

# Management Discussion and Analysis

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## Forward-looking Statement

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

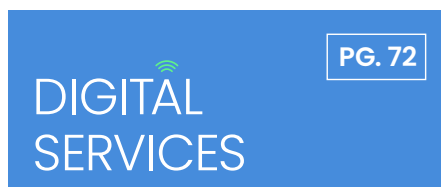
The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

## Business Overview

Analysis and description of all major business segments of Reliance covering brands, strategic advantages and competitive strengths. The discussion structure covers the market environment the business operates in and how Reliance's business model and operational excellence helped achieve a strong performance.



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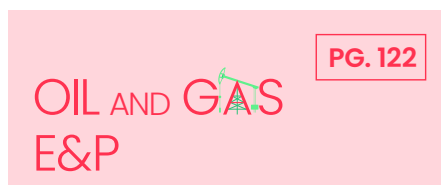
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# Financial Performance and Review



Alok  
Agarwal



Srikanth  
Venkatachari



Soumyo  
Dutta



Anshuman  
Thakur



Ashwin  
Khasgiwala



Saurabh  
Sancheti



C. S. Borar



Raj  
Mullick



We adhered to a disciplined capital framework to support exponential growth across our businesses. Through proactive liability management we continued to optimise finance costs.



### Executing India's largest-ever foreign currency fundraise

RIL issued a US\$-denominated 4 billion bond in January 2022, the proceeds from which will be primarily used for refinancing of existing borrowings. The issue was oversubscribed by nearly 3x with a peak order book aggregating to US\$ 11.5 billion. The bonds were priced through RIL's secondary curve. US\$ 1.5 billion was raised at a coupon rate of 2.875%; US\$ 1.75 billion was raised at 3.625% and US\$ 0.75 billion at 3.75%. The notes are due for repayment between 2032 and 2062. This transaction is significant on various counts. It is the:

- Largest-ever foreign currency bond issuance from India
- Tightest ever implied credit spread over the respective US Treasury across each of the 3 tranches by an Indian Corporate
- Lowest coupon achieved for benchmark 30-year and 40-year issuances by a private sector BBB corporate from Asia ex-Japan
- First-ever 40-year tranche by a BBB private sector corporate from Asia ex-Japan

## Global Economy

Global economy grew by 6.1% in CY 2021, after declining 3.1% in CY 2020. Global economy is expected to grow at 3.2% in CY2022, below the long term trend of ~3.5%, primarily due to coordinated global monetary policy tightening along with the geopolitical tensions. Advanced economies' (AEs) universe grew at a robust pace of 5.2% in CY 2021, and is expected to moderate in CY 2022 at 2.5%, with US and Euro Area growth expected at 2.3% and 2.6% respectively, supported by inventory restocking, universal immunisation, and strong pent-up demand from consumption and businesses. China grew by 8.1% in CY 2021, but is expected to slow to 3.3% in CY 2022 due to zero-tolerance COVID-19 policy, stringent restrictions on polluting industries and financial stress among major property developers. Global trade volume growth was robust in CY 2021 at 10.1%, and is expected to grow at a strong pace of 4.1% in CY 2022.

Strong demand along with persistent supply-chain issues and high energy prices, have resulted in firming up of global inflationary pressures. Recent geopolitical tensions have further exacerbated the global inflation scenario. US inflation has continued to inch up and recorded June 2022 CPI inflation at 9.1%, highest since CY 1981, with broad-based rise in price pressures, while Euro-Area inflation climbed to a record 8.6% in June, primarily led by energy components. Crude oil averaged at \$ 75/bbl in Apr'21 – Jan'22 period and above \$100/bbl during Feb'22 – June'22 with outbreak of conflict in Europe. Disruption in trade flows, high energy prices and tightening of crude and refining demand-supply, along with strengthening of refining margins to historical highs could impact near-term demand growth. Rise in inflationary pressures has led global central banks to begin reversal of their accommodative monetary stance, with the US Federal Reserve beginning the

taper of asset purchase program in November 2021 and subsequently raising interest rates by 225 bps cumulatively since March.

Even though post-pandemic reopening of the global economy is expected to provide further impetus to the demand, global monetary policy tightening in the face of rising inflationary pressures and geopolitical uncertainties could impact the near-term demand outlook.. IMF expects inflation to remain elevated in the near-term averaging 6.6% in AEs and 9.5% in emerging market and developing economies (EMDEs) in CY 2022, before subsiding in CY 2023 as supply chain disruptions ease and demand rebalances take place.

## Indian Economy

After witnessing a sharp decline of 6.6% in FY 2020-21, the Indian economy recorded a growth of 8.7% in FY2021-22 as per the provisional estimates by National Statistical Office. This is the strongest pace among major economies. The economic expansion has been supported by a strong national vaccination drive that enabled easing of COVID-19 related restrictions. India administered more than 177 crore doses of vaccine during the financial year, thereby fully vaccinating more than 60% of its population.

The economic impact of the Omicron COVID-19 variant was relatively mild with most high-frequency indicators above pre-pandemic level. Urban demand remains strong with improved mobility and debit and credit card spending. Overall fuel consumption grew by 4% in FY 2021-22. Debit and credit card spending increased by 26% Y-o-Y in March 2022. However, overall auto sales have been weak on the back of persistent supply chain shortages around the world.

Industrial indicators continued to remain robust, with manufacturing and services PMI in expansion

zone for most of the year. Electricity demand for FY 2021-22 grew by 8% Y-o-Y, even after the economy witnessed coal shortages in early part of October 2021. Government revenue generation remained robust with GST collections averaging more than ₹1.2 lakh crore per month, increasing 31% Y-o-Y. Digital adoption gathered further pace with growth in UPI payments during FY 2021-22 rising more than 100% Y-o-Y.

RBI maintained its accommodative monetary stance, keeping reference rates unchanged during FY 2021-22. Subsequently, with rising inflationary pressure, RBI raised repo rate by 90 bps, withdrawing its accommodative stance. India's merchandise exports crossed US\$400 billion during the year, growing at more than 40% Y-o-Y led by engineering goods, petroleum products and gems & jewelry.

India's foreign exchange reserves remained above \$600 billion by the end of FY 2021-22, providing a cushion against external shocks. Indian government's financial policy is centered around growth and gradual fiscal consolidation. With a budgeted fiscal deficit of 6.4% for FY 2022-23, focus remains on capital expenditure. Major policy initiatives during the year included continuation of COVID-19-related relief measures and a focus on Production linked incentive (PLI) schemes in various key sectors to provide impetus to investment, growth and employment. As per IMF India is expected to remain the fastest growing economy in FY 2022-23, growing at 7.4% led by expected improvement in credit growth, investment and consumption growth.

## Performance Overview

Reliance benefitted from strong recovery in economy with easing of restrictions, improved business environment and an unprecedented national vaccination drive. Reliance's businesses cater to key industrial and consumption growth areas including energy and chemicals, digital services and retail. Reliance's

exceptional performance was underpinned by agile operations that rapidly adapted to changes in market conditions, while maintaining high utilisation levels across businesses.

O2C business generated strong earnings through its high utilisation, integrated portfolio and superior product placement capabilities. During the year, production from R-cluster and satellite cluster in KG D6 was ramped up and stabilised at 18 MMSCMD, contributing to 20% of gas production in India.

Reliance Retail continued to deliver growth on the back of rapid store expansion and digital offerings resulting in higher revenues and margin expansion. Digital services business continues to transform the broadband market in India and set new benchmarks for the industry.

Reliance remains committed to achieving Net Carbon Zero by 2035. During the year, Reliance progressed on its plans in New Energy and New Materials business, adopting a partnership approach. Recent investments and partnerships with technology leaders in the renewable energy space lays the foundation for a rapid scale-up of the business in the coming years.



## Financial Performance Summary (Consolidated and Standalone)

Particulars	Consolidated			Standalone		
	FY 2021-22		FY 2020-21	FY 2021-22		FY 2020-21
	₹ in crore	US\$ in billion	₹ in crore	₹ in crore	US\$ in billion	₹ in crore
Value of Sales and Services (Revenue)	7,92,756	104.6	5,39,238	4,66,425	61.5	2,78,940
EBITDA	1,25,687	16.6	97,580	66,185	8.7	48,318
Cash Profit	1,10,778	14.6	79,828	56,275	7.4	36,411
Segment EBIT	89,325	11.8	62,397	48,487	6.4	30,048
Net Profit	67,845	9.0	53,739	39,084	5.2	31,944
Cash and Marketable Securities	2,31,490	30.5	2,54,019	1,82,235	24.0	1,82,225
Tangible and Intangible Assets (Excluding Goodwill)	7,87,295	103.9	6,56,999	2,74,288	36.2	3,39,668
Gross Debt	2,66,305	35.1	2,51,811	1,94,563	25.7	2,21,698

US\$ 1 = ₹75.7925 (Exchange rate as on 31.03.22)

## Revenue

Reliance achieved consolidated revenue of ₹7,92,756 crore (US\$ 104.6 billion), an increase of 47.0%, as compared to ₹5,39,238 crore in the previous year. All operating segments contributed to the increase in gross revenue with reopening of economies and revival in demand. O2C revenue growth was primarily on account of increase in crude oil prices and higher price realisation of downstream products along with higher volumes. Revenue of Oil & Gas segment increased with higher production from KG D6 coupled with improved gas price realisation. Retail Segment revenue was driven by broad-based growth across all consumption baskets and ramp-up in digital and new commerce. Digital Services revenue was primarily driven by higher ARPU and ramp up of wireline services.

## Profit

Consolidated EBITDA for the year increased by 28.8% to ₹1,25,687 crore as compared to ₹97,580 crore in the previous year. The EBITDA growth was led by 38.1% increase in O2C

segment with recovery in demand and fuel margins. Digital Services segment EBITDA also grew by 18.3% reflecting benefit of higher customer engagement and tariff revision. Retail segment EBITDA increased by 26.2% with improvement in store operations, higher footfalls, store expansion and traction in omni-channel offerings. Oil & Gas segment EBITDA jumped 21x with successful commissioning and ramp-up of production from new fields.

Cash Profit increased by 38.8% to ₹1,10,778 crore as compared to ₹79,828 crore in the previous year. Profit After Tax (after exceptional items) was higher by 26.2% at ₹67,845 crore.

## Gross Debt

Reliance's Gross Debt was at ₹2,66,305 crore (US\$ 35.1 billion). This includes standalone gross debt of ₹1,94,563 crore and balance in key subsidiaries, including Reliance Jio (₹42,486 crore), Reliance Retail (₹19,915 crore), Reliance Sibur Elastomers (₹2,363 crore) and Independent Media Trust Group (₹2,160 crore)

## Standalone

RIL's standalone revenue for FY 2021-22 was ₹4,66,425 crore (US\$ 61.5 billion), an increase of 67.2% as compared to ₹2,78,940 crore in the previous year. Profit After Tax was at ₹39,084 crore (US\$ 5.2 billion) an increase of 22.4% against ₹31,944 crore in the previous year. Basic EPS on standalone basis for the year was ₹59.2 as against ₹49.7 in the previous year.

## Movement in Key Financial Ratios

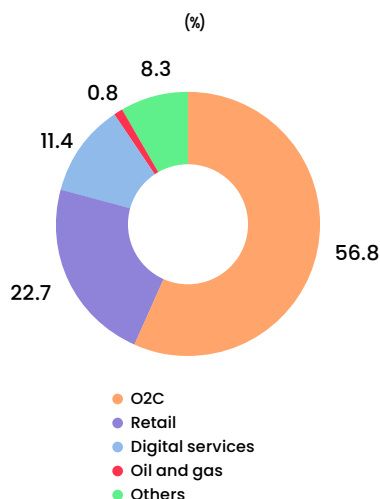
- The debt service coverage ratio improved to 1.2 in FY 2021-22 as against 0.4 in the previous year primarily due to lower finance cost and principal repayments of loans during the year.
- The inventory turnover ratio improved to 16.7 in FY 2021-22 as against 10.8 in the previous year primarily due to higher feedstock price.
- Net Profit Margin (after exceptional item) declined to 8.4% in FY 2021-22 as against 11.5% in the previous year primarily due to higher tax expenses and base effect.
- The interest coverage ratio improved to 6.1 in FY 2021-22 as against 2.4 in the previous year with higher EBIT and lower finance cost due to prepayment of major long term debt in FY 2020-21.
- The return on net worth improved to 10.4% in FY 2021-22 as against 9.3% in the previous year primarily on account of increase in net profit during the year.





## Segment Review

### REVENUE CONTRIBUTION



## Performance Update

Reliance Retail continues to rapidly grow in scale on the back of new store expansion and favourable product mix resulting in high operating leverage. The business continues to provide unmatched value proposition and improve customer experience across all store formats.

Retail revenues grew by 26.7% Y-o-Y to ₹1,99,749 crore, segment EBITDA grew by 26.2% to ₹12,423 crore. Despite challenges posed by the pandemic, Reliance Retail further consolidated its leadership position and continued to be India's largest, most profitable and fastest growing retailer.

All time high revenues were recorded in fashion & lifestyle and grocery consumption baskets with strong

growth momentum in consumer electronics. Overall a well rounded growth driven by highest ever store sales and sustained growth momentum in digital and new commerce channels.

Reliance Retail continued to invest in network and infrastructure expansion as well as strengthening its Digital and New Commerce capabilities.

- The total store count stood at 15,196 covering 41.6 million sq.ft. at the end of the year
- Merchant partners grew 3x Y-o-Y while digital commerce orders grew 2.5x Y-o-Y. The registered customer base now stands at 193 million, a growth of 24% Y-o-Y
- While the pandemic has disrupted livelihoods, Reliance Retail added over 1,50,000 jobs to the economy, while ensuring health and safety of all its employees and their families. This included vaccination for all eligible employees and their families

## Retail

(₹ in crore)

	FY 2021-22	FY 2020-21	FY 2019-20
Value of Sales and Services	1,99,749	1,57,702	1,63,029
Revenue from operations	1,75,015	1,39,136	1,46,365
EBITDA	12,423	9,842	9,695
EBITDA Margin (%)*	7.1	7.1	6.6

\*EBITDA Margin is calculated on revenue from operations



## Strategic Update

Reliance Retail has built capabilities through organic growth, acquisitions and strategic partnerships with investments near ₹30,000 crore in FY 2021-22. Reliance Retail added over 2,500 new stores and 11.1 million sq. ft. of warehousing space during the year. It acquired Just Dial (B2B marketplace) which underlines commitment to New Commerce initiative by further boosting the digital ecosystem for millions of partner merchants and MSMEs. During the year Reliance Retail further strengthened its sourcing ecosystem, working closely with producers, MSMEs, service providers, local and international brand companies. Reliance also built on its portfolio of brands, offering a superior value proposition and differentiated products to customers. Merchant partnerships and digital commerce now contribute nearly 17% of revenues compared to 10% in the preceding year.



## Digital Services

(₹ in crore)

	FY 2021-22	FY 2020-21	FY 2019-20
Value of Services	1,00,161	90,287	69,605
Revenue from operations	85,117	76,642	59,407
EBITDA	40,268	34,035	23,348
EBITDA Margin (%)*	47.3	44.4	39.3

\*EBITDA Margin is calculated on revenue from operations

## Performance Update

Digital Services reported strong underlying revenue and EBITDA growth in FY 2021-22 on the back of continued traction in connectivity platform and tariff hikes in mobility services. Gross revenue of ₹ 1,00,161 crore on a year-end subscriber base of 410.2 million and an EBITDA margin of 47.3% attest to Jio's superior network operations and cost position. Annual operating revenue for Jio Platforms crossed US\$ 10 billion in FY 2021-22.

Jio's network carried almost 10% of global mobile data traffic in CY 2021 underlining the 'Jio Effect' on the digital ecosystem in India. Jio remains the broadband network of choice with over 50% share of data traffic in India. Jio was the digital lifeline during COVID-19 with over 130 million new users joining the network and data traffic growing at ~46% Y-o-Y to 91 Exabytes during FY 2021-22.

- JioFiber with 5 million+ connected homes has become the largest fixed broadband provider in India within two years of launch
- In order to enhance spectrum footprint, Jio acquired right to use spectrum in 800 MHz band in Andhra Pradesh, Delhi and Mumbai circles through spectrum trading from Bharti Airtel
- At OpenSignal Awards, Jio won the award for best video experience, and continued to hold top positions in 4G coverage and availability

## Strategic Update

Jio and Google Cloud have embarked on a comprehensive, long-term strategic relationship with a goal of powering 5G in enterprise and consumer segments. 5G coverage planning has been completed for 1,000 top cities across the country. Trials on advanced use cases across Healthcare and Industrial Automation are underway. Further, Jio and Google launched JioPhone Next – the most affordable smartphone anywhere in the world with a unique financing option and unprecedented features like an all new Pragati OS. Jio's in-house R&D team with technical and research professionals have indigenously developed a stack of applications leveraging its technology investments and customer engagement. These applications are now being scaled up to enhance user experience and bring unprecedented convenience to users.

## Media and Entertainment

(₹ in crore)

	FY 2021-22	FY 2020-21	FY 2019-20
Value of Services	6,831	5,459	6,186
Revenue from operations	5,880	4,705	5,357
EBITDA	1,080	796	617
EBITDA Margin (%)*	18.4	16.9	11.5

\*EBITDA Margin is calculated on revenue from operations

### Performance Update

Media and entertainment segment delivered a strong growth in profitability on the back of robust operational performance. Consolidated EBITDA of the business rose by 35.7% Y-o-Y to ₹1,080 crore with EBITDA margin at record levels of 18.4% compared to 16.9% in the previous year. TV News operating margin expanded to ~21%, marking 5 years of continued improvement. The Group leveraged its position across verticals to drive revenue growth which was accompanied by continued cost controls that helped realise operating leverage, resulting in improved profitability.

FY 2021-22 saw strong growth in advertising revenues of all 3 verticals of the business – TV News, Entertainment and Digital News. News (TV and Digital) continued to grow throughout the year, while Entertainment advertisement revenues were impacted slightly at the beginning and end of the

year due to the second wave of the COVID-19 pandemic and global macro events, respectively. Digital News advertising continued to accelerate, driven by growing reach of the network and increasing adoption of digital.

Digital subscription platforms, Voot Select and MoneyControl Pro, saw a sharp jump in paid subscriber base during the year. The status quo on channel pricing imposed by the courts continued, limiting domestic subscription growth opportunities.

The sharp improvement in profitability over the last 2 years is a result of strong operating performance driving revenue growth, continued cost controls, and reduced losses in some of the businesses in investment phase

- TV News operating margin expanded to 20.7%, marking 5 years of continued improvement
- Digital News profitability improved sharply – from break-even last



year to 13.1% margins, in line with consolidated group margins

- Entertainment operating profit was highest ever at ₹777 crore and operating margins were 18.2% despite the significant increase in costs.

