

## Rating Rationale

| APAR       | Previous Score | Rating Symbol  | Current Score | Rating Symbol* | Rating Movement |
|------------|----------------|----------------|---------------|----------------|-----------------|
| ESG Rating | 76.4           | CareEdge-ESG 1 | 77.8          | CareEdge-ESG 1 | ↔               |

\* Please refer [www.careedgeesg.com](http://www.careedgeesg.com) for detailed understanding of CareEdge-ESG's rating symbols and definitions.

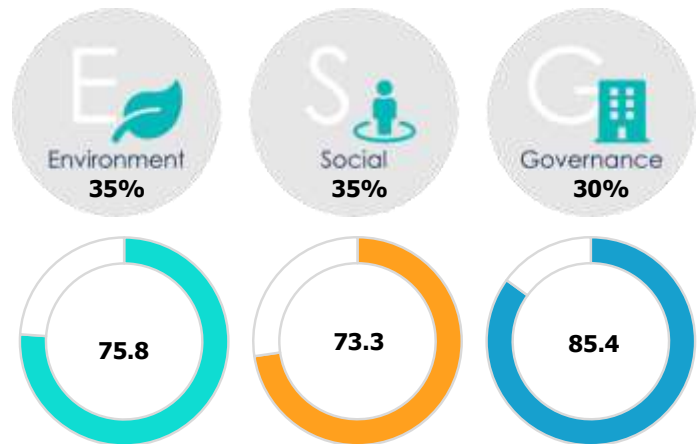
**Leadership** position in managing ESG Risk through **best-in-class** disclosures, policies, and performance

## ESG Score



Data Transparency Level: **High**  
BRSR Reporting Boundary: **Consolidated**  
Transition Pathway Trajectory: **Adequate**  
Environment Transition Pathway Trajectory: **Adequate**  
Social Transition Pathway: **Adequate**

## Pillar Weights & Scores



## Rating Scale



Please note: all scores mention in this document are on the scale of 0 – 100

## Rating Rationale

The rating assigned to APAR Industries Limited (APAR) reflects its position at the leadership stage of ESG stewardship, taking into consideration the company's strong and proactive initiatives towards sustainability performance encompassing its major business segments comprising conductors, cables, and transformer and specialty oils. The company integrates sustainability across its operations with a strong focus on key ESG areas including efficient water and waste management, emissions reduction, energy efficiency, sustainable packaging,

employee health & safety, value chain, human capital, business ethics, board composition, and ESG governance and oversight.

APAR's environmental score is strengthened by its comprehensive approach across waste, water, emissions, and packaging management. The company demonstrates strong commitment to efficient waste management through segregation at source, circular economy practices, reusing and recycling across cables and conductors, including closed-loop reuse of aluminium and copper scrap. In water stewardship, APAR has achieved zero liquid discharge at all manufacturing units, implemented rainwater harvesting and recharge systems, and enhanced recycling through ETPs and STPs, supported by both demand- and supply-side management. This has been further strengthened by an increase in water recycling and reuse, coupled with a reduction in overall water consumption intensity. On packaging, APAR has advanced sustainable practices by replacing wooden reels with reusable steel or hybrid alternatives and ensuring all plastic packaging complies with extended producer responsibility, alongside promoting reuse and recycling. APAR has set ambitious reduction targets on multiple environmental metrics and has undertaken measures such as equipment upgrades, electrification, waste heat recovery, renewable energy adoption, and transition to cleaner fuels, reflecting its commitment to lowering its carbon footprint over the long term.

APAR's social score is reinforced by its strong focus on employee health and safety, responsible value chain management, and human capital development. The company has built a robust health and safety framework supported by a board-approved policy, modern EHS systems, proactive hazard identification processes, and extensive training initiatives, ensuring a safe and risk-aware workplace culture. Within its value chain, APAR extends its ethical and sustainability commitments to suppliers through a comprehensive Supplier Code of Conduct, mandatory safety practices, and environmental and health and safety assessment and audits to promote responsible practices. APAR's approach to value chain management is further reinforced through its continuous engagement programs, raising awareness among suppliers towards sustainable practices and its broader ESG journey, thereby strengthening responsible practices across its value chain. On the human capital front, APAR emphasizes diversity, equity, and inclusion through dedicated policies, grievance redressal mechanisms, inclusive hiring initiatives and partnerships to enhance employability for disadvantaged groups. These efforts are complemented by structured training and career development programs that foster employee growth and strengthen organizational capabilities, demonstrating APAR's commitment to inclusive, safe, and sustainable social practices across its ecosystem.

APAR's leadership governance score is driven by its strong commitment to ethical business practices, effective ESG oversight, and structured risk management. The company has established robust policies, including a board-approved Code of Conduct, whistleblower, and anti-bribery frameworks, which are extended to its supply

chain through a Supplier Code of Conduct. ESG strategy is overseen by a dedicated board-level committee and supported by a sustainability team, ensuring alignment with stakeholder expectations and integration into core business practices. Its governance practices are reinforced by board-level ESG oversight, a dedicated sustainability team, annual reviews of BRSR compliance, and inclusion of members with expertise in environmental, climate, and social issues. APAR has also put in place a structured enterprise risk management framework, robust grievance redressal mechanisms, and comprehensive policies on remuneration and board diversity. While the company complies with key governance mandates under applicable regulations, there are opportunities to further improve by enhancing board diversity, increasing women's representation in senior management, conducting independent reviews of its ESG policies, and strengthening the independence of its Risk Management Committee. Overall, APAR's governance framework reflects a transparent, responsible, and sustainability-oriented approach that enables it to address evolving risks and drive long-term value creation. Overall, APAR's ESG rating of 77.8 reflects the company's leadership position in managing ESG risk through best-in-class disclosures, policies, and performance.

