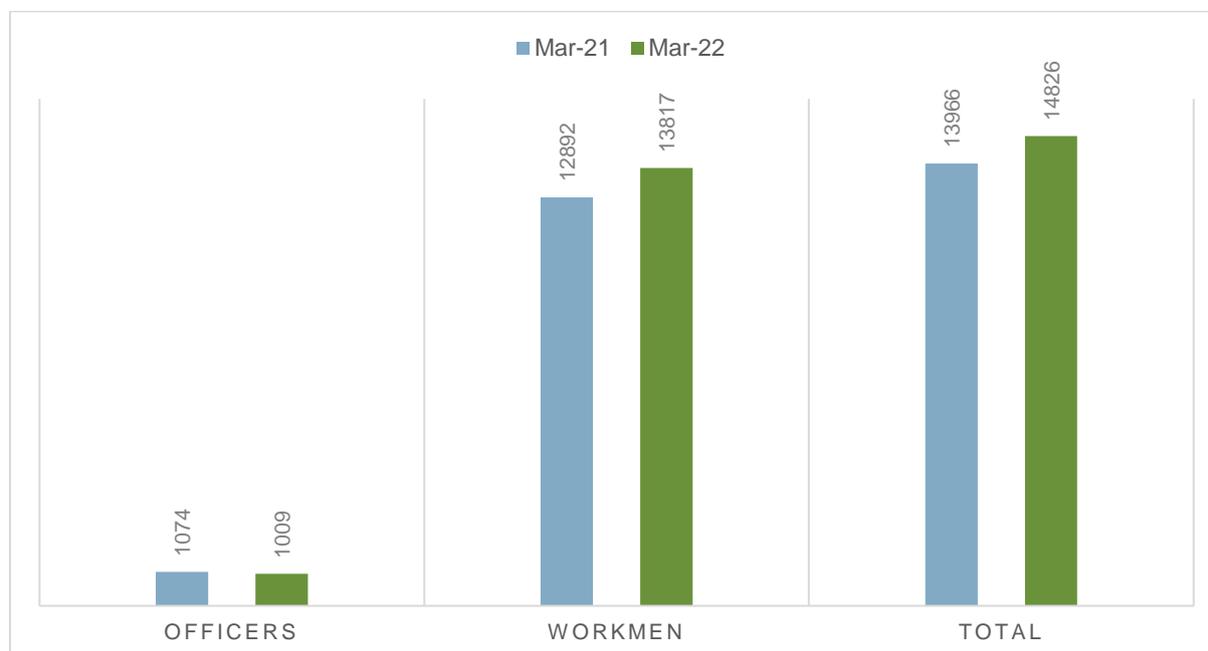
### Contract workmen

Responsibility towards all our contract workmen is an important element of our responsible infrastructure philosophy. We remain committed to ensuring their health, safety, overall well-being, continual learning and development, equal opportunity and upholding all facets of human rights as per the law of the land.

### Employment

Our human resources focus continued to be on improving efficiencies and optimizing cost. While the trend of attrition continued, it remained within industry standard. At the same time, we continued to hire people with the right skill sets in order to ensure efficient, timely and high quality execution of our projects.

As of 31<sup>st</sup> March, 2022, our total workforce strength (HCC Engineering & Construction business) was 14826. This comprised of 989 Senior, Middle and Junior Management Officers, 20 Trainees, Apprentices and Short-term Contracts, as well as 13817 Workmen (on project rolls, sub-contracted and piece rate workers).



A snapshot of our employment data, as of 31<sup>st</sup> March 2022 is presented below:

<b>Social Performance – Key Performance Indicators<sup>1</sup></b>	<b>FY 2021-22</b>
<b>Total Workforce</b>	
Workforce by Level of Employment	
Officers (Senior, Middle, Junior Management)	989
Others (Short Term Contracts, Trainees etc.)	20
Workmen (Excluding FTC)	13817
Workforce by Type of Contract	
Permanent Employees	3691
Sub-contract	3782
Piece-rate Workers	6344
Fixed-term Contract	56
Workforce by Gender (excluding Workmen)	
Male	978
Female	31

The details of employee turnover and new employee hires in FY 2021-22 are presented in the table below:

	<b>Employee turnover in FY 21-22 (Rate)</b>	<b>Number of new hires In FY 21-22</b>
Male	330 (33%)	288
Female	8 (25%)	7
< 30 years	110(55%)	123
30-50 years	160 (28%)	140
>50 years	68 (26%)	32

Our workmen (both permanent and temporary) at offices and project sites have the right of collective bargaining. While the workers on our rolls are fully unionized, the terms and conditions of the workmen on the sub-contractor rolls and piece rate workers are bargained by their respective sub-contractors/PRWs.

<sup>1</sup>All workforce figures are as of 31 March 2022 and pertain to all active project sites of the Company; HCC has pan-India presence and does not report regional breakdown; None of our project sites fall within areas defined as insecure.

## Project Incentive Scheme

We have a well-defined Project Incentive Scheme to align the project site employees to the overall goals of the project, strengthen team spirit and sense of ownership and set higher project performance benchmarks. The Project Incentive Scheme is directly linked to the performance of the project during the financial year. On meeting the performance targets including the safety & quality parameters, employees are entitled to incentives.

## Employee Benefits

Our Compensation Structure provides flexibility to determine the amount of Basic Salary in three options. Also, the flexibility has been provided to the officers to determine on certain components whether to avail on monthly or annual basis. Certain tax friendly options have also been provided to the officers.

Accommodation at project sites is provided to the officers at free of cost and the same is not included in their CTC.

Our full-time employees enjoy the following benefits during their association with us:

- Medical Insurance Scheme
- Superannuation Scheme/ Pension Scheme
- Executive Health check-up facility (Senior and Middle Management)
- Annual Performance linked incentive for Head Office Officers (Senior and Middle Management)
- Additional allowance/ benefits for employees posted in difficult locations

All the above benefits are subject to company policies. The Provident Fund benefit is also extended to our contractual employees in addition to our full-time staff.

## Diversity and Equal Opportunity

Respect for gender diversity and equal opportunity is intrinsic to our philosophy and culture, including equal remuneration for men and women. In this regard, we go beyond legal requirements and follow global best practices, including the UN Global Compact Principles of Labour Standards and Human Rights. All our operations and contracts meet the appropriate human rights criteria as required by the applicable laws of the land. We have adopted a Policy on Prevention & Redressal of Sexual Harassment, in line with the statutory requirements. All 295 new hires have undergone awareness training on Human rights and Prevention of Sexual Harassment. We have well defined systems in place for addressing any grievances.

We remain committed to gender diversity and all our hiring and career progression activities, employee remuneration and benefits, initiatives and engagements are non-discriminatory. While the nature of our business and remote locations of our project sites does not allow for a suitable working environment for women employees, our corporate office employs around 60 women employees. The table below shows the ratio of basic salary and remuneration of women to men for each employee category:

Ratio of Basic Salary and Remuneration of Women to Men	
Senior management	0.05
Junior and middle management	0.04

All our women employees are entitled to maternity leave. The table below shows the data pertaining to the return and retention of women employees post maternity leave:

<b>Return to Work after Parental Leave</b>	
Number of Employees Entitled (all Women)	31
Number of Employees Availled and Returned	-
Number of Retentions 12 Months After Return	-

## Employee Training and Development

We strive to provide the best learning opportunities to our employees and workers. A gamut of technical & functional programs catering to specific needs of various functions & business sectors are carried out through the Training and Development Program. Training for workers (including sub-contract & PRW staff) is also covered at site to ensure skill upgradation for continued employability. These trainings are focussed on skill enhancement (have a higher practical component). These programs are conducted by Industry experts. Technical programs related to Equipment operation & maintenance are conducted by the relevant OEMs. Developmental programs are offered keeping in mind the unique requirements of employees in junior, middle & senior management. However, in FY 2021-22, owing to COVID-19 Pandemic linked to the restrictions imposed at different states, the Training Programs were limited to Basic Construction Safety and other safety related programs.