### Strategic Update

Viacom18, Group's entertainment subsidiary, announced a partnership with Bodhi Tree Systems (BTS) and Reliance Group on 27<sup>th</sup> April 2022, to accelerate its growth journey of becoming one of India's largest TV and digital streaming companies. As part of the partnership, JioCinema will be transferred to Viacom18 along with a cash infusion of ₹13,500 crore by BTS and ₹1,645 crore by Reliance Group. Viacom18 also forayed into sports genre with acquisition of media rights of marquee sports properties and launch of 3 sports channels. The Group continued to strengthen its digital platforms (Voot, MoneyControl, News18.com) and saw an improvement in digital reach, engagement and monetisation.

## Oil to Chemicals (O2C)

(₹ in crore)

	FY 2021-22	FY 2020-21	FY 2019-20
Revenue	5,00,900	3,20,008	4,51,355
EBITDA	52,722	38,170	53,803
EBITDA Margin (%)	10.5	11.9	11.9

### Performance Update

Steady recovery in global oil and energy markets supported robust fuel margins and helped O2C business deliver strong earnings. Despite the challenges posed by subsequent

waves of the pandemic, the business delivered resilient performance by leveraging the strong international and domestic supply chain, multimodal logistics, deep integration and feedstock flexibility.





Revenue for the O2C business increased by 56.5% to ₹ 5,00,900 crore on account of higher volumes and price realisation across transportation fuels and key downstream chemical products. O2C segment EBITDA increased sharply by 38.1% to ₹52,722 crore. Demand recovery for gasoline and gasoil to near pre-pandemic level in global markets along with strong margins resulted in higher profitability. Brent crude price for the year averaged at US\$ 80.8/bbl versus US\$ 44.3/bbl in the previous year, an increase of 82.3%. Total

throughput during the year was 76.7 MMT an increase of 6.6% Y-o-Y. Fuel mix optimisation ensured minimal sourcing of LNG during the year leading to significant cost savings.

### Strategic Update

Reliance entered into a strategic partnership with ADNOC for establishing a world-class chemical project at TA'ZIZ in Ruwais. This joint venture will construct an integrated plant with capacity to produce 940 KT of chlor-alkali, 1.1 MMT of ethylene

dichloride and 360 KT of PVC annually. Jio-bp launched India's largest EV charging hub in Delhi NCR Region alongside building on their swapping station network. Further, Reliance announced restructuring and repurposing of Gasification Assets. The segregation of gasification assets is the first step towards repurposing of the assets and providing flexibility to upgrade streams within RIL using a Balance-Sheet light approach.

## Oil and Gas E&P

(₹ in crore)

	FY 2021-22	FY 2020-21	FY 2019-20
Revenue	7,492	2,140	3,211
EBITDA	5,457	258	353
EBITDA Margin (%)	72.8	12.1	11.0

### Performance Update

Revenue for the Oil and Gas segment increased by 3.5x Y-o-Y to ₹7,492 crore, on the back of ramp-up of gas production from KG D6 and improved price realisation. EBITDA for the year increased to ₹ 5,457 crore, with EBITDA margin of 72.8%

- For the year, production (RIL share) was at 188.1 BCFe, up 48.6% Y-o-Y due to ramp-up in production from R Cluster and Satellite Cluster.

- Price realisation for KG D6 improved 24.2% Y-o-Y to US\$ 4.92/mmbtu in FY 2021-22 vs. US\$ 3.96/mmbtu in FY 2020-21. Price realisation for Coal Bed Methane (CBM) gas for the year was higher by 64.7% at US\$ 6.82/ mmbtu (GCV).

### Strategic Update

MJ development project is on track with production expected to start from 3Q FY 2022-23. Reliance completed the sale of its interest



in Eagle ford Shale assets to Ensign Operating for a consideration higher than the carrying value of assets. With this transaction, Reliance has divested all its shale gas assets and has exited from the shale gas business in North America.

## Liquidity and Capital Resources

During FY 2021-22, financial markets globally witnessed low interest rate environment and abundant liquidity. Reliance successfully refinanced its liabilities taking the benefit of low interest rates prior to the turn in the interest rate cycle.

The Company raised \$9 billion from global and local investors in the second half of the financial year to primarily refinance high-cost debt, resulting in substantial savings in interest cost.

The Company issued US\$ 4 billion foreign currency bonds across 10-year, 30-year and 40-year tranches primarily for refinancing of existing borrowings. This was the largest ever foreign currency bond issuance out of India. The Company's subsidiary, Reliance Jio Infocomm Limited prepaid deferred liabilities pertaining to spectrum aggregating to ₹30,791 crore and financed it through INR Loans and INR Debenture.

Reliance also made its green financing debut with the acquisition financing of REC Solar Holdings.

### External Environment

The year gone by was a story of two halves. The intermittent disruption in economic activities during the first half amid resurgence of new COVID-19 variant ensured the accommodative financial conditions by systemic central banks in a bid to support growth. However, the persistent and renewed intensification of inflationary pressure due to continued disruption in global supply chain, tighter labour market and geo-political issues have swiftly changed the landscape of global monetary policy as we exited the



financial year. The monetary policy priority among advanced economies is now decisively centered around preserving consumer purchasing power and to anchor inflationary expectations amidst multi-decade high inflation. The withdrawal of ultra-accommodation both on the interest rates and liquidity front is primarily led by US Fed and has gained traction in other developed economies including Emerging Markets. The outlook of sharp upward adjustment in global interest rates and calibrated withdrawal of liquidity is leading to tighter financial conditions.

On the domestic front, the reverberation of change in global monetary landscape and rising inflationary pressure has tilted the balance in favour of gradual withdrawal of policy accommodation. The RBI has signalled this shift in policy priority by pushing the cost of domestic liquidity through narrowing of LAF corridor, unlimited sterilisation through new instrument of Standing Deposit Facility (SDF) and change in monetary policy stance (MPC) to focus on withdrawal of accommodation. The average inflation trajectory during FY 2022-23 is likely to stay closer to the higher end of RBI-MPC target of 6% whereas the growth impulses may moderate further. On the external front, the deterioration in current account deficit (CAD) to 2.5% of GDP and uncertainty on capital inflows amidst tightening global financial conditions is likely to exert depreciation pressure on the rupee in the near term. Overall, the macroeconomic outlook of challenging growth inflation trade-off, faster policy normalisation in developed economies and geopolitical issues may keep the volatility high in the domestic financial markets.

Financial markets were extremely choppy and volatile during the year. The first half of the year saw stable exchange rate and interest rates in the market. However the second half of the year witnessed rupee depreciation and a gradual move

up in interest rates, exacerbated by geopolitical conflicts.

The Company was successfully able to navigate all such abrupt adjustments in the market, maintain adequate liquidity on its balance sheet, manage its financial market risks and deliver a consistent return on its investment portfolio by staying invested in low risk, liquid instruments. Reliance Treasury continued to stay focused on providing liquidity to the businesses at the optimal risk adjusted cost by accessing financing from different markets and using appropriate instruments and currencies.

### Treasury Management and Financial Strategy

Reliance Treasury's impeccable timing on executing landmark transactions not just from India but also from Asia can be attributed to its ability and foresight to see emerging trends in financial markets.

Reliance Treasury continuously monitors the financial markets to assess financing and investment opportunities to raise financing at optimised cost and deliver superior returns respectively. It identifies opportunities to reduce interest costs and extend maturity profile of its existing debt portfolio. It also maintains a prudent mix of funding sources across instrument classes, financing products, geographies and investor classes.

### Fund Raising

Reliance continues to be a sophisticated and innovative issuer of securities across the capital structure. During the year, Reliance issued US\$ 4 billion senior unsecured notes across 10-years, 30-years and 40-years tranches comprising (i) US\$ 1,500,000,000 2.875% Senior Unsecured Notes due 2032, (ii) US\$ 1,750,000,000 3.625% Senior Unsecured Notes due 2052 and (iii) US\$ 750,000,000 3.750% Senior Unsecured Notes due 2062. The Notes were nearly 3x oversubscribed with a peak order book aggregating ~US\$ 11.5 billion and were priced

through the Company's secondary curve. Reliance has now joined a select group of issuers from Asia to have made jumbo foreign currency bond issuances. The proceeds from the notes were primarily used for refinancing existing borrowings.

This transaction was significant on various counts:

- It was the largest ever foreign currency bond issuance from India
- It had the tightest ever implied credit spread over the respective US Treasury across each of the 3 tranches by an Indian Corporate
- It carried the lowest coupon achieved for benchmark 30-year and 40-year issuances by a private sector BBB corporate from Asia ex-Japan
- It had a first ever 40-year tranche offering by a BBB private sector corporate from Asia ex Japan

The Company's subsidiary, Reliance Jio Infocomm Limited prepaid entire deferred liabilities pertaining to spectrum acquired in auctions of year 2014, 2015, 2016 and the spectrum acquired in FY 2021-22 through trading of right to use with Bharti Airtel Limited aggregating to ₹30,791 crore (including accrued interest). This was refinanced through a mix of INR Loans and Debentures. The Company expects that this prepayment will result in interest savings of about ₹1,200 crore annually.

The Company's subsidiary REC Solar Pte Ltd. tied up Reliance Group's first green financing aggregating US\$ 586 million including a US\$ 250 million green term loan and ~US\$ 336 million five-year green bank guarantee facility.

### Credit Rating

Reliance's strong focus on financial capital coupled with financial discipline and prudence are reflected in the strong credit ratings ascribed by rating agencies. Reliance continues to enjoy a strong credit rating and continues to be rated two notches above sovereign by S&P and is one notch above sovereign by Moody's.

The table below depicts the credit rating profile:

Instrument	Rating Agency	Rating	Remarks
International Debt	S&P	BBB+	Two notches above India's sovereign rating
International Debt	Moody's	Baa2	One notch above India's sovereign rating
Long-Term Debt	CRISIL	AAA (stable)	Highest rating by CRISIL
Long-Term Debt	CARE	AAA (stable)	Highest rating by CARE
Long-Term Debt	ICRA	AAA (stable)	Highest rating by ICRA
Long-Term Debt	India Ratings	AAA (stable)	Highest rating by India Ratings

## Liquidity Management

Robust liquidity underpins Reliance's short-term financial planning processes with an aim of ensuring adequate protection against short term adverse market events. Reliance deploys a judicious mix of tenors and product types in its liquidity management processes and continues to explore path breaking financing solutions in partnership with its world-class banking partners. Consistent strong cash generation from operating activities provides the foundation for liquidity. This along with undrawn borrowing facilities and cash and cash equivalents provide solid liquidity buffer.

Reliance's liquidity management and investment plans are created within the context of its strategic and annual financial planning processes. The plans are reviewed on an ongoing basis to factor in evolving global and domestic macro factors.

Reliance maintains sufficient working capital resources for running all its businesses smoothly. The operating cycle is closely monitored to optimise working capital structure and ensure smooth business financing. Trade financing solutions are proactively reviewed and swiftly calibrated to deliver robust working capital management.

RIL has opportunistically used short term borrowings through Commercial Paper to finance its working capital requirements. Given the low interest rate environment this has benefited the Company to maintain low cost of liabilities.

RIL effectively manages its cash and cash equivalents through a diversified investment portfolio which has an appropriate mix of steady accrual, tax efficient and higher duration assets with lower reinvestment risk. The portfolio consists of wide-ranging fixed income instruments invested in top rated instruments like sovereign bonds, AAA papers and bank's fixed deposits. The diversification across instruments and counterparties ensures that there is minimal concentration risk.

The investment portfolio is monitored and operated under a robust risk management framework with a very nimble and dynamic adjustment to portfolio mix as and when necessary to ensure capital protection and appropriate risk adjusted returns. The investment portfolio balances well between the dual objectives of generating optimal returns with appropriate risk/reward and maintaining the assurance of liquidity at short notice..

## Awards and Accolades

During FY 2021-22, RIL won the Best Asia Pacific Corporate Bonds award from 'The Banker' for the US\$ 4 billion multi-tranche Senior Unsecured Notes issued in January 2022.

## Way Forward on Financial Capital

Reliance remains committed to sustainable value creation for stakeholders through disciplined capital framework and optimal utilisation of its resources. As it enters the next stage of growth, the Company through its robust cash flow and balance sheet, will accelerate the pace of growing capabilities for **Digital, New Commerce, New Energy, and New Material businesses.**

# RETAIL

Reliance Retail is India's largest and most profitable retailer with a diversified omni-channel presence via integrated store concepts, digital and new commerce platforms. It provides consumers with an outstanding value proposition, superior quality products and an unmatched shopping experience.





Subramaniam V.

Isha  
AmbaniAkash  
AmbaniAnant  
AmbaniAshwin  
KhasgiwalaAkhilesh  
PrasadDarshan  
Mehta

Damodar Mall

Brian  
BadeKaushal  
NevrekarSunil  
NayakJayant  
BhaleraoBijay  
SahooGulur  
VenkateshV. B.  
Pardiwalla

**193** million  
Customer base

**15,196**  
Retail stores

**3,61,000+\***  
Employees

\*This includes on-roll, off-roll and third party personnels



Reliance Retail posted industry leading performance with record revenue and profit in an operating environment that was marked by sporadic disruptions through the year. The performance demonstrates robust business model, superior understanding of evolving consumer trends and is led by highly trained and capable staff who are relentlessly focused on serving our customers.





## RETAIL

### Vision

To be the most admired and successful retail company in India that enhances the quality of life of every Indian.

### Mission

- Provide millions of customers with unlimited choice, outstanding value proposition, superior quality and unmatched experience across the full spectrum of products and services
- Serve the entire spectrum of Indian society i.e. from households, kiranas and merchants, to small and medium enterprises and institutions
- Reach the length and breadth of the country through our physical and digital distribution platforms
- Be the partner of choice and enable win-win opportunities for producers, small and medium enterprises, brand companies and global suppliers
- Generate direct and indirect employment opportunities with skill transformation and talent development on an unprecedented scale

### Strategic Advantages and Competitive Strengths

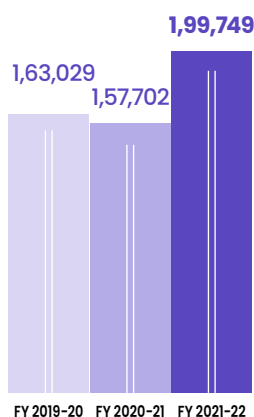
-  Proven business model with agile execution and project management skills
-  Straddling the entire value chain – from product design and development to serving customers across segments
-  Omni-channel player with the largest network of stores, digital and new commerce platforms
-  Cutting-edge technology to improve business efficiency and consumer experience
-  Leadership across focused consumption baskets
-  Extensive supply chain network that covers the length and breadth of the country
-  Deep understanding of consumer preferences and shopping behaviour
-  Strong supplier relationships providing portfolio of the widest, high-quality merchandise

### Performance Summary

#### REVENUE

(₹ IN CRORE)

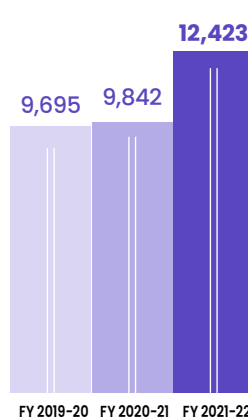
₹1,99,749



#### EBITDA

(₹ IN CRORE)

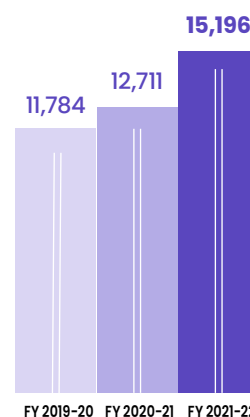
₹12,423



#### RETAIL STORES

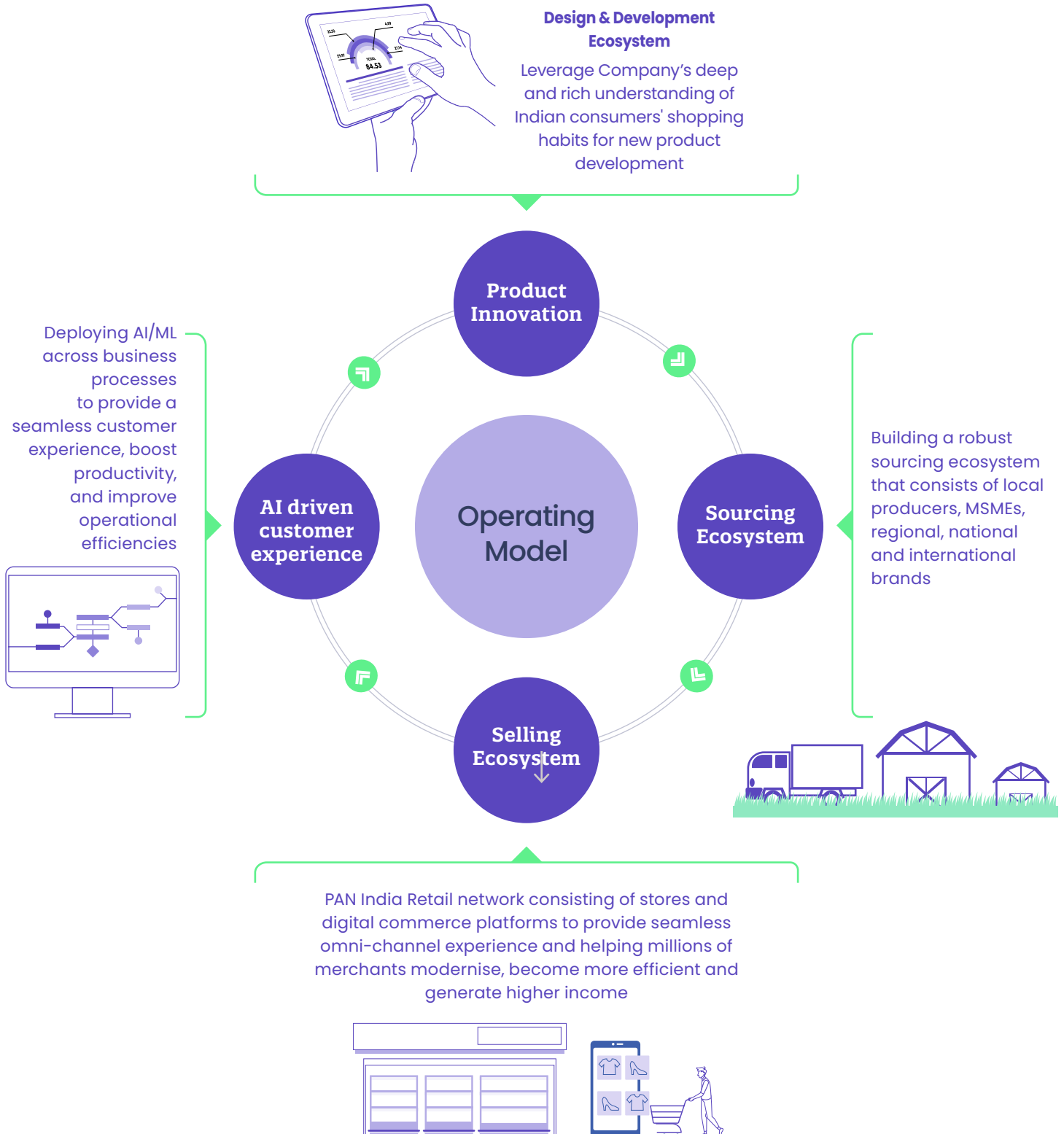
(NOS.)