However, the rating is constrained by certain factors, including increased waste generation, marginal dip in consumer complaints resolution rate, limited gender diversity with only one woman on the board, no female representation in senior management, and less than two-thirds independence within the Risk Management Committee. Further constraints include lack of comprehensive BRSR-focused training programs for suppliers, and scope for improvement skill upgradation trainings for workers. In addition, sustainable solutions currently account for 0.12% of the company's total R&D budget and 3.2% of its capital expenditure, indicating an opportunity to further scale investments aimed at enhancing the environmental and social performance of its products and processes. While impact assessments are not mandatory for the company's CSR initiatives, expanding the use of such assessments could provide greater visibility into the outcomes and effectiveness of its CSR interventions.

## Environment Score



The electrical equipment sector exerts a significant environmental footprint, driven by carbon emissions, considerable waste generation, and intensive water consumption, making it one of the most ecologically significant industrial activities. Consequently, this pillar carries a substantial weight of 35% for the sector. With an environmental score of 75.8, APAR ranks in the top quartile among its industry peers, demonstrating strong performance across key environmental areas. These include carbon and other emissions, water usage and management, effluent and waste, and packaging material which together contribute more than 75% of the overall weightage given to this pillar.

In the theme of Carbon Emissions and Energy Efficiency, Apar has scored 68.5, which is above the industry median of 61.8, but below the industry best of 79.7 indicating potential for improvement. To curb air emissions

across its operations, the company has adopted several measures, including periodic analysis of major air pollutants, regulating excess air in CCR furnaces, installing air blowers on seven conforming lines, and implementing a centralized compressed air system. Further, APAR has set a target of 50% reduction in its GHG emissions intensity by 2030. The company has also implemented significant initiatives to reduce its carbon footprint across its operations, including reducing carbon intensity through equipment upgrades, replacements and design modifications, substituting fossil-fuel based forklift with battery-operated forklifts, installing air preheater in CCR furnaces, using fitch fuel catalyst for furnace oil in CCR furnaces, recovering waste heat from annealing output products, insulating CCR melting and holding furnace bodies, and replacing DC motor with AC motor. APAR has also undertaken multiple initiatives to reduce overall energy usage like optimising equipment performance, conducting detailed energy audits at all the manufacturing facilities and implementing findings, installing roof top solar panels, and shifting away from fossil-fuel based energy by focusing on electrification. The company is also increasing renewable energy consumption through in-house generation and purchase of wind-solar hybrid power (3.30 MW wind-turbine and 2.80 MWp of solar energy). Its Scope 1 emissions stem from fuel sources including diesel, petrol, PNG, and CNG. Apar's Scope 1 emission intensity stood at 2.1 tCO<sub>2</sub>e/ INR crore of turnover (Industry median: 1.13 tCO<sub>2</sub>e/ INR crore of turnover) in FY25. Further, the company has calculated its Scope 2 emissions using both market-based and location-based approaches. Its Scope 2 emission intensity stood at 6.05 tCO<sub>2</sub>e/ INR crore of turnover (Industry median: 6.85 tCO<sub>2</sub>e/ INR crore of turnover) in FY26, declining from 6.6 tCO<sub>2</sub>e/ INR crore of turnover in FY25. In FY26, Apar's energy intensity stood at 62.5 GJ/ INR crore of turnover (Industry median: 53.97 GJ/ INR crore of turnover), declining by 4.5% compared to FY25. Supplementing transition initiatives, Apar's renewable energy consumption as a percentage of total energy consumed remained constant at 6% in FY26. This demonstrates Apar's emphasis on reducing product footprint over product's lifecycle and encircling environmental stewardship. In FY25, Apar's Scope 3 emission intensity decreased by 17.3% compared to FY25, standing at 214.2 tCO<sub>2</sub>e/ INR crore of turnover. A significant portion of its Scope 3 emissions originate from Category 1 (Purchased Goods & Services) specified in GHG protocol, accounting for over 80% of the total Scope 3 emissions.

APAR secured a leadership position with a score of 83.3 in efficient waste management. This reflects the company's commitment towards minimizing hazardous and other waste generation while ensuring their safe handling, processing, treatment, storage, transportation, and disposal. APAR has undertaken multiple initiatives to reduce waste generation, including implementing segregation at source, partnering with authorised recyclers, and adopting circular economy principles. APAR's conductor division recycles 100% of its aluminium waste. In its cable division, 100% plain copper scrap is directly recycled by APAR, while tinned copper scrap is sold to authorized recyclers for further processing. Its food and garden waste at plants are composted and reused within premises and shared with local communities. APAR manages hazardous waste in compliance with applicable regulations and the limits specified in the Consent to Operate (CTO) at each plant, ensuring safe

storage, proper labeling, and disposal through authorized agencies to minimize environmental impact. The company has established zero waste to landfill mechanism through in-house and third-party recycling processes, covering various waste streams such as metal scrap, plastics, packaging materials, and e-waste. The waste generated from galvanized iron/ aluminium wire (used as armouring material) and copper tape (used as medium and high voltage cables screening materials) are directly used by APAR as re-manufacturing inputs for new cables. Resulting from the impactful initiatives APAR exhibited a marginal improvement in the waste recovery rate from 97.7% in FY25 to 98.7% in FY26. However, emanating from high waste generation of cables and conductors manufacturing process, APAR's waste intensity stood at 0.82 tonne/ INR crore of turnover in FY26. The waste intensity spiked by 24% in FY26 compared to FY25. This spike in waste intensity is primarily attributable to increased manufacturing activity across certain operations and higher generation of process-specific waste streams during the year. Improved identification and recording of waste streams have also contributed to the reported increase. Nevertheless, a significant portion of the waste generated was channelised towards recycling, recovery, reuse or disposal through authorised waste-management agencies, with no increase in landfill reported during FY2025-26. APAR continues to focus on waste minimisation, resource recovery, recycling and circularity to reduce waste requiring final disposal.