Key training sessions conducted during the reporting year include:

- Basic Construction Safety
- Behavior Based Safety
- Environment Protection
- Workplace Ergonomics

The table below shows average employee training man-hours received by employees in FY 2021-22:

<b>Average Employee Training Man-hours by Level of Employment</b>	
Officers	2.38
Trainees	2.4
Workers	2.87
<b>Average Employee Training Man-hours by Gender (Trainees included)</b>	
Officers (Male)	2.44
Officers (Female)	0.19

## Health and Safety

### Management Approach

At HCC, we are committed to an efficient Integrated Management System (IMS) at all levels for a process-based approach. In our view, this approach leads us to continually improve business processes, which results in improved profitability, employee engagement, reduction of waste, Customer satisfaction, and enhancing our quality and HSSE metrics. Each project site has an Occupational Health Centre, which all our employees have access to, including resource employees. HCC is ISO 9001: 2015, ISO 45001:2018 and ISO 14001:2015 certified and conforms to all three standards.

Safety, as they say, is much more important than convenience, and it is perhaps the most effective insurance policy. At HCC, paramount importance is given to safety at every juncture, every step of the way. The company promotes efforts aimed at achieving zero accidents at each project site. Several initiatives have been undertaken to improve safety performance at HCC, including mandatory induction and training programs, toolbox talks, use of personal protective equipment, etc., and the adoption of a zero-tolerance policy.

### Proactive Safety Observation Program (PSOP)

The PSOP round consists of a cross-functional team walking through the project site every week for safety observations. Project Managers also attend PSOP rounds at least once a month to show their commitment toward safety to other site team members. During PSOP rounds, team members identify unsafe acts, unsafe conditions, and unsafe practices existing at the site. Subsequently, the Project HSE head uploads the observations on the PSOP portal detailing actions required to address the issues found. The responsibility is given to section heads for taking corrective and preventive actions and their closeout.

The observations of severity rating 5 are mailed to the responsible person, and auto-generated reminder escalation mail for closeout of the observation is sent to management.

### Daily Safety Reporting

At HCC, we have initiated an online portal for daily safety reporting. This portal provides project-wise consolidation of safety performance disclosures such as the number of corrections of unsafe conditions, number of corrections of unsafe acts, near misses, first aid cases, toolbox talks, training, penalty enforced, etc. This consolidation concerning the target is forwarded to the senior management through automatically generated mail. This helps to make site personnel responsible and thus more involved in achieving the company's objective.

### Hazard Identification and Risk Assessment

The overall purpose of the process of identification of hazards is to understand the occupational hazards that might arise during routine/ non-routine activities and ensure that the risks to people arising from these hazards are assessed, prioritized, and controlled to an acceptable level.

As part of the process, the departmental risk assessment team is formed by the project manager. The team then identifies the main activities and divides them into sub-activities, also for both routine and non-routine activities. By understanding the workforce, plan and methodology of the activity, the team identifies the hazards, provides the HIRAC register and sends it to the HSE team for review. Later, following the risk assessments and assessment based on severity and probability (as per the matrix), the level of risk is determined to be high, medium and low. Subsequently, the control measures of the risks are identified. All these details are furnished in the HIRAC register and it is periodically reviewed.

## Site Audits

A construction audit is a review of various aspects of a project to ensure they are performing appropriately and in keeping with the contract. Since construction projects typically involve several entities performing a number of concurrent tasks, a construction audit is a crucial tool for keeping everything on track and under budget.

At HCC we conduct the Construction audits by our Lead Auditors representatives from in house IMS department as well as the cross-site functional Auditors. Which plays a vital role in achieving the company goals and objectives and helps to

- a) Improves Internal Controls
- b) Ensures Safety, Quality, and Environment Controls
- c) Determines the Project Progress

## Emergency Response planning

On a construction site, emergencies and disasters can strike anywhere, anytime causing potentially catastrophic injuries to workers and/or damage to property. That's why contractors should plan for workplace emergencies at all job sites to minimize employee injuries/illnesses and loss of property when an emergency strikes. Workplace types of emergencies can be a direct result of Construction operations (i.e., occupational injury or illness), Indirect conditions (i.e., adverse weather conditions), A combination of both Impacts varies, too: Emergencies can affect one employee, area, or operation. They can jeopardize an entire construction project, community, or region. We at HCC prepare the ERP Plan for the site as well as we conduct the mock drill at the site with an objective to review the emergency preparedness plan as well as evaluate standard operation protocols are in place. which helps concerned people to act in accordance with the emergency to safeguard life and property.

## Safety-related Training

To enhance the competency, HCC conducts training sessions through the experts in the field on the subjects like basic construction safety, environmental protection at the site, workplace ergonomics, housekeeping, and defensive driving. These yields enhanced skills and, thus, the productivity of the workmen.

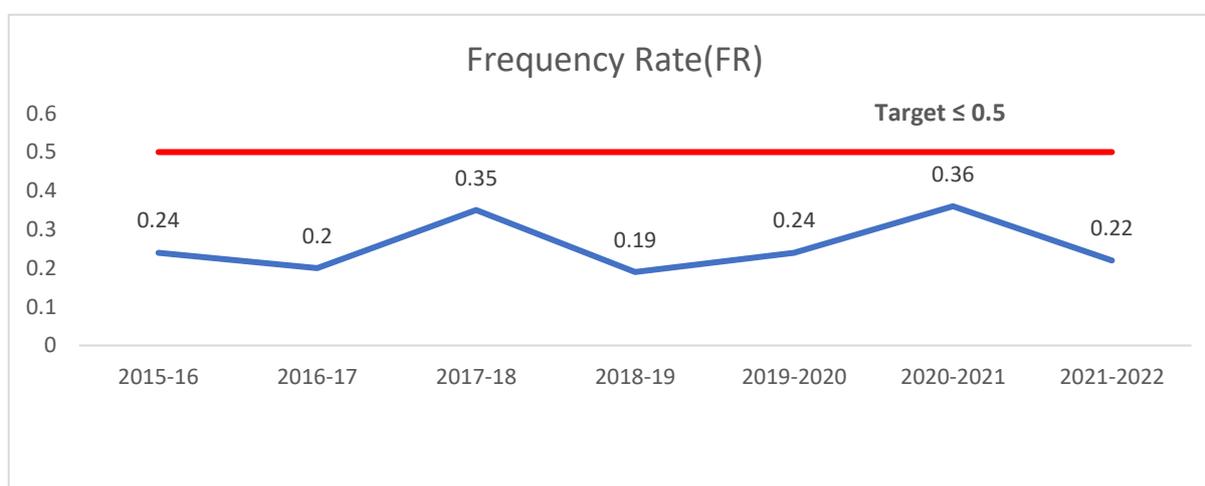
Sr. No.	List of on-site training	Sr. No.	List of on-site training
1	Behaviour-based safety	9	Importance of PPE
2	Defensive Driving	10	Material Handling
3	Electrical Safety	11	Reinforcement Work
4	Emergency Response	12	Scaffolding Safety
5	Ergonomics	13	Shuttering and De-shuttering of framework
6	Fire Safety	14	Tunnel Safety
7	Handling of power tools & electrical safety	15	Vehicle Safety
8	Housekeeping & its importance	16	Working at height

