

# INTERLINKAGE BETWEEN STRATEGIES & CAPITALS

## CAPITALS

### Financial



Financial Capital refers to a pool of funds used to create value through conversion into other forms of capital. This capital is raised through financing (equity, debt), operations and investments.

### Manufactured



Manufactured Capital represents physical objects that are available to an organisation for use in the production of goods or provision of services.

### Intellectual



Intellectual Capital represents organisational knowledge-based intangibles.

### Human



Human Capital represents people's competencies, capabilities, experiences and their motivation to innovate.

### Social & Relationship



Social and Relationship Capital represents co-operative ties between a company and different communities and stakeholder groups that engage with each other for societal welfare.

### Natural



Natural Capital represents all renewable and non-renewable environmental resources such as water, land, minerals, forests, biodiversity and ecosystem health.

## KEY INPUTS

- Cash from business operations including working capital changes (₹11,131 crore)
- Current investments, cash balances ₹6,318 crore

- Plant with a crude steel capacity of 13 MnTPA with infrastructure for environmental excellence
- Inbound & outbound logistics facilities
- Integration with channel partners
- Support infrastructure (like Maintenance, IT and Automation)

- Technically skilled and experienced talent
- Collaborations with external agencies
- Spend on R&D

- 34,989 collaborative and committed workforce
- Policies and strategies for health, safety, diversity, engagement and well-being
- Collaboration and partnerships with industry bodies and institutions for capability building

- Mutually respectful relationship with customers
- Sustained contribution to community activities
- Strong engagement with community leaders
- Healthy relations with unions and workforce
- Candid communication with suppliers, contractors, investors and media
- Amicable relationship with Government and regulatory authorities

- Coal (11.2 MnT)
- Iron ore (21.6 MnT)
- Ferro alloys (0.155 MnT)
- Water (TSJ-3.83 m<sup>3</sup>/tcs; TSK-7.66 m<sup>3</sup>/tcs)
- Spend on environmental projects: (₹605 crore)

## OUTCOMES

- EBITDA/Turnover – 22%
- Return on Average Capital employed – 10%
- Dividend on ordinary shares – ₹10 per share
- Increase in market capitalisation to ₹46,876 crore

- Produced 11.68 MnT of crude steel translating to ₹53,261 crore revenues
- Leadership position in Automotive and Construction segment

- One of the leading patent filer in manufacturing industry in India
- Fast ramp-up of Kalinganagar Plant
- Revenue contributed by new products
- Operational excellence across value chain resulting in cost savings

- Engaged and happy workforce
- Improvement in Health Index
- Improvement in diversity and inclusion
- Uninterrupted industrial harmony

- Leader in chosen segments
- Positive impact on the society
- Social Licence to operate
- No industrial unrest
- Sustained confidence from stakeholders
- Timely receipt of environment clearances and approvals for continuity of operations

- CO<sub>2</sub> emissions: TSJ-2.29 tCO<sub>2</sub>/tcs (National benchmark); TSK-3.08 tCO<sub>2</sub>/tcs
- Energy Intensity: TSJ-5.67 GCal/tcs (National benchmark); TSK-8.49 GCal/tcs
- Effluent Discharge: TSJ-1.01m<sup>3</sup>/tcs
- Dust Emissions: TSJ-0.44 kg/tcs, TSK-1.3 kg/tcs
- Waste generation- solid waste, hot gases
- Impact on biodiversity in mining areas

## ACTIONS TO ENHANCE OUTCOMES

- Taking measures to preserve cash, strengthen the balance sheet by reducing debt and re-positioning the business

*(Refer to the Directors' Report and financial statements)*

- Ramp up capacity in existing facilities to focus on high-end product mix for chosen markets
- Focus on resource efficiency

*(Refer to operational efficiency and customer focus strategies)*

- Forge new technical collaborations
- Enhance external participation in innovation through platforms like 'Mind Over Matter' and 'Connect & Collaborate'
- Use patent and technology intelligence to capture emerging trends in technology

*(Refer to innovation and operational excellence strategies)*

- Committed to Zero
- Focus on Diversity and inclusion
- Focus on Health, well-being and engagement of workforce

*(Refer to people strategy)*

- Enhance further impact and reach of community activities through collaborations with Government, NGOs, medical institutions
- Initiatives to sustain the employer of choice status
- Interventions to create long-term sustainable value for investors
- Enhanced partnerships through policy advocacy
- Delight the customers through new product development and value-added products

*(Refer to responsible behaviour, people, growth and customer focus strategies)*

- Climate change strategy to reduce CO<sub>2</sub> and water footprint and move towards circular economy
- Biodiversity management action plans in mining locations
- Embedding Integrated approach in key work processes

*(Refer to operational efficiency and responsible behaviour strategies)*