APAR held the leadership position among its peers with a score of 67.2 in water stewardship, exemplifying a comprehensive approach to water management focusing on consumption efficiency, wastewater treatment and recycling, and rainwater harvesting. The company has achieved zero liquid discharge at all its manufacturing facilities through both demand-side and supply-side management. APAR has implemented several initiatives to reduce water consumption, including assessing water stress to identify exposure to risks, reducing demand through process improvements, performing rainwater harvesting with a 5-layer filtration system equipped with metering system, and enhancing recycling through ETP and STP plants. The company has also established rainwater storage well of 950 KL capacity at its Khatalwada Cable plant to collect and store rainwater during the rainy season. This stored water is later utilized for recharging aquifers by pumping water into multiple borewells during non-rainy periods and various factory operations, thereby reducing dependence on groundwater. As a result of these efforts, APAR's water recycled and reused percentage increased from 14.3% in FY25 to 25.2% in FY26. Further, its water consumption intensity reduced by 15.5% in FY26 compared to FY25, though overall intensity remained at 16.5 KL/INR crore of turnover (Industry median: 12.4 KL/INR crore).

APAR achieved a leadership position among its peers with a score of 97.9 in packaging material, reflecting its commitment to using environmentally friendly materials for packaging. To drive the use of sustainable packaging for its products, APAR has replaced part of its wooden drums and reels with steel or hybrid alternatives (steel frame with PP sheet), which can be reused 6-7 times before being recycled as scrap. Further, all plastic used in packaging and sold by APAR in the domestic market is recycled in compliance with EPR requirements.

## Social Score



The Social pillar accounts for 35% of the sector's overall weight. APAR achieved social score of 73.3, showcasing its strong performance across parameters such as employee health & safety, value chain, and human capital, which together contribute more than 75% of the overall weightage given to this pillar.

APAR scored 84.2 in the theme of Employee Health and Safety, which is significantly above the industry median of 84.2, showcasing a robust health and safety management system across its operations. The company has formulated a board-approved policy dedicated to workforce health and safety, emphasizing its overarching objective of minimizing the risk of work-related injuries and occupational illnesses across all locations under its management control. To strengthen its health and safety culture, APAR has implemented a modern EHS platform that provides automated workflows, real-time notifications to relevant stakeholders, seamless data flows across the organization, standardized processes, enhanced transparency, and quicker response actions. Hazard Identification and Risk Assessment (HIRA) form an integral part of both routine and non-routine activities, with annual assessments conducted at each manufacturing location to identify areas requiring additional precautions. Employee engagement and participation are actively encouraged by APAR in health and safety management, with programs designed to help employees recognize risks and hazards in their daily work environment. In FY26, 73% of employees and 100% of workers received training on health and safety practices. APAR maintained a total recordable injury rate of 0.002 in FY26, while its average lost time injury frequency rate improved significantly from 0.75 in FY25 to 0.33 in FY26. Importantly, the company recorded zero workforce fatalities during FY26.

APAR achieved a score of 69.9 in the theme of Value Chain, which is marginally above the industry median of 68.7. The company has established a Supplier Code of Conduct (CoC) which includes human rights protection, environmental sustainability, health and safety, and business integrity for its suppliers. APAR has a grievance redressal mechanism for its value chain partners and assesses their human rights practices. As part of its commitment to responsible value chain management, APAR actively promotes health and safety across its supplier base. Suppliers are required to acknowledge and comply with APAR's Supplier CoC, which mandates adherence to occupational health and safety standards, fair working conditions, environment protection, and compliance with applicable laws and regulations. APAR conducts mandatory safety inductions, including toolbox training to ensure awareness of site-specific hazards and safety protocols, provides personal protective equipment to supplier personnel working on its premises with usage monitored by its safety team, and encourages suppliers to adopt industry best practices related to safety protocols, emergency preparedness, and employee well-being. In addition, the company evaluates vendors on environmental parameters and health and

safety practices through vendor assessment and audits, including ensuring implementation of ISO 14001:2015 by supplier, for all new vendors. To further strengthen awareness, the company conducts regular webinars showcasing its own environmental journey, workplace safety, achievements, and initiatives, thereby sensitizing suppliers towards sustainability practices and environmental protection. In FY26, 31% of APAR's value chain partners were trained on the BRSR principles.

APAR scored 47.0 in the theme of Human Capital, which is at par with the industry median of 47.0. The company has established a standalone Diversity and Inclusion Policy, which outlines guidelines to foster diversity, equity, and inclusion, with the aim of creating economic opportunities, reducing inequalities, and enabling inclusive growth. In addition, APAR has implemented a structured strategy focused on training and career development for its workforce. The company has a mechanism in place to receive and redress grievances and the provision of paid paternal leave for its workforce. APAR is committed towards diversity and inclusion, showcased by prioritizing merit-based employment for historically disadvantaged groups, including scheduled castes, tribes, and other backward classes across all its plant locations and improving women worker's participation in its factory shop floors. Further, APAR has also partnered with Sri Nityanand Educational Trust's Govardhan Skill Development Centre in Wada to provide youth with technical training through short-term courses affiliated with the National Institute of Open Schooling, thereby improving their employment opportunities. On the learning and career development front, APAR has undertaken multiple initiatives, such as structured training programs for new joiners in the light duty cables business, simulation workshops for senior leadership to strengthen strategic decision-making, APAR values workshops to reinforce organizational culture, and white and green belt training to build technical and process excellence.