## Safety Statistics

Scope of Safety statistics considered for the following projects

Sr. No.	List of Project site	Sr. No.	List of Project site
1	Anjikhad Cable-Stayed bridge	10	Nikachhu HEP
2	Anushakti Nagar	11	Numaligarh-jorhat road project
3	BARC tarapur	12	Punatsangchhu HEP
4	Bogibeel Rail-cum Road Bridge	13	Rajasthan Atomic Power Project 7 & 8
5	DGNP Dry dock	14	Sawalkote
6	IIGCAR- FRFC	15	T49 A
7	Imphal Kangchup Tamenglong Road	16	Tapovan vishugad HEP
8	Muzaffarpur thermal project stage-II (2X195 MW)	17	Tehri pumped storage project
9	National Highway-34 pkg 3	18	Vishnugad Pipalkoti HEP

Safety Statistics	
Manhours Worked	32,387,854
Safe Man Hours Worked	32,386,774
Injuries	7
Fatalities	0
Lost Days	120.00
Frequency Rate	0.22
Severity Rate	3.71
Frequency Severity Index	0.03



## Safety Achievements and Client Appreciation

### In July 2021:

- Tehri Pumped Storage Plant project has received a certificate of recognition & appreciation from THDCIL India Ltd (Govt. of India & Govt. of UP joint venture) for outstanding performance of HSE duties, significant effort & contribution made in providing a safe working environment while working without suffering a lost-time injury.

### In March 2022:

- RAPP 7&8 project was bestowed with Project Safety Award-2021 by NPCIL based on safety efforts put in by our team and overall safety performance during the year 2021.
- The MML-3 project received an award from the National Safety Council established by the Ministry of Labour and Employment of the Government of India (GOI) for the assessment year 2018, which was received by the site in 2022 due to restrictions related to COVID-19. The site received the award for achieving one million man-hours and more at the construction project.
- Integrated Nuclear Recycle Plant Construction (INRPC) Phase-1, BARC Tarapur has won the Prashansa patra award by NSC
- DMRC DC-06, RAPP 7&8, VPHEP have won the Certificate of Appreciation in the most prestigious Safety Awards-2021. (Construction Sector) established by the National Safety Council of India - Ministry of Labour & Employment, Government of India (GOI). The award is given for our exemplary Occupational Safety & Health (OSH) performance & commitment to reduce workplace injuries, implement the best OSH practices and encourage continual improvements.
- DMRC DC-06 project was awarded with National Safety Award – 2021 & Safety Innovation Awards - 2021 by “The Institution of Engineers (India)” for outstanding contribution related to safety management in engineering & implementing innovative safety management system at project.
- DMRC DC-06, has received the Certificate of Appreciation from Delhi metro rail corporation limited for the best Environmentally managed underground contract of phase – IV Delhi MRTS for the period 2021-2022 OSH practices and encourage continual improvements

## HIV/AIDS education and awareness

In recognition of the severe impact of HIV/AIDS on migrant workers, HCC formed an HIV/AIDS workplace policy that focuses on educating and raising HIV/AIDS awareness amongst migrant workers. Awareness of HIV/AIDS is now incorporated into TBT discussions to reach as many workers as possible. The company observed World AIDS Day each year on December 1<sup>st</sup>. Events are conducted with employee participation that involves the pinning of red ribbons, awareness sessions, rallies, etc. Posters and material given by NACO/ILO and the state-level AIDS control societies are prominently displayed on the site safety message board.

## Communication with workers:

When you work in the construction industry you are a member of a team involving many different job roles on site. For a project to run smoothly, there must be effective communication so that everybody does what is required, at the right time, in the right way, and with the right materials. Thus at HCC, we have implemented the Morning tools box talk practices by the Engineer and site in charge as well as Toolbox talk from top management in which the project managers must collaborate

## Online reporting

This year, the initiative was adopted in coordination with HCC's IT to create an online HSE database for the online preparation of the monthly and quarterly HSE Performance and Legal Compliance Report. Online compliance training has been implemented to capture all non-conformances related to UA/UC practices and record findings in online systems.

## Occupational health services

In response to the development of work organization and working cultures that reflect essential value systems adopted at our sites undertaking concerned, that include effective managerial systems, personnel policy, principles for participation, and practices to improve occupational health and safety. At HCC Site we have conducted several health programs to promote the health and well-being of workers like Eye check-up camp, Hiv testing Camp, and general medical health check-ups at the various site across the organization

## Worker participation, consultation, and communication on Occupational Health and Safety

At the workplace level, workers' participation has been identified as a key pre-condition of successful OSH management, and a major contributing factor in the reduction of occupational diseases and injuries. In fact, workers are an important source of OSH information. They have first-hand knowledge of problems with work practices and procedures and can provide valuable advice about risks and possible solutions. They can offer their knowledge on faults with machinery, plants, or furniture; difficulties caused by the design and/or layout of work equipment; type, frequency, and seriousness of incidents or near-misses occurring; and the impact of OSH management programs. In HCC's construction activities, a process for worker participation and consultation is developed, implemented, and evaluated. Conformance to HSE procedures is guaranteed.

- Nominating workers OH&S representatives
- Establish a safety committee composed of equal numbers of employee representatives
- Set up and implement a safety suggestion box
- Enhancing the onboarding process to detail how we communicate and consult with all new employees
- Provide timely access to clear, understandable, and pertinent information on the OHS management system
- Carrying out workplace inspections (walk-through surveys) on a regular basis along with the nominated worker representative
- Joint decisions on health and safety are made between managers and workers

## Promotion of worker health

Under the impact of Covid19, amongst the many precautions which have been advised, Alcohol Testing of Worker

- First aid training
- Yoga & ergonomics program
- Tree Plantation
- HIV/AIDS awareness program
- Health camp
- Covid 19 awareness
- Providing information to employees about the risks of a drinking problem

## Initiatives/best practices during the FY 2021-22

### Mumbai Metro Line 3 project

The effectiveness of Health, Safety, and Environmental (HSE) initiatives in any construction project depend on engagement and participation. Engaging workers in the HSE initiative makes them a part of the system. Their inputs are asked, and people value them. And the participation follows. That's why worker engagement is not only crucial for safety but also for doing your work the best you possibly can.

While standards such as ISO 9001 and ISO 45001 provide a framework for developing a safety and health management system, it takes an actively engaged workforce for that system to be effective. Of course, workers should be involved in systems development — after all, they're the ones who understand the day-to-day reality of each task — but that's only the beginning.

At Mumbai Metro Line 3 project strategies for safe design are used to reduce estimated probabilities of injuries and cope with hazards and eventualities that cannot be assigned meaningful probabilities. Following are some of these good initiatives implemented at the Site towards Health, Safety and Environment:

#### 1. Dust suppression technique with less manpower:

Portable Water sprinklers are installed at Wadala Casting Yard.

