

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURE

### Details of the Listed Entity

1	<b>Corporate Identity Number (CIN) of the Company</b>	L74899MH1971PLC427835
2	<b>Name of the Company</b>	Sheela Foam Limited
3	<b>Year of incorporation</b>	1971
4	<b>Registered office address</b>	1002 To 1006 The Avenue, International Airport Road, Opp Hotel Leela Sahar, Marol Naka, Mumbai, Maharashtra, India, 400059
5	<b>Corporate office address</b>	14, Sector 135, Noida, U.P-201301
6	<b>E-mail ID</b>	investorrelation@sheelafoam.com
7	<b>Telephone</b>	+91-120-4868400
8	<b>Website</b>	http://www.sheelafoam.com/
9	<b>Financial year for which reporting is being done</b>	1 <sup>st</sup> April 2024 to 31 <sup>st</sup> March 2025
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE)
11	<b>Paid-up Capital</b>	₹ 54,35,29,980
12	<b>Name and contact details of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)</b>	
	<b>Name of the Person</b>	Md. Iquebal Ahmad (Company Secretary)
	<b>Telephone</b>	+91-120-4868400
	<b>Email address</b>	iquebal.ahmad@sheelafoam.com
13	<b>Reporting Boundary</b>	
	<b>Type of Reporting (Standalone / Consolidated)</b>	Disclosures made in this report are on a standalone basis
14	<b>Name of assurance provider</b>	Not Applicable
15	<b>Type of assurances maintained</b>	Not Applicable

### Product/Services:

#### 16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Manufacturer of polyurethane foam and bedding products.	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products, Furniture	99.65%

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products	31005	99.65%

### Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	No. of Offices	Total
National	10	2	12
International	-	-	-

## 19. Markets served by the entity:

### a. No. of Locations

Locations	Numbers
National (No. of States)	28 States (Pan-India)
International (No. of Countries)	11 (Australia, Bangladesh, Bahrain, Brazil, Durban, Nepal, Saudi Arabia, Spain, Sri Lanka, UAE, USA)

### b. What is the contribution of exports as a percentage of the total turnover of the entity?

1%

### c. A brief on type of Customers

Sheela Foam Limited serves a diverse range of customers across various sectors. The customer base includes but is not limited to: Wholesalers, Traders, End Consumers, Institutions, Government Departments, B2B Customers, Online Market Place etc.

## IV. Employees

### 20. Details as at the end of financial year 2024-25:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>a</b>	<b>Employees (including differently abled)</b>					
	<b>Employees</b>					
1	Permanent (A)	1021	933	91%	88	9%
2	Other than Permanent (B)	90	82	91%	8	9%
3	<b>Total (A+B)</b>	<b>1111</b>	<b>1015</b>	<b>91%</b>	<b>96</b>	<b>9%</b>
<b>b</b>	<b>Workers (including differently abled):</b>					
	<b>Workers</b>					
1	Permanent (E)	1601	1525	95%	76	5%
2	Other than Permanent (F)	1910	1815	95%	95	5%
3	<b>Total (E+F)</b>	<b>3511</b>	<b>3340</b>	<b>95%</b>	<b>171</b>	<b>5%</b>
<b>c.</b>	<b>Differently abled Employees</b>					
	<b>Employees</b>					
1	Permanent	1	1	100%	0	0%
2	Other than Permanent	0	0	0%	0	0%
3	<b>Total</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>d.</b>	<b>Differently abled Workers:</b>					
	<b>Workers</b>					
1	Permanent	5	5	100%	0	0%
2	Other than Permanent	0	0	0	0	0%
3	<b>Total</b>	<b>5</b>	<b>5</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

### 21. Participation/Inclusion/Representation of women

S. No.	Particulars	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	9	2	22%
2	Key Management Personnel	7	1	14%

**22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)**

Category	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in current FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.08%	5.16%	12.40%	16%	9%	15%	12%	7.50%	11.65%
Permanent Workers	7.53%	2.65%	7.30%	5%	3%	5%	5.71%	8.40%	5.83%

Note: Both Voluntary and involuntary has been considered

**Holding, Subsidiary and Associate Companies (including joint ventures)****23. Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a Holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Sleepwell Enterprises Private Limited, India	Wholly owned Subsidiary	100%	No
2.	Staqo World Private Limited, India	Wholly owned Subsidiary	100%	No
3.	Staqo Software Private Limited, India	Wholly owned Subsidiary	100%	No
4.	Joyce Foam Pty, Australia	Wholly owned Subsidiary	100%	No
5.	International Foam Technologies SL, Spain	Wholly owned Subsidiary	100%	No
6.	Kurlon Enterprise Limited, India	Subsidiary	97.43%	No
7.	House of Kieraya Limited, India*	Joint Venture	-	No
8.	Rangoli Resorts Private Limited, India	Associate	-	No
9.	Sheela Foam Trading LLC, Dubai	Wholly owned Subsidiary	100%	No
10.	Interplasp, SL, Spain	Subsidiary	93.66%	No
11.	Joyce WC NSW PTY Ltd., Australia	Subsidiary	100%	No
12.	Staqo World Kft., Hungary	Subsidiary	100%	No
13.	Staqo Incorporated, USA	Subsidiary	100%	No
14.	Staqo Technologies, LLC, Dubai	Subsidiary	100%	No
15.	Belvedere International Ltd	Subsidiary	100%	No
16.	Kanvas Concepts Private Limited	Subsidiary	100%	No
17.	Kurlon Retail Limited	Subsidiary	100%	No
18.	Komfort universe products and services limited	Subsidiary	100%	No
19.	Starship Value Chain Management Private Limited	Subsidiary	100%	No

\*As per Accounting Standard Jointly Controlled Entity

**CSR Details:****24.**

S. No.		
(i)	Whether CSR is applicable as per the provision of Section 135 of Companies Act, 2013:	Yes
(ii)	Turnover (in INR crore) :	2587.51
(iii)	Net worth (in INR crore) :	2793.73

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If yes, then provide web-link for grievance redress policy	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, there is a dedicated email id for the communities to communicate their grievances. <a href="mailto:grievances@sleepwellfoundation.com">grievances@sleepwellfoundation.com</a>	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes, the Investors can write about their grievances to the Compliance Officer of the Company at <a href="mailto:investorrelations@sheelafoam.com">investorrelations@sheelafoam.com</a> and there is webpage for investor contacts. <a href="https://sheelafoam.com/investor-contacts.html">https://sheelafoam.com/investor-contacts.html</a> whistleblower@sheelafoam.com	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, the shareholders can raise their grievances to the Compliance Officer of the Company at <a href="mailto:investorrelations@sheelafoam.com">investorrelations@sheelafoam.com</a> . Shareholders can also reach out to us at <a href="https://sheelafoam.com/investor-contacts.html">https://sheelafoam.com/investor-contacts.html</a>  Additionally, grievances can be raised through the 'SEBI Scores' portal through BSE/NSE websites.	Nil	Nil	NA	Nil	Nil	NA
Employees and workers	Yes, an employee grievance redressal mechanism is in place. Grievances are resolved on a monthly basis through an HR Help Desk (i.connect) at <a href="https://portal.thepresence360.com/">https://portal.thepresence360.com/</a> through individual user ID and password	Nil	Nil	NA	Nil	Nil	NA
Consumers*	Yes. Consumer Complaints are attended at centralized customer care center and are resolved expeditiously.  Toll-free number: 18005705700 E-mail id: <a href="mailto:care@mysleepwell.com">care@mysleepwell.com</a>	19130	439	Response / action awaited from customer	18,073	1,431	NA
Value Chain Partners	Yes. Our value chain partners can contact the procurement team, Quality & Assurance team or Product development team in case of any issue/grievances through the official E-mail ID: <a href="mailto:contactus@sheelafoam.com">contactus@sheelafoam.com</a>	Nil	Nil	NA	Nil	Nil	NA

Note: Consumers include distributors also.