APAR's overall employee turnover rate declined marginally from 13.66% in FY25 to 13.35% in FY26. Its male employee turnover increased from 13.43% to 14.07%, while female employee turnover significantly declined from 15.72% to 7.69% over the same period. The female-to-male employee ratio slightly improved from 0.12 in FY25 to 0.13 in FY26, reflecting progress in gender representation supported by initiatives such as the Saraswati program aimed at increasing women's hiring. The median pay ratio of female to male employees improved marginally from 0.64 in FY25 to 0.66 in FY26. Furthermore, the female-to-male worker ratio also increased slightly 0.01 in FY25 to 0.03 in FY26. Apar has also demonstrated commitment towards workforce development by providing skill upgradation training to 88.2% of its employees and 28.7% of its workers in FY26, along with training 100% of its employees (excluding BoDs & KMPs) on BRSR principles.

## Governance Score



The Governance pillar carries a weight of 30% for the sector. With a governance score of 85.4, APAR holds the leadership position among its industry peers, reflecting robust governance practices and the effective incorporation of ESG considerations into strategic decision-making at the highest level. Key governance aspects such as Business Ethics, Oversight on ESG, Board Composition, and Reporting, Filing and Disclosures, together contribute more than 75% of the overall weightage given to this pillar.

APAR secured a leadership position among its peers with a score of 95.6 in the theme of Business Ethics, underscoring its strong commitment to ethical governance and responsible business conduct. This commitment is reinforced through a board-approved Code of Conduct (CoC), supported by robust whistleblower and anti-bribery and anti-corruption (ABAC) policies. APAR further extends these ethical standards to its supply chain through a comprehensive Supplier CoC, covering key aspects such as labor and human rights, health and safety, ethics and integrity, and environmental responsibility. In addition, the company has established a Grievance Redressal Mechanism for shareholders and provides regular training to employees on its CoC, whistleblower, and ABAC policies to ensure ongoing awareness and compliance, while also extending these training programs to its suppliers.

APAR ranks in top quartile among its peers with a score of 78.6 in ESG Governance and Oversight. The company ensures a structured and transparent approach towards sustainability, driven by a Board-level ESG Committee that oversees the ESG strategy, supported by a comprehensive set of Board-approved ESG policies aligned with majority of BRSR principles. A dedicated management-level sustainability team ensures effective implementation of principles and sustainability initiatives across the company's operations. Through extensive stakeholder engagement, APAR identifies its key ESG risks, while the board is regularly updated on activities, progress across sustainability parameters, and feedback from the stakeholder engagement. The company has not conducted a third-party review of its ESG policies. Strengthening its commitment to sustainable growth, the company allocated 0.12% of its total R&D budget and 3.2% of its capital expenditure to sustainable solutions aimed at enhancing the environmental and social performance of its products and processes. APAR conducts an annual review of its performance and compliance with BRSR principles, ensuring these principles are effectively implemented and approved by the board. The company's board and senior management include members with expertise in environmental, climate, and social parameters. In addition, APAR has established an ESG materiality assessment framework and developed a materiality matrix to prioritize critical issues, providing a structured approach towards driving continuous improvement in its ESG performance.

APAR scored 82.5 in the theme of Reporting, Filing, and Disclosures, which is on par with the industry median. APAR has implemented a comprehensive Enterprise Risk Management (ERM) framework, where each risk is

systematically analyzed through a process of identification, assessment, and integration. This structured approach ensures risk management remains thorough and aligned with strategic objectives, strengthening the company's ability to address evolving challenges effectively. To support effective implementation, Apar has also established a risk management governance structure that ensures strong oversight. APAR has also formulated a Remuneration and Board Diversity policy which governs the selection process for Board members, Key Managerial Personnel (KMPs), and senior management, as well as their remuneration. While best practices advocate for having more than one woman director to strengthen board gender diversity, APAR currently meets only the minimum requirement under the Companies Act, 2013, by appointing a single woman director on its board and has not exceed the threshold by appointing additional women directors. Further, its senior management has no woman representation. APAR has trained 100% of its board members and KMPs on BRSR principles. The company adheres to key governance mandates under the Companies Act, 2013, and SEBI LODR, including requirements related to board independence, board size, and the establishment of Audit, Risk Management, Nomination & Remuneration, CSR, and Stakeholders' Relationship Committees. APAR also complies with regulations on its audit committee's chairperson independence and independent members, NRC's chairperson independence and independent members, CSR committee's independent members, and NRC's non-executive members. In addition, more than 50% of Apar's board comprises non-executive directors. However, the company's Risk Management Committee falls short of best practice as it does not have two-thirds of its members designated as independent.

## Key Rating Drivers

### Strengths

#### **Comprehensive water stewardship to reduce consumption and groundwater dependence across operations through substantial initiatives**

APAR has implemented multiple measures to strengthen water management, such as maintaining zero liquid discharge across all its manufacturing facilities, harvesting rainwater, and incorporating advanced recycling systems. Its initiatives, such as rainwater storage and aquifer recharge, have lowered groundwater dependence, while process improvements and higher recycling rates have enhanced overall consumption efficiency. These efforts collectively demonstrate APAR's proactive approach to reducing water intensity and building long-term resilience in water management.

#### **Long-term environmental targets driving a structured approach to climate transition**

APAR has set clear targets across key environmental areas, including a 50% reduction in GHG emissions intensity by FY30, a 15% reduction in waste generation intensity by FY28, a 2% reduction in water consumption by FY26, and achieving 25% renewable energy consumption by FY26. Establishing realistic targets with well-defined

baselines is essential for creating measurable performance benchmarks. These focused environmental commitments strengthen APAR's ability to drive systematic improvements in sustainability performance and support steady progress toward more targeted and efficient sustainability initiatives.