##### **Benefits:**

- An adequate dust suppression system is implemented.
- Consumption of water has been optimized; thereby, no wastage of water is assured.
- Only one unskilled workman is required to shift the system from one place to another, thereby improving efficiency.

#### 2. Installation of Sensors to minimize the incidents at Site:

Sensors were installed in the gantry cranes.

##### **Benefits:**

- Due to congested work fronts, the tracks of gantry cranes are crossing through the pedestrian passage. The sensors are installed on the gantry crane to ensure stoppage in case humans are detected over the track, guaranteeing 'Zero' incident & injury.

#### 3. Counselling by External Certified and GC approved Trainer:

Apart from Toolbox Talks & Training sessions, the workers are counselled by External Certified, GC approved Trainer to improve their behaviour towards Health, Safety and Environment.

##### **Benefits:**

- Close observation of work practices and workers' behaviour by external Trainers improves their HSE skills.
- Counselling in the areas of improvement with proper guidance and discussion.

#### 4. Commitments by Project Key Persons towards HSE

We are documenting Key persons' Health, Safety and Environment commitments in the HSE Committee meeting.

**Benefits:**

- In the HSE Committee meeting, all the Site In-charges, P&S Manager, PEH, Welfare officer, Electrical Engineer and Major Subcontractors are asked to make a commitment toward Health, Safety, and Environment to be followed in the upcoming month in the presence of Project Manager, Chief Safety Specialist-GC and Representative-PE. The Key persons provide evidence of their commitment and compliance in the next HSE meeting.

**5. Online platform for 96 hrs Training**

While the classroom training had its limitation in reaching maximum staff, an online platform was developed to impart 96 hr job-specific training to everyone, including General Consultant, Project Manager, Staff and workmen.

**Benefits:**

- Till Dec 2021, classroom training covered only six staff members, whereas after introducing the online platform, 101 staff members have completed 96 hr training till June 2022.

These initiatives have helped improve the HSE performance at Mumbai Metro Line 3 project, and the project has been bestowed with the following safety awards:

1. Winner of "National Safety Award" for excellent performance in Industrial Safety during the performance year 2018 based on Accident-Free Year.
2. The project received a National Level "**Certificate of Appreciation**" from the National Safety Council of India in Safety Awards-2020 (Construction Sector) in recognition of appreciable achievement in Occupational Safety & Health during the Assessment Year 2019.

## Economic Performance

### Management Approach

The COVID19 pandemic disrupted how the construction industry does business, from the retention of its workforce to the planning and closing of projects. FY 2021-22 has been a year of re-emergence and growth for the construction industry. Rising construction costs and supply shortages persist, challenging the industry to constantly innovate, while stricter regulations contribute to a reduced margin for error and waste. New technologies continue to improve construction methodologies and evolve tendering strategies to better serve our clients with higher quality and faster services.

In such an environment, HCC has focused on improving its liquidity position by realizing its client receivables and monetizing non-core assets to bolster its balance sheet. The Company also continues to drive organizational change to deliver operational robustness while relying on a leaner structure.

### Financial Review

In a year overshadowed by uncertainty, HCC registered the highest growth, compared to the last four years, across key performance parameters. The turnover reached ₹4,666.3 crore, with operating profits of ₹788.9 crore. With strategic bidding of around ₹9,000 crore across key sectors, HCC secured three contracts mainly in the transportation and water sectors. The total order backlog as of March 31, 2022, was ₹15,967 crore.

HCC's ongoing reorganization of the debt with lenders has received shareholders' approval at the EGM of June 29, 2021. Certain Covid-related disruptions delayed the plan, which is expected to see implementation in Q2, FY 2022-23. This will significantly deleverage the company, addressing its asset-liability mismatch. Hence, it can focus on the working capital requirements for normalizing operations and securing new orders for growth.

HCC Concessions Ltd., a subsidiary of HCC, has executed binding terms to sell 100% stake of Baharampore-Farakka Highways Limited to Cube Highways at an enterprise value of ₹1,279 crore. The sale when completed in Q2, FY 2022- 23 will further strengthen our liquidity and position us for growth.

	2021-22 Figures in INR Crore
Total Income from operations	4746.5
Construction Cost (incl. material) / other exp.	3531.4
Employee Cost	345.9
EBITDA (excluding Other Income)	788.9
EBITDA margins (excluding Other Income)	16.9%
Finance Cost	948.8
Depreciation	93.6
Profit/ (Loss) Before Tax	(173.3)
Profit / (Loss) Before Tax after Exceptional items	(173.3)
Tax	(20.2)
Profit / (Loss) After Tax	(153.1)
Other Comprehensive Income (After Tax)	7.9
Total Comprehensive Income (After Tax)	(145.2)

<b>Economic Performance - Key Performance Disclosures (FY 2021-22)</b>	<b>Value (Million INR)</b>
Economic Value Generated	<b>46,662.83</b>
Revenues	46,662.83
Economic Value Distributed	<b>49,257.65</b>
Operating Costs	36,011.48
Employee Benefits and Wages	3,459.25
Payment to Providers of Capital	9,488.03
Payments to Government (Indian)	298.16
Economic Value Retained	<b>(2,594.83)</b>

## Environmental Performance

### Management Approach

HCC always adhered to the optimal utilization of critical natural resources in material procurement practice, which includes reuse of materials, minimizing waste generation, ordering material as per customized sizes, sourcing locally to the extent possible to decrease avoidable long-distance transport. We are also conscious of our energy consumption and aim to optimize it by adopting energy-efficient technologies and practices to minimize fossil fuels.

HCC's on-site teams remain sensitive to the local ecology, landforms, and communities and take several proactive initiatives to conserve the local environment.

HCC is ISO 14001:2015 certified company having a functioning Environmental Management System in place across all the projects enabling the company to consider all the environmental aspects, resource optimization and continual improvement.

### Project Environment Management Plan (PEMP)

The environment management system is deeply rooted in HCC's processes from the pre-tendering process up to the completion of the project. In a pre-tendering process, a project-specific Environment Management Plan (EMP) is assessed, which helps to reduce the environmental-related risk and cost. EMP consists study of Environmental compliances, risks, significant impacts of project activities, and cost to be incurred to mitigate the same.

At the start-up of any project, the detailed Project Environment Management plan (PEMP) is prepared. This PEMP details various control measures to minimize environmental impact by addressing multiple issues like muck disposal, spill prevention, resource conservation, waste management, pollution prevention, tree plantation, and Environment monitoring. Day to day inspection, environment monitoring, internal and external audits are conducted at regular intervals to check PEMP implementation's effectiveness at the site.

### Resource Optimization Initiatives

HCC has adopted a centralized purchase system catering to all projects across the country. We do our best to maximizing local purchases, which helps us to get the supply of primary raw materials from the nearest terminals of the suppliers. Aggregate, sand, etc., are procured locally at project sites and general stores material required for workers' and officers' camps, which positively impacts the local market. Further, all the significant suppliers are Indian, from whom 75% of the major raw materials are procured.