15,196



## Operating Model

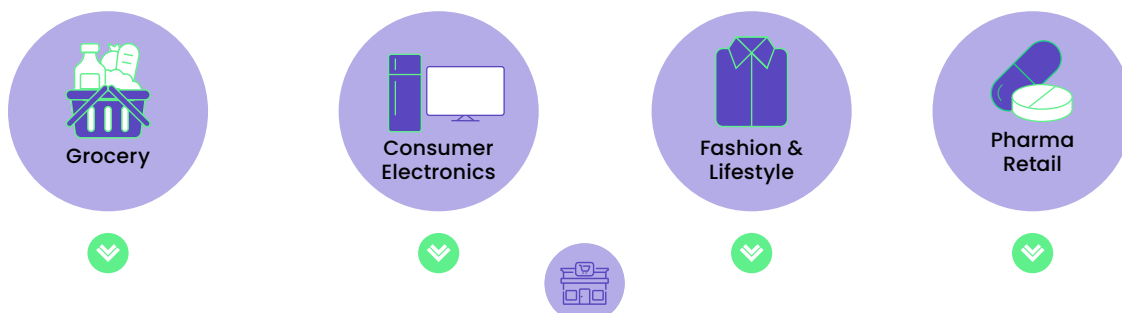
Reliance Retail's operating model straddles across the retail value chain to unlock significant value for all the stakeholders.



## RETAIL

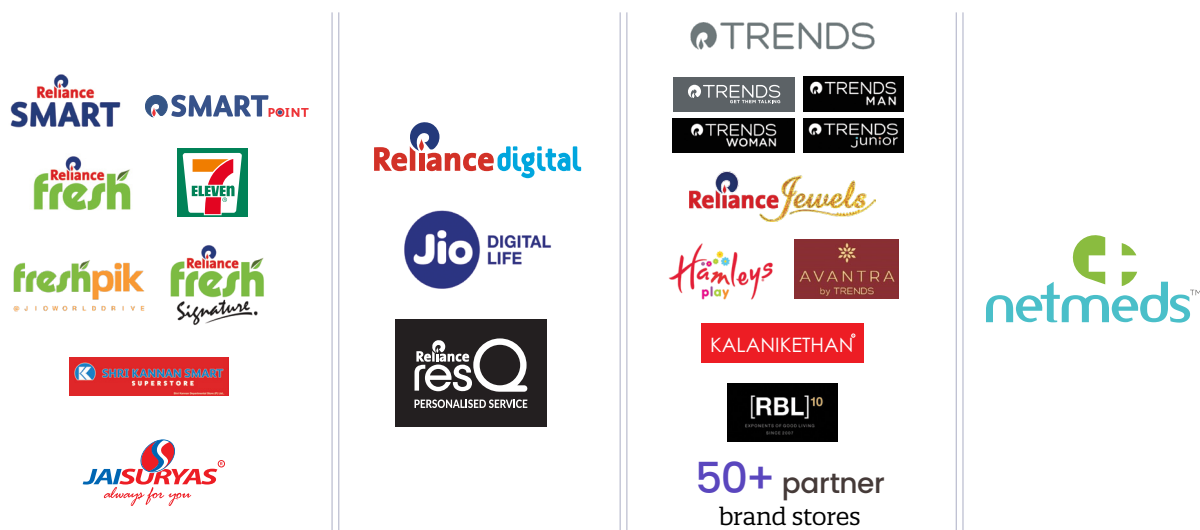
### Diversified Customer Touch Points

Reliance Retail has one of the world's largest omni-enabled retail store networks and operates an extensive portfolio of digital commerce platforms, bringing customers the widest range of products across its consumption baskets. It is supported by a well-trained workforce, a strong infrastructure backbone comprising of supply chain and technology capabilities.



#### Operating the largest store network in the country

15,196 stores with over 41.6 million square feet of retail space and presence across 7,000+ cities



#### Market leading digital commerce platforms

2.5x growth in daily orders Y-o-Y



#### Empowering merchant through new commerce platforms

3x growth in merchant sign-up Y-o-Y



## Acquisitions and Partnerships

Reliance Retail announced a number of acquisitions and strategic alliances to strengthen its competencies and bolster its product offerings.

### Merchant commerce

Acquired majority stake in Just Dial, India's leading local search engine platform



### Daily subscription

Acquired Milkbasket, leading subscription based daily micro delivery platform



### Lifestyle brand

Bought Portico and Stellar Home brands, offering bed and bath solutions



### Women's wear speciality store

Acquired Kalanikethan to strengthen ethnic wear portfolio



### Supply chain automation

Bought majority stake in Addverb Technologies that provides warehouse automation solution and robotic systems for automated material handling



### Convenience store

Entered into a master franchise agreement with 7-Eleven, Inc. for the launch and rapid scale-up of 7-Eleven® convenience stores in India



### Fashion Brand

Acquired stakes across prominent Indian designer brands



### Fashion Brands

Acquired Amante and Clovia, leading intimate wear brands to strengthen its product portfolio



### Grocery store chain

Acquired Jaisuryas, a leading grocery chain to strengthen offering in the Southern markets



### Digital commerce

Invested US\$ 200 million in Dunzo, India's leading quick commerce and last-mile fulfilment player



## RETAIL

### Highlights FY 2021-22



#### Performance

All-time high revenue and profit delivery amidst a challenging operating environment

Registered customer base up by ~24% Y-o-Y to reach

**193 million**



Augmented digital commerce offerings, 2.5x growth Y-o-Y in daily orders



#### Expansion

~7 new stores added every day,

**crossed 15,000 store milestone**

Launched new store concepts



(Gourmet)



(Sarees)

P O P  
U P @



THE WHITE CROW



JioMart extends portfolio to cover electronics and beauty; **launches subscription service**

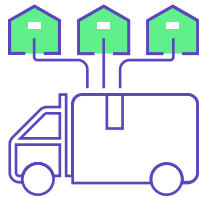




## Inclusivity



Secured employees  
and their families –  
**~100% of all eligible employees  
and their families  
double vaccinated**



Reliance Retail is investing  
resources in building  
Next-gen supply chain  
capabilities – added  
**11.1 million sq ft**  
of warehousing space;  
capacity nearly doubled to  
**22.7 million sq ft**

**1,50,000+**

new jobs added,  
taking the employee  
base to 3,61,000

Reliance Retail is  
rated amongst the fastest  
growing retailers globally

New Commerce  
Merchant partner  
base up 3x Y-o-Y



Bolstered retail capabilities  
through acquisition,  
partnerships and strategic  
investments with investment of  
**₹9,700+ crore**



# RETAIL

## Industry Overview

India has emerged as one of the most resilient global economies, having braved the macro-economic headwinds caused by COVID-19. The Indian economy is propelled by a solid domestic demand that accounts for 56% of India's GDP, which provides a strong foundation for a sustained growth of the Indian retail market. The learnings from the first wave of COVID-19, combined with a strong impetus on vaccination, helped reduce the pandemic's impact on the economy in 2021. With a gradual fall in the number of cases and the easing of restrictions, production across major sectors is going back to pre-COVID levels. As the impact of the pandemic subsides and consumer demand resumes, the retail sector is expected to rebound and record a compounded growth rate of 11% to become a US\$ 1.2 trillion market by 2025.

## Emerging Trends and Business Response



### Omni-channel takes centre stage

Serving customers through an omni-channel approach is emerging as a prerequisite to growth.

#### Our Response

- ✓ Reliance Retail has created the most extensive retail ecosystem in the country, with its retail outlets connected with digital commerce platforms to provide a unified consumer experience across channels. This integrated approach has significantly improved customer experience.

**2.5x**

Growth in digital commerce sales in FY 2021-22



### Growth in smaller towns

The broad-based growth in the retail sector is being led by India's small towns.

- ✓ Reliance Retail operates over two-third of its network of stores in Tier II and below towns. This provides it a first mover advantage across many small towns, leading to customer stickiness.

**75%**

Of new stores launched in FY 2021-22 were in Tier II and below towns



### Quick commerce

Emerging business model to enhance customer experience.

- ✓ With the launch of JioMart, Reliance Retail has established itself as the leading player in hyperlocal delivery and quick commerce. Its product selection continues to grow, with electronics, fashion, and now pharma available on its platform. Reliance Retail's investment in Milkbasket and Dunzo will further strengthen its capabilities in serving customers.

**48 million**

JioMart apps downloaded



### Increased spend on hygiene, health, and nutrition

Focus on health, hygiene and well-being takes center stage.

- ✓ Reliance Retail has been a pioneer in identifying emerging consumer trends and has created an extensive range of home and personal care products under its own brand portfolio. During the year, it introduced Puric, a range of personal hygiene and home disinfectant products with more than 20 SKUs, which has received positive response from consumers.

**15%**

Share of own brands in hand wash & hygiene category



## Business Performance

### Consumer Electronics

Reliance Retail is the leader in consumer electronics retailing in the country with 8,700+ Reliance Digital and MyJio Stores.

Consumer Electronics business model is centered around solution selling approach that is designed to offer a differentiated value proposition, strong in-store experience and extensive yet relevant product assortment and is complimented by an in-house after sales service through resQ.

#### Differentiated Store Concepts for Consumer Electronics



Largest big-box electronics chain with 400+ national and international brands



Small-store concept offering mobility and connectivity products across 7,000+ towns along with an extended catalogue for assisted online selling



India's only ISO 9001 certified electronics service brand offering multi-brand, multi-product service covering end-to-end product life cycle



#### Reliandedigital.in

Digital platform with omni-channel capabilities for seamless experience across 2,000+ towns

#### Competitive Strengths

- Technology purchase made simple through buying guides, tech experts and personalised selling
- Order fulfilment within 24 hours of purchase
- Ensure consumer comfort through resQ solutions that cover entire product life cycle
- Preferred partner for all leading electronics brands – product launches, exclusive promotions



- Exclusive product offering through a portfolio of own and licensed brands

## 500+

Reliance Digital stores as of March 2022

## 55%

Revenues from Tier II and below cities



### Key Developments

Registered broad-based growth across categories particularly in laptops, mobiles and home appliances

Robust growth led by sharper opening price points ranges, successful festive and big day campaigns and category focused events

Launched Consumer Electronics on JioMart

Launched JioMart Digital, the New Consumer Electronics merchant platform

Strengthened own brand proposition by launching over 600 new SKUs; increased merchant partner penetration

Reliance Digital felicitated across multiple industry forums; notable amongst them:

- The Economic Times Best Brands Award
- MAPIC India Awards – Most Admired Retail Company of the Year



## RETAIL

### Business Performance



#### Fashion & Lifestyle

Reliance Retail is the largest fashion & Lifestyle retailer in India and has adopted a multi-format approach to service its customers through various retail concepts that cater to customer segments from value to premium and luxury.

### Diverse Store Concepts for Fashion & Lifestyle



Market leader in value fashion retail with strong own brand portfolio and category-focused format extensions to tap niche demand



Multi-brand family footwear retail chain with a wide assortment of own and branded products



Destination for fine jewellery with 100% purity guarantee and thematic collections



Experiential one-stop destination for women's ethnic wear



India's leading sarees and ethnic wear retailer



Partner to 50+ international brands offering global shopping experience in India



Experiential toy store with presence across 17 countries; the oldest toy retailer globally



Leading fashion & lifestyle digital commerce platform with 800K+ styles from India and around the world



India's leading online luxury destination for fashion & lifestyle brands



Omni-channel furniture and decor retail chain



Leading destination for women's intimate wear, with 100+ stores and delivery across 2,000+ cities





## Competitive Strengths

- Largest store network of 3,900+ omni-enabled stores across 1,000+ cities
- Largest portfolio of international partner brands
- Straddles the entire value chain of fibre to wardrobe, allowing it to deliver the most stylish and trendiest fashion to Indian customers
- Strong own brand portfolio with multiple brands with annual turnover of US\$ 100 million+

# 1,000+

Fashion & Lifestyle stores opened in FY 2021-22

# 2x

Y-o-Y increase in sales from Tier II and below cities



Strengthens women's ethnic wear and intimate wear category through acquisitions

## Key Developments

### Apparel and Footwear

- Revenue more than doubles; surpasses pre-COVID levels on the back of increased conversions and bill values
- Registered 2x increase in sales from Tier II and below towns, contributing to 50%+ of total revenues
- Continued growth momentum for AJIO, with new highs set every quarter and a significant increase in customer KPIs and operating parameters
- Entered saree category with the introduction of Avanta by Trends, and acquisition of Kalanikethan
- Strengthened portfolio with the acquisition of Amanté, Clovia and Portico
- Expanded own brands portfolio with the introduction of 3 mid-premium and 18 value brands

### Jewels

Robust growth driven by introduction of 17 national and regional collections

### Partner Brands

- Partnered with Valentino, La Martina, Starter, Balenciaga, and Adidas Young Athletes
- Developed three new concepts: TWC Pop Up, TWC Books & Coffee, and Hamleys Play
- Invested in Manish Malhotra, Ritu Kumar, ak-ok, Abraham & Thakore, Abujani Sandeep Khosla, and Rahul Mishra



Reliance Retail enters Indian ethnic wear category

## RETAIL

### Business Performance



### Grocery

Reliance Retail is the country's largest grocery retailer operating diverse formats to accommodate the varied needs and buying occasions of consumers.

Reliance Retail provides consumers a wide assortment of fresh produce, everyday products, and general merchandise in a contemporary shopping environment at an attractive value proposition through engaging store concepts and digital and New Commerce platforms.

### Differentiated Store Concepts for Grocery



Value destination with wide assortment that meets customers' monthly needs with an 'Every Day Low Pricing' promise



Multi-purpose neighbourhood stores with SMART's price promise



Freshpik, a gourmet shopping destination offering delicacies from India and the world



Neighbourhood store offering premium merchandise selection

### JioMart

India's leading hyperlocal platform with presence across 260+ cities offering a wide assortment of products across grocery, fashion, electronics and pharma



India's leading subscription based daily micro-delivery service

**1,000+**

Grocery stores opened in FY 2021-22

**3.7 million**

Orders placed in the first two days of Tak Dhina Din sale





## Grocery

### Competitive Strengths

- India's largest grocery store network with varied store formats assisting customers in their shopping mission
- Integrated value chain supported by a robust network of collection centres, processing centres and distribution hubs
- India's largest hyperlocal grocery business with integrated subscription model
- Partner of choice for leading Indian and international brands for new product launches, exclusive ranges and pack sizes
- Wide portfolio of own brands across staples, home and personal care, and general merchandise

### Key Developments

Growth ahead of market with record store and digital commerce sales

Integrated Milkbasket with JioMart – 2x growth in daily subscription orders since acquisition

Accelerated store expansion, opening 1,000+ new stores, bringing the overall store count to 2,400+ with over half in Tier II and below towns

Smart crosses 400-stores milestone

Launched Freshpik, a gourmet experience store, at Jio World Drive in Mumbai

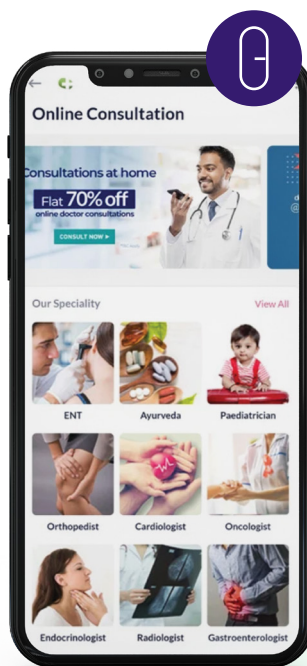
## Pharmacy

Reliance Retail operates Netmeds, a chain of pharmacies and digital commerce platform, creating a seamless online-offline experience for customers seeking prescription medicines, beauty essentials, OTC products, Ayush wellness, health devices and more.

### Key Developments

Strengthened hyperlocal capabilities for faster deliveries

Rapidly scaled up new merchant partnerships across 1,900+ cities



## Connectivity

Reliance Retail serves as the master distributor for Jio connectivity services, which are sold through a network of MyJio and Digital stores. Additionally, it has partnered with over a million retailers throughout the country to provide Jio prepaid and post-paid plans via the sale of SIM cards, top-ups, and mobile devices.





## RETAIL

### New Commerce: A win-win-win Operating Model for growth and shared prosperity

The Indian retail market is the most fragmented in the world, characterised by the presence of millions of small kiranas. Operating in the unorganised space, the kiranas are constrained by various challenges, including the lack of: modern infrastructure, technology savviness, efficient sourcing capabilities and capital needed to serve the ever-evolving consumer needs.

Reliance Retail's New Commerce initiative is bringing out the entrepreneurial spirit of the kiranas, by physically and digitally enabling them and bringing them at par with organised players.

Reliance Retail aims to integrate millions of small kiranas with

producers, manufacturers and brands across India. Doing so would help them modernise, become more efficient and generate higher income. Reliance Retail is thus creating a win-win-win partnership with all stakeholders of the retail value chain. The ecosystem thus created would lead to a wider selection of products, superior quality, compelling value proposition and a finer shopping experience to millions of consumers buying from the kiranas.

During the year, the company launched New Commerce services for consumer electronics and pharma merchants. It has significantly scaled up its merchant partnerships across Grocery and Fashion & Lifestyle consumption baskets. The platforms

have witnessed robust growth in matrices such as order values and frequency of orders, reflecting the trust and growing bond with the merchant partners.



### Strategic Priorities and Way Forward



Accelerate new store expansion



Develop new brands, integrate acquisitions, launch and scale up new businesses



Continued emphasis on growing the digital commerce business across all consumption baskets through improved offers and service capabilities



Strengthen supply chain infrastructure, and product and design ecosystems to support rapid business growth



Fast-track new merchant onboarding and increase wallet share across all consumption baskets

**CASE  
STUDY**

Reliance Retail strives to create an enabling workplace environment where each employee is provided the opportunity to participate, contribute, and grow. To ensure the safety, health and well-being of employees, various initiatives were undertaken during the year.

To help employees address stress during the unusual circumstances created by the pandemic, online yoga sessions were arranged during the International Yoga Month. For women, for whom the challenges have been multifold, Reliance's focus has been to provide support and work flexibility. Many of them have opted to work-from-home. There have also been panel discussions and focused engagement with women employees every month through the times of COVID-19 to help them in better work-life integration.

All through the pandemic, efforts were directed at educating employees on safety, building resilience, and addressing health and nutrition concerns. Talks were also held on diverse parenting needs and addressing specific concerns during the pandemic.

Often specialised training becomes necessary to ensure the safety of both staff and the people they serve. Take the training on 'Disaster Mitigation and Preparedness for Retail Outlets', which was undertaken with the help of the National Institute of Disaster Management (NIDM). Specialised training also became mandatory for staff and contractors with the opening of the first Hamleys Play store in Mumbai, as required by the Protection of Children from Sexual Offense (POCSO) Act.

The health and safety of employees is of paramount importance at Reliance. An illustrative case is the ergonomic assessments taken during the year for Retail staff, whose work involves manual handling, or long hours where they are either required to stand or sit, all of which pose risks of musculoskeletal disorder. To address the concern, ergonomics assessments were conducted across all formats pan India for all job roles to identify ergonomic hazards and immediate action was taken to reduce the risk level.