## **Efficient waste management and circularity initiatives leading to higher recovery rates despite increase in waste generation**

APAR has embedded circular economy principles across its operations, ensuring efficient handling, recycling, and disposal of both hazardous and non-hazardous waste. Through segregation at source, partnerships with authorized recyclers, and in-house reuse of materials like aluminium, copper, and packaging waste, the company has achieved near-total waste recovery and established zero-waste-to-landfill mechanisms. The rise in waste intensity was driven by production growth outpacing revenue, though its impact was offset by APAR's high recycling rates and circular use of input materials, underscoring its commitment to sustainable waste management and significantly mitigating environmental impact.

## **Advancing workforce diversity, inclusion, and skill development to foster equitable growth and career progression**

APAR demonstrates its commitment to inclusive growth through a dedicated Diversity and Inclusion Policy, grievance redressal mechanisms, and parental leave benefits. The company promotes equitable employment by prioritizing historically disadvantaged groups and enhancing women's participation on shop floors. Partnerships like the one with Sri Nityanand Educational Trust further expand opportunities for youth through technical training. Complementing this, APAR invests in workforce development with structured training for new hires, leadership simulation workshops, values-based cultural programs, and technical excellence initiatives, building both inclusivity and long-term employee growth.

## **Driving responsible value chain practices through ethical standards, supplier engagement, and sustainability initiatives**

APAR fosters a responsible value chain by enforcing its Supplier Code of Conduct, covering human rights, health and safety, environmental sustainability, and business integrity. It ensures compliance through audits, assessments, and ISO 14001:2015 implementation for new vendors, while actively promoting supplier health and safety via mandatory training, site-specific hazards and safety protocols, personal protective equipment provision, and monitoring. Regular webinars and engagement sessions further build awareness on workplace safety and sustainable environmental practices, with APAR extending BRSR-focused training to its value chain partners, reinforcing its commitment to ethical and sustainable supply chain management.

## **Robust governance framework fostering transparency, accountability, and long-term sustainability**

APAR ensures comprehensive adherence to governance requirements under the Companies Act, 2013, and SEBI LODR, covering aspects such as board independence, board size, and the establishment of key committees including Audit, Risk Management, Nomination & Remuneration, CSR, and Stakeholders' Relationship Committees. The company further complies with mandates on audit committee chairperson independence and independent members, NRC chairperson independence and independent members, CSR committee independent members, and NRC non-executive members. Additionally, over half of APAR's board comprises non-executive directors, underscoring a balanced and accountable governance framework. This strong governance structure enhances transparency, strengthens stakeholder confidence, and supports long-term sustainability.

## **Effective ESG integration at the highest level, reinforcing ethical conduct, prudent decision-making, and responsible business practices**

APAR embeds ethics and sustainability deeply into its governance framework through a board-approved Code of Conduct, whistleblower, and ABAC policies, extended across its value chain via a Supplier CoC. ESG oversight is driven by a Board-level ESG Committee and a dedicated sustainability team, ensuring alignment with BRSR principles and industry best practices. With structured stakeholder engagement, ESG materiality assessment framework and matrix, and a comprehensive Enterprise Risk Management framework, APAR strengthens transparency, integrates ESG risks into strategic decision-making, and enhances resilience to evolving challenges.

## **Weaknesses**

### **Higher resource consumption and waste intensity impeding sustainability progress**

APAR witnessed a significant increase in absolute energy consumption and a rise in waste intensity from 0.66 MT/₹ crore in FY2024-25 to 0.82 MT/₹ crore in FY2025-26, indicating continued scope to strengthen resource optimisation across its manufacturing operations. While the company has undertaken energy-efficiency, electrification, recycling and waste-recovery initiatives, the increase in energy consumption and waste intensity was linked to higher production, and a change in product mix. Further strengthening process efficiency and reducing waste generation can help APAR reduce resource intensity, contain environmental impacts and accelerate its sustainability progress.

### **Gender diversity gap and committee independence constraining governance effectiveness**

The company demonstrates gaps in gender representation and governance, with only one woman on the board, no women in senior management, and less than two-thirds independence in the Risk Management Committee.

This restricts diversity of perspectives in decision-making and reflects partial alignment with governance best practices. Strengthening board and leadership diversity, while improving independence in committees, enhances decision-making quality, stakeholder trust, and overall governance resilience.

## Key ESG Parameters of Apar Industries Limited

| Parameters                               | Unit                                      | FY 2026 | Industry Median |
|------------------------------------------|-------------------------------------------|---------|-----------------|
| <b>Environment</b>                       |                                           |         |                 |
| Scope 1 intensity                        | tCO <sub>2</sub> e/ INR crore of turnover | 2.1     | 1.1             |
| Scope 2 intensity                        | tCO <sub>2</sub> e/ INR crore of turnover | 6.0     | 6.9             |
| Renewable energy consumption             | % (of total energy consumption)           | 6.0     | 6.0             |
| Energy intensity                         | GJ/ INR crore of turnover                 | 62.5    | 54.0            |
| Water consumption intensity              | KL/INR crore of turnover                  | 16.5    | 12.4            |
| Waste generation intensity               | MT/ INR crore of turnover                 | 0.8     | 0.8             |
| Waste recovery rate                      | %                                         | 98.7    | 98.1            |
| <b>Social</b>                            |                                           |         |                 |
| Employee turnover                        | %                                         | 13.4    | 21.5            |
| Female to male employees' ratio          | Per 100 male employees                    | 13      | 6               |
| Female to male employees' median pay     | Per ₹100 of male employees' median pay    | 66      | 86              |
| Health & safety complaints               | #                                         | 0       | 0               |
| POSH complaints upheld over reported     | X/Y                                       | 1/1     | 0               |
| Average lost time injury frequency rate  | #                                         | 0.33    | 0.08            |
| Workforce fatality rate                  | Per employee                              | 0       | 0               |
| Total recordable injury rate             | #                                         | 0.002   | 0.0003          |
| <b>Governance</b>                        |                                           |         |                 |
| No. of Female in board                   | #                                         | 1       | 1               |
| % board members trained on BRSR          | %                                         | 100     | 100             |
| % KMPs trained on BRSR                   | %                                         | 100     | 100             |
| Income gap ratio (CEO pay to median pay) | X : Y                                     | 173.2   | 80.0            |