**26. Overview of the entity's material responsible business conduct issues**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

We have integrated the ESG risk management into multi-disciplinary company-wide risk management processes i.e., the centralized Enterprise Risk Management (ERM) program. This helps us derive at the quantitative estimates of the inherent financial risks and impacts for which the controls to be kept in place to mitigate the impacts.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk	The operations and business of our company can be directly affected by climate change. Climate change could lead to reduced availability of energy and water, disruption of supply chains, and sourcing challenges. Additionally, transition to a low-carbon economy to mitigate effects of climate change would result in associated government policies and regulations and changing consumer preferences, leading to increased product costs, and compliance needs.	<p>The company has a twofold approach - to mitigate the risk through measures to reduce its carbon footprint and to adapt to the change by developing more environment friendly products that our stakeholders/ consumers may demand in future. Major initiatives taken by the company are as under:-</p> <ol style="list-style-type: none"> <li>1. SFL has adopted Variable Pressure Foaming (VPF) technology, which is the most sustainable foam processing technique. By producing foam in an airtight vacuum chamber, the air pressure is precisely controlled to create foams of varied density and hardness. Closed environment of foaming results in reduced emission into the atmosphere and foams are free of hazardous blowing agents. Any trace volatile organics are also extracted by the activated charcoal that is part of the closed loop equipment. The second VPF Machine became fully operational in 2024-25 at the jabalpur Plant.</li> <li>2. SFL is resorting to bulk shipment and storage of chemicals - Polyol, Polymer polyol, and Isocyanate, that are required for foam manufacturing to minimize transportation and packaging.</li> <li>3. For interunit transfers, compression of foam sheets/blocks is carried out. Bed in a Box (BIAB) is adopted where feasible. These steps optimize space utilization and decrease the carbon footprint.</li> <li>4. Product innovation: The Company has set its eyes on launching products that use natural or recycled chemicals and other raw materials in the near future. Trials and research on sustainable products and packaging is an ongoing endeavour.</li> <li>5. Kaizens were undertaken in the plants during this year to reduce waste and conservation of energy and water.</li> <li>6. ESG sensitisation for employees as well as value Chain partners was carried out to drive home the importance of action to meet the challenges posed by Climate change.</li> </ol>	Negative. R&D Initiatives and Capital investment to adapt to or mitigate the climate change risks would result in additional costs in the short to medium term. However, these costs can be partially offset by long-term efficiency improvements and reduction of waste. Moreover, these initiatives will make the business future-ready, enhance business resilience and safeguard long-term value.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Energy Management	Opportunity	Energy management presents a strategic opportunity for our company to reduce costs, increase operational efficiency, enhance competitiveness, comply with regulations, improve reputation, and foster collaborations in the pursuit of sustainable operations .	Not Applicable, Since Opportunity	Positive. Implementing effective energy management practices can help reduce energy consumption, lower operational costs and optimize equipment performance. This also helps us to be better prepared for compliance to future environmental regulations.
3	Human Rights	Risk	There is a greater awareness amongst all sections of the society and all stakeholders about Human rights. Any violation of Human rights may invite legal cases against the company and statutory fines. It may lead to loss of reputation and adverse effect on the morale of the employees/workers leading to reduced efficiency at work.	<ol style="list-style-type: none"> <li>1. SFL has a dedicated human rights policy in line in with the UN Guiding Principles, which has been implemented on shopfloor and corporate office (both permanent and contractual employees and workers) and also applies to our value chain partners.</li> <li>2. The company is committed to cultivate a culture of zero tolerance towards human rights violations. Various aspects of Human Rights are covered in Code of Business Conduct, Human Rights Policy, Whistle Blower Policy, Policy of SFL towards Society, POSH policy and Diversity Equity and Inclusion Policy. These policies have been communicated to the employees through Internal ERP System and to other stakeholders through the Company website.</li> <li>3. Training programs are regularly conducted to educate employees and workers on human rights .</li> <li>4. Human rights assessment for identifying potential human rights issues and a due diligence process verifying the occurrence and impact of these issues is underway.</li> <li>5. Robust grievance redressal mechanisms are in place to prevent workforce discrimination, sexual harassment, and ensure a free and fair working environment for employees</li> </ol>	Negative. Human rights violations may lead to regulatory non-compliance and consequent penalties and legal cases. There could also be a negative financial fallout of loss of reputation.
4	Waste Management	Opportunity	In reducing, reusing or recycling waste, we have an opportunity to reduce inventory costs, comply with regulations, drive innovation for new products and contribute to a more circular economy. This not only benefits the company's bottom line but also strengthens its reputation and position in the market.	Not Applicable, Since Opportunity	Both Positive and Negative. There are increased costs associated with developing sustainable packaging alternatives. The reduction in packaging material or recycling and reusing will save expenditure. Additionally, these measures will be beneficial for reputation of the organization.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Capital Development	Opportunity	The success of the Company's operations relies upon the professional knowledge, technical skills, and managerial expertise of its corporate and divisional executive teams, as well as the employees. In the highly competitive market for skilled professionals as prevailing today, retention of trained employees or recruitment and training of suitable replacements will require significant investment of time and money.	Not Applicable, Since Opportunity	Positive, Human Capital Development can improve the skills and knowledge of employees. This can lead to increased productivity, improved product quality, and operational efficiency within the company.
6	Occupational Health & Safety	Risk	Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Moreover, it can also affect SFL's reputation, impact staff morale or increase operating costs through fines and other contingent liabilities.	<ol style="list-style-type: none"> <li>1. The company has implemented a clear policy on Occupational Health and Safety (OHS). It is accessible to all employees and workers on line.</li> <li>2. Training sessions for employees and workers are regularly conducted on safety procedures, compliance of regulations, and safe work practices to reduce accidents and foster a secure work environment, reduces accidents, and ensures adherence to regulatory requirements.</li> <li>3. All employees at the manufacturing plants are equipped with Personal Protective Equipment in designated high risk areas and tasks.</li> <li>4. Stringent safety audits are regularly conducted physically and reinforced through an extensive CCTV camera network across all units to ensure adherence to the health and safety precautions.</li> <li>5. The Company has established an On-site Emergency Control Plan, incorporating government authorities and neighboring industries, which is rehearsed through bi-annual mock drills.</li> </ol>	Negative. Non-adherence to the health and safety protocols exposes the employees and workers to poor health and accidents that can cause loss of working hours, work efficiency or company property resulting in financial loss. Reputational loss and Compensation for accidents can further aggravate the financial loss.
7	Product Quality & Safety	Risk	Product Quality and Safety risk can lead to product recalls, legal repercussions, and affect Company's reputation. It is crucial for us to not only maintain our own adherence to high standards but also ensure that our suppliers and partners uphold similar quality and safety practices.	<ol style="list-style-type: none"> <li>1. SFL ensures that all produced foams meet the required quality standards and regulations e.g. Restriction of Hazardous Substances (RoHS) and REACH as per requirement. Stringent quality checks are carried out by the QED department for adherence to desired specifications.</li> <li>2. The company has incorporated NeemFresche technology, sourced from sustainable coconut plantations. This innovative solution physically eliminates pathogens and by forming durable bonds with cellular structures of foams, ensures continued protection even with prolonged use and frequent washes. Being a natural product, NeemFresche has no adverse environmental impact, making it safe for use without any leaching into the air, soil, or water.</li> <li>3. Special Foams are produced to meet all additional safety requirements like, fire retardance and Noise absorption, as desired by the clients</li> </ol>	Positive. Enhancement of product quality leads to increase of brand value and building of good reputation. On the other hand, product rejections due to poor quality or lack of safety will have an adverse impact on the company and cause direct financial loss due to product recall/replacement and indirect financial loss due to loss of reputation.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Water Management	Opportunity	Manufacturing of Foam is not a Water intensive process, water is used only for the chemical mixing in production line and also used for domestic purposes.	Not Applicable, being an opportunity	Positive. Use of recycled water and low flow water fixtures results into lesser freshwater withdrawal through ground and third-party tankers, hence benefiting financially to the company.
9	Corporate Governance & Ethics	Risk	Adverse Financial and Reputational risks may arise due to unethical Business conduct and non-compliance to regulatory requirements.	<ol style="list-style-type: none"> <li>1. SFL has a strong governance mechanism to cater to all the regulatory requirements from local and national government.</li> <li>2. We have a dedicated business code of conduct policy which is applicable to all employees for ethical business conduct.</li> </ol>	Positive. Ethical business practices and compliance to regulatory requirements will prevent non-compliances and potential regulatory fines from the government.
10	Innovation and R&D	Opportunity	Innovation and R&D is an integral part of our business. It creates an opportunity for SFL to expand its business in different markets and product areas. Innovation and R&D contributes to development of new products, as also new tools, techniques, processes and technologies that are more efficient in foam production.	Not Applicable, being an opportunity	Positive in the long run though initially it will require investment of money for research facility and material. Innovation and R&D will lead to financial benefits to the company by optimizing the existing manufacturing process and exploring new products lines in foam market to increase the overall revenue of the company.
11	Transparency & Reporting	Risk	Failure in correct, complete and timely regulatory reporting and disclosures will lead to loss of trust among company's investors and consumers. Lack of transparency to the internal as well as external stakeholders will shake their confidence in the Company and harm its reputation.	SFL ensures timely regulatory reporting and disclosure of all the necessary details to its internal and external stakeholders through company website and annual reports.	Timely reporting and transparency will build the trust of investors, consumers, and government authorities in the company, leading to a positive financial impact and creating brand value. Financial loss due to potential regulatory fines will be avoided.
12	Consumer Relationship management	Risk	Managing good relationships with consumers is vital for SFL's business. Feedback from consumers can help the company improve the product quality and delivery. Improper consumer feedback management may lead to decline in SFL's business and can affect the reputation of the company.	SFL has a dedicated mechanism/customer help line channel to address consumer grievances and collect consumer feedbacks. The company analyses these inputs to improve company's products and services.	A good relationship management system will increase consumer's trust in the company's products and services and build positive reputation leading to business growth with financial gain to the company.