Following are some of the resource optimization initiatives:

- **Cut-to-length plates & structural Steel** - Instead of using the readily available standard size plates and standard-length Structural Steel, Steel with customized sizes was procured to avoid wastages at Anji khad project, and Nikachu HEP.
- **Coupler use for savings** - Reinforcement couplers were used at BARC Tarapur, IGCAR FRFCF Project, Rajasthan Atomic Project, and Mumbai Metro Projects helped us to achieve a huge reduction in the cost due to overlapping length of TMT. This helped to reduce consumption of around 17.5 MT of reinforcement of our total need.

### Energy

HCC is continuing with energy-saving measures like usage of Load Sharing System in D.G. plants, APFC (Automatic Power Factor Controller) panels, FCMA (Flux Compensated Magnetic Amplifier)

Starter for Main Crusher Motors, Variable Frequency Drive (VFD) Starting System for Ventilation Fans & EOT/ Gantry Cranes and Use of Energy Efficient Motors in Gantry Cranes.

#### **Usage of Load Sharing System in D.G. sets**

DG Sets of various ratings are provided with synchronized arrangement. Based on the load, the operators switch 'on' or 'off' the DG Sets without interrupting the load. With this arrangement, the DG loading can be controlled to ensure better productivity.

#### **A. APFC (Automatic Power Factor Controller) panels**

As a practice, APFC panels are installed at site electrical installations at strategic locations, to improve the power factor. Further, we also install additional 'capacitor banks' at high inductive load ends. At construction sites, motor load (i.e., inductive load) is prominent and hence installing power factor correcting devices results in substantial cost savings. Improvement in power factor has the following effects:

- Reduced reactive current, thus reduction in I<sup>2</sup>R losses
- Reduction in reactive current, which results in lesser IR Voltage drops
- Lower expenditure for electricity consumption

#### **B. FCMA (Flux Compensated Magnetic Amplifier) Starter for Main Crusher Motors**

Main crusher motors have high ratings due to starting torque requirements. To start a crusher motor, the transformer, DG set, and switchgear configuration in conventional systems require a very high rating. The use of FCMA starters, the requirement of transformers, DG Set, and Switchgear ratings have been lowered compared to the conventional system. This indirectly trickles down electricity consumption.

#### **C. Variable Frequency Drive (VFD) Starting System for Ventilation Fans and EOT/ Gantry Cranes**

In certain applications such as ventilation fans and cranes, the motor ratings selected are for the peak requirement, whereas most of the time, it runs at reduced loads. The use of VFD has resulted in reduced electricity consumption at the idle time or when there is a lowered load. For example, during tunnel excavation, VFD plays a vital role in reducing the fan speed/air flow of the ventilation system as per the requirement, thereby reducing power consumption.

#### **D. Use of Energy Efficient Motors in Gantry Cranes**

This is a continuous process, and all new cranes are procured with Energy Efficient Motors.

#### **E. Use of LED lights and tubes at all the projects**

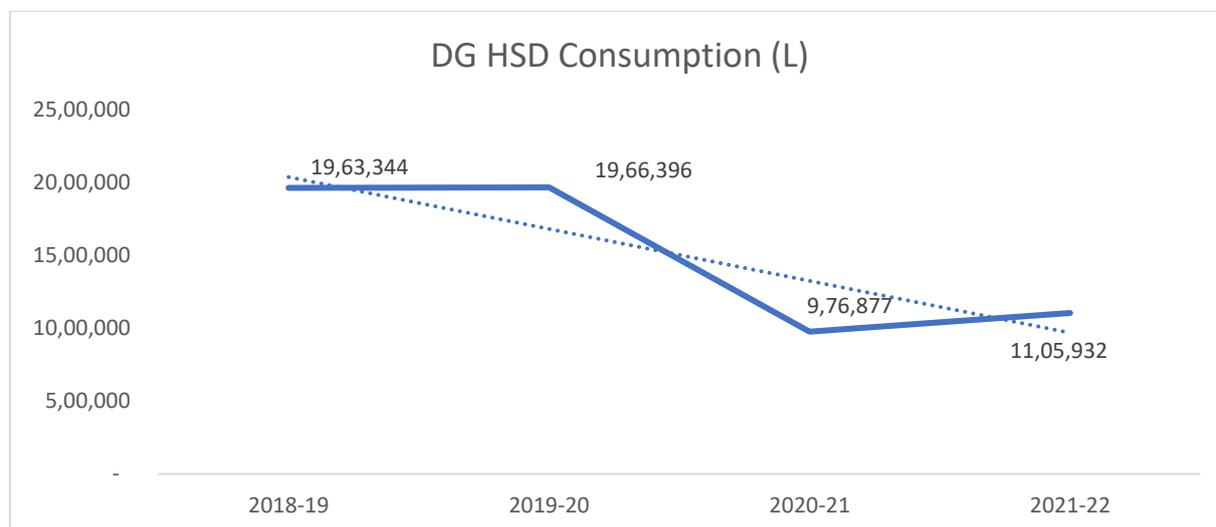
Started using LED lights and tubes instead of previously used mercury tubes or CFL bulbs at all Projects.

#### **F. IT Infrastructure**

Replaced Old Desktops with energy-efficient Tiny Desktops, which only takes 65W power as against 250W of Tower Desktop. These energy-efficient tiny desktops reduced power consumption by 74%. We also started the migration to Microsoft Office 365; this increases the accessibility of data, emails from any devices with additional security. Over 85% of HCC users (HO + Sites) has been migrated to Microsoft Office 365. This system was heavily used in COVID lockdown, which ensured seamless communication across the organization.

### G. Reduce dependency on fossil Fuel

We have adopted sustainable construction practices that have reduced fossil fuel dependency by using more grid supply at various projects. The majority of our projects are located at a remote location; hence dependable supply of electricity remains a challenge. Therefore, projects have to depend on Diesel generators. Our emphasis had been on ensuring the main grid supply at maximum possible locations.



### World Water Day

As a proponent of the CEO Water Mandate of the United Nations and WASH (Water, Sanitation and Hygiene) initiative of the World Business Council for Sustainable Development, HCC observes the world water day across all project sites. This year the theme for world water day was Valuing water. Various awareness and mass tools box sessions were taken across the project sites which emphasised on the vital role water plays across all functions of life.

### World Environment Day

The World Environment Day was celebrated across our project sites on June 05, 2021. On this occasion, a communication was sent by the Chairman and Managing Director, Mr. Ajit Gulabchand, to all employees. The UN Theme for the year was 'Ecosystem Restoration'. At the project sites, various initiatives like Awareness/Training to the employees and community around like Tree Plantation drives, Cleanliness drives, and rallies were conducted voluntarily to spread awareness. At HCC, we have taken several steps which include protection of natural environment, choosing non-toxic material, reducing and reusing natural resource, minimizing waste and reducing carbon footprint.