Data source: company information, public sources, CareEdge-ESG research & analysis

KL = kiloliters | MT = metric tons | GJ = gigajoules

## Rating Sensitivities

### Positive Factors

- Reduction in overall waste generation
- Strengthening measures towards waste reduction and re-using, recycling and safely disposing plastics reclaimed at the end of life of products
- Driving human capital development through substantial initiatives

- Enhancing women's representation in board and senior management

## Negative Factors

- Increase in overall water and energy consumption
- Rise in Scope 1 and 2 emissions intensities
- Decline in renewable energy consumption
- Reduced focus on health and safety, workforce skills, and responsible value chain practices

## Analytical approach

**Rating boundary:** CareEdge-ESG has considered standalone data of Apar for assessment. The same is in line with their disclosure in BRSR.

## Methodology/Criteria

For detailed understanding of the criteria and methodology used by CareEdge-ESG, please refer to the methodology document available on [www.careedgeesg.com](http://www.careedgeesg.com)

## About the company and industry

APAR Industries Limited was established in 1958 by Dharmsinh Desai and incorporated in 1989, with its headquarters in Mumbai, Maharashtra. The company has grown into a global leader in electrical conductors, Cables & Telecom, specialty oils, lubricants, and polymers, serving customers in over 140 countries. Apar Industries operates across three major business segments: Conductors & Cables, Specialty Oils & Lubricants, and Polymers. Its products cater to diverse sectors including power transmission, distribution, renewable energy, and industrial applications. The company is recognized as the world's largest producer of aluminium and alloy conductors and the third-largest manufacturer of transformer oils globally.

The company has a strong focus on innovation, research, and development, continuously investing in advanced technologies to enhance product quality and efficiency. Emphasizing sustainability and global best practices across its operations, Apar Industries ensures high standards of quality, safety, and environmental compliance. Strategic initiatives and a strong global presence have enabled the company to establish a robust network of customers and partners worldwide, reinforcing its position as a trusted and reliable supplier.

## Source of information

While assigning the ratings, CareEdge-ESG has considered publicly available information such as annual reports of the company and other policies, sustainability reports, certifications, BRSR reports, additional information and comments provided by the company.

**Status of non-cooperation with previous ERP:** Not applicable

## Rating history for last three years:

| Sr. No. | Name of Product | Current Rating |       | Rating history                                              |                                         |                                         |
|---------|-----------------|----------------|-------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
|         |                 | Rating         | Score | Date(s) & Rating(s) assigned in 2025-26                     | Date(s) & Rating(s) assigned in 2024-25 | Date(s) & Rating(s) assigned in 2023-24 |
| 1       | ESG Rating      | CareEdge-ESG 1 | 77.8  | September 26 <sup>th</sup> , 2025:<br>CareEdge-ESG 1 – 76.4 | -                                       | -                                       |

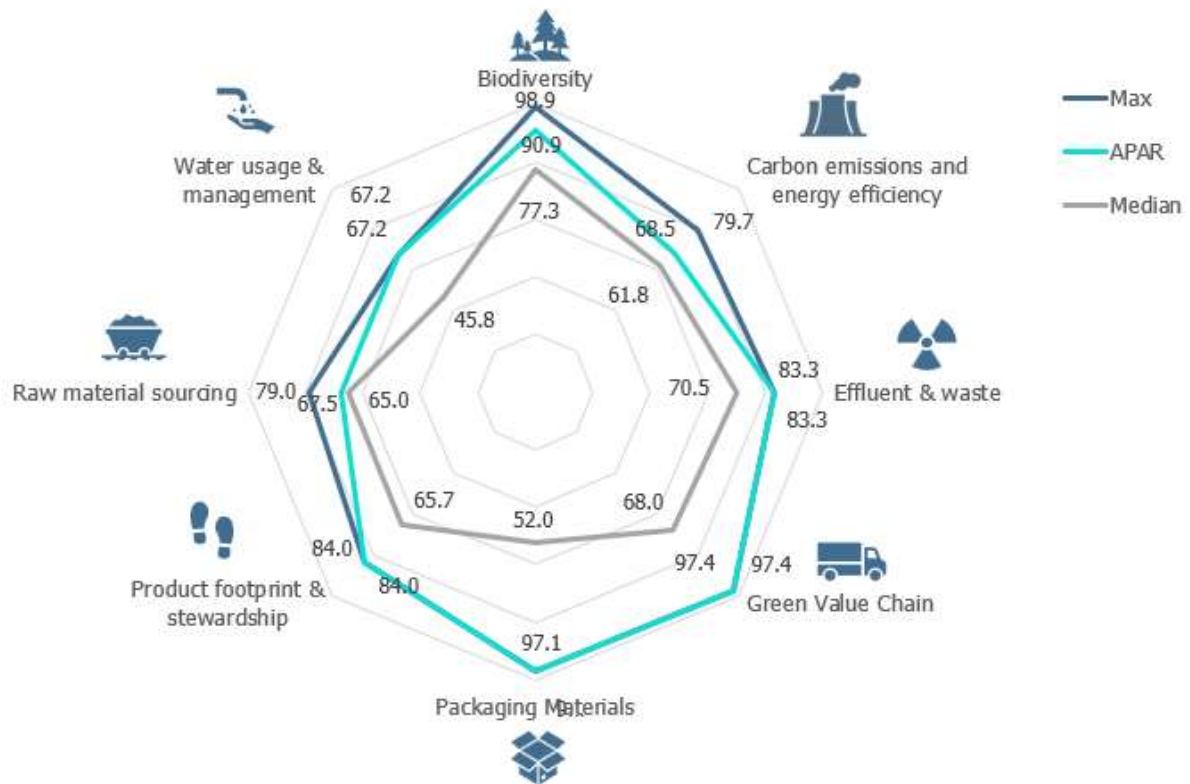
## Annexure: Graphical summary of key rating drivers<sup>1</sup>