S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13	Product Stewardship	Opportunity	Product design and manufacturing in a manner that minimize the product's environmental impact throughout its life cycle is important to meet the growing demand for sustainable products. Environmentally conscientious investors and consumers will factor in such considerations in their decisions in future.	Not Applicable, being an opportunity.	Positive in the long run. Sustainable product stewardship will help the company become more environmentally responsible, improving its reputation and generating long-term revenue.
14	Corporate Social Responsibility	Opportunity	Corporate Social Responsibility provides a competitive advantage to the company against small foam manufacturing companies that have mushroomed in the country. Engagement of community through various development projects, emotional wellness workshops and skill development programs, while enabling us to fulfill a social obligation, help improve visibility and brand image.	Not Applicable, being an opportunity	Positive. These initiatives will help SFL stand out from its competition and it also improves the brand image of the company which in turn will increase the revenue of the company.
15	Responsible Supply Chain Management.	Opportunity	Through responsible supply chain management, with focus on a sustainable supply chain, SFL can reduce their Scope 3 emissions. The company will also be able to cut down transportation costs through transport using cheaper fuels, reduce waste by engaging bulk containers and gain in reputation.	Not Applicable, being an opportunity.	Positive. Initiatives on responsible supply chain management provides a competitive edge to the company by earning the trust of its investors and consumers, hence increasing the revenue of the company.
16	Diversity & Inclusion	Opportunity	Diversity provides a healthier work place environment and enables benefiting from the strengths inherent in each of the diverse groups. Varied experiences and expertise in the employees and the Board helps the management take more reasoned decisions. Inclusivity helps fulfil a social obligation, tap full potential of employees and workers. Diversity and Inclusion are important contributors to the image of the company among the Government, Investors and the consumers.	Not Applicable, being an opportunity.	Positive. Increase in diversity and inclusion will help increase the trust of internal and external stakeholders in the company which will benefit the business and provides financial stability.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Code of Conduct ; Anti Corruption and Anti Bribery Policy; ESG Policy	Sustainable Procurement Policy; Supplier's Code of Conduct	OHS Policy; Human Resource Policies; Leave Policy; ESG Policy; DEI Policy; POSH Policy; Vigil Mechanism and Whistle-blower Policy	CSR Policy;	Human Rights Policy; Anti Discrimination Policy; DEI Policy; Vigil Mechanism and Whistle-blower Policy; POSH Policy	ESG Policy	Policy of Sheela Foam Ltd towards society	CSR Policy; DEI Policy	Cyber Security & data Privacy Policy (IT Policy);
	b. Has the policy been approved by the Board? (Yes/No)	All Policies have been approved by the Board / functional heads, depending on the nature of the policy.								
	c. Web Link of the Policies, if available	All policies relevant only to the employees are available on Company's Intranet. All policies of relevance to external stakeholders are available at our website at <a href="https://sheelafoam.com/investor Relations">https://sheelafoam.com/investor Relations</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes. The Company procedures have been set up in line with the respective policies. These include- recruitment, performance appraisal, promotion, training, Workplace Safety drills and procedures, functioning of Internal Core Committee for grievance redressal, customer care organisation, frequent interaction with the channel partners, market surveys, Research and development into sustainable products, periodic risk assessment, Healthcare and wellbeing of employees, digital compliance monitoring, integrated ESG structure in the organisation etc. There has been a sustained drive to reduce all types of waste, conserve water and electricity and to work towards carbon offset through tree plantation and increasing use of renewable energy.								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the relevant aspects from the company policies covering the NGRBC principles have been incorporated in the Suppliers Code of Conduct of the Company and these aspects are considered during the selection of Suppliers.								
4	Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF 16949, LEED Platinum Certificate for corporate office, SEDEX, BIS Product Certification License IS 7953: 1975, SO 27001:2013- Information Security Management System, Scope Provision of Information security for IT Software Development, System Integration and maintenance Services ; ISO 9001:2015:QMS, Scope-IT Software Development, System Integration and maintenance Services; ISO 20000-1: 2018 - IT Service Management, Scope- IT Software Development, System Integration and maintenance Services								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Commitments and goals.</p> <p>Our goal is to reduce our carbon footprint (Scope 1 &amp; 2 ) by 50% of levels as existing on 31 Mar 2024, by 2030.</p> <p>Following targets are aimed to be met in 2025-26:</p> <ul style="list-style-type: none"> <li>a) Energy. Increase the Solar power generation capacity by at least 1 MW .</li> <li>b) Waste Reduction. The Company will reduce waste generation specially plastic waste through concerted efforts to reduce, reuse and recycle plastic packaging.</li> <li>c) Reducing Water Waste. We will increase water recycling through addition and augmentation of Sewage Treatment Plants.</li> <li>d) Offsets. The company will offset emissions through plantation of at least 2000 trees and offset ground water withdrawal by Rainwater Harvesting where technically feasible.</li> </ul>								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>Targets of 2024-25. Following was achieved:-</p> <ul style="list-style-type: none"> <li>a) A 500 kWh Solar Power Project was taken upto the stage of execution. Installation is likely to be ecompleted by sep 2025. A feasibility study for installation of more plants is underway.</li> <li>b) A database for Waste Quantification has been prepared. The waste generation being directly proportional to the production, waste intensity is considered a batter metric to plan our goals on. The same will be accurately measured from 2025-26 onwards.</li> <li>c) Approx 3000 saplings were planted during the year.</li> <li>d) A rainwater harvesting project consisting of 4 Harvesting pit was completed at the GNA plant of the Company.</li> </ul> <p>Note: Merger of Kurlon with Sheelafoam was expected to be completed in 2024-25. The targets were set with the same in mind. However the merger could not be completed in 2024-25. The reorganisation of units during the merger process and additional infrastructure works at many plants took place. Due to this, planned targets were not fully achieved.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Governance, Leadership and Oversight</b>									
7	<b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</b>								
	Mr. Tushaar Gautam (Managing Director)								
	<p>Sheela Foam's commitment to responsible business conduct and sustainability is embedded in the vision and core values of the Company. As we have moved forward in the last fifty plus years, to develop products that provide more comfort to our customers contributing to their good health, we have explored initiatives that enhance the longevity and safety of our products and use greener alternatives in raw materials, manufacturing technology and processes. Towards this end, the year 2024-25 has seen the Sustainability drive in the company take a giant stride forward.</p> <p>Environmental stewardship has always been our focus area. With the second Variable Pressure Foaming machine being fully operational at our Jabalpur plant, we have increased the production of foam with this technology that produces negligible hazardous emissions. Our greening efforts resulted in the planting of nearly 4000 saplings of good carbon sequestering trees across all our plants. While a new 500 Kwh solar power project is close to completion at Jabalpur plant, a Rainwater Harvesting System was set up at our Greater Noida Plant for recharging ground water. We have successfully tested incorporation of more environment-friendly constituents like coir, bio polyols and recycled polyols in our foams, as also a greater percentage of reusable process waste. Plastic consumption and plastic waste generation per MT of Foam produced was reduced through various measures like foam compression, downgauging of packaging polythene, removal of redundant HDPE/HM polythene packing from interunit transfers and reuse of packaging material to the maximum extent possible.</p> <p>As for social performance, the year was marked with many initiatives to improve employee satisfaction. The major initiatives included - Introduction of five-day work week, Leave policy revision to include paternity, menstrual and bereavement leaves, setting up of an online grievance redressal portal, new whistleblower policy, online Performance Management System, Learning Management System for the employees for Code of Conduct and other major company policies in an interactive engaging manner. Extending beyond business, community development initiatives through the Sleepwell Foundation were impactful, with 17710 attendees (including school students, drivers, doctors and paramedics, inmates of Tihar Jail, 54% Female) in offline Emotional Wellness workshops and Skill Development Programmes, and online emotional wellness workshops and podcasts reaching a viewership of 280 lakhs. The foundation trained 966 men and women mostly from nearby villages, on various vocational training courses including Armed Forces Training and 330 trainees got job placement/employment, during the year.</p> <p>On the Governance side, we reached out to 50 of our small vendors and all distributors, with a call to begin their ESG journey, instep with Sheela Foam. Customer Care witnessed a turnaround with the complaint redressal time reduced to less than 17 days, as against 35 days in the past. The ESG organization was integrated into the corporate structure right down to shop floor level.</p> <p>We are committed to continuing our ESG journey in the coming years, well aligned with the global Sustainable Development Goals and the National Guidelines on Responsible Business Conduct. Enhancement of renewable energy, reduction of the waste intensity and development of sustainable products will be our key focus areas in the next year.</p>								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Tushaar Gautam, Managing Director							
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes. The 'Risk Management and ESG committee' at the Board level is responsible for decision making on sustainability related issues. It comprises of four members:-</p> <p>Chairperson : Lt Gen (Dr) Vijay Kumar Ahluwalia, Independent Director</p> <p>Member : Mr. Som Mittal, Independent Director</p> <p>Member : Mr. Rakesh Chahar, Whole-Time Director</p> <p>Member : Mr. Tushaar Gautam, Managing Director</p> <p>Mr. Harneet Kochar, Chief Technical Officer of Sheela Foam Ltd is the ESG controller</p>							

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All Policies have been approved by the Board / functional heads, depending on the nature of the policy. Policies are reviewed as and when required to accommodate relevant feedback from our stakeholders and any new laws and regulations promulgated by the Government. During the year, Whistle blower Policy and the Leave policy was reviewed by the Management.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all relevant statutory laws and regulations and compliance monitoring is done regularly through a third party along with review by the Audit Committee on a quarterly basis.																	