## Our Environmental Footprint

Environmental Performance – Key Performance Disclosures	Unit	FY 2021-22
<b>Materials</b>		
Raw Materials	Tons	285730.21
Semi-manufactured Goods or Parts	Tons	1596330.59
Associated Materials	Tons	10334.15
<b>Energy</b>		
Total Direct Energy	GJ	4,07,008.61
	kWh	11,30,57,947.93
Diesel	KL	11,135.67
	GJ	4,07,008.61
Total Indirect Energy (purchased electricity)	kWh	3,79,91,150
	GJ	1,36,768.14
<b>Greenhouse Gas Emissions</b>		
GHG emissions due to direct energy use	Ton CO <sub>2</sub> eq	30,159.34
GHG emissions due to indirect energy use	Ton CO <sub>2</sub> eq	30,013.01
GHG emissions intensity from construction <sup>2</sup>	Ton CO <sub>2</sub> eq/ INR Million [Turnover]	1.29
GHG saved on account of Fly Ash Utilization and ground granulated blast furnace slag	Ton CO <sub>2</sub> eq	5437.09
<b>Waste Disposed</b>		
Solid Hazardous Waste (MS empty drums sent to recycler)	Numbers	3,774
Liquid Hazardous Waste (used oil sent to recycler)	KL	22.20
Non-hazardous Waste (cement bags sent to disposal)	Numbers	3,97,430
Non-hazardous Waste (steel scrap sent to recycler)	Tons	3,599.6

<sup>2</sup>GHG emissions intensity has been calculated using a sum of emissions from direct and indirect energy use at our project sites in scope. Scope 3 emissions have not been accounted for. Emission factors for direct energy have been used as per the IPCC Guidelines for GHG Inventories (2006), while the emission factor for indirect energy (i.e. purchased electricity) is taken from the Indian Central Electricity Authority (CEA)'s March 2022 Baseline Carbon Dioxide Emission Database Version 16. Annual turnover of HCC (E&C business) was taken from our Annual Report available on the web-link mentioned in this Report.

## Communication on Progress (COP): UN CEO Water Mandate

### Management Approach

HCC was the first Indian company to endorse the United Nations Global Compact's 'The CEO Water Mandate' and is an industry partner of the World Economic Forum (WEF). We have adopted the 4 R (reduce, reuse, recycle, replenish) water management approach at project sites. In this 14<sup>th</sup> Communication on Progress (CoP), we present the company's efforts towards propagating water consciousness in FY 2021-22.

### Direct Operations

HCC has a water policy implemented at all project sites. The trained team of water champions deployed across all project sites is responsible for the accounting of water withdrawal, the implementation of the 4Rs, and water sensitization among all employees.

At each project, initially, water source tagging and utility mapping are carried. Water withdrawal from all sources is monitored.

Batching plants at every project are equipped with sedimentation tanks. The supernatant water is reused for dust suppression. This helps eliminate the use of freshwater for the said purpose.

At Coastal Road Project, Waste-Water Treatment System is installed for the treatment of sewage water, kitchen water, which after the treatment is being recycled for gardening and dust suppression. Wherever possible, rooftop water harvesting is done at offices and camp buildings.

This Communication on Progress pertains to the data from the following project sites of the company:

Transport	
1	Anji Khad Bridge
2	DMRC DC06
3	Imphal Kangchup Tamenglong Road Project
4	Mumbai Coastal Road Project Package II
5	Mumbai Metro Rail Corp Pkg III
6	Numaligarh Johrahat Road Project
7	T – 49 Tunnel
Hydro Electric Projects	
8	Tehri HEP
9	Nikachu HEP
10	Punatsangchhu HEP

## Water management scenario at HCC's direct operation

Sr.	Description	QTY in ML
1	Freshwater withdrawal	417
	Freshwater use as raw material	86
	Fresh and desalinated water used for construction activities	161
	Fresh water for domestic use	168
	Tracking difference, losses, storage	4
2	Water recycled / reused (fresh water saving)	11
3	Total water used at HCC sites	431
4	Water disposal in natural water bodies after treatment	172
5	Net water use at HCC sites	259
6	Consolidated water use efficiency at HCC sites (water reuse/net water use) x 100	4%

### Supply Chain and Watershed Management:

HCC is conscious of watershed management around its project sites. While extracting water from the natural resources, proper monitoring systems are put in place for judicious water utilization. During water scarcity, the local communities are supported by the company by providing drinking water supply.

### Community Engagement: Rejuvenation of Diversion Based Irrigation System on Mhalungi River

Ashapur, a village located in Sinnar taluka of Maharashtra, had been suffering from acute water scarcity, which severely affected cultivation, and fodder availability for the cattle. HCC, with the help of Yuva Mitra, an NGO Based in Sinnar, rejuvenated the diversion-based irrigation system, which had become defunct due to siltation.

This initiative helped enhance the groundwater table and rejuvenate the wells (more than 60 across 135 hectares of farms). This year it helped conserve more than 780 million litres through percolation and irrigation. Thus, HCC has maintained water positive status (by offsetting) with water index > 1.

This initiative was beneficial for the farmers to extend cultivation seasons and to expand their range of crops. The rejuvenation of the canal at Ashapur village proved to be a good example of socio-economic improvement

## Community Sustainability

### Management Approach

HCC remains steadfast in its holistic approach to support the community around. Our CSR philosophy is 'Do Good to Do Well and Do Well to Do Good.' The CSR Policy aims at implementing CSR activities in accordance with Schedule VII of Section 135 of the Companies Act 2013 and the notified Rules. The CSR Committee reviews the implementation of CSR Policy.

### CSR initiatives at Project Sites in FY 2021-22

HCC has traditionally been contributing to communities in and around its project sites to improve their quality of life. In FY 2021-22, the Company has voluntarily spent on the following community development initiatives:

1. Fifty traditional musical instruments worth ₹5 lakh were donated to the participants of Uttarakhand Lok Sanskriti near the Tehri Pump Storage Project.
2. A new cemetery was built in Phalong village, and a water supply line was constructed for Kangchup Chiru village near Imphal-Kangchup-Tamenglong Road project in Manipur.
3. The Mumbai Metro Line-3 project employees participated in a blood donation camp organized by Doshi Memorial Charitable Trust's Borivali Blood Centre.

### Disaster Relief and Response

As the founder member of the Disaster Resource Partnership (DRP) formed at the World Economic Forum in 2004, HCC ensures that the core strengths and existing capacities of the Infrastructure and Urban Development community are mobilized during and after the crisis to reduce suffering and save lives. HCC became a co-founder and regional coordinator of the Disaster Resource Network India in November 2002. DRN India's missions were to train private firm personnel in disaster relief and to make plans and structures that could become operational in crises.

## Our Sustainability Performance

Economic Performance - Key Performance Disclosures (FY 2021-22)	Value (Million INR)
Economic Value Generated	25,897.40
Revenues	25,897.40
Economic Value Distributed	34,884.26
Operating Costs	22,563.34
Employee Benefits and Wages	3,237.40
Payment to Providers of Capital	8,298.91
Payments to Government (Indian)	324.98
Economic Value Retained	(8,986.86)

Environmental Performance – Key Performance Disclosures	Unit	FY 2021-22
<b>Materials</b>		
Raw Materials	Tons	1,74,730.51
Semi-manufactured Goods or Parts	Tons	15,37,155.24
Associated Materials	Tons	12,242.93
<b>Energy</b>		
Total Direct Energy	GJ	4,17,430.64
	kWh	11,59,52,956.10
Diesel	KL	11,420.81
	GJ	4,17,430.64
Total Indirect Energy (purchased electricity)	kWh	3,52,68,782
	GJ	1,26,967.62
<b>Greenhouse Gas Emissions</b>		
GHG emissions due to direct energy use	Ton CO <sub>2</sub> eq	30,931.61
GHG emissions due to indirect energy use	Ton CO <sub>2</sub> eq	27,862.34
GHG emissions intensity from construction <sup>3</sup>	Ton CO <sub>2</sub> eq/ INR Million [Turnover]	2.27
GHG saved on account of Fly Ash Utilization and ground granulated blast furnace slag	Ton CO <sub>2</sub> eq	468.35
<b>Waste Disposed</b>		
Solid Hazardous Waste (MS empty drums sent to recycler)	Numbers	1,240
Liquid Hazardous Waste (used oil sent to recycler)	KL	19.46
Non-hazardous Waste (cement bags sent to disposal)	Numbers	86,400
Non-hazardous Waste (steel scrap sent to recycler)	Tons	4,876

<sup>3</sup>GHG emissions intensity has been calculated using a sum of emissions from direct and indirect energy use at our project sites in scope. Scope 3 emissions have not been accounted for. Emission factors for direct energy have been used as per the IPCC Guidelines for GHG Inventories (2006), while the emission factor for indirect energy (i.e. purchased electricity) is taken from the Indian Central Electricity Authority (CEA)'s March 2022 Baseline Carbon Dioxide Emission Database Version 16. Annual turnover of HCC (E&C business) was taken from our Annual Report available on the web-link mentioned in this Report.