**Hierarchy:** While arriving at pillar level scores for Apar, CareEdge-ESG has assigned theme weights based on relative importance and sectoral hierarchy as depicted in the exhibit below.

| Materiality                | Environment                     | Social                          | Governance                       |
|----------------------------|---------------------------------|---------------------------------|----------------------------------|
| H<br>I<br>G<br>H           | Carbon and other emissions      | Employee Health & Safety        | Business Ethics                  |
|                            | Water usage & management        | Human Capital                   | Oversight on ESG                 |
| M<br>E<br>D<br>I<br>U<br>M | Effluent & Waste                | Human Rights                    | Reporting, filling & disclosures |
|                            | Packaging Materials             | Value Chain                     | Board Composition                |
|                            | Raw material sourcing           |                                 |                                  |
| L<br>O<br>W                | Product footprint & stewardship | Product safety & quality        | Remuneration                     |
|                            | Biodiversity                    | Consumer Protection             | Board Functioning                |
|                            | Green Value Chain               | Community Support & Development |                                  |
|                            |                                 |                                 |                                  |

<sup>1</sup> Comprehensive analytical insights, inferences and benchmarking is provided in CareEdge-ESG's detailed ESG Report

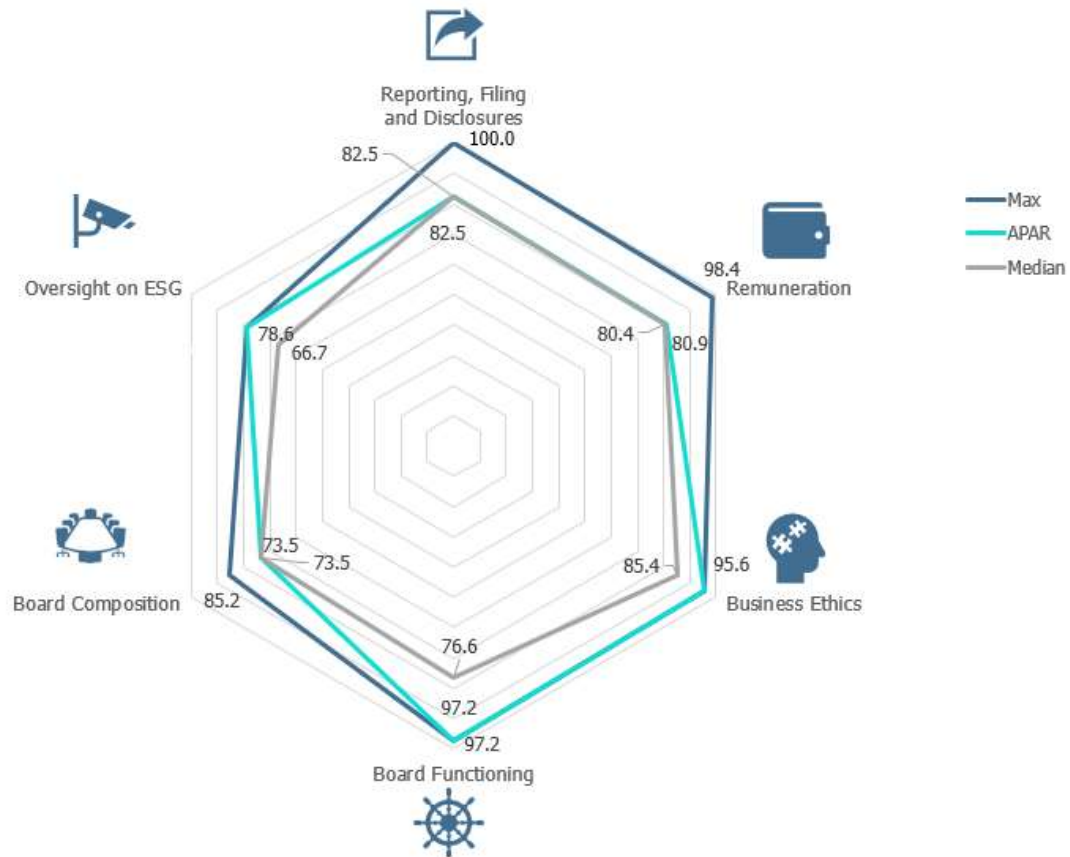
## Environment Pillar: APAR's theme-wise performance and industry benchmarks