Road safety is another area of concern. To address it, extensive trainings were arranged during the year. Frequent refresher trainings are also conducted for our delivery associates as well as for our delivery partners (GRAB riders) on road safety to ensure they remain safe while delivering essential items at the doorstep of customers.

Both online and offline engagement activities were held during the year to trigger conversations on safety and enhance the safety culture.

## RETAIL



## A Responsible Retailer – Sahakari Bhandar

“When store becomes good member of the society, commerce also flourishes”.

Today’s customers are hyper-aware of social, cultural and environmental issues. Responsibility towards our planet is no longer optional. Environmental consciousness matter more than ever to consumers and employees. That is why being responsible to the planet means being responsible to consumers & employees. At Sahakari Bhandar, we have taken many recycling initiatives to reduce the waste to reach landfills. One of them is,

**Go Green with Tetra Pak** – Empty tetra pack cartons are recycled in association with Tetra Pak India and the NGO – RUR

Currently 1 out of every 4 tetra pack cartons sold at Sahakari Bhandar stores is bought back for recycling.

For the collection of these tetra packs, 244 hubs & spokes are created which includes our grocery stores, housing societies, corporates, educational institutes and churches.

The business has partnered with an NGO for transportation of the collected tetra packs to a recycling company.

Since its inception (June 2010), Go Green with Tetra Pak has saved more than 1,000 trees by recycling beverage cartons into school desks and garden benches.

More than 9 million consumed cartons in Mumbai have been recycled in safe and effective manner with a technology that has zero discharge and zero water input.

The recycled cartons were converted into 350 school desks, 250 garden benches and 500 bins which were donated to the community.



School desk made out of Recycled Tetra Pak



Recycling challenge and Awareness campaign at School



Garden benches made out of Recycled Tetra Pak





## Outlook

The Indian retail market has been one of the most resilient in the world during the pandemic period, making a strong recovery when restrictions were lifted. The sector's core growth fundamentals continue to be strong. Rapid digitalisation and the introduction of breakthrough technologies have opened up new growth opportunities which would further boost long-term market prospects.

Reliance Retail's commitment in the Indian retail sector is evident by the significant investments it has made in building and strengthening its

capabilities across the retail value chain, which is having a transformational impact on the Indian retail landscape.

Reliance Retail will continue with its journey of bringing best-in-class products and services to consumers across the length and breadth of the country by further expanding its presence through physical stores and digital commerce platforms offering best of global and local brands and partnering with small producers and merchants, thereby creating a virtuous circle of prosperity for millions of Indians.

# DIGITAL SERVICES

Jio is India's largest digital services platform with a total subscriber base of 410 million across mobility and fixed broadband. Harnessing the world's best technology capabilities, it is determined to provide world-class fixed-wireless converged connectivity network, complemented with disruptive digital technology platforms for entertainment, commerce, communication, finance and education. The vast Indian market and Reliance's own ecosystem have allowed deployment of these technologies at scale, opening them up for a massive growth potential.





Sanjay  
MashruwalaIsha  
AmbaniAkash  
AmbaniAnant  
AmbaniMathew  
OommenPankaj  
PawarKiran  
ThomasHarish  
ShahJyotindra  
ThackerAnish  
ShahAnshuman  
ThakurRajneesh  
Jain

V. Sridhar

Ashish  
LodhaShyam  
MardikarDhruv Kumar  
TayalAnuj  
JainPrateek  
PashineAayush  
BhatnagarSaurabh  
Sancheti

R. Srinivasan

Sanjay  
JogRahul  
Mukherjee**410** million

Subscribers as of March 2022

**5** million+Homes connected  
by JioFiber services till March 2022**>7.5** billion GB

Monthly Data Traffic in FY 2021-22

**~20** GBAverage per capita monthly  
data usage in 4Q FY 2021-22

Jio's robust connectivity platform has served as the backbone for its offering of best-in-class digital experiences to its consumers. This capability has been constantly enhanced through partnerships and investment in multiple emerging technologies to serve consumers in India and beyond.



## DIGITAL SERVICES

## Vision

Jio remains committed to connecting everyone and everything, everywhere – always at the highest quality and the most affordable price. Jio also strives to build technology enabled product platforms for a Digital Society – leveraging Indian technical expertise to serve global markets.

## Mission

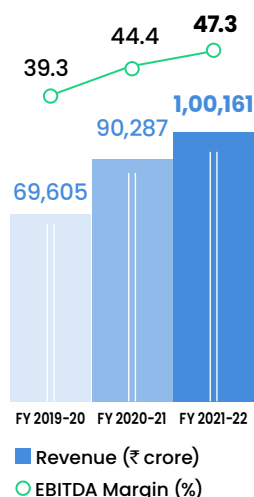
- Affordable data connectivity for every Indian
- Superior customer experience
- Platform approach to all digital solutions
- Invest in emerging technologies

## Performance Summary\*

Metrics	FY 2019-20	FY 2020-21	FY 2021-22
Total Customer base (million)	388.4	426.2	410.2
ARPU (₹/month)	130.3	138.2	167.6
Total Data Consumption (crore GB)	1,317	1,668	2,461
Per Capita Data Consumption (GB/month)	11.6	13.3	19.7
Voice on Network (crore mins per day)	963	1,148	1,340
Per Capita Voice Consumption (mins/month)	770	823	968

\* Exit quarter

## REVENUE AND EBITDA MARGIN



## Strategic Advantages and Competitive Strengths

Jio's extensive reach, simple pricing structure and deep understanding of Indian consumers on the back of its adoption of cutting-edge technologies together ensure a continued 'Jio effect' on the digital landscape in India.



## Connectivity platform

Jio has built a network to serve every citizen, home and enterprise across the country with over 99% population coverage for mobility network, and almost 20 million homes covered with fiber network, which is ramping up rapidly.



## Digital suite of products

Jio has also created a full stack of digital products, platforms and services for multiple ecosystems serving consumers and businesses.



## Physical distribution

Through a network of Reliance Retail's consumer electronics, merchant partners and Jio Associates, Jio has the widest and deepest market presence.



## Partnerships

Supported and partnered with globally established, new-age platforms across the full suite of digital and connectivity services.



## Technology

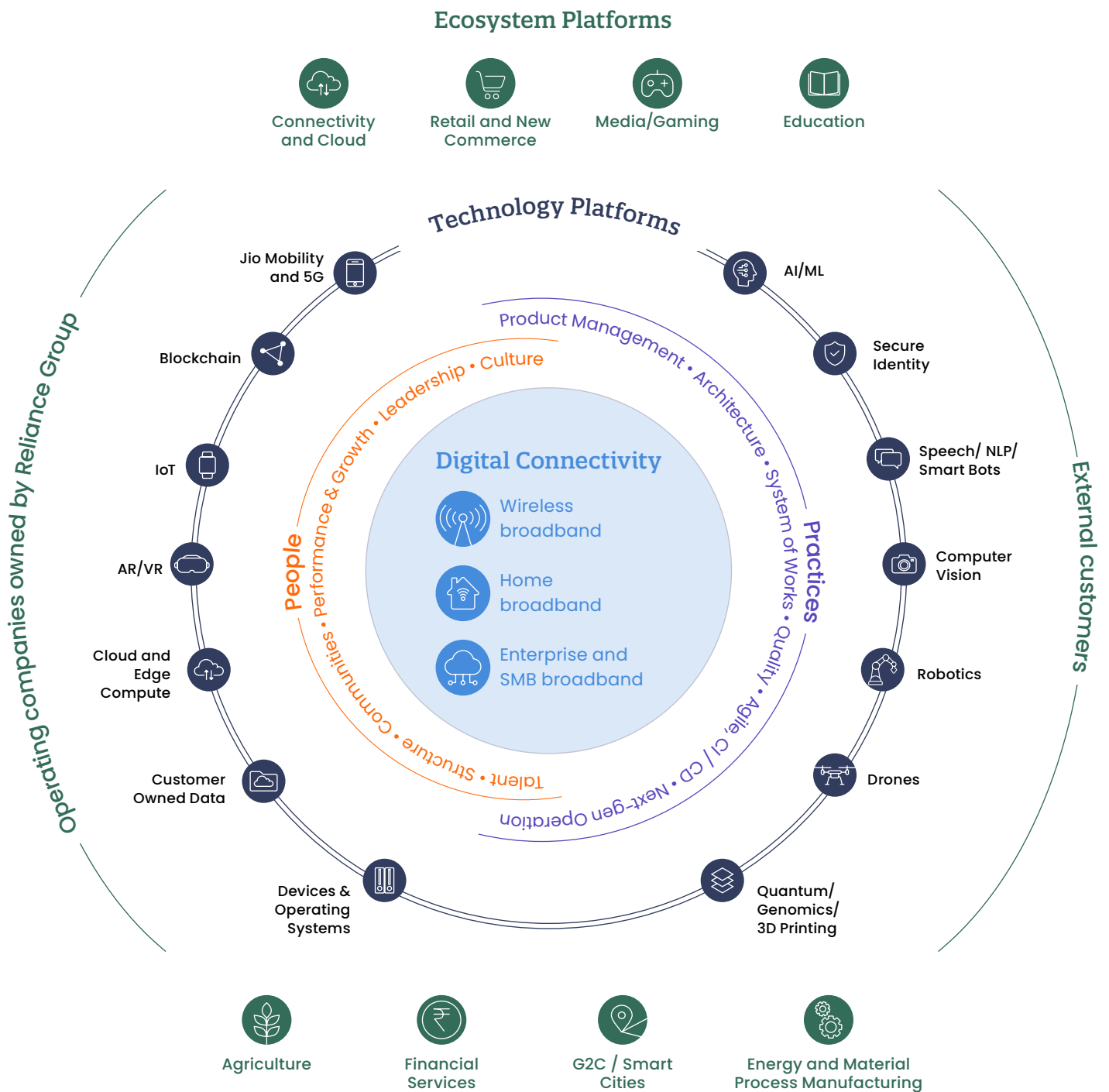
Ahead-of-the-curve investment in next generation communication and digital technologies, which could be deployed at scale.

## Operating Framework

### Bringing many ecosystems together

With a cumulative investment of over US\$ 60 billion, Jio is using the transformative power of data connectivity to enable platforms across various ecosystems including Media & Entertainment, Commerce, Financial Services, Education, Gaming and Agriculture.

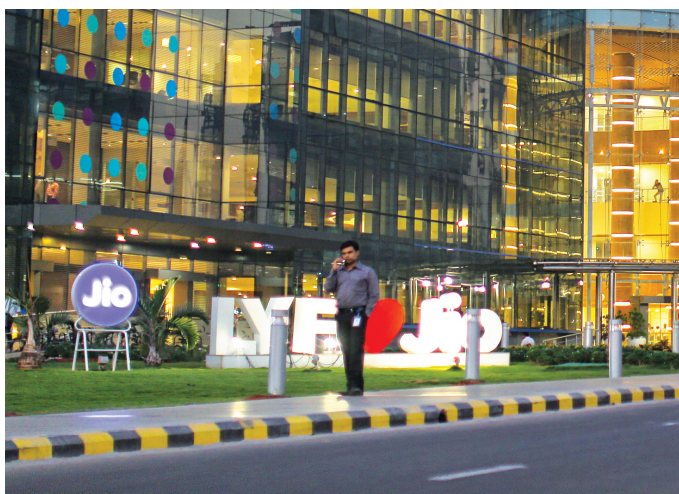
**Our digital society vision is built on the core thesis of the transformative power of data combining connectivity as an enabler with digital platforms across industry verticals.**





## DIGITAL SERVICES

### Highlights FY 2021-22



#### Performance

Annual operating revenue for Jio Platforms crossed

**US\$ 10** billion  
in FY 2021-22



#### Prepaid

**₹30,791** crore

for clearing all deferred spectrum liabilities acquired in auctions prior to March 2021

Jio won award from **OpenSignal for best video experience** and continued to hold top positions in 4G coverage and availability. Jio also maintained its leadership in download speed for 60 months in a row in TRAI's MySpeed rankings

#### Leadership

Jio Mobility Network continues to lead in user engagement with data traffic increasing **46% Y-o-Y** to over **91 billion GBs in FY 2021-22**

With **5 million+ connected homes**, JioFiber has become the largest fixed broadband provider in India within two years of launch



## Partnerships



### Jio and Google Cloud

embarked on a comprehensive, long-term strategic relationship with the goal of implementing **5G in enterprise** and consumer segments

### Jio and Google

announced the launch of **JioPhone Next** – the most affordable smartphone anywhere in the world with a unique financing option and unprecedented features like an all new Pragati OS



### Partnered with WhatsApp

to provide simplified digital recharge option for connectivity and conversational commerce platform on JioMart



## DIGITAL SERVICES

### Industry Overview

#### Transition towards 4G networks

The launch of Jio started the 4G transition in India. The 4G subscriber base across the industry is now over 730 million as of March 2022, thanks to increasing broadband network penetration across both urban and rural India and the improving device ecosystem. More than 250 million 2G feature phone users in the country will also be transitioning to digital networks over the next few years. The pandemic's impact on recharge cycle and tariff hike have caused a transient SIM consolidation, mainly for low usage and inconsistent subscriber base. This has rationalised the reported subscriber base and should bring cost and network efficiencies for the industry.

#### Increasing smartphones and new use cases boost data traffic

Improving smartphone penetration and increasing proliferation of digital applications have resulted in a 38% increase in data usage across the country over CY 2021 (~137 Exabytes of data usage in India during 2021). According to the Ericsson Mobility Report 2021, total mobile data traffic in India is projected to increase by more than 4x to reach 49.0 Exabytes per month by 2027. This will be driven by two factors – greater smartphone penetration, including in rural areas, and increase in average data usage per smartphone. Jio's device strategy and sustained investments in digital will be key to this enhanced data usage.



#### 5G rollout

Earlier in the year, the Department of Telecommunications (DoT) allotted trial spectrum for 5G services to all operators. 5G field trials are currently underway, with all operators working with their respective network vendors to test the network and develop relevant use cases. DoT and Telecom Regulatory Authority of India (TRAI) are working towards conducting auction for 5G spectrum bands in 2022.

#### Increasing need for good quality FTTX

India's leapfrog into mobility broadband has resulted in the fixed broadband sector being an under-invested space for the past two decades. As a result, India has amongst the lowest fixed broadband penetration in the world at less than 10% households.

Fiber penetration is even lower, with most fixed broadband running on legacy copper-based infrastructure. COVID-19 lockdowns and the consequent need to work-from-home and learn-from-home, have reinforced the need for high quality fixed broadband.

#### Positive changes in the Indian telecom landscape

In September 2021, the Government of India undertook decisive steps in the form of reforms and a relief package to strengthen the Indian telecom sector. Subsequently, all the operators undertook a 20-25% hike across prepaid plans that has boosted revenue growth for the sector.



## Emerging Trends and Business Response



### Transition towards 4G networks

Transition of 250 million+ 2G feature phone users to digital networks

#### How Jio is responding?

Jio's comprehensive device strategy encompassing JioPhone Next, JioPhone and OEM partnerships and investments into the digital ecosystem would lead this transition



### Increasing FTTH penetration

Rapidly increasing demand for high-speed fiber backed internet at homes

Jio's extensive intracity fiber network, last mile execution, seamless customer experience along with attractive bundling of digital solutions enabled it to emerge the market leader within two years of launch



### Digitisation of MSMBs in India

Integrated fiber connectivity and digital solutions for 50 million MSMBs

JioBusiness is now offering enterprise grade connectivity and vertical specific digital solutions in collaboration with partners



### Growing ecosystem of B2C applications

Proliferation of broadband connectivity drives adoption of digital applications

#### How Jio is responding?

Jio has built a suite of solutions and services across entertainment, commerce, communication, finance, education and gaming with leading engagement levels in each category.



### 5G rollout in India

Trial spectrum has been allocated to operators and spectrum auction is expected in 2022

Jio has conducted field trials of its homegrown 5G stack with competitive position and capabilities comparable to global Tier 1 vendors. Coverage planning has been completed for top 1,000 cities.





## DIGITAL SERVICES

### Business Performance

#### Mobile Services

##### Jio continues to drive India's digital transformation

Jio's network carried almost 10% of the global mobile data traffic in CY 2021, and Jio continues to remain the broadband network of choice with over 50% share of India's data traffic, thereby underlining the 'Jio effect' on the digital ecosystem in India. Jio was the digital lifeline during the continuing pandemic. FY 2021-22 saw over 130 million new users join the network on a gross basis and data traffic grow at ~46% Y-o-Y to more than 91 Exabytes.

Customer engagement on Jio network increased further; per capita data and voice consumption stood at 19.7 GB and 968 minutes per month respectively for the quarter ending March 2022. During the year, Jio undertook a ~20% hike across prepaid plans with effect from December 1, 2021. Its new plans continue to provide best value for consumers in the industry across price points. Financial relief for the telecom sector and improving revenue growth potential will accelerate realisation of Prime Minister Narendra Modi's vision of Digital India and enable India's transformation into the world's leading digital society.

##### Enhanced network capacity

Post the 2021 spectrum auction and trading agreement with Bharti Airtel, Jio's spectrum footprint has increased 56% to 1,732MHz (average life of over 14.5 years). This has boosted its network capacity to serve the rapidly growing demand for data services. Further, Jio has relentlessly driven network improvement to provide superior customer experience through network automation, next-gen platform deployment, advanced analytics and data sciences. The

robustness of Jio's network was further underlined by the fact that it worked with minimal disruption even during three cyclones and seven heavy rainfall/ flood situations across the country during the year.

##### Expansion of 4G device ecosystem

Since inception, Jio has innovated to catalyse and grow the affordable digital device system in the country. JioPhone has successfully transitioned over 100 million 2G users in the country over the past four years.

Building on this success, Jio, in partnership with Google, announced the launch of JioPhone Next during the year. This is the most affordable smartphone anywhere in the world, with a unique financing option making it accessible for a much wider set of consumers.

JioPhone Next is packed with unprecedented features like an all new Pragati OS, Translate Now & Read Aloud across 10 Indian languages and a host of preloaded Jio and Google apps. Jio is also partnering with other leading OEMs to provide multiple device options to its subscribers and accelerate the 2G to 4G transition in the country.

##### Jio leads the March towards 5G-Yukt India

Jio's 5G stack is 100% homegrown and a comprehensive 5G solution that is fully cloud native, software defined and digitally managed. This 5G stack encompasses radio and core network, software architecture and hardware equipment, including outdoor small cells and gNodeBs. Jio's network is built on a converged and future proof architecture that allows for seamless upgrade from 4G to 5G and beyond. 5G coverage planning has been completed in top 1,000 cities based on targeted customer consumption and revenue

potential using heat maps, 3D maps and ray tracing technology.

Apart from conducting field trials of its 5G stack, Jio has done active trials of 5G use cases ranging from AR/ VR, low-latency cloud gaming, network slicing and multi-tenancy for video delivery, TV streaming, connected hospitals and industrial applications.