11	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	No, however, the Managing Director, in conjunction with the Board, oversees the implementation of policies. These policies undergo regular review, either in accordance with statutory mandates or as deemed necessary based on organizational needs.								

**12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

Not applicable since the policies and procedures of the Company cover all principles of NGRBC

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1:

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### ESSENTIAL INDICATORS



#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	2	*Code of Conduct; POSH ;	100%
Key Management Personnel	3	Code of Conduct; POSH ; Managing Performance to Enabling Growth	100%
Employees other than BODs and KMPs	29	Managerial orientation programme(8) ; Personal Effectiveness & Interpersonal skills( 1); Customer Experience Mastery (2); Performance Management to Enable Growth(10); Sales capability Enhancement(5); Elevating sales Leadership(2); Unleashing Growth Potential B2B Business (1)	100%
Workers	90	Code of Conduct; POSH ; 5S- Adherence Awareness & Ssqc (8); Awareness on waste and Identification (6);Communication skill (1); Continual Improvement (2); Effect of Defect(3); Effective use of PPE and Unsafe condition(6); Security Code of Conduct (1); Chemical handling(1); Fire Safety Training (4); Awareness of Quality Policy (2); Behavioural Based safety training (1)	100%

\* Code of conduct and POSH awareness modules accessible to all employees on the ERP

# 511 Employees and 6560 workers attended different training programmes during the year

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Type	a. Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

Type	b. non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	Not applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the anti-corruption and anti-bribery policies of Sheela foam Limited are clearly explained in the Company's Code of Conduct. An internal Complaints Committee has been constituted and safeguards for protection of the complainant from any adverse consequences and measures to ensure confidentiality in respect of the complainant and the accused person are laid out in the Whistleblower policy. The Code of Conduct is signed off by all the employees and workers annually and is available on the Company website: <https://www.sheelafoam.com/corporate-governance>.

The Company has zero tolerance to bribery and corruption and we are committed to honesty and fairness in our business dealings.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

Topic	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable\*365) / Cost of goods/services procured)**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payable	49	52

**9. Openness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties in the format provided**

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	10%	5.50%
	b. Number of trading houses where purchases are made from	9	5
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers/ distributors as a % of total sales	92%	59%
	b. Number of dealers/ distributors to whom sales are made	89	113
	c. Sales to top 10 dealers/ distributors as a % of total sales to dealers/ distributors	20%	18%
Share of RPT's in	a. Purchases (Purchases with related parties/ Total purchases)	20.57%	2.3%
	b. Sales (Sales with related parties/ Total Sales)	8.56%	2.2%
	c. Loans & Advances (Loans & Advances given to related parties/ Total loans & advances)	97.61%	96.61%
	d. Investments (Investments in related parties/ Total Investments made)	85.05%	77.7%

## LEADERSHIP INDICATORS



### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
2 awareness programmes(through email)	Topics: Significance of ESG for business, Major aspects under each of the three pillars of ESG, Data on Salient Energy and Water conservation measures Impact: A sense of willingness amongst value chain partners to work together towards sustainability	Upstream: 18.15 % of suppliers Downstream: 100% of Distributors,

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has Code of Conduct for Board of Directors and senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. It states that: The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing the personal interest involved. The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not take up any position or engagement that may be prejudicial to the interest of the Company. The Executive Director(s), Key Managerial Personnel and the Senior Management Personnel shall not take up any outside Employment."

The Code of Conduct can be accessed at: <https://www.sheelafoam.com/corporate-governance#policies>

## PRINCIPLE 2:

**Businesses should provide goods and services in a manner that is sustainable and safe**

## ESSENTIAL INDICATORS



### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of Improvement in Social and Environmental aspects
Research & Development (R&D)	~₹ 17 Lacs	~140 lacs	<ul style="list-style-type: none"> <li>Designing of product for Aviation Industry involving special feature of complying with human safety in case of any fire incidents. This is achieved while complying with certain standards defined for the usage in the Aviation (CFR Standard). This product restricts the emissions during fire within the limits which are allowed for human exposure and allow them to escape safely.</li> <li>Development of various products using more environmentally friendly catalysts in TF Grade that helps in reduced toxicity levels as well.</li> <li>Use of Bio polyol as a raw material for foam production after processing</li> <li>Trials on New Foam production with newly developed Neem fresche based Antimicrobial properties.</li> </ul>
Capital Expenditure (CAPEX)	~₹ 10 Lacs	~₹ 3.46 lacs	<ul style="list-style-type: none"> <li>Testing of samples in External lab for validation</li> <li>Purchase of chemicals for trial purposes.</li> </ul>

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the organization has a sustainable sourcing policy. We carefully select and onboard vendors with robust infrastructure and good manufacturing practices through a supplier assessment checklist and an annual assessment of registered vendors. We strive to enhance sustainable vendor infrastructure and processes by undertaking steps like solventless lamination in packaging, using compliant granules and inks, maintaining machines and Effluent Treatment Plants effectively, minimizing color dyeing in fabrics, and sourcing foaming inputs from reputable industry leaders. We also aim to eliminate/ minimize restricted raw materials from our products.

**b. If yes, what percentage of inputs were sourced sustainably?**

85-90% of the inputs in raw and packaging materials were sourced sustainably. A 20% increase from the last year was achieved by making purchases directly from leading manufacturers instead of traders.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

- (a) Plastics (including packaging): As a brand owner, we ensure that the plastic waste produced during our manufacturing process (including packaging) is recycled through a government-registered vendor, centrally under EPR.

- (b) E-waste: Not applicable in case of our products.

- (c) Hazardous waste: We have been procuring TDI largely in bulk quantity through tanker and some quantity in drums. Since empty drums contain stains of TDI therefore we take utmost care and sell them to government authorized agencies only, who further recycle the same after cleaning.

- (d) Other waste: (i) The waste paper generated in the production process and from the units are being sold to authorized vendors, who further use it for making of molded paper products like plates & bowl etc. (ii) The waste foam- (offcuts/trims) generated from the production process is sold out to recycling vendor(s) who further uses them in the production of rebonded foam mattresses. (iii) Units segregate all waste and store it separately for further disposal as per their nature. (iv) All non-hazardous waste is being sold out to local scrap dealers only.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to the company and a EPR plan is available in place for waste collection. SFL in collaboration with Indian Pollution Control Association has collected and recycled approx 1000 MT of plastic waste to ensure EPR compliance this year. As a leading manufacturer in the foam industry, it is important that we ensure the safe disposal of pre-consumer and post-consumer packaging.

**LEADERSHIP INDICATORS****1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

No

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Environmental and Social impacts of our products have not been assessed through LCA. There is however, no social impact. Environmental impacts are internally assessed and addressed by taking various environmentally friendly initiatives.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Recycled Fiber Pillows	100%	100%
Re-bonded Foam	91%	91%



**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	The Company disposes its packaging waste through authorized vendors and recyclers, ensuring no landfills of the waste disposed.					
E-waste	Not Applicable					
Hazardous waste	The company is collaborating with the industry to find a practical solution for reclaiming products at end of life, which poses challenges of collection from dispersed individual customers, non availability of vendors for segregation of components and non availability of environment friendly disposal facilities. However majority of products due to their nature (mattresses, pillows and cushions etc.), have long in-use life and reusable multiple number of times.					
Other waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Nil

## PRINCIPLE 3:

**Businesses should respect and promote the well-being of all employees, including those in their value chains**

### ESSENTIAL INDICATORS



**1. a. Details of measures for the well-being of employees:**

Category	Total (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities*	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent									
Male	933	933	100%	-	-	Nil	Nil	Nil	Nil
Female	88	88	100%	88	100%	NA	NA	Nil	Nil
Total	1021	1021	100%	88	100%	Nil	Nil	Nil	Nil
Other than Permanent (Contractual)									
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

\*Note - The Company is in compliance with the Maternity Benefit (Amendment) Act, 2017 Paternity leave has been introduced from 2025

**b. Details of measures for the well-being of workers:**

Category	Total (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities*	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent									
Male	1525	1525	100%	-	-	Nil	Nil	Nil	Nil
Female	76	76	100%	76	100%	Nil	Nil	Nil	Nil
Total	1601	1601	100%	76	100%	Nil	Nil	Nil	Nil
Other than Permanent (Contractual)									
Male	1815	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	95	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	1910	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	10%	10%

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:**

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	100%	100%	Y	100%	100%	Y
Others - please specify	-	-	-	-	-	-

**3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

SFL understands the special needs of differently abled employees. The premises/facilities have been made accessible as per the needs and the roles for the differently abled persons employed by the company. We are committed to the Rights of Persons with Disabilities Act, 2016 and to provide for and fulfil the requirements of all differently abled employees and workers.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has an Anti Discrimination Policy and a DEI policy which cover the relevant aspects of the Act. These policies stress on Sheela Foam being an "equal opportunity employer". The Anti Discrimination policy states that Sheela Foam is an "equal opportunity employer." Sheela Foam will not discriminate and will take "affirmative action" measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, creed, color, national origin, or gender. Internal policies are accessible on the intranet to all employees. Relevant policies are also available on the company website for information of all stakeholders.