<b>Social Performance – Key Performance Disclosures</b>	<b>FY 2021-22</b>
<b>Total Workforce</b>	
Workforce by Level of Employment	
Officers (Senior, Middle, Junior Management)	1,047
Others (Short Term Contracts, Trainees etc.)	27
Workmen (Excluding FTC)	12,892
Workforce by Type of Contract	
Permanent Employees	4,295
Sub-contract	2,895
Piece-rate Workers	5,702
Fixed-term Contract	62
Workforce by Gender (excluding Workmen)	
Male	1,042
Female	32
<b>New Employee Hire and Turnover</b>	
Total Number of New Hires (excluding Workmen)	
Male	150
Female	2
<30 years	75
30-50 years	64
>50 years	13
Total Number of Employees Leaving Employment (Officers only)	
Male	354
Female	14
<30 years	114
30-50 years	187
>50 years	67
<b>Return to Work after Parental Leave</b>	
Number of Employees Entitled (Women)	32
Number of Employees Aailed and Returned	-
Number of Retentions 12 Months After Return	-
<b>Ratio of Basic Salary and Remuneration of Women to Men</b>	
Senior Management	1
Junior and Middle Management	1
<b>Average Employee Training Man-hours by Level of Employment</b>	
Officers	0.54
Trainees	3.18
Workers	0.79
<b>Average Employee Training Man-hours by Gender (Trainees included)</b>	
Male	0.65
Female	0.05
<b>Safety Statistics</b>	
Man-hours Worked (millions)	24.87
Safe Man Hours Worked (Millions)	24.74
Injuries	7
Fatalities	2
Lost Days	12,119
Frequency Rate	0.36
Severity Rate	487.30
Frequency Severity Index	0.42

# Independent Assurance Statement



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INDIA

## INDEPENDENT ASSURANCE STATEMENT FOR SUSTAINABILITY REPORT 2021-22 OF HINDUSTAN CONSTRUCTION COMPANY

To  
The Board of Directors and Management  
Hindustan Construction Company Ltd.  
Mumbai, India

### Introduction and Objective

BDO India LLP was engaged by Hindustan Construction Company's Engineering and Construction Business ('HCC' or 'Company') to provide independent assurance to its Sustainability Report titled "Responsible Infrastructure" (the 'Report') for the financial year 2021-22. The Report has been developed by HCC based on Global Reporting Initiative (GRI) Standards: Core Option.

### Intended Users of this Assurance Statement

This Assurance Statement is intended to be part of the Sustainability Report "Responsible Infrastructure" of HCC for the Financial Year 2021-22.

### Respective Responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

BDO India's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Assurance Scope' and 'Methodology' sections below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

### Assurance Scope

The Assurance has been provided for selected sustainability performance disclosures presented by HCC in its Report. The reporting boundary covers its Engineering and Construction Business, including their Head Office, and all functional project sites, for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. The scope of our assurance covers and is limited to:

- The sustainability performance data and information as per GRI disclosures, namely, Company's management approach of material topics;
- Statements, information and performance data and information included in the Report;
- Alignment of reported data and information to the requirements of the GRI Standards 'Core' Option.

### Assurance Criteria

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard v3 (2020). We applied Type 2<sup>1</sup> moderate<sup>2</sup> level of assurance.

### Methodology

Our assurance processes involved performing procedures to obtain evidence about the reliability of specified performance information. The nature, timing and extent of procedures selected were based on our professional judgement, including the assessment of the risks of material misstatement of the performance indicators.

The steps are outlined below:

- Assessment of HCC's reporting procedures for sustainability reporting regarding their consistency with the reporting criteria;
- Verification of systems and procedures used for quantification, collation, and analysis of sustainability performance data that are included in the Report;

<sup>1</sup> Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000ASv3 Standard.

<sup>2</sup> A moderate level of assurance as per AA1000ASv3 Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements 3000 (Revised)



- Understanding the appropriateness of various assumptions, estimations and thresholds used by HCC for data analysis;
- Discussions with the key personnel responsible for data compilation for select sites;
- Verification of sustainability performance data, on sample basis at the following two project sites, namely:
  - (i) Delhi Metro Rail Corporation (DMRC-06), New Delhi (through physical site visit)
  - (ii) MCRP Mumbai Coastal Road Project, Mumbai, Maharashtra (through remote web-enabled review)
- The review of information and data for other facilities, project sites and consolidation were done on sample basis through a remote audit (through web-enabled tools) at HCC's Head Office.

Appropriate documentary evidences were obtained to support our conclusions on the information and data verified. Where such documentary evidence was shown to us, but could not be retained by us on account of confidentiality or other reason, we recorded our observations appropriately after review of such evidences.

#### Limitations

We conducted our review to express a moderate assurance conclusion. A moderate level assurance engagement relies on a risk based chosen sample of the selected information and the associated limitations that this entails. Our work was limited to two sample sites visited by us as stated in '*Methodology*'; therefore, this assurance statement is not liable to detect all errors, omissions or misstatements.

As mutually agreed, except for one location that we physically visited, data assurance was done through remote assessments using appropriate web-enabled tools. Audit trails and review were conducted through remote discussion with officials of the Company, and gathering of evidences on sample basis.

Following are specifically excluded from our assurance scope:

- HCC's disclosures on financial performance;
- Aspects of the Report, including data/information, other than those mentioned in assurance scope;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention;
- Data and information outside the defined reporting period, i.e., 1st April 2021 to 31st March 2022.

#### Our Observations and Opportunities for Improvement

While the sustainability disclosures of the Company are fairly reliable, the Company has an opportunity to augment the robustness of its data management systems, especially standardization of data collection protocols and enhancement of data governance and review mechanisms, to further enhance the accuracy of reporting.

Nothing has come to our attention that would lead us to believe that the Report is not aligned with the relevant requirements of the applicable GRI Standards.

#### Our Conclusions

Based on the scope of our review, our conclusions are outlined below:

- **Inclusiveness:**  
We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The company transparently disclosed its stakeholder engagement approach and activities in the Report.
- **Materiality:**  
We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company.
- **Responsiveness:**  
We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with stakeholders (such as customers, suppliers, employees, local communities, investors and partners) on material topics covering its sustainability performance.
- **Impact:**  
Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in accordance with GRI Standards: Core Option and the Company's reporting principles and criteria.
- **Reliability of Sustainability Performance Information:**  
We reviewed the accuracy and completeness of sustainability information in the Report. Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria.