#### Fixed Broadband Services

Jio continues to see fixed broadband as a significant greenfield opportunity and aspires to connect 50 million homes and 50 million MSMBs in India. Its expansive intracity fiber network, execution abilities, superior customer experience together with its diverse suite and bundling of digital content, tech-enabled tools and solutions will be key differentiators.

##### Jio is now the largest fiber broadband provider in India

The need for high quality broadband and Jio's extensive infrastructure and superior services have made it the operator of choice for fixed broadband in the country. Within a short span of two years since its launch, Jio has become the largest fiber broadband provider with over 5 million connected homes with an average data usage of almost 300 GB per home per month. It has continued to roll out last mile infrastructure at an elevated pace and its network covers almost 20 million homes.

## #1

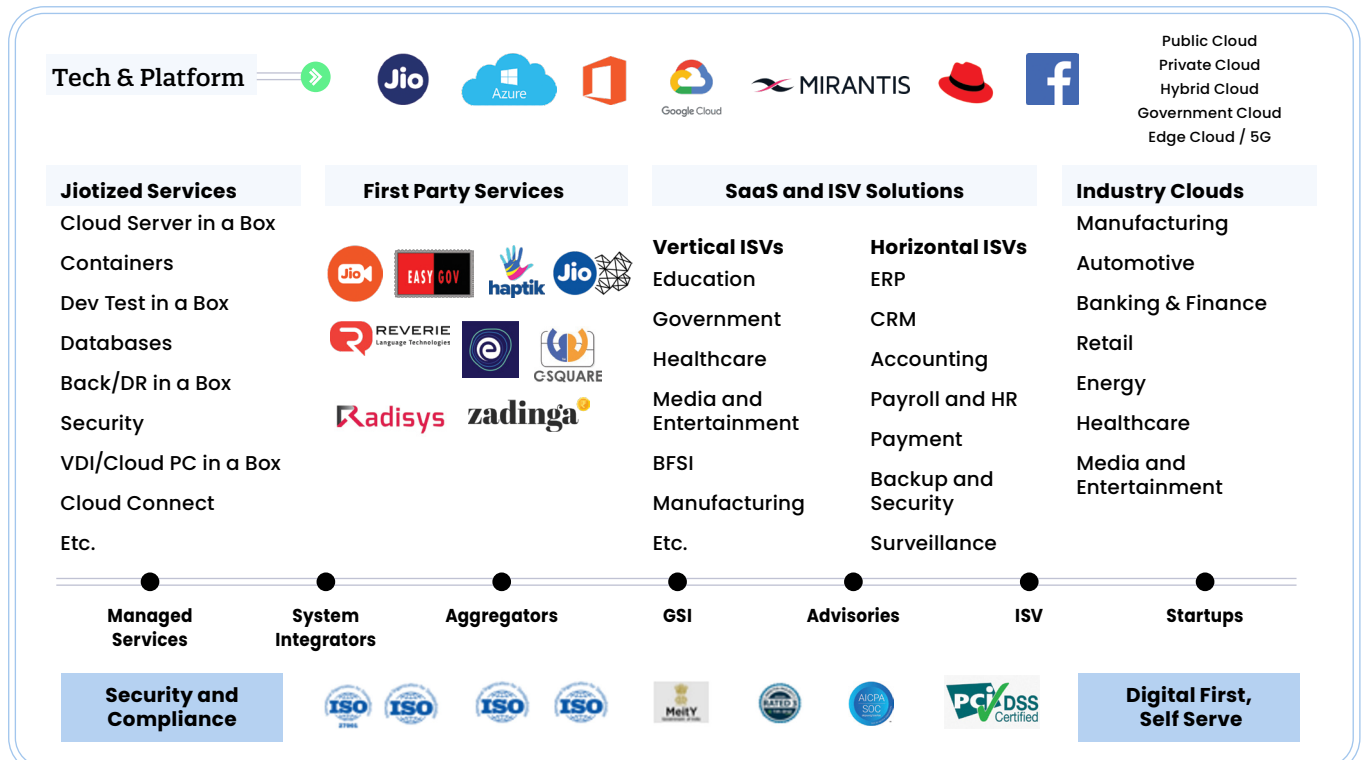
Jio's market position in FTTH

**JioPhone Next, the most affordable smartphone anywhere in the world**

**JIO SET - TOP - BOX APP ECOSYSTEM****Extended suite of digital offerings for homes and enterprises**

Jio has been consistently enriching its digital portfolio to augment the fixed-line services to enable work-from-home, learn-from-home, health-from-home, and enterprise grade digital solutions for small businesses.

- **Homes** – Enhanced STB with JioOS, bouquet of new Jio and third-party applications, Society Centrex, 4K content on JioTV+, Home Secure, Home Automation, LiveTV and Gaming solutions
- **Enterprises** – Integrated connectivity, cloud, security, and SaaS platform with vertical specific solutions for enterprises

**JIOBUSINESS MARKETPLACE**

## DIGITAL SERVICES

### Business Performance

#### Jio Platforms

##### A holistic approach to Jio's digital society vision

Supported by its technology backbone and customer insight, Jio has indigenously developed and launched numerous consumer applications and use cases. Jio's in-house R&D team, with over 9,000 technical and research professionals, has innovated and developed leading technology platforms spanning 5G stack, Cloud and Edge Compute, Devices & Operating Systems, Blockchain, IoT, Mixed Reality, AI/ML, Secure Identity and Natural Language Processing, among others. Each of these platforms is now being implemented and scaled up to eventually serve a large and diversified global customer base.

Till date, Jio has been granted 417 patents across multiple jurisdictions for the pioneering initiatives it has undertaken. In FY 2021-22 alone, the company filed for 110 patents and was granted 46. Among the key technology areas covered by these patents are vDLT (Virtual Distributed Ledger Technology), 5G User Equipment, AI for health and agriculture, IoT, Industrial 4.0 and AR/ VR.



##### Technology partnerships for tailor-made digital solutions

Over the past few years, Jio has forged long-term, strategic relationships with leading global technology companies to create a proprietary Jio technology ecosystem across multiple domains. Key partnerships that materialised during the year are:



**Pragati OS** – Google and Jio worked closely to create the Pragati OS, which is an optimised version of Android made specially for JioPhone Next. Pragati OS will offer full functionality of a smartphone with access to Play Store and provide over-the-air updates support for new features, customisation and security updates that will continue to enhance the phone experience over time.



**Commerce on WhatsApp** – To drive the adoption of JioMart, integration with WhatsApp was rolled out to allow customers to shop seamlessly on the world's first conversational commerce platform. Jio has also partnered with WhatsApp to simplify the prepaid recharge experience for all its connectivity services to bring unprecedented convenience to consumers.

**Jio AutoPay** – Jio partnered with the National Payments Corporation of India (NPCI) to enable UPI auto-debit facility for its customers. This will enable Jio customers to set standing instructions on the MyJio app using UPI Autopay for their preferred tariff plans and seamless recharging experience.



**Interakt** – JPL-owned Haptik launched its app 'Interakt' to help MSMEs manage customer interactions and sales on WhatsApp. Interakt is the API solution provider for WhatsApp Business, which acts as an all-in-one CRM, campaign management, marketing automation tool, and a sales channel.

#### Jio Things

**JioThings** – Jio has entered into multiple partnerships with leading corporates and government institutions to provide smart connected vehicle, smart electricity metering and smart utility solutions.

##### Investments to enhance Jio's technology ecosystem

In addition to scaling up and building organically, Jio has supported and partnered with new-age and established platforms and their management teams across digital services. Some of these key platforms include:

**JV for Satellite Communication** – JPL and SES, a leading global satellite-based content connectivity solutions provider, entered into a 51:49 joint venture for next-generation scalable and affordable broadband services in India by leveraging satellite technology. The JV will use multi-orbit space networks capable of delivering multi-gigabit links and capacity to enterprises, mobile backhaul and retail customers.

## Strategic Priorities and Progress

**Two Platforms** – JPL invested US\$ 15 million for a 25% equity stake in Two Platforms Inc., an Artificial Reality company with focus on building interactive and immersional AI experiences. Two's Artificial Reality platform enables real-time AI voice and video calls, digital humans, immersive spaces, and lifelike gaming.

**Glance** – JPL invested US\$ 200 million for a ~17% equity stake in Glance, a leading AI-driven lock-screen platform. Glance is aiming to create the world's largest live content and commerce ecosystem on the lock screen. It has a business partnership arrangement with Reliance Retail Ventures Limited to integrate Glance's lock screen platform into JioPhone Next smartphones.

**Undersea cable** – In conjunction with global partners and world-class submarine cable supplier SubCom, Jio is deploying two next generation cables centred on India. The India-Asia-Xpress (IAX) system connects India eastbound to Singapore and beyond, while the India-Europe-Xpress (IEX) system connects India westbound to the Middle East and Europe. These high capacity and high-speed systems will provide more than 200 Tbps of capacity spanning over 16,000 kms.



### Driving 4G transition in the country

#### Progress in FY 2021-22

- Launch of JioPhone Next in partnership with Google
- Device partnership with leading OEMs in the country

#### Medium-term priorities

- Ramp up the overall device strategy
- Extend OEM partnerships for other devices



### Continuous network improvement

#### Progress in FY 2021-22

- Accelerated deployment of recent spectrum purchase
- Improvement of customer experience with analytical tools and data sciences

#### Medium-term priorities

- Improve spectral efficiency and network capacity through offloading networks (wi-fi access points, small cells and more)
- Further enhancement of network automation through a platform approach



### Increasing adoption of JioFiber services

#### Progress in FY 2021-22

- Jio is now the market leader for FTTH services with 5 million+ connected homes
- Increased homes passed to almost 20 million

#### Medium-term priorities

- Accelerate the pace of homes connect and infrastructure rollout as COVID-19 restrictions ease out
- Enhancement of digital services bouquet



### Enhancement of digital ecosystem

#### Progress in FY 2021-22

- Jio and Google launched Pragati OS for JioPhone Next
- Launch of JioAutoPay, JioThings, Interakt and JioMart-WhatsApp integrated product

#### Medium-term priorities

- Continue to drive customer traction through launch of innovative and India-focused digital solutions which could then be taken globally



### 5G Network rollout

#### Progress in FY 2021-22

- Conducted field trials and completed network planning in top 1,000 cities
- Trial use cases in the areas of industrial automation and healthcare

#### Medium-term priorities

- Given its leadership in development of indigenous 5G stack and future ready network, Jio is poised to lead the rollout of 5G in the country



## DIGITAL SERVICES



### Jio 5G in Healthcare Automation

Given the high speed and low latency of 5G networks, a prime use case is in healthcare for various end uses for patient care and hospital management.

- **Hospital logistics** – 5G robots controlled by a fleet management system in the Cloud have been used to deliver food trays and medicines to patients, and for UV disinfection and sanitisation
- **Connected ambulance via 5G FWA** – This was done to stream vital information to the control room in the hospital even as the patient arrived there physically



### Innovation in Customer Experience Management

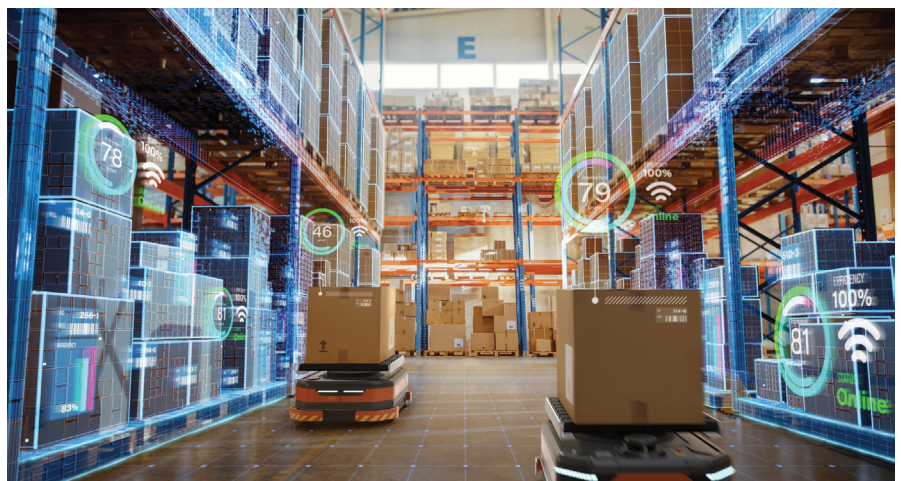
Jio has continued to innovate on both physical and digital distribution channels to further enhance the best-in-class customer experience.

- **Self KYC** – This enables remote SIM activation using video call-based verification to ensure convenient, error free and fast onboarding of premium customers
- **Hyperlocal customer retention and upsell** – 40,000+ freelancers fluent in local languages worked as Jio Customer Associates to connect with over a million customers daily



### Testing real time robotic control for warehouse automation and asset monitoring

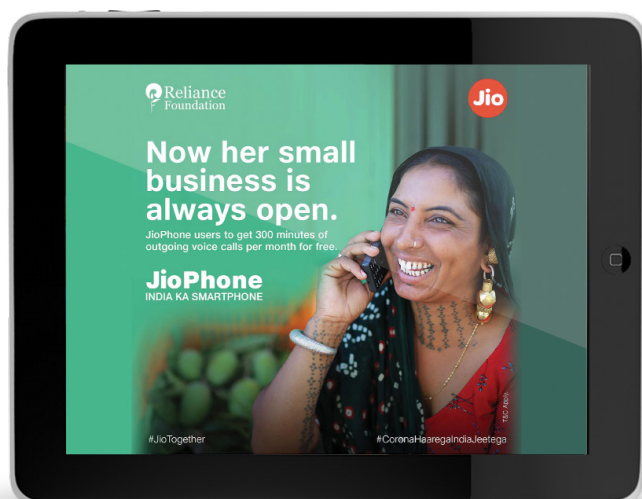
- **Warehouse supply chain** – 5G robots were used for bagging line to warehouse storage location logistics, a function that would otherwise require human control
- **Connected drone** – A drone connected through a 5G cloud was used to inspect radio sites and provide real-time surveillance



## COVID-19 Response

### Ensuring the nation's digital lifeline remains strong and sturdy

- Jio has continued to be the digital lifeline for all Indians, enabling them to work and learn-from-home and get medical treatment from the comforts of home
- Jio has ensured zero impact on network over the past two years with industry leading uptime for the connectivity network
- Multiple initiatives (free voice calls, Buy-One-Get-One recharges for JioPhone users, Emergency Data Loan) have been undertaken with a customer focused approach to ensure minimum disruption in customer service and business
- Digital initiatives like Jio Associate Program, Self-KYC and relaunch of eKYC undertaken to enhance customer outreach and ensure continuity of recharges/services



## Outlook

Jio's investments to build a world-class digital infrastructure will pave the way towards a premier digital society in India. These solutions are now being implemented at scale to be later taken to the global audience. Newer revenue streams across the connectivity and technology platforms will accelerate the growth momentum and drive operating leverage. These endeavours would not just create a significantly positive socio-economic impact but also generate strong shareholder returns over the next several decades.

# MEDIA AND ENTERTAINMENT

**Network18 Media & Investments (Network18)** is India's only Media & Entertainment conglomerate with presence across the full spectrum of content genres – news, entertainment, sports, movies and live entertainment.

With its young and diverse bouquet of properties, it has been delivering authentic news and wholesome entertainment that resonate with audiences across demographics and socio-economic segments, building a unique connect through the use of native languages. As a platform which is pipe and screen-agnostic, Network18's endeavour is to continually expand its reach to connect with consumers wherever they are present. It continues to make investments for creating quality content, enhancing reach of the network and striking partnerships in the media eco-system to capture the growth opportunities presented by India's rapidly evolving media landscape, with a keen eye on improving profitability.



Rahul  
JoshiJyoti  
DeshpandeRamesh  
Damani**DIGITAL REACH****200**<sup>\*</sup> mn+

(for NW18 digital news portfolio)

**TV VIEWERSHIP SHARE****12.8**<sup>#</sup> %

The year gone by will stand out for the coming of age of our new initiatives as they turned around on the profitability front driven by their increasing consumer salience. With content consumption taking up an increasingly higher share of consumer time, the group, given its truly diversified presence across media genres, languages and platforms, is well-poised to leverage these strong tailwinds.

**Portfolio at a glance**

	TV	Digital
News	     	    
Entertainment	          	   

\*Source: comScore, March 2022

#Source: BARC, All India 2+, Wk10-13'22; includes associate ETV



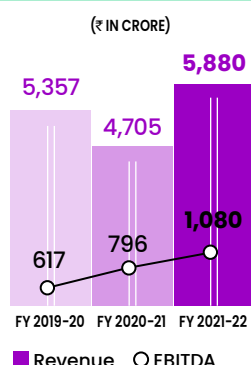
# MEDIA AND ENTERTAINMENT

## Vision and Mission

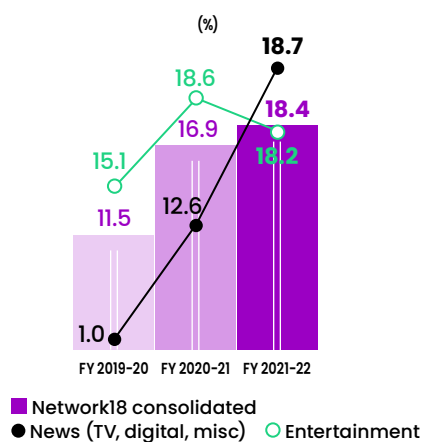
Network18 aims to be a channel-agnostic provider of top-drawer content across genres, regions and languages. We seek to be India's top media house with unparalleled reach, and touch the lives of Indians across geographies and demographics.