## Social Pillar: APAR's theme-wise performance and industry benchmarks



## Governance Pillar: APAR's theme-wise performance and industry benchmarks



## Summary Pillars and Theme Scores

| Theme                                 | APAR FY26   | Industry Median |
|---------------------------------------|-------------|-----------------|
| Biodiversity                          | 90.9        | 77.3            |
| Carbon emission and energy efficiency | 68.5        | 61.8            |
| Effluent & Waste                      | 83.3        | 70.5            |
| Green Value Chain                     | 97.4        | 68.0            |
| Packaging Materials                   | 97.1        | 52.0            |
| Product footprint & stewardship       | 84.0        | 65.7            |
| Raw material sourcing                 | 67.5        | 65.0            |
| Water Usage & Management              | 67.2        | 45.8            |
| <b>Total Environment Score</b>        | <b>75.8</b> | <b>63.4</b>     |
| Product safety & quality              | 99.6        | 54.7            |
| Consumer Protection                   | 92.6        | 93.3            |
| Human Rights                          | 73.2        | 74.9            |
| Human Capital                         | 47.0        | 47.0            |
| Employee Health & Safety              | 84.2        | 74.2            |
| Value Chain                           | 69.9        | 68.7            |
| Community Support & Development       | 94.2        | 68.6            |
| <b>Total Social Score</b>             | <b>73.3</b> | <b>72.5</b>     |
| Reporting, Filing and Disclosures     | 82.5        | 82.5            |
| Remuneration                          | 80.9        | 80.4            |
| Business Ethics                       | 95.6        | 85.4            |
| Board Functioning                     | 97.2        | 76.6            |
| Board Composition                     | 73.5        | 73.5            |
| Oversight on ESG                      | 78.6        | 66.7            |
| <b>Total Governance Score</b>         | <b>85.4</b> | <b>74.2</b>     |
| <b>Total ESG Score</b>                | <b>77.8</b> | <b>68.4</b>     |

### Analytical Contact

|                   |                       |                           |                      |
|-------------------|-----------------------|---------------------------|----------------------|
| Nikunj Dube       | Chief Ratings Officer | Nikunj.dube@careedge.in   | +91 – 72191 09995    |
| Sanghamitra Sarma | Lead Analyst          | Sanghamitra.s@careedge.in | +91 – 22 – 6837 4400 |

### Relationship Contact

|            |                         |                        |                |
|------------|-------------------------|------------------------|----------------|
| Saikat Roy | Chief Executive Officer | Saikat.Roy@careedge.in | +91 9820998779 |
|------------|-------------------------|------------------------|----------------|

### Media Contact

|               |                                                 |                           |                      |
|---------------|-------------------------------------------------|---------------------------|----------------------|
| Mradul Mishra | Director – Corporate & Marketing Communications | Mradul.mishra@careedge.in | +91 – 22 – 6754 3596 |
|---------------|-------------------------------------------------|---------------------------|----------------------|

### CARE ESG Ratings Limited

Corporate Office: A Wing – 1102 / 1103, Kanakia Wall Street, Andheri Kurla Road, Chakala, Andheri (East), Mumbai – 400 093  
Phone: +91 - 22 - 6837 4400 | CIN: U66190MH2016PLC285575

### About:

CareEdge is a knowledge based analytical group that aims to provide superior insights based on technology, data analytics and detailed research. CARE ESG Ratings Limited (CareEdge-ESG) is one of the India's pioneer ESG rating provider fostering sustainability with ESG insights. With an aim of being a catalyst of change for a sustainable future with the most credible ESG assessments, CareEdge-ESG provides a 360-degree appraisal for the ESG performance benchmarking cum transition enabling ESG risk mitigation and enhanced decision-making capabilities for all stakeholders.

### Disclaimer:

The ratings issued by CARE ESG Ratings Ltd (CareEdge-ESG) are opinions about an issuer, regarding its ESG profile and relative position in managing ESG Risk through disclosures, policies and performance and are not recommendations or suggestion, directly or indirectly to any user, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. These ratings do not convey suitability of an investment or adequacy of market price for the investor. They shall not form the basis for any investment decisions or analysis and shall not be substitute for the skill, judgement and caution to be exercised by the user of such ratings while making business and investment decisions. CareEdge- ESG gives no representations or warranties regarding the use of these ESG Scores and related materials and/or their fitness for a particular purpose. The agency does not constitute an audit on the rated entity. CareEdge-ESG has based its ESG ratings/score based on information obtained from reliable and credible sources. CARE-ESG does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. CARE ESG reserves the right to change the ESG ratings/ score from time to time in accordance with the methodologies, policies and procedures. CareEdge ESG rating/ scoring report and any related material are meant for informational and reference purpose only and shall not be modified, reverse engineered, reproduced, or distributed, in whole or in part, for commercial purpose, in any form or by any means, or stored in a database or retrieval system. No part of the ESG rating/ score report or any other related material shall be quoted or used without CareEdge ESG's prior written consent, as an input or constituent for deriving results, outputs, inferences which have not been independently verified or validated by CareEdge, for commercial purpose or otherwise. The ESG scores / ratings have been issued by CareEdge ESG for use by users in the jurisdiction of India in accordance with the applicable regulations. Any usage of the ESG rating by the entity rated shall be for internal reference purpose, reference of investors or for usage on the webpage of the rated entity and / or in the annual report or similar usage, however in each case with appropriate source credit to CareEdge ESG. Most entities who are rated by CareEdge-ESG have paid a fee, based on the complexity of rating assignment. CareEdge-ESG or its subsidiaries/associates/promoter may also be involved with other commercial transactions with the entity. CareEdge-ESG is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CareEdge-ESG.

© 2025, CARE ESG Ratings Limited, a wholly owned subsidiary of CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents on an "as-is" basis is permitted with due acknowledgement to CARE ESG Ratings Limited. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE ESG Ratings Limited.