[https://sheelafoam.com/pdf/investor/Anti\\_Discrimination\\_Policy.pdf](https://sheelafoam.com/pdf/investor/Anti_Discrimination_Policy.pdf)

[https://sheelafoam.com/pdf/investor/DEI\\_Policy.pdf](https://sheelafoam.com/pdf/investor/DEI_Policy.pdf)

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The company has an Employees Grievance Redressal Policy in place internally available to all employees and workers. An employee may face any problem or has concern about his/her work, working environment, or working relationships that he/she wish to raise with someone in the organization. The Company encourages free communication between the employee and the Supervisor / Manager / Head of Function to ensure such problems and concerns can be resolved in the quickest and fairest possible way and at the lowest possible level within the organization. The mechanism has 3 stages of escalation and grievance raised is treated in the strictest of confidence.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Permanent Employees</b>						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female						
Others						
<b>Total</b>						
<b>Permanent Workers</b>						
Male	1525	197	13%	Nil	Nil	Nil
Female	76	29	38%			
Others	-	-	-			
<b>Total</b>	<b>1601</b>	<b>226</b>	<b>14%</b>			

**8. Details of training given to employees and workers:**

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health & Safety measures		On Skill Upgradation		Total (D)	On Health & Safety measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	933	933	100%	933	100%	719	719	100%	719	100%
Female	88	88	100%	88	100%	67	67	100%	67	100%
Total	1021	1021	100%	1021	100%	786	786	100%	786	100%
Workers										
Male	1525	1525	100%	1525	100%	1367	1367	100%	1367	100%
Female	76	76	100%	76	100%	68	68	100%	68	100%
Total	1601	1601	100%	1601	100%	1,435	1,435	100%	1,435	100%

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
<b>Employees</b>						
Male	933	933	100%	719	719	100%
Female	88	88	100%	67	67	100%
<b>Total</b>	<b>1021</b>	<b>1021</b>	<b>100%</b>	<b>786</b>	<b>786</b>	<b>100%</b>
<b>Workers</b>						
Male	1525	1525	100%	1367	1367	100%
Female	76	76	100%	68	68	100%
<b>Total</b>	<b>1601</b>	<b>1601</b>	<b>100%</b>	<b>1435</b>	<b>1435</b>	<b>100%</b>

**10. Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes
a.1 What is the coverage of such system?	All employees and workers
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Work related hazards are identified through internal safety audits, by involving employees in ERP based system through which hazards are recorded and rectified, surveillance based system, check lists, SOPs , work permit system, regular safety committee meetings & through the suggestion boxes.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes. There are safety committees wherein workers participation is ensured. Workers can also report work related hazards through the ERP based system.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. Non-occupational medical and healthcare services exist for all category of employees.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	1	1
	Workers	60	48
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA
	Workers	NA	NA

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

To ensure a safe and healthy workplace, daily safety tool box talks are conducted before the start of the shifts. To make the workers aware on workplace related hazards fortnightly on job trainings are conducted. In addition to this we follow a monthly safety training calendar through which safety training are conducted at the workplace to make the workforce aware about the hazards and the preventive measures thereof. Periodic mockdrill operations are also conducted. Adequate fire protection system exists. In addition to this we follow a documented procedure of onsite emergency control plan.

To ensure the safety of the workmen the use of PPEs is ensured at the shop floor.

A central surveillance team monitors adherence to fire safety and security protocols through CCTVs installed in all plants and offices. Any departure from correct safety practice is immediately brought to the notice of the plant security team for rectification.

**13. Number of Complaints on the following made by employees and workers:**

Topic	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	NA	-	0	NA	-
Health & Safety	0	NA	-	0	NA	-

Note:- The employees and workers can submit any complaints/suggestions through Suggestion Boxes kept in the plants, HR Helpdesk on ERP and online through I-Connect web based Application

#### 14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**Note:** All plants are regularly assed by internal OH&S Teams. In addition, Factory Inspector from the Government and External Audit teams employed by the Company assesses the plants for compliance to the Fcatories Act from time to time

#### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Near misses are reported. To prevent the recurrence, corrective actions are carried out. A number of actions taken have been reported in previous years' reports. Following actions were taken this year:-

1. UPS based electric power was given to the reticulation chamber so as to prevent the unintentional/ unwanted blasts happening over there. Issue resolved permanently.
2. Provision of the placement of chequered plate on the platform of transport vehicle was implemented as the tyre of the forklift was stuck in the platform.
3. Uncured small blocks were placed on the top of other uncured blocks. To prevent the recurrence, procedure was changed.
4. Long block fell on other long blocks. To prevent the recurrence, procedure changed.

#### LEADERSHIP INDICATORS



#### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees - Yes , for all permanent employees; (B) Workers- Yes, for all permanent workers

#### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company is compliant with deduction of statutory dues of employees towards income tax, provident fund, ESIC etc. as applicable from time to time. Value chain partners (vendors, distributors) are also encouraged to comply as per the business agreements with the Company.

#### 3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	0	Nil	0
Workers	Nil	1	Nil	1

#### 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes. The Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

#### 5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	70%*
Working Conditions	

Note: Only suppliers

#### 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risk/concern came to our notice during assessment

**PRINCIPLE 4:****Businesses should respect the interests of and be responsive to all its stakeholders****ESSENTIAL INDICATORS****1. Describe the processes for identifying key stakeholder groups of the entity:**

SFL has mapped its internal and external stakeholders and based on the valuation provided in the value chain and relevance for the organization, the major/ key categories include:

- Investors
- Shareholders
- Employees
- Customers
- Community organizations/ NGOs
- Vendors / Suppliers / Contractors of goods and services
- Distributors & dealers
- Government & Regulatory Authority

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder	No	Website, Shareholder Meetings, Email, Central Telephone Number, Notice, Newspaper	Quarterly	<ul style="list-style-type: none"> <li>• Awareness (Q&amp;A) session on performance and results of the company</li> <li>• Annual General Meeting</li> </ul>
Investor	No	Email, Website, SMS, Newspaper, Notice, Virtual and Physical Meetings, Stock Exchange	Regularly	<ol style="list-style-type: none"> <li>1. Financial Results</li> <li>2. Business Outlook</li> <li>3. Annual General Meeting</li> <li>4. Key Risks</li> <li>5. Resolve queries received from investors.</li> </ol>
Employees and workers	No	ERP, Email, SMS, Telephone, Virtual calls, In-person meetings, internal events, Townhall Meetings and Notice Board.	Ongoing Basis	<ol style="list-style-type: none"> <li>1. Relevant business communications</li> <li>2. Career, learning and growth</li> <li>3. HR Policies &amp; Practices, health and safety, skill upgradation</li> <li>4. Grievances and remunerations</li> </ol>
Customers	No	Stores, Experience, Advertising, Newspaper, pamphlets, Hoarding/banner, SMS, website, phone	As and when required	<ol style="list-style-type: none"> <li>1. Brand Awareness</li> <li>2. Offers</li> <li>3. New Product Developments</li> <li>4. Addressing Customer Queries and Grievances</li> <li>5. Feedback on Products and services</li> </ol>
Community organizations / NGOs	Yes	Need assessments for CSR projects through surveys and focused group discussions	As and when required	<ul style="list-style-type: none"> <li>• Assessment of community needs</li> <li>• Selection of new projects based on needs</li> <li>• Monitoring and evaluation of on-going projects</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors / Suppliers / Contractors of goods and services	No	Physical meetings, Emails, Telephone	Frequent and as may be required	<ul style="list-style-type: none"> <li>• New business opportunities</li> <li>• Query Resolution &amp; Grievance Redressal.</li> <li>• Supplier performance assessment.</li> <li>• Addressing non-compliance issues</li> <li>• Signing / breach of contract.</li> </ul>
Distributors and dealers	No	Physical meetings, Emails, Telephone, conferences	Frequent and as may be required	<ul style="list-style-type: none"> <li>• Query Resolution &amp; Grievance Redressal.</li> <li>• Distributor's performance assessment.</li> <li>• Addressing non-compliance issues.</li> </ul>
Business Partners (Suppliers, Dealers/ Distributors/ etc.)	No	Emails, Dealer Meets, Telephone, Physical Meetings, Conferences	As and when required	<ol style="list-style-type: none"> <li>1. Sales and Marketing Plans</li> <li>2. Distributors performance assessment</li> <li>3. Addressing noncompliance issue</li> <li>4. Supply Chain</li> <li>5. Quality</li> </ol>
Government and regulatory authorities	No	Written communications, Presentations, Industry associations, websites, advertisements	Frequent and as may be required	<ol style="list-style-type: none"> <li>1. Compliance with National and Local regulations</li> <li>2. Permissions/ Approvals on various regulatory requirements</li> <li>3. Seeking clarifications and relaxations</li> <li>4. Communicating Challenges</li> </ol>

## LEADERSHIP INDICATORS



### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

- The Company has in place a Stakeholders Relationship Committee ("SRC") of the Board constituted for speedy redressal of grievances/ complaints relating to stakeholders / investors
- Corporate Social Responsibility Committee of the Board identifies CSR activities to be undertaken by the Company, affecting communities in areas or subjects as specified in Schedule VII of the Act and Rules made thereunder. Further, a dedicated email id is also available for community/ NGOs to register their grievances.
- The Company has also constituted a Risk Management Committee to identify elements of risk in different areas of operations including the ESG risks. The committee evaluates significant risk exposures of the company through regular meetings with the Department heads in the Company and assesses management's actions to mitigate the exposures in a timely manner. This also includes the ESG Risks. The observations of each of these Committees are duly intimated to the Board at its respective meeting.

d) Value Chain Partners may register their complaints / grievances / concerns directly with the head of the concerned department of the Company.

e) All employees of the Company have direct access to the the Chairman of the Audit Committee under the Vigil Mechanism implemented by the Company through which Directors, Senior Management & Employees may report breach of Code of Conduct including Code of Conduct for Insider Trading, unethical business practices, illegality, fraud, corruption, leak of unpublished price sensitive information pertaining to the Company etc. at workplace without fear of reprisal.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholder consultation is pivotal in order to identify material environmental and social topics that help create long-term value. We take steps to understand each stakeholder group's needs and priorities through several mediums, including direct engagement or via delegated committees and forums.