## Performance Summary

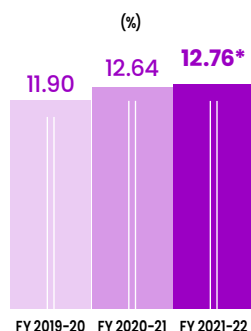
### OPERATING REVENUE & EBITDA



### OPERATING MARGINS



### TV VIEWERSHIP SHARE



\*Wk10'22-13'22; includes associate ETV

## Strategic Advantages and Competitive Strengths



### Reach and engagement

1 in every 2 Indians watches Network18 television channels that reach >95% of TV homes in India annually

1 in nearly every 2 internet users in India accesses Network18 websites or apps every month, making it the #2 reach digital news/information publisher in India, and amongst the top 10 globally

India's largest TV News portfolio, with an 8.8%\* share of news viewership; Entertainment channels enjoy 11.1%# viewership share

MoneyControl is India's leading Finance app and Voot is the #2 OTT broadcaster in terms of daily time spent per user

\*Source: BARC | TG: 15+ | Market: All India | Period: Wk10'22-13'22

#Source: BARC | Mkt: All India | TG: 2+ | Wk 14'21 to 13'22; share in non-news viewership



### Diverse network with genre defining brands

The only M&E company with presence across all content genres – news, entertainment, sports, movies, live entertainment

20 domestic TV news channels in 15 languages; digital news in 13 languages

Full-portfolio entertainment offering includes 10 regional language TV channels, a film studio renowned for standout cinema, and a leading OTT platform

Brands like CNBC TV18, News18, Colors, MoneyControl, Nickelodeon have high brand equity and are synonymous with the genres they operate in

### Strong partnerships across the board

Partnerships with leading global and Indian players to strengthen content creation and distribution capabilities

Paramount Global, NBCU (CNBC), CNN, and A+E Networks, Forbes are among Network18's global partners

Leading content distribution platforms like Jio, Den, Hathway are part of the parent company, enabling Network18 to have extensive reach

Around 3,000 advertisers use TV and digital platforms of Network18 to reach their consumers across the country

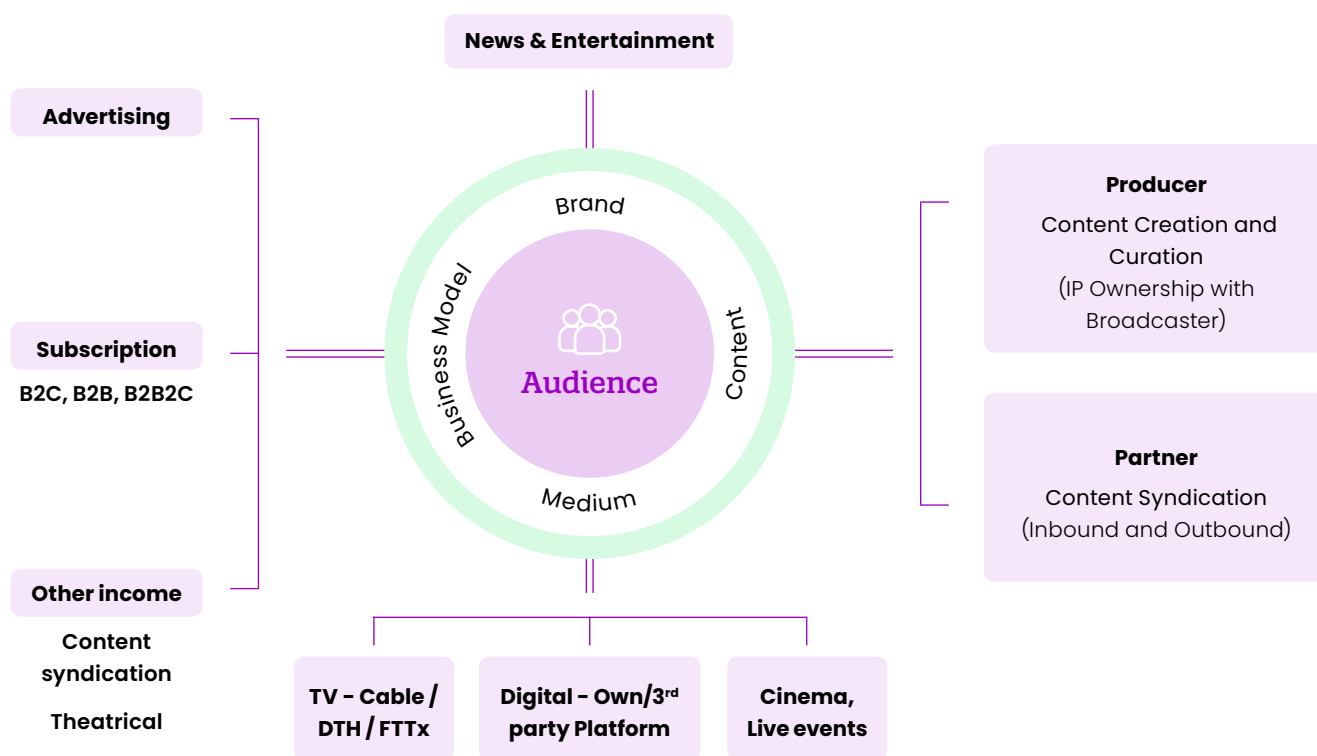
## Operating Framework

Network18's operating model places the audience at its centre and contextualises business models to genres. In the process, it has established a strong connect with viewers through multiple mediums, diverse brands and cutting-edge content.

Network18 has a track record of building successful strategic alliances with international media companies such as Paramount Global in entertainment, WarnerMedia (CNN) in English general news, NBCU (CNBC) in business news, A+E Networks in factual entertainment and Forbes in business magazines.

## Value Chain

Network18 is spread across content creation and distribution, thereby delivering the best of Indian and global content and brands to discerning audiences across India's vast demographic diversity.



## MEDIA AND ENTERTAINMENT

### Highlights FY 2021-22



#### Strong financial performance

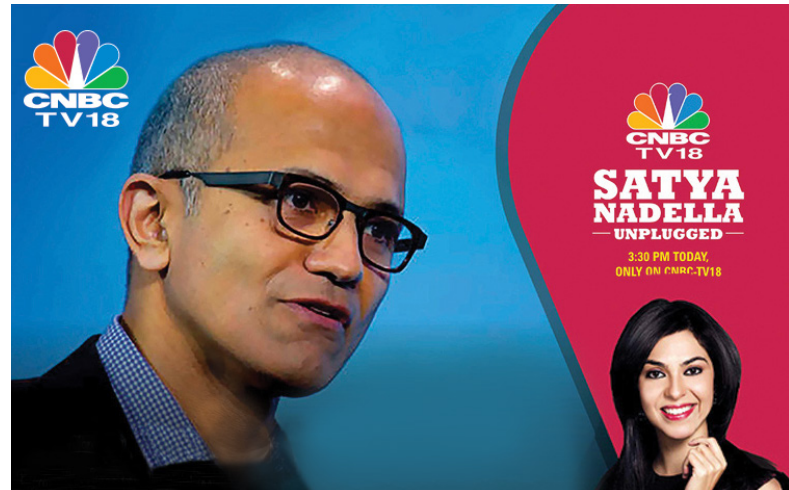
Highest ever consolidated operating margin of 18.4%, ~150bps Y-o-Y improvement

TV News business continued to improve profitability and delivered highest ever operating margins of ~21% (~16% in FY 2020-21)

Digital News saw an inflection in profitability and delivered operating margin of 13% (0% in FY 2020-21), in line with consolidated group margins



Entertainment business delivered highest ever operating profit and strong margins despite a significant scale-up in investments



#### TV Network grew stronger

TV18 was the #2<sup>@</sup> reach news network in India and had the widest language footprint

TV18 Entertainment network was #3 in India, with an all-India entertainment viewership share of 13.4%\*; flagship GEC Colors was #2 prime-time channel driven by strong fiction and reality shows



<sup>@</sup>Source: BARC | TG: 15+ | Market: All India | Wk10'22-13'22

\*Source: BARC | TG: 2+ | Market: All India Non-News | Period: Wk14'21-Wk13'22; includes associate ETV

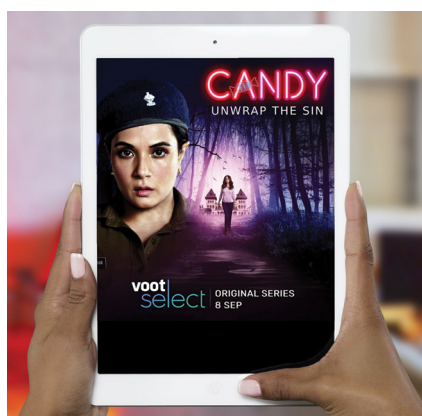


## Digital platforms saw a significant uptick

Voot, MoneyControl, News18.com continued to scale up reach and engagement, and leveraged digital advertising tailwinds to deliver sharp revenue growth

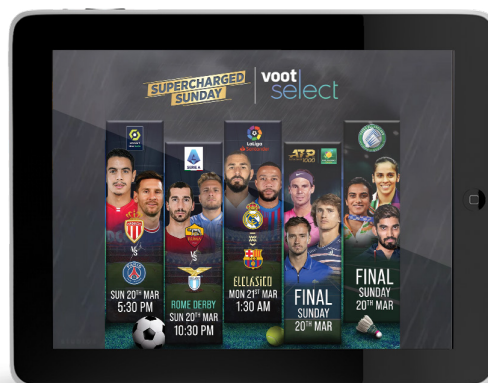


Digital subscription platforms (Voot Select and MoneyControl Pro) saw a sharp jump in paid subscriber base



## Content – expansion and innovation

The group forayed into sports genre and acquired rights of marquee properties like FIFA World Cup, NBA, La Liga, Serie A, Ligue1, World Boxing Championship, WTA and a host of other properties; it also launched 3 dedicated sports channels in April 2022



## Building on 'Digital First, TV Always' proposition

Bigg Boss: Over-the-Top, OTT exclusive version of India's most popular reality show, drove eyeballs, engagement and subscriptions on Voot

The Big Picture, a new concept quiz show, also had a real-time, watch and play quiz game on Voot app to increase engagement

News business pivoted to a digital-first approach based on the solid foundation provided by broadcast operations



## MEDIA AND ENTERTAINMENT

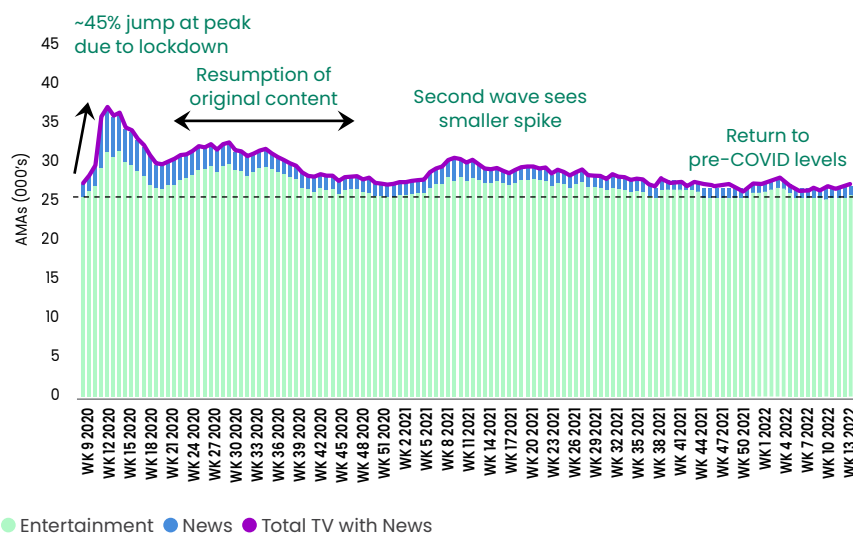
### Industry Overview

Having bounced back from the shocks of the pandemic in the second half of last fiscal, FY 2021-22 was a year of continued resilience and implementing learnings from the first wave of the pandemic. The beginning of the year saw a sharp rise in COVID-19 cases, which would have impacted content production again but for the implementation of contingency plans and new SOPs that helped business continue in a normal fashion. Demand for content continued to grow across platforms, with both TV and Digital seeing growth in viewership. However, the movie exhibition industry remained affected as cinema halls were either shut or opened with lower capacity through the year, leading to either a delayed release in halls or OTT release.

### TV viewership reverted to pre-pandemic levels

During the second wave of the pandemic (April-June 2021), TV viewership saw a much smaller spike than last year as lockdowns were localised and movement of people was not as restricted. TV viewership normalised through the year and returned to pre-COVID levels at the beginning of CY 2022 and the genre shares also reverted back. Broadcast networks rolled out their full content catalogue and OTT platforms scaled up release of original shows. Regional viewership continued to be strong across languages, with most markets seeing intense competition for share. Movie channels continued to be impacted during the year due to the postponement of movie releases. Sports viewership was boosted by events like T20 World Cup, Tokyo Olympics and IPL.

### TV VIEWERSHIP

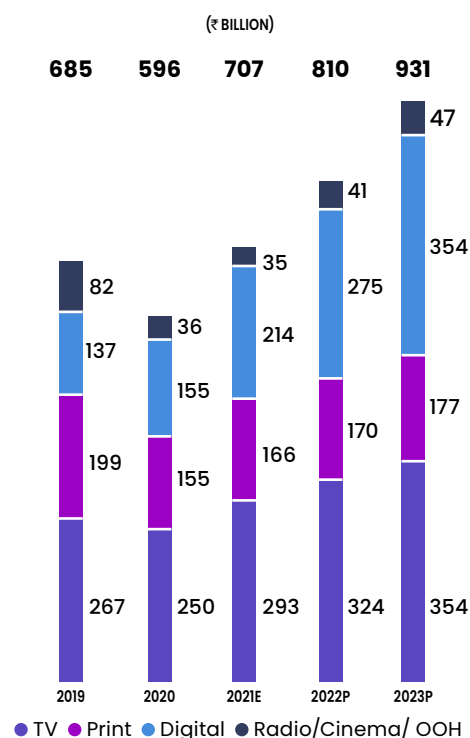


Source: BARC Data

### Strong growth in advertising revenues

Though FY 2021-22 started on a weak footing, local and short duration lockdowns, accompanied by a strong consumer demand and advertiser appetite, caused only a minor blip in the strong growth momentum that had begun to build up in the second half of FY 2020-21. Industry ad revenues surpassed 2019 levels, with TV ad volumes reaching a multi-year high and digital continuing its strong growth momentum. However, high input price inflation for the FMCG sector, the biggest advertiser, tempered the growth towards the end of the year. While TV continues to be the primary platform for brands looking to reach audiences at scale and brand building with high frequency advertising, digital has an inherent advantage in targeting, driving personalisation and offering options for advertisers with constrained budgets.

### INDIA AD INDUSTRY



Source: Dentsu Digital report

18.6%

Increase in ad spend  
in 2021

## TV subscription continued to be resilient

India's TV penetration of ~67% and Average Revenue Per Unit (ARPU) of ~US\$ 3 remain well below that for most developed as well as developing economies, highlighting the headroom for growth. After the introduction of the New Tariff Order (NTO) regulation in FY 2019-20, the industry had seen a jump in subscription revenue. However, the growth has plateaued since then due to the continued legal battle over the implementation of the amended regulation, pending which a status quo had been imposed by the courts on channel pricing. The revenue was also marginally impacted by the pandemic as some of the pay-TV households migrated to the free DTH platform, DD FreeDish.

### TV subscriptions in India

million	FY 2020-21	FY 2021-22
Cable	73	67
DTH	56	55
HITS	2	3
Free TV	40	43
<b>Total</b>	<b>171</b>	<b>168</b>

Source: EY-FICCI M&E Report

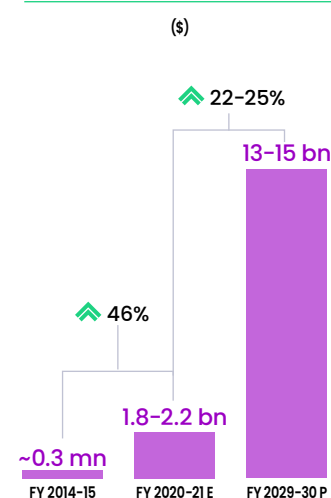
## Digital continued to see strong traction

OTT platforms offer an alternative to TV with on-demand, differentiated content and, more importantly, a dedicated screen, unlike TV which is shared by 4-5 household members. Digital content consumption has seen a sharp growth over the last couple of years driven by increasing broadband and smartphone penetration and increasing volume of exclusive content for digital. With more than 30 OTT platforms, Indian consumers have plenty of options to choose from – regional to global platforms, from production houses' apps to teleco-aggregation platforms. The propensity to pay for digital subscriptions has grown as consumers have begun to see value in OTT content offering.

Given the competitive pay TV ARPUs, OTTs are still experimenting with the pricing for their subscription-based video on demand (SVOD) platforms. The year saw several major platforms change their subscription plans. Most Indian platforms continue to operate a hybrid monetisation model,

offering free content supported by ads and premium content behind the paywall. As per the BCG CII Report, the Indian OTT industry is expected to grow at a 22-25% CAGR over the next decade, driven by both subscription and advertising.

### SIZE OF THE INDIAN OTT INDUSTRY



CAGR

Source: BCG CII Report 2022

## Emerging Trends and Business Response



### Content consumption on digital platforms is growing

With over 300 million people watching content on digital platforms, digital has now become a second screen, and in some cases the first.

#### Our response

As part of RIL group, which ushered in the broadband revolution in the country, Network18 has been focused on creating digital platforms which become the gateway for content consumption. With a 'Digital First, TV Always' approach, the group is investing in technology and content creation for platforms like News18.com, Moneycontrol.com, Voot, to provide consumers a seamless experience on the medium of their choice.



### New content forms emerging

From user generated short videos to metaverse, content is seeing a wave of disruption

Network18 has been at the vanguard of content evolution in the country, continuously experimenting and innovating new concepts. Its teams keep abreast of changing consumer preferences and continuously adapt. From bringing *Bigg Boss* to OTT screens, to launching NFTs to engage with loyal fans, to creating news campaigns that drive change at the ground level, the group content repertoire has been evolving, both in breadth and depth.

## MEDIA AND ENTERTAINMENT

### Strategic Priorities and Progress



#### Continue to strengthen 'Digital First, TV Always' proposition

Progress in FY 2021-22

- News pivoted to digital first approach, with newsroom integration, revamped workflow, organisational redesign and scaling up of tech capabilities
- Bigg Boss*, one of the most popular reality shows was made in a digital exclusive format

Medium-term priorities

- Provide a seamless experience to the user, irrespective of the platform
- Complement the 'mass' nature of TV viewing with the 'personalisation' experience of digital



#### Strengthen position in regional markets

Progress in FY 2021-22

- Bengali and Tamil entertainment channels scaled up original programming; Kannada and Marathi channels strengthened viewership shares
- Regional news portfolio delivered first quarter of break-even performance; significant headroom for growth

Medium-term priorities

- Become a true pan-India player with strong positions in markets across the country
- Establish strong vernacular presence on digital platforms
- Use learnings from one market to replicate success in others



#### Build sustainable and scalable business model for digital products

Progress in FY 2021-22

- Voot AVOD is already profitable and scaled new heights; Voot paid subscriber base saw strong growth
- MC Pro became the leading subscription based financial news platform in India

Medium-term priorities

- Leverage both AVOD and SVOD opportunities to drive growth
- Evaluate opportunities to create new monetisation streams
- Digital contribution to revenue to grow to 50%



#### Continue innovation and expansion into new content genres

Progress in FY 2021-22

- Forayed into the sports genre with acquisition of marquee properties
- Launched new concept shows like *The Big Picture*, *Bigg Boss OTT*, *Hunarbaaz*

Medium-term priorities

- Be the go-to destination for diverse demographic and socio-economic audience segments for content across genres



## Business Performance

### Television business

#### News



#### Business News

Business News channels, CNBC TV18, CNBC Awaaz, and CNBC Bajar, offered extensive coverage of the important events in business and financial markets, introduced new content offerings, and rolled out consumer-centric campaigns.

#### General News

CNN-News18 and News18 India ensured in-depth coverage of all major news events – elections, political news or global events. The channels also undertook

extensive programming and multiple Public Service Announcement campaigns. The regional news channels reported exhaustively on state/region specific events.