#### Independence and Competencies

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax and Business Services, to both domestic and international organisations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organisation. This team comprises of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India LLP

A handwritten signature in blue ink, appearing to read 'Dipankar Ghosh'. The signature is written in a cursive style.



Dipankar Ghosh, Partner  
05 January 2023

## GRI Content Index



# CONTENT INDEX ESSENTIALS SERVICE

2023

'Hindustan Construction Company Limited has reported in accordance with GRI Standards for the period from 1 April 2021 to 31 March 2022.

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI Standard	Disclosure	Page number(s), direct answers and/or URL(s)
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
GRI 2-1	Organizational details	4
GRI 2-2	Entities included in the organization's sustainability reporting	3,4,6
GRI 2-3	Reporting period, frequency and contact point	4
GRI 2-4	Restatements of information	3, (All the projects in progress, refer to Annual Report P 2-3) <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-5	External assurance	Yes 37-39
GRI 2-6	Activities, value chain and other business relationships	4,6
GRI 2-7	Employees	13-18
GRI 2-8	Workers who are not employees	15-16
GRI 2-9	Governance structure and composition	5
GRI 2-10	Nomination and selection of the highest governance body	Annual Report P43-46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-11	Chair of the highest governance body	5
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Annual Report P43-46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-13	Delegation of responsibility for managing impacts	Annual Report P43-46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-14	Role of the highest governance body in sustainability reporting	Annual Report P51 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-15	Conflicts of interest	Annual Report P30,43-46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-16	Communication of critical concerns	9-11
GRI 2-17	Collective knowledge of the highest governance body	Annual Report P285-286 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-18	Evaluation of the performance of the highest governance body	Annual report P29,46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-19	Remuneration policies	Annual Report P25 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)

GRI 2-20	Process to determine remuneration	Annual Report P22-25,46 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-21	Annual total compensation ratio	Annual Report P23-24 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-22	Statement on sustainable development strategy	3
GRI 2-23	Policy commitments	Annual Report P65-70 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-24	Embedding policy commitments	Annual Report P65-70 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-25	Processes to remediate negative impacts	Annual Report P65-70 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-26	Mechanisms for seeking advice and raising concerns	Annual Report P64 <a href="#">HCC ANNUAL REPORT 2021-22</a> (Click to download)
GRI 2-27	Compliance with laws and regulations	Annual Report P64-70 <a href="#">HCC ANNUAL REPORT 2021-22</a> (click to download)
GRI 2-28	Membership associations	8
GRI 2-29	Approach to stakeholder engagement	9,11
GRI 2-30	Collective bargaining agreements	16,17
<b>GRI 3: Material Topics 2021</b>		
GRI 3-1	Process to determine material topics	9
GRI 3-2	List of material topics	10
GRI 3-3	Management of material topics	9-12
<b>Economic performance</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 201: Economic Performance 2016</b>		
GRI 201-1	Direct Economic Value generated and distributed	26-27
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Information not available
GRI 201-3	Defined benefit plan obligations and other retirement plans	Employee benefits (17)
GRI 201-4	Financial assistance received from government	Not applicable
<b>Procurement Practices</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 204: Procurement Practices 2016</b>		
GRI 204-1	Proportion of spending on local suppliers	As HCC has an extensive pan- Indian project footprint, our definition for local sourcing continues to remain nationwide. Almost 100% of the significant procurement budget at the projects in this reporting period was sourced locally (within India).
<b>Materials</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 301: Materials 2016</b>		
GRI 301-1	Materials used by weight or volume	31,35

GRI 301-2	Recycled input materials used	33 (Water recycled/reused)
GRI 301-3	Reclaimed products and their packaging materials	Not applicable
<b>Energy</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 302: Energy 2016</b>		
GRI 302-1	Energy consumption within the organization	31,35
GRI 302-4	Reduction of energy consumption	Conservation of Energy (28-30)
<b>Water</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 303: Water and Effluents 2018</b>		
GRI 303-1	Interactions with water as a shared resource	CEO Water Mandate (32,33)
GRI 303-2	Management of water discharge-related impacts	CEO Water Mandate (32,33)
GRI 303-3	Water withdrawal	CEO Water Mandate (32,33)
GRI 303-4	Water discharge	CEO Water Mandate (33)
GRI 303-5	Water consumption	CEO Water Mandate (33)
<b>Emissions</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 305: Emissions 2016</b>		
GRI 305-1	Direct (Scope 1) GHG emission	31,35
GRI 305-2	Energy indirect (Scope 2) GHG emissions	31,35
GRI 305-4	GHG emissions intensity	31,35
GRI 305-5	Reduction of GHG emissions	31,35
GRI 305-6	Emissions of ozone-depleting substances (ODS)	No ODS involved in the operations
<b>Effluents and Waste</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 306: Waste 2020</b>		
GRI 306-1	Waste generation and significant waste-related impacts	CEO Water Mandate (32,33)
GRI 306-2	Management of significant waste related impacts	31,35
GRI 306-3	Waste generated	31,35
GRI 306-4	Waste diverted from disposal	Hazardous wastes are disposed through vendors authorized by government (31,35)
GRI 306-5	Waste directed to disposal	Hazardous wastes are disposed through vendors authorized by government (31,35)
<b>Employment</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 401: Employment 2016</b>		
GRI 401-1	New employee hires and employee turnover	16
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	17
GRI 401-3	Parental leave	18,36

<b>Labour Management Relations</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 402: Labour/Management Relations 2016</b>		
GRI 402-1	Minimum notice periods regarding operational changes	No such changes during the reporting period. As prescribed under the Industrial Disputes Act, 1947, 21 days' notice period is provided.
<b>Occupational Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 403: Occupational Health and Safety 2018</b>		
GRI 403-1	Occupational health and safety management system	19
GRI 403-2	Hazard identification, risk assessment, and incident investigation	19,20
GRI 403-3	Occupational health services	23
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	All our project level health and safety committees have an equal representation of management and workers. (23)
GRI 403-5	Worker training on occupational health and safety	19-20
GRI 403-6	Promotion of worker health	23
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	19-20
GRI 403-8	Workers covered by an occupational health and safety management system	All workers covered under occupational health and safety management system
GRI 403-9	Work-related injuries	21
GRI 403-10	Work-related ill health	No Case Reported in FY 2021-22
<b>Training and Education</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 404: Training and Education 2016</b>		
GRI 404-1	Average hours of training per year per employee	18
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Functional, Technical and Safety Training Programs (18,20)
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Employee benefits (14,15)
<b>Diversity and Equal Opportunity</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
GRI 405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity (17)
GRI 405-2	Ratio of basic salary and remuneration of women to men	Diversity and Equal Opportunity (17)
<b>Non-discrimination</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 406: Non-Discrimination 2016</b>		
GRI 406-1	Incidents of discrimination and corrective actions taken	There was no such incidence reported in reporting period. Zero Tolerance to Discrimination (15)

<b>Child Labour</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 408: Child Labour 2016</b>		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	Zero Tolerance to Discrimination (15)
<b>Local Communities</b>		
<b>GRI 3: Material Topics 2021</b>		
GRI 3-3	Management of material topics	9-12
<b>GRI 413: Local Communities 2016</b>		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	34

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