Recently, the leave policy of the Company has been reviewed to include the Paternity leave, Menstrual Leave and Bereavement leave taking into account the feedback from the employees .

Interaction with the Pollution Control Board led to creation of a rainwater Harvesting project at the Greater Noida Plant. Compliances as per the Government notifications are being implemented whenever received.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

**EMOTIONAL WELLNESS PROGRAMMES:**

**(A) Workshops - Online & Offline Workshops on PAN India Basis**

Sleepwell Foundation has been driving change through its initiatives in the field of Emotional Wellness and Skill Development.

Emotional distress is rising at an alarming rate, driven by societal and self-imposed pressures, along with the grind culture, leading to issues like anxiety, stress, depression, and other serious ailments. To equip participants with practical strategies and tools for managing emotions, recognizing issues early, and addressing them proactively to prevent long-term ailments Sleepwell Foundation has been conducting Emotional Wellness Workshops on a number of topics which are relevant to the present time.

We have designed unique modules to cover almost all age group and segments of the society like children, youth, students, teachers, workers, professionals and house-wives etc. Topics include Gender Sensitization, Prevention of Bullying, Stress Management, Menstrual Health, Understanding Addiction, Coping with Depression, Prevention of Suicide, Relationship Issues, Domestic Violence, Perception & Effective Communication etc. 169 Workshops conducted during the year 2024-25. Beneficiaries 16,427

**(B) Awareness Programme through Social Media Video reels**

Further, we have been reaching out to a much wider audience through our Social Media films "Baatein Dil Ki", 12 episodes in 2024-25 on relevant topics. "Baatein Dil Ki" emerged during the COVID-19 pandemic, addressing the urgent need for emotional and mental health support when we were unable to conduct offline workshops.

Through our social media reels "Zindagi with Richa" we have been sharing the inspiring stories of everyday heroes who have faced tough challenges but still made a real difference in their life and in life of communities. These stories celebrate resilience, emotional strength and transformation, encouraging viewers to recognize their own power to create change. In the financial year 13 episodes have been released. Reach during the year 2024-25 : 3,36,43,0

**(C) Skill Development Centre in Khurja**

Set up Sleepwell Foundation Skill Development Centre at Village Mirpur on the outskirts of Khurja, (UP). The Centre is training people and is helping to meet the objectives of the National Skill Development Corporation (NSDC) in filling the skill gap and achieving the vision of a 'Skilled

India'. 2,630 beneficiaries have been impacted by the activities carried out by the Skill Development Programme.

Sleepwell Foundation is a firm believer in the power of Proactiveness and creating opportunities before even when the need arises. Preventive or proactive approach helps in alleviating many challenges much before they become acute issues and is many times able to nip the problem in the bud.

Recognizing the need to prepare rural youth, Sleepwell Foundation established Col Gautam Academy to train recruits for the Indian army and paramilitary forces. The academy trains both girls and boys, offering physical and classroom instruction, along with essential guidance on recruitment procedures for the Army, Navy, Air Force, Police, and other services. Understanding the social constraints on young women in rural areas, Sleepwell Foundation offers practical and sustainable skills courses that empower youth within their communities, enabling them to secure employment and contribute to the local economy.

Courses Run: Paramedical, Beautician, Fashion Designing, Software Development, Basic Computer, Tally, Physical Training & Theory classes for Competitive Examinations in Armed Forces, State Police and other uniformed Services.

Number of Students trained during the FY: 966

Number of Placements: (Employed & Self Employed): 330

CSR Activities near Sheela Foam Plants

We have been conducting CSR activities in schools near our manufacturing plants. Our aim is to conduct some activities continuously for 3-5 years in the same school and make it to a model school. Following are the activities conducted in schools in the financial year 2024-25

Donation of White Boards, Electrical Repair works, a new Borewell in Jhanjupara Primary School, Rajganj, Jalpaiguri. Roof construction of a Hall for conducting cultural activities at Zilla Parishad High school, Medchal, Hyderabad. Repairing of RO/Water Cooler, Plantation, New Ceiling Fans in Govt. Primary School, Rajpura, Punjab.

One-time cleaning of the entire school building of UP Upper Primary School, Behlorpur, Noida under 'Act Clean' & Conducting an Awareness Workshop for students, Surajpur, U.P. Construction of Toilet for Saraswati Shishu Vidya Mandir, Jogisahi, Bhubaneswar. Construction of stage for Panchayat Union Primary School, Perundurai, Tamil Nadu. Renovation of Kotwali Police Station Mess in Khurja, Uttar Pradesh

Donation of Computers, Printers, Chairs & Study Desks to GSSS, Sainwala, GPS Salani & GPS Kharkhon, Kala Amb, Himachal Pradesh. Children's Day Celebration in Government Elementary school, Ingur, Perundurai, Erode, Government Senior Secondary School, Sainwala, Kala Amb, Jhanjupara Primary school, Jalpaiguri, and Govt. Primary School-Dahrian, Rajpura.

Total Direct Beneficiaries : 2538



## PRINCIPLE 5:

Businesses should respect and promote human rights

### ESSENTIAL INDICATORS



- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1021	1021	100%	786	786	100%
Other than permanent	90	90	100%	64	64	100%
<b>Total Employees</b>	<b>1111</b>	<b>1111</b>	<b>100%</b>	<b>850</b>	<b>850</b>	<b>100%</b>
<b>Workers</b>						
Permanent	1601	1601	100%	1435	1435	100%
Other than permanent	1910	1910	100%	955	955	100%
<b>Total Workers</b>	<b>3511</b>	<b>3511</b>	<b>100%</b>	<b>2390</b>	<b>2390</b>	<b>100%</b>

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total Count in Current FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage	Total Count in Previous FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage
<b>Employees</b>										
<b>Permanent</b>										
Male	933	-	-	933	100%	719	-	-	719	100%
Female	88	-	-	88	100%	67	-	-	67	100%
<b>Other than permanent</b>										
Male	82	-	-	82	100%	55	-	-	55	100%
Female	8	-	-	8	100%	09	-	-	09	100%
<b>Workers</b>										
<b>Permanent</b>										
Male	1525	-	-	1525	100%	1367	-	-	1367	100%
Female	76	-	-	76	100%	68	-	-	68	100%
<b>Other than Permanent</b>										
Male	1815	-	-	1815	100%	885	-	-	885	100%
Female	95	-	-	95	100%	70	-	-	70	100%



## 3. a. Details of remuneration/salary/wages, in the following:

Gender	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category (INR)	No.	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors*	7	35,00,000	2	82,71,290
Key Managerial Personnel#	6	1,35,29,726	1	1,70,76,128
Employees other than BoD and KMP	933	9,67,308	88	7,81,368
Workers	1601	2,72,580	76	4,06,200

Note: \*BODs include Executive Directors and Independent directors

#KMPs definition as per Companies Act, 2013

## b. Gross wages paid to females as % of total wages paid by the entity:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages.	8%	14.48%

Note: A proportionately larger number of male employees have joined in higher pay grade

## 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the company Chief Human Resource Officer (CHRO) is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business. The Risk management and ESG Committee oversees the assessment and implementation of any measures to mitigate the impact.

## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The mechanism to redress grievances related to human rights issues is specified in the DEI policy of the company <https://www.sheelafam.com/corporate-governance>. Employees who believe that there is a possible violation of this policy are encouraged to report the matter and to seek assistance from respective Plant/Corporate HR manager. All such reports will be investigated with an effort to keep the source of the report confidential, disclosing only such information as is necessary to further the investigation or the resolution of the matter.

The company will not tolerate threats or acts of retaliation of any kind against any individual reporting violation of this Policy or in good faith providing information in connection with a report or investigation of any such violation.

The Vigil Mechanism and Whistle Blower Policy of Sheela Foam also provides for redressal of any grievance in respect of violation of this policy and protection of the complainant.

## 6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour / Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Parameters	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH).	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has an Anti-Social Harassment policy in place which is in line with the requirements of Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal system has been set up to redress complaints received regarding sexual harassment. The company will not tolerate threats or acts of retaliation of any kind against any individual reporting violation of this Policy or in good faith providing information in connection with a report or investigation of any such violation. Under no circumstances, the investigation team/ICC would reveal/discard the identity of the “accused” to anyone else (including the immediate manager)- other than all those who are required to know about the case. The management will ensure that the name of the complainant and the person accused is kept confidential at all times including implementation of the action against the accused.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

This aspect is taken care when SFL on-boards vendors. Our vendors have operations in notified industrial areas where aspects like child labour, forced labour etc. are continuously monitored by assigned authorities. Also, the establishments of these suppliers, being established in notified industrial area are subject to fire & safety compliances, pollution control compliances etc., ensuring safety and well being of the employees and workers.