#### Entertainment



#### Hindi General Entertainment

Colors was the #2 prime-time channel in the genre driven by a strong programming mix of fiction shows like *Udaariyan* and *Naagin* and popular reality shows like *The Bigg Boss* and *Khatron Ke Khiladi*. Colors Rishtey, FTA channel, also improved its share during the year. Pay movie channel, Colors Cineplex, maintained its share during the year while Colors Cineplex Bollywood, an FTA movie channel launched at the beginning of the fiscal, helped the network improve its viewership share and monetisation in the genre.

# #1

**Khatron Ke Khiladi**, highest rated Hindi reality show



#### Music and Youth

MTV Beats continued to be the #1 contemporary music channel in India. MTV, with popular shows IPs and sports content 'La Liga Santander 21-22' and 'NBA 21-22', continued to be a strong brand in the Youth category.



#### English Entertainment

Viacom18 continued to be the undisputed leader in the premium English genre with a combined viewership share of ~95%.



#### Kids Entertainment

Viacom18 Kids portfolio, with strong brands like Nick, Sonic, has the undisputed leadership in the genre with 30%+ market share.

# #1

portfolio in Kids category since August 2014



#### Regional Entertainment

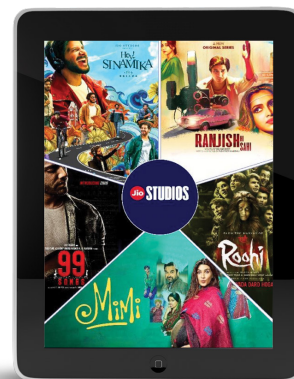
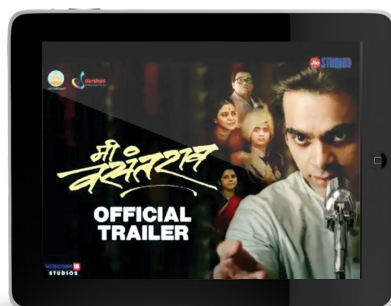
The regional entertainment bouquet comprises a mix of GEC and movie channels in Kannada, Marathi, Bengali, Gujarati, Tamil and Oriya markets. The network has been scaling up its original programming across markets and has strong positions in Kannada, Marathi and Gujarati markets.

**Infotainment** channel, History TV18, ranks among the top 2 in the genre in urban markets.





## MEDIA AND ENTERTAINMENT



### Digital Business

#### Digital content

Network18 has a strong suite of digital platforms across categories – MoneyControl (leader in the finance category), VOOT (#2 broadcaster-OTT in terms of time spent per day), and News18 portfolio #2 digital news/information network). Pay-product Voot Select saw a strong growth in its D2C subscriber base driven by its premium content library of digital-only shows and shoulder content around TV reality shows. With cutting-edge tools, research and exclusive content for investors, MoneyControl Pro also saw a sharp growth in pay subscriber base, strengthening its credentials as leader in the segment.



**E-Ticketing and Live** business, Bookmyshow, was impacted by the delayed movie releases and restriction on live events due to the pandemic.

### Film Business

Film Business includes Viacom18 Studios and Jio Studios.

#### Viacom18 Studios

As the COVID-19 pandemic continued to affect the opening of cinema halls, there were no major theatrical releases during the year by Viacom18 Studios. However, some of the movies and web series were released on OTT platforms during the year.



#### Jio Studios

Jio Studios is a leading content studio that produces movies and web originals in multiple languages. It monetises such content across theatres, broadcast television and digital OTT, while also powering the video content in Jio's mobility and home triple play offering of voice, video and data.

In a year disrupted by COVID-19, the studio had three successful releases – *Mimi*, a powerful entertainer on the topic of surrogacy, *Ranjish Hi Sahi*, an intriguing web original series, and *Hey Sinamika*, a musical love story in Tamil.

Jio Studios has an exciting line up of Hindi movies with leading talent such as Shah Rukh Khan, Raju Hirani, Akshay Kumar, Varun Dhawan, Shahid Kapoor, Ayushmann Khurrana and others, as well as marquee projects in other languages. Straddling story telling through traditional media to Metaverse, Jio Studios aspires to be at the forefront of the rapidly expanding \$25 billion Indian Media & Entertainment industry.

**\$25 billion**

Size of Indian Media & Entertainment industry



## Print/Publication Business

Publication Business comprises a portfolio of Forbes, Better Photography and Overdrive, each one of them a leader in their own category, and continuously striving to achieve new heights.

**OVERDRIVE**

**Forbes** INDIA

**Better  
Photography**



## CSR Initiatives

At Network18, Corporate Social Responsibility (CSR) is embedded in its long-term business strategy. Network18's community initiatives help elevate the quality of life of millions, especially the disadvantaged sections of society.

- **Mission Paani**, an initiative in partnership with Harpic, strives to change attitude and behaviour for saving water for future generations, and endeavors to reach over 20 million Indians to drive this change. The latest season of the campaign was endorsed by Vice President M Venkaiah Naidu, Minister of Jal Shakti, Gajendra Singh Shekhawat, Lok Sabha Speaker Om Birla, and Actor Akshay Kumar, the Campaign Ambassador. Mission Paani was recognised as 'The Best Media Initiative' at the 3<sup>rd</sup> National Water Awards by the Honorable President of India.
- **Sanjeevani – A Shot of Life**, a CSR initiative in partnership with Federal Bank, aimed towards creating awareness for COVID-19 vaccinations and mobilising efforts to ensure that every Indian is vaccinated. The campaign collaborated with NGOs, government agencies and influencers to spread information and bust myths surrounding the vaccine, while enlisting donors to gift vaccines to the most deprived and worst affected Indians.
- **Netra Suraksha – India Against Diabetes** was launched in November 2021 in association with Novartis, to increase awareness about eye disorders caused by diabetes. With an aim to build effective and efficient partnerships, the initiative organised round table discussions involving medical experts, think tanks and policymakers.

## Outlook

The Indian M&E industry has a long runway for growth, given the secular trend of increasing demand for quality content and higher time spent across demographics on content consumption. As per industry reports, India is expected to be the fastest growing ad market with digital leading the way. The digital subscription market has been seeing

rapid adoption as the ecosystem matures and the end of pricing stalemate for TV subscription would help drive growth in broadcasting revenues. We will continue to make adequate investments across our businesses which will help us further strengthen our position and simultaneously prepare us for leveraging future growth opportunities.

# IL TO CHEMICALS

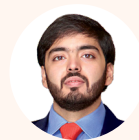
The Oil to Chemicals (O2C) business portfolio spans across transportation fuels, polymers and elastomers, intermediates and polyesters. The O2C business includes world-class assets comprising refinery, crackers and downstream assets that are deeply and uniquely integrated, supported by best-in-class logistics and supply chain infrastructure.

The RIL O2C business includes plants and manufacturing assets located in India at Jamnagar (Jamnagar DTA, Jamnagar SEZ), Hazira, Dahej, Nagothane, Vadodara, Patalganga, Silvassa, Barabanki and Hoshiarpur as well as in Malaysia at Nilai, Melaka and Kuantan. It also includes a 51% equity interest in a fuel retailing JV with bp-Reliance BP Mobility Limited (RBML, operating under the brand Jio-bp), and a 74.9% equity interest in Reliance Sibur Elastomers Private Limited (RSEPL).

The integrated O2C business structure enables an integrated decision-making approach that helps to maximise and optimise the entire value chain from crude to refining to petrochemicals to the B2B/B2C model.





Nikhil  
R. MeswaniHital R.  
MeswaniAnant  
Ambani

P. K. Kapil

Sanjiv  
SinghSrinivas  
Tuttagunta

J. Rajaraman

Harish  
MehtaVipul  
ShahPiyush  
Bhatt

C. S. Borar

Ashwani  
PrasharaSeema  
Nair**1.4** MMBPDCrude refining capacity, the largest  
single site refinery complex globally**68.2** MMTProduction meant for sale for  
FY 2021-22**12**Manufacturing facilities in India (9)  
and Malaysia (3)**21.1**

Complexity Index

**#1**Largest Petcoke  
Gasifier globally**3<sup>rd</sup>**Largest producer  
of PX globally**7<sup>th</sup>**Largest producer of  
PTA globally

Continued recovery in global oil demand supported product margins. High operating rates, superior product placement and feedstock flexibility led to strong operating performance for the year.





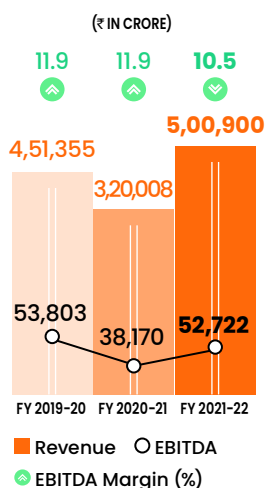
# OIL TO CHEMICALS

## Vision and Mission

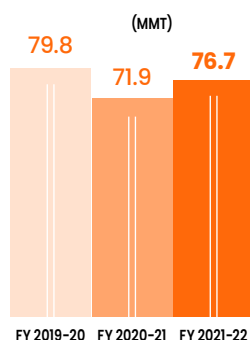
Accelerate new energy and materials businesses while ensuring sustainability through circular economy and target to become a net carbon zero company by 2035.

## Performance Summary

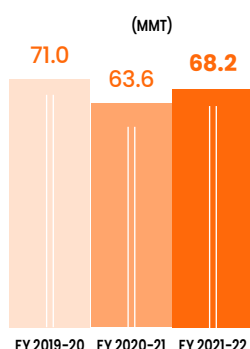
### REVENUE & EBITDA



### TOTAL THROUGHPUT



### PRODUCTION MEANT FOR SALE



## Strategic Advantages and Competitive Strengths



### Deep and unique integration across sites

Fully integrated O2C value chain comprising the highly integrated complex at Jamnagar, which is integrated with other manufacturing O2C assets

Flexibility to process a variety of feedstock including crude, condensate, naphtha, refinery off-gases, ethane/propane, vacuum gas oil and straight run fuel oil

Highly optimised operations across the entire value chain from crude selection, product yield management, logistics to product placement, leading to best-in-class profitability

Ability to manage impact of volatility in commodity prices and cash flows



### World-class manufacturing facilities

Large global-scale manufacturing sites based on competitive technology and flexible design

Top quartile performance in costs, safety and operational excellence



### Robust portfolio catering to growing consumption markets

One of the few companies globally with integration from oil to transportation fuels, polymers and elastomers, intermediates, and polyesters



### Unparalleled logistics and supply chain network

Unmatched distribution footprint in India with multi-modal logistics

11,000+ customers for chemicals and materials across India

Retailing transportation fuels at 1,460+ outlets spread across India



### Global competitiveness and leadership

World's 3<sup>rd</sup> largest producer of paraxylene and among the world's top ten producers of PP and PTA (Source: IHS Markit)

World's largest integrated polyester producer and among the top 10 global producers of MEG (Source: PCI)



### Strong project management capability

Track record of delivering world-class, large-scale projects

## Operating Strategy

The key priorities of the O2C business are as under:

### Transforming into a Net Carbon Zero, circular and sustainable business

- → Transition from producing transportation fuels to chemical building blocks integrated with sustainable downstream derivatives
- → Transition from using fossil fuels to renewables for captive energy demand
- → CO<sub>2</sub> capture and conversion to useful chemicals and materials
- → Scaling up recycling in materials
- → Riding transition from traditional to advanced mobility with EV solutions
- → Accelerate gas economy through expedited growth of CNG network

### Customer ownership and downstream integration

- → Scaling up trading and distribution business – customer access in new value chains
- → Creating industry-defining value propositions for expedited customer acquisition
- → Move from commodity product supplier to customer ownership through solutions and services
- → Alliances and partnerships for downstream sustainable product derivatives

### Continuous optimisation and cost reduction

- → Advantaged crude and feedstock sourcing
- → Capture margins across conversion chains with deep integration and reduce exposure to individual product cyclicality
- → Continuous O2C level optimisation for profitability and lowering energy costs
- → Conversion cost improvements through productivity and minor capex projects
- → Usher global design standards to increase throughput and future proof assets

## OIL TO CHEMICALS

### Highlights FY 2021-22



### Operational Performance

**Delivered strong performance** on the back of recovery in global demand

Achieved **near full capacity utilisation**, despite COVID-19 related operational challenges

Secondary unit processing maximised with improvement in transportation **fuel margins**

**Processed 10 new crudes**, widening feedstock sources including feedstock for Fluid Catalytic Cracking (FCC)

Implemented **Petrochemical Naphtha (PCN)** quality upgrade to capture premium pricing

Fuel mix optimisation ensured **minimum impact from higher LNG prices**

Optimised production of naphtha, gasoline and xylenes to capture best margins in **changing market** conditions

**Optimised light-feed cracking** on favourable economics vis-a-vis naphtha

## Transfer of gasification assets to Reliance Syngas to unlock value

In November 2021, the Board approved the transfer of RIL's gasification assets to Reliance Syngas Limited (RSL) as a going concern on a slump sale basis for a lump sum consideration equal to the carrying value of the gasification assets as on the appointed date of the scheme of arrangement.

The gasification project at Jamnagar was set up with the objective of producing syngas to meet energy requirements and reduce the volatility in energy

costs so as to enable cost-efficient production of olefins. Syngas is also used to produce hydrogen for consumption in the Jamnagar refinery.

As the Company progressively transitions to renewables as its primary source of energy, more syngas will become available for upgrading to high value chemicals, including C1 chemicals and hydrogen, thus sharply reducing the carbon footprint of the Jamnagar complex.

Going forward, RIL expects gasification assets such as syngas to be increasingly used as a platform for conversion to high value chemicals as opposed to a source of energy. Therefore, the nature of risk and returns for the gasification streams are likely to become distinct from those of the other businesses of the Company. In addition, the Company is exploring various opportunities to bring in strategic and other investors in RSL.



### Sustainability

LLDPE received '**Innovator of the Year**' award for **RELCAT** from Federation of Indian Petroleum Industries

Implementing **digital platforms** to enrich customer business experience

Continue to develop a **sustainable petrochemical business model** by participating in **India's circular economy**

**Promoting circular economy & sustainability** across the downstream through industry wide initiatives and various re-engineered materials

**Focus on innovation to cater** to customers' **requirements** and **national goal**





## OIL TO CHEMICALS

### Industry Overview

FY 2021-22 was characterised by the recovery in global demand as a result of improved consumer sentiment, vaccination drive and the reopening of economies, leading to an increase in crude and petrochemicals prices. Global refinery operating rates also improved in line with the rising demand.

### Crude Oil Demand and Supply

Demand in CY 2021 recovered sharply by 5.6 mb/d to 97.5 mb/d. In comparison, demand had fallen by 8.5 mb/d to 91.9 mb/d in CY 2020.

Robust global economic recovery, rising vaccination rates, easing social distancing measures and travel restrictions supported steady demand recovery in FY 2021-22. The demand recovery was further supported by gas to oil switching in the power sector following the energy crisis and high natural gas prices beginning October 2021. In the last week of February 2022, Russian Ukraine conflict began which led to high oil prices and volatility due to uncertainties in global oil supply. Prices rose above \$100/bbl levels due to sanctions on Russia and expected disruption to Russian oil & product trade flows.

Global oil supply increased by 1.4 mb/d to 95.5 mb/d in CY 2021. Oil supply growth was mainly controlled by OPEC+ with a mandate to increase 400 kb/d of output each month from August 2021 to March 2022 in response to demand. OPEC supply was lower by 4.2 mb/d in CY 2020 but increased by 0.7 mb/d in CY 2021. Non-OPEC supply which fell by 2.6 mb/d in CY 2020 increased by 0.7 mb/d in CY 2021 mainly led by Russia. However, uncertainties to supply rose in March 2022 due to US, Canada sanctions on Russian oil imports in response to Russia-Ukraine conflict. This, together with self-imposed restrictions by private companies started to impact trade flows and regional supply.

In FY 2021-22, lower oil supply amid higher oil demand growth led to reduction in global crude inventories and oil market tightness.

### Global Refining Operations

#### Global refinery crude throughput (mb/d)

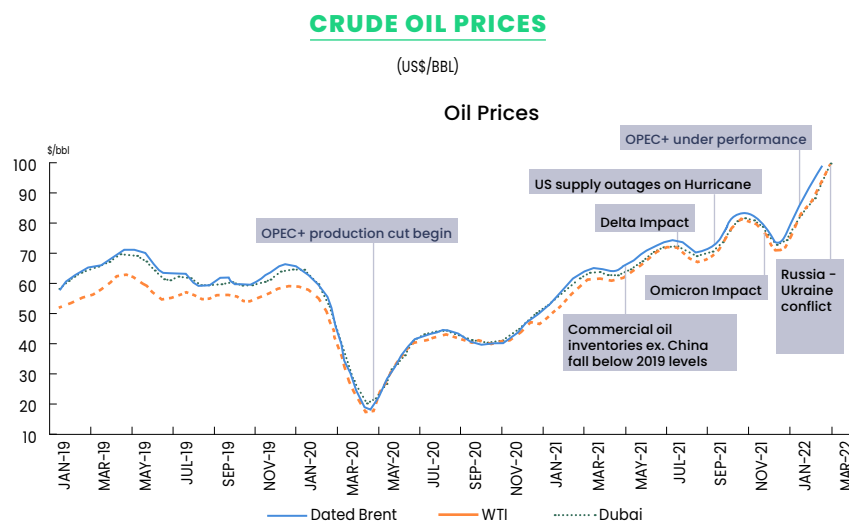
	CY 2021	CY 2020	Change 2021 vs. 2020
OECD Americas	17.8	16.6	1.2
OECD Europe	11.0	10.7	0.3
China	14.2	13.8	0.4
Rest of the World	34.8	33.7	1.1
<b>World Total</b>	<b>77.8</b>	<b>74.8</b>	<b>3.0</b>

Source: IEA

Global refinery throughputs increased steadily during FY 2021-22 on higher utilisation and new capacity additions to meet rising transportation and petrochemical demand. In CY 2021, refinery throughputs recovered by 3 mb/d after falling by 7.3 mb/d in CY 2020. Permanent refinery closures amounted to 2.8 mb/d till the end of 2021 mainly in the US, Europe and Asia.

Refining margins recovered strongly in FY 2021-22 as refinery throughputs lagged fuel demand recovery.

### Crude Oil, LNG and Ethane Prices



Source: Platts

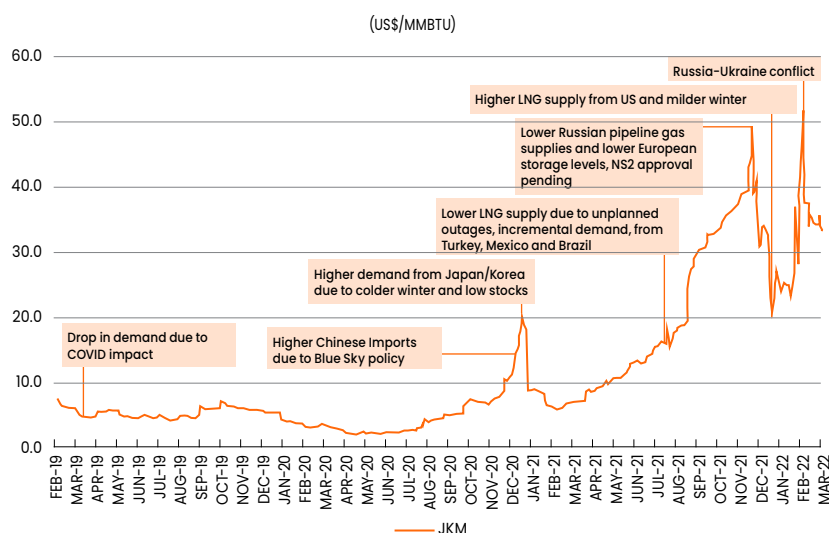
Crude prices rose sharply in FY 2021-22 with Brent price reaching US\$ 118.8/bbl in March 22 from US\$ 64.7/bbl in April 2021. Oil prices rose in response to steady oil demand growth, continued oil supply management by OPEC+, falling global oil inventories and also geopolitical impacts such as Russia-Ukraine conflict.