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	NA

Note: All Plants and offices are regularly assessed by the Company's internal audit teams. All are also assessed from time to time by the designated Government authorities for compliance to the Shops and Establishment Acts for offices and the Factories Act for plants.

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not applicable

**LEADERSHIP INDICATORS**



**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Not Applicable, as the Company has not received any grievance/complaint

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Human Rights Due diligence is conducted at the time of registering new vendors and the subsequent conduct of business is governed by the Suppliers Code of Conduct promulgated by the Company which has clearly enunciated our expectations from the Suppliers relating to correct labour practices, fair wages, safe working conditions and non discrimination etc. SFL on board vendors who have operations in notified industrial areas wherein aspects like child labour, forced labour etc. are continuously monitored by assigned authorities. Also, these suppliers established in notified industrial area are subjected to fire & safety compliances , pollution compliances etc.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the plants and offices are accessible to differently abled visitors. This includes provision of ramps where needed, suitable car parking, availability of Wheel Chairs and provision of toilets catering to the needs of the differently abled visitors.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Nearly 75 % of the Suppliers (by Business value) of SFL are of global repute and follow stringent environment regulations in their respective countries. Vendors at Local and national level have operations in designated industrial areas of the state/nation where adherence to aspects like child labor, forced labor etc. are continuously monitored by assigned state/central Government authorities. SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees. The Company conducts vendor specific audits to ensure compliance towards Sexual Harassment, child Labour, Forced Labour etc.
Discrimination at workplace	
Child labour	
Forced labour/involuntary labour	
Wages	
Others - please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No significant risk/concern has been found in our assessment

**PRINCIPLE 6:**

Businesses should respect and make efforts to protect and restore the environment

**ESSENTIAL INDICATORS****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	6,133.41 GJ	6,203 GJ
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources [C]	Nil	Nil
<b>Total energy consumption (A+B+C)</b>	<b>6,133.41 GJ</b>	<b>6,203 GJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	31,134.22 GJ	21,700 GJ
Total fuel consumption (E)	2,585 GJ	1,914 GJ
Energy consumption through other sources [F]	NIL	Nil
<b>Total energy consumption (D+E+F)</b>	<b>33,718.8 GJ</b>	<b>23,615 GJ</b>
<b>Total energy consumption (A+B+C+D+E+F)</b>	<b>39,852.2 GJ</b>	<b>29,818 GJ</b>
Energy intensity per crore of turnover (Total energy consumption/ turnover in rupees) *Revenue in crores	15.40 GJ/Cr	15.87 GJ/Cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP in crores)	318.16 GJ/\$Cr	355.38 GJ/\$Cr
Energy intensity in terms of physical output ((GJ/MT of foam production)	0.60 GJ/MT	0.62 GJ/MT
*Total foam Produced during the year 66.158 KT If yes, name of the external agency.		

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

### 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0 KL	0 KL
(ii) Ground water	39,078.61 KL	34,866 KL
(iii) Third party water	32,126.5 KL	16,286 KL
(iv) Seawater / desalinated water	0 KL	0 KL
(v) Others	0 KL	0 KL
<b>Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)</b>	<b>71,205.11 KL</b>	<b>51,152 KL</b>
<b>Total volume of water consumption (In kilolitres)</b>	<b>57,273.61 KL</b>	<b>39,498 KL</b>
Water intensity per rupee of turnover (Water consumed in kilolitres / turnover in crores)	22.13 KL/Cr	21.01 KL/Cr
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in crores)	457.30 KL/\$Cr	470.62 KL/\$Cr
Water intensity in terms of physical output (KL/MT of foam production)	0.85 KL/MT	0.82 KL/MT
Water Intensity (optional) - the relevant metric may be selected by the entity	-	--

Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

No

### 4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(ii) To Ground water	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iii) To Sea water	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to third parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment (Secondary Treatment at STPs)	13,931.5 KL STP treatment	11,654 KL STP treatment
<b>Total water discharged (in kiloliters)</b>	<b>13,931.5 KL</b>	<b>11,654 KL</b>

The company has installed STP's at Corporate Office and Manufacturing plants, which treats the water and is used for domestic purposes.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

### 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

There is no water waste generated in the manufacturing processes of the company. For the waste water like sewage and sullage, generated from human activities, STPs have been installed in each of the plants owned by SFL and the Corporate Office. The treated water from the STP is being utilised for gardening purposes in all the plants and for flushing and gardening at the corporate office.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	mg/nm3	1591.5	1584.5
SOx	mg/nm3	555.2	1542.3
Particulate matter (PM)	mg/nm3	691	2189.1
Persistent organic pollutants (POP)	-	Not available	Not available
Volatile organic compounds (VOC)	-	Not available	Not available
Hazardous air pollutants (HAP)	-	Not available	Not available
Others - please specify (CO)		Not available	Not available

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external

No.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	422.62	377.21
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,265.91	4,316.00
<b>Total Scope 1 and Scope 2 emissions intensity-</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent / crore of turnover	2.58	2.50
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	53.50	55.93
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	Metric tonnes of CO <sub>2</sub> equivalent / MT of Foam Production	0.10	0.10
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional)- the relevant metric may be selected by the entity	-	-	--

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail**

1. Installation of 500 KWH Solar Power Project is underway at Jabalpur Plant. The Company is planning to install additional 1 MW SPP in year 2025-26
2. Compression Machines are being used to compress the Sheet rolls for transportation.
3. Production of foam using VPF technology increased after commissioning of horizontal VPF machine in Jabalpur in the current year. In this process, no hazardous emissions are released into the atmosphere.
4. Solar Energy , when not utilised by the plants is being exported to the Grid
5. The company is replacing the Diesel run forklifts with battery operated forklifts as and when they become due for replacement. All new forklifts being procured are battery operated.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	206.256 MT	42.517 MT
E-waste <b>(B)</b>	0.72 MT	0.78 MT
Bio-medical waste <b>(C)</b>	Nil	Nil
Construction and demolition waste <b>(D)</b>	Nil	Nil
Battery waste <b>(E)</b>	0.02 MT	Nil
Radioactive waste <b>(F)</b>	Nil	Nil
Other Hazardous waste. Please specify, if any. <b>(G)</b> Plastic Drums & Cans for chemicals, tin drums and iron drums, chemical waste, waste oil	73.5MT	36.36 MT
Other Non-hazardous waste generated. Please specify, if any. <b>(H)</b> Tin scrap, iron scrap, waste quilting strip, wood, cardboard and general waste (Break-up by composition i.e., by materials relevant to the sector)	1737.36 MT	1326.4 MT
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>2017.86 MT</b>	<b>1406.06 MT</b>
Waste intensity per rupee of turnover (Total waste generated MT / Revenue from operations in crores)	0.78	0.75
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP in crores)	16.11	16.76
Waste intensity in terms of physical output (MT/MT of foam production)	0.03	0.03
Waste intensity (optional) -the relevant metric may be. selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	2017. 86MT (Authorised/ Licensed Vendors)	1406.06 MT (Authorised vendor)
<b>Total</b>	<b>2017.86 MT</b>	<b>1406.06 MT</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

**Waste Management Practices**

- Compliance to subject regulations is ensured.
- Units segregate all waste and store it separately for further disposal.
- The non-hazardous waste is being sold out to local scrap dealers only for further reuse/recycling.
- Waste paper is sold to authorised vendors who recycle the paper to make moulded paper products.
- Reuse of input HDPE packaging a number of times.
- Reducing / eliminating superfluous packaging wherever possible, specially for inter unit transportation

- The energy and water waste is minimised (with zero as target) through conservation measures.

**Strategy to Reduce Usage of Hazardous and Toxic Chemicals in products and managing such waste**

- VPF technology is being used to manufacture foam which reduces requirement of constituent chemicals, eliminates use of toxic chemicals and produces no toxic waste.
- We have obtained the required license from the Government Department as a brand owner for the plastic waste being produced in the manufacturing process. Plastic packaging waste is being disposed off under EPR.
- E-waste is sold out to authorised vendors only.
- Hazardous Chemicals (TDI) used to manufacture foam are largely transported in bulk containers/trucks and stored in bulk storage facilities. Drums whetre used are disposed off to Pollution Control Board Certified Vendors for safe disposal.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

No Environment Impact Assessment was conducted in the current financial year.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

Yes, the Company is generally compliant with the applicable environmental laws / regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil				

## LEADERSHIP INDICATORS



1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters). For each facility / plant located in areas of water stress, provide the following information for current and previous FY:

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area - Greater Noida, Hyderabad and Erode  
(ii) Nature of operations - Manufacturing of Foam  
(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Ground water	21,944.61 KL	19,910 KL
(iii) Third party water	21,050 KL	15,543 KL
(iv) Sea water / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>42,994.61 KL</b>	<b>35,453 KL</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>34,746.49 KL</b>	<b>27,347.68 KL</b>
Water intensity per crore of turnover (Water consumed / turnover)	13.43	14.55
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(ii) To Ground water	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(iii) To Sea water	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to Third parties	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	8,248.12 KL	8,105.32 KL
<b>Total water discharged (in kilolitres)</b>	<b>8,248.12 KL</b>	<b>8,105.32 KL</b>

The Company has installed STP at Corporate Office and plants which treats the water used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Not applicable

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	Not Measured	Not Measured
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO <sub>2</sub> e/INR	-	-
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

N.A., as the Company does not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Switching to renewable source of energy	A new 500 KWH Solar Power Project was planned for Jabalpur Plant and work commenced at site. SPP expected to be commissioned in Sep 2025.	Lower GHG emissions.
2	Saving Energy	Installation of Variable Frequency Drives in place of Star Delta Starter in Compressors.	Lower Energy consumption. Extend equipment Life.
3	Waste Reduction	HDPE packing was removed from nearly 40% of small foam blocks for all inter unit transportation of small foam blocks	Reduction in plastic waste. Lower GHG emissions.
4	Waste Reduction	HM polythene removed for HDPE-HM double packing of inter-unit supplies.	Reduction in plastic waste. Lower GHG emissions.
5	Waste Reduction	Roll length for foam sheets increased from 112m to 135 m with same compressed diameter reducing PE packing for each roll	Reduction in plastic waste. Lower GHG emissions.
6	Water Conservation	A Rain Water Harvesting project implemented in the GNA plant. The project will enable harnessing of rooftop rain water and redirecting water stored at the plant for Fire fighting in an open pond into the ground.	Ground Water recharging. Avoiding water waste.
7	Environment Restoration	Approx 3000 saplings were planted across Sheela Foam Units during the year amounting to 40% of the number of existing trees in plant locations. The local communities were also engaged at some locations.	Increasing green cover and support biodiversity. Raising environment protection awareness.
8	Reducing Scope 3 emissions	Compression Machines were installed at Jabalpur plant to compress Foam sheet rolls for transportation. This lead to more number of rolls in one truck and saving in the packing material of the rolls.	Reduction in emissions and plastic waste.
9	Emissions Reduction	Production of foam using VPF technology was increased with the operationalisation of Jabalpur plant.	Reduced fumes and GHG emissions



S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
10	Energy Conservation	Additional Occupancy sensors and LED lights installed in offices and plants	Saving electricity
11	Water Conservation	Additional Sensor operated/Push type water taps with auto switch off installed in Plants.	Saving Water
12	Reducing GHG Emissions	Solar energy exported to the Grid through net metered connections when not utilised for own operations.	Achieving Carbon offset. Reduction in GHG emissions.
13	Reducing plastic waste	A sustained drive undertaken in plants to reduce plastic packaging and reusing incoming packaging a number of times.	Plastic waste reduced

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, Sheela foam has a Business Continuity and Disaster Management Plan in place. This plan ensures that critical operations can continue during and after a disruption or disaster. It includes strategies for data backup, communication, and emergency response. The plan is regularly reviewed and updated to address potential risks, ensuring the entity's resilience and ability to recover swiftly from unexpected events.

Policy link attached below : Kindly refer the section Business Continuity Page 6

<https://www.sheelafoam.com/corporate-governance>

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impacts have been reported from any value chain partners. Suppliers are expected to provide a safe and healthy working environment and, if applicable, safe and healthy company living quarters, and to operate in an environmentally responsible and efficient manner.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact**

45 vendors comprising 18.5 % by value of business, were approached for assessment of environment impact. 15 of these comprising 7.20% by value of business responded to the environment data questionnaire by 31 Mar 2025 and are being assessed.

## PRINCIPLE 7:

**Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

### ESSENTIAL INDICATORS



**1. a) Number of affiliations with trade and industry chambers/ associations.**

The Company is affiliated with 5 trade and industry chambers/ associations

**b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Polyurethane Association	National
2	Industrial Associations located at respective units	State
3	Indian Sleep Product Federation	National
4	Associated Chambers of Commerce and Industry of India (ASSOCHEM)	International
5	Confederation of Indian Industry (CII)	National
6	ANZ-INDIA Business Chamber	International

## 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of the authority	Brief of the case	Corrective action taken
NA	NA	NA

### LEADERSHIP INDICATORS



#### 1. Details of public policy positions advocated by the entity

As the leading producer of foam and mattresses, our company remains committed to maintaining active involvement in various associations, such as the Indian Polyurethane Association, CII, ASSOCHAM, and others, to address policy matters concerning our industry.

In all advocacy efforts, we prioritize the principle of “Commitment to Society,” emphasizing its utmost importance. Web link:

<https://sheelafoam.com/pdf/investor/policy-of-sheela-foam-limited-towards-society.pdf>

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if
1.	NA	NA	NA	NA	NA

## PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development.

### ESSENTIAL INDICATORS



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

SFL did not carry out SIA in the current year.

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

Not Applicable

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

We have a dedicated email ID for handling community grievances. The e-mail id is [grievances@sleepwellfoundation.com](mailto:grievances@sleepwellfoundation.com) and it is available on our website also.

No grievances has been received till date.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ Small producers	23%	34.53%
Sourced directly from within India	68%	55.64%

#### 5. Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost.

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	-	-
Semi-urban	15%	24%
Urban	33%	30%
Metropolitan	52%	46%

## LEADERSHIP INDICATORS



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

Not Applicable. No Social Impact Assessment done in the current year.

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

No CSR activities have been conducted in specific Aspirational Districts, but we have conducted ONLINE Emotional Wellness Awareness Workshops on PAN India basis. Further, our Awareness Programmes on Social Media, are benefitting people in every nuck and corner of the country.

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

SFL follows no discrimination while selecting its vendors and marginalised/vulnerable groups are equally welcome as long as they meet the requirements laid down in the Sustainable Procurement Policy of the Company. The company procures inputs for manufacturing Foam from reputed global chemical industry players, while for other

inputs such as fabrics, packaging ,rebonded foam, etc they have mostly local MSME vendors.

The emphasis is laid on developing a trusted relationship with local vendors and working with them to develop quality products that meet company's and as industry's needs, thereby enabling local vendors to grow their business.

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

Not Applicable

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

Not Applicable

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

Not applicable.

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

Nil

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

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Skill Development Centre in Khurja	976	100%
2	Skill Development Workshops	1,283	100%
3	Emotional Wellness Workshops	16,497	Mixed beneficiaries
4	Emotional Wellness Awareness Programme Through social media	3,36,43,060	Mixed beneficiaries

## PRINCIPLE 9:

**Businesses should engage with and provide value to their consumers in responsible manner**

## ESSENTIAL INDICATORS



**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Consumer Complaints are attended at centralized customer care center called 'Sleepwell Care' and are resolved expeditiously. Contact number and e-mail id are available on our website <https://mysleepwell.com> for consumers to register complaints or provide any review/ feedback. Consumers can register a complaint through phone / email / through the Dealer. Website and Whatapp bot has been introduced to ensure 24/7 support for complaints.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Case Details	As a percentage to total turnover
Environment and Social parameters relevant to product	Nil
Safe and responsible usage	21.88% (Mattress)
Recycling and/or safe disposal	Nil

### 3. Number of consumer complaints:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	19,130	439	Response / action awaited from customer	18,073	1431	-

### 4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The company has framed its cyber security & data privacy policy under its IT policies which is applicable to all the Employees (Full Time, Part Time, Contractual, Consultants, Auditors, etc.) and Stakeholders (in some cases Customers & Vendors) of SFL. It considers customer information safety as a critical aspect. This policy is available on the intranet portal.

Yes - we do have a policy. It's a confidential Document. Open policy document link <https://www.sheelafoam.com/corporate-governance>

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Mattress movement process has been changed to reduce resolution time. Complaints are now resolved in 15-17 days as against 35 days in 23-24

### 7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Not Applicable
- Impact, if any, of the data breaches - Not Applicable

### ESSENTIAL INDICATORS



#### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Corporate Website at <https://www.sheelafoam.com/home-comfort-products.html> and <https://mysleepwell.com/>

#### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The company ensures that all the information required as per rules and regulations is displayed on the product labels.

Information about ingredients and features of the products are available on public platforms.

Product brochures containing instructions on safe and responsible usage and environment friendly/hygiene features of products are available on line and provided along with the products.

#### 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

B2B Business operates in very close coordination with customers.

In the beginning of month, the Sales Manager takes month forecast from customers with schedule.

Any expected delay is discussed with customer and an agreement on quantity and schedule is arrived at.

The customers urgent requirements are given due weightage and B2B PPC expedites despatches on a daily basis.

For planned disruption, customers are requested to increase inventory level at their end and the factory also increase stocks of FG.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

- (a) Yes, the Company provides information on the constituent materials of their products, certifications as available and steps for responsible usage to ensure safety for the consumers and longer life of the products.
- (b) Yes, Surveys are carried out to study satisfaction levels regarding the major products and customer handling at Dealers' end. Customer care Department analyses the feedbacks from the customers and shares the inputs with respective departments to take necessary steps to improve customer satisfaction.