In 2H 2021, US supply outages due to Hurricane Ida also supported oil prices despite the demand being impacted by COVID-19 variants like Delta.

The energy crisis, high natural gas prices, the failure of OPEC+ to meet its output targets and rising geopolitical tensions further propelled oil prices. Geopolitical risks with Russia-Ukraine conflict, the blockade in Libya and protests in

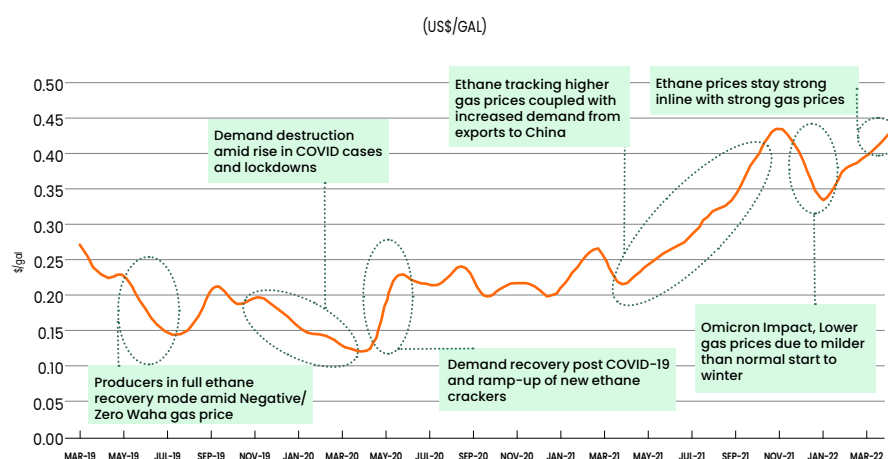
Kazakhstan also contributed to the rise in oil prices in 2H FY 2021-22 in spite of the tapering of demand following the spread of the Omicron variant and China's zero tolerance COVID-19 policy.

### LNG PRICES



During the year, LNG prices were highly volatile, with Asian prices seeing a low of US\$5.8/MMBtu in March 2021 and a high of US\$51.7/MMBtu in March 2022, averaging at US\$23.37/MMBtu in FY 2021-22. The uptick in price was due to demand recovery post-COVID, coupled with unplanned LNG outages, lower Russian pipeline gas flow into Europe and later invasion of Ukraine by Russia in February. The Company used various optimisation initiatives to minimise the impact of high energy prices.

### US ETHANE PRICES



During the year, ethane demand-supply growth was accelerated due to the addition of export facilities, delivery of new Very Large Ethane Carrier Ships (VLECS) and demand growth of the newly operational cracker in the US. Ethane prices in FY 2021-22 moved in tandem with that of natural gas for most of the time, and hence traded at highest-ever prices in the last four years at 46.8 US cents per gallon (cpg). This was owing to the surge in natural gas prices as a result of the supply scarcity and colder than expected winter. The average price of ethane for FY 2021-22 was 34.9 cpg. Despite relatively higher prices, ethane continued to be the preferred feedstock.

## Tanker Freight

The crude tanker market continued weaker trend due to various factors, ranging from COVID-19, reduction in crude imports to China, OPEC cuts, increasing bunker prices to limited cargoes being quoted, weighed in on market sentiment. This also helped to lower overall crude cost.

Clean Tanker freight rate for shipping products remained at a 5-year low in FY 2021-22 as lockdown restrictions led to uncertainty and dampened sentiments. Ample new-built tanker availability also helped long-haul distillate market movements, keeping a lid on freight prices

Reliance has been proactively taking appropriate actions by taking optimal cover through time charters & COAs' (Contract of Affreightment) to avoid freight volatilities and incurring additional cost to the refinery.

## Transportation Fuels

### Global Market Environment

Global gasoline demand recovered steadily in FY 2021-22 as a result of improving mobility and higher preference for personal vehicles. In CY 2021, demand recovered to above 96% of pre-pandemic level (CY 2019 levels) as restrictions on mobility were lifted gradually on rising vaccinations. Diesel demand recovery also continued in FY 2021-22 – on strong economic growth and rising industrial activity with demand reaching 98% of pre-pandemic level in CY 2021.

Jet fuel was the only fuel to remain significantly below pre-pandemic level with demand recovering to only 66% of CY 2019 levels in CY 2021 mainly due to sluggish recovery in business and international travel. However, demand was supported by countries which were opening up and easing international travel restrictions, following rising vaccination coverage and low impact from the Omicron COVID wave.

## OIL TO CHEMICALS

### Domestic Market Environment

After the lows of FY 2020-21, Indian fuel demand bounced back in FY 2021-22. However, the growth was tempered by the second and third pandemic waves, which led to partial or total lockdown in stretches across the country during 1Q and 4Q respectively.

### India Fuel Consumption Trend (exit quarter trend)

Product (Mn MT)	4Q FY 2019-20	4Q FY 2020-21	4Q FY 2021-22
HSD (Gasoil)	19.7	20.6	20.6
MS (Gasoline)	7.1	7.8	7.9
ATF (Jet fuel)	1.9	1.4	1.4

On the back of sustained economic activities, and the absence of a blanket nationwide lockdown, business growth was steady through the course of the year. India's fuel demand grew by 7.8% and stood at 113 MMT. LPG demand too maintained an upward growth trajectory.

While inter-city highway traffic has maintained steady momentum, growth in intra-city travel has surged, as reflected in the consistently growing Motor Spirit (MS) sale. Despite muted growth in 1Q FY 2021-22 and some set back in 4Q, both gasoil and gasoline demand has grown steadily with the resurgence of road traffic. FY 2021-22, diesel demand increased by 5.5% and gasoline demand increased by 10.4% Y-o-Y. Exit industry volumes are already 4.2% higher than the pre-COVID average in FY 2019-20. The shift away from ride-sharing and limited availability of public transport (driven by lower bus frequency and curtailed rail movement) have increased preference for self-owned vehicles, which has supported this growth.

Reaching the end of their ongoing investment cycle, both state-owned oil marketing companies and private players have continued expanding their network, and taking the total number of retail outlets in India to over 83,000.

FY 2021-22 also emerged as the defining year for Indian Electric Vehicle (EV) industry. On the back of sustained policy push at both the central and state levels, increased options in the market and growing charging infrastructure, EV sales recorded a 218% growth over that in FY 2020-21. Even though the base is low, the industry is looking at convergence of charging infrastructure and retail outlets.

Rebounding from its worst ever year, India's aviation industry, driven primarily by the domestic sector, grew strongly in the 2H FY 2021-22. Phased allowance from 70-100% capacity utilisation enabled airlines to ramp up steadily. ATF demand in FY 2021-22 grew 35% Y-o-Y.

### Margins

Gasoline margins rose sharply to US\$ 11.4/bbl in FY 2021-22 from US\$ 3/ bbl in FY 2020-21, backed by steady demand recovery and improving mobility. Also, limited exports from China in 2H CY 2021 supported cracks.

Gasoil margins increased to US\$ 12.3/bbl in FY 2021-22 from US\$ 5.7/bbl in FY 2020-21, following steady demand growth supported by the strong economic recovery and rising industrial activity. However, gasoil margin gains were limited due to sluggish jet fuel demand recovery and persistently higher stocks during most of the year. Cracks were supported by lower gasoil exports from China, due to various policy changes like the imposition of higher taxes on blended fuels such as light cycle oil, tightening supervision on independent refiners, lower crude import and product export quotas in 2H CY 2021. Gasoil cracks rose strongly in March 2022 on disruptions to Russian diesel supply to Europe amid Russia-Ukraine conflict and trade sanctions on Russia.

Jet fuel cracks rose to US\$ 9.1/bbl in FY 2021-22 from the unprecedented low of US\$ 1.2/bbl in FY 2020-21. Jet fuel demand continued to recover, albeit slowly led by North America in FY 2021-22.

### Asian Cracks for Transportation Fuels

\$/bbl	FY 2021-22	FY 2020-21
Gasoline 92R	11.4	3.0
Jet	9.1	1.2
Gasoil 10 ppm	12.3	5.7

Source: Platts

## Global Cracker Operations

Global demand for ethylene grew 8% Y-o-Y to 179 MMT in CY 2021 from 166 MMT in CY 2020, while operating rates remained unchanged at 86%. New capacity addition for the year was 12 MMTA, in line with the demand growth.

## Ethane and Naphtha Prices

Ethane average prices increased by 63% Y-o-Y to 34.9 cpg in FY 2021-22. While naphtha average prices in Asia were up by 82% Y-o-Y led by the rise of crude price, LNG supply crunch and related strength in energy prices.

## Polymers and Elastomers

### Global Market Environment

Global polymer demand – for polyethylene (PE), polypropylene (PP), polyvinyl chloride (PVC) – in CY 2021 was 253 MMT, registering an uptick of 4% on Y-o-Y basis. Global PP, PE and PVC demand grew by 5%, 4% and 4% respectively in CY 2021, led by Asia, especially China and India.

Growth in global demand for Styrene-Butadiene Rubber (E-SBR) was 4% and Polybutadiene Rubber (PBR) 6% in FY 2021-22 on the back of strong automotive sector demand. Global vehicles production recovered by 3% in CY 2021, and global vehicle sales recovery was 4%, despite various setbacks like semiconductor shortage, supply chain issues and low inventories.

## Domestic Market Environment

PP domestic market demand grew by 16% on Y-o-Y basis on account of healthy demand from the health & hygiene sector, raffia and Biaxially Oriented Polypropylene (BOPP) packaging. PE demand also registered a growth of 4% on Y-o-Y basis, driven by e-commerce, FMCG and liquid packaging. PVC demand grew by 6% Y-o-Y, majorly driven by growth in construction activities and policy boost for several water and sewage pipeline projects.

Indian E-SBR demand grew by 7% in FY 2021-22 while demand for PBR was up by 5% for the year. The demand growth was supported by revival in passenger vehicle, commercial vehicle and replacement market.

## Margin

Polymer prices strengthened during FY 2021-22 amidst global demand boost and regional supply shortages due to lower import availability amid container shortage. Global operating rate for PP and PE averaged 89% and 87% respectively during 2021, at par with pre-pandemic levels. Polymer margins weakened during the year amidst higher feedstock cost. Integrated PP-Naphtha and HDPE-Naphtha margins contracted by 17%. PVC margins weakened by 3% during the year.

### Southeast Asia Polymer Margins

(US\$/MT)	FY 2021-22	FY 2020-21	% chg Y-o-Y
HDPE-Naphtha	426	512	-17
PP -Naphtha	529	637	-17
PP-Propylene	235	193	22
PVC-EDC- Naphtha	569	584	-3
PBR-BD	1126	727	55
SBR-BD-Styrene	1063	718	48

Source: Platts and ICIS





## OIL TO CHEMICALS

### Intermediates and Polyesters

#### Global Market Environment

Global demand for Intermediates (MEG/PX/PTA) increased by 5% to 157 MMT in CY 2021 from 149 MMT in CY 2020. PX markets improved in the latter part of the year due to new downstream PTA capacity additions. PTA markets remained healthy and witnessed 7% overall annual growth, the demand went up despite rising inventory in the first half of the year. MEG demand was impacted due to intermittent disruption led by pandemic and energy crisis. Supply disruptions in the US led to tightening of China port inventories.

Polyester overall global demand improved by 7% at 85 MMT. Increase in vaccination rate and relatively lower restrictions across the world have helped improve the global demand for textiles and apparels. Global apparel market which shrunk in CY 2020 by 22% to US \$ 1.3 trillion, has recovered by 16% in CY 2021 to US \$ 1.5 trillion.

#### Domestic Market Environment

Domestic Intermediates demand improved by 32% on account of recovery in textile and polyester demand. Removal of restrictions and improvement in retail demand led to the recovery of the polyester downstream industry, which has shown resilience against repeated pandemic waves and volatility in raw material prices. Polyester downstream operating rates varied from stable to strong across the value chain barring an exceptional dip in April-May '21. Lower polyester imports on account of high ocean freights supported demand and margins.

#### Margins

Global economic recovery resulted in improved petrochemicals demand. In FY 2021-22, PX prices surged 61%,

while PX-Naphtha margins firmed by 21% Y-o-Y, but it is well below 5-year average levels. In 3Q, the imposition of dual control policy in China, emergence of Omicron coupled with the start-up of large PX capacities (2x2.5 MMTPA) resulted in supply overhang and weak margins.

PTA markets in China remained oversupplied given the capacity addition of 8.6 MMTA, together with medium to high level market inventories. Global PTA operating rates remained around 79% in FY 2021-22. PTA prices followed crude oil price movements in FY 2021-22, with the margin on PX improving gradually from H1 with the decrease in China inventory. Overall, in FY 2021-22, PTA prices surged 56% while PTA-PX margins firmed up by 43% Y-o-Y.

MEG margins were under pressure due to oversupply and lower operating rates. MEG prices surged 36% and MEG-Naphtha margins softened by 12% Y-o-Y owing to high feedstock prices.

PET markets witnessed an unprecedented trend during the year. Global PET supplies tightened due to plant shutdown in the US and Europe during the pandemic, leading to a surge in PET prices by 43%, however margins firmed up by 11% Y-o-Y constrained by high feedstock prices.

#### Intermediates and Polyester Margin Trends

(US\$/MT)	FY 2021-22	FY 2020-21	% chg Y-o-Y
PX- Naphtha	207	172	21
PTA-PX	224	157	43
MEG-Naphtha	203	232	-12
POY-PTA & MEG	195	203	-4
PSF-PTA & MEG	43	150	-71
PET- PTA & MEG	161	146	11

Source: Platts, ICIS, CCF Group

### Business Performance

#### Production Meant for Sale

		(in MMT)	
Particulars	Products	FY 2021-22	FY 2020-21
<b>Transportation Fuels</b>	Gasoil	25.8	24.9
	Gasoline / Alkylate	11.7	10.5
	ATF	3.7	2.2
<b>Polymers and Elastomers</b>	PP	2.9	2.9
	PE	2.2	2.3
	PVC	0.7	0.7
	Elastomers and Feedstock	0.4	0.3
<b>Intermediates and Polyesters</b>	PX and By-products	2.9	3.4
	Benzene and Derivatives	0.5	0.5
	PTA	2.2	2.0
	MEG and By-products	1.2	1.3
	Filament	1.2	1.0
	Staple	0.8	0.7
	PET	1.2	1.1
<b>Others</b>	Fuels, Solids and Others	10.9	9.7
<b>Total</b>		<b>68.2</b>	<b>63.6</b>



Overall production meant for sale increased from 63.6 MMT to 68.2 MMT. Most of the increase came from transportation fuels due to increase in global demand. RIL's agile business operations with its ability to optimise feedstock has helped to run downstream plants at full throughput.

## Transportation Fuels

In FY 2021-22, RIL remained among the largest producers of transportation fuels, exporting 34.7 MMT of products across the globe.

RIL can also produce a large variety of grades to meet international market requirements of European countries, Africa, East Asia including Australia and the US market which has the most stringent specifications. The Company is well recognised as a trusted supplier of high-quality transportation fuels with zero cases of quality and quantity disputes. RIL has a competitive advantage as it operates through one of the most modern and efficient ports – Jamnagar. The Company marketed 15 MMT of products in the domestic market in FY 2021-22.

RIL continues to leverage its strong highway presence and rapidly growing intra-city footprint to move towards its target of covering over 90% freight load on Indian roads despite having a significantly lower outlet count compared to its competition. It has worked towards establishing gasoil customer ownership by strengthening its industry leading fleet program

(Transconnect) to target fleet customers and continuing to augment on-demand fuel delivery to target non-transport/off-road segment. Network push, higher share of fleet volumes, industry defining technology and strong Q&Q (Quality and Quantity) focus have contributed to the significantly higher per outlet throughput for RIL.

## HSD B2B Business

In FY 2021-22, bulk diesel industry volumes grew by 10.2% on Y-o-Y basis though it was 13.5% lower than pre-pandemic level. Cementing its presence across geographies, RIL continued to outperform the industry, achieving a growth of 13.2% on Y-o-Y basis and much lower decline of 2.1% of pre-pandemic level with market share of 9.4%. Building on its strong customer connect, RIL's O2C business has further strengthened its relationship across customer segments. The Company continues to pursue profitable growth opportunities in infrastructure, construction and the mining segment, providing healthy returns.

## Petroleum Retail Business

Reliance BP Mobility Limited (RBML), operating under brand Jio-bp, a 51:49 joint venture of RIL and bp, with a network presence of 1,460 outlets and customer trust in its proposition, recovered 100% of its pre-pandemic gasoline and gasoil volumes.

Working on its commitment towards reducing industry pilferage and

encouraging safe practices, Jio-bp has further strengthened its leadership position in on-demand fuel delivery, operating under brand Jio-bp fuel4u. With ~1,200 sites, Jio-bp commands leadership in market share, successfully ushering in channel innovation that has redefined the range of a retail outlet. With ~50 mobile dispensing units and ~44,000 packed containers, Jio-bp supported the functioning of mobile towers, agriculture, hospitals and other critical facilities during the peak of the pandemic and floods.

Building on the first phase, Jio-bp outlets and mobile dispensing units delivered over 2.2 million litres of free fuel for 56,500 notified emergency response vehicles during the second wave of the pandemic.

## Aviation Turbine Fuel (ATF) Business

With the domestic aviation industry recovering steadily, Jio-bp (operating under air-bpJio) has registered an annualised volume growth of 19% over industry, staying ahead of competition and reinforcing customer trust.

## Downstream Chemicals

RIL maintained steady polymer production with reliable operations across sites. It maintained operating rates higher than its peers based on the market scenario by leveraging global supply chain. This was achieved by leveraging high level of integration from feedstock to finished goods, strong global business networks, multi-modal logistics capabilities and enhanced digital capability with all stakeholders in the value chain. RIL maintained its market share in both polymer and polyester market. As RIL continued to explore new products and market segments, the integrated O2C business model helps optimise feedstock to run downstream plants at full capacity.

## OIL TO CHEMICALS



CASE  
STUDY

### Moving towards being the 'Preferred Provider' for all mobility solutions in India

Operating under the brand Jio-bp, RBML launched its first Jio-bp branded Mobility Station at Navde, Navi Mumbai, Maharashtra. Jio-bp Mobility Stations bring together a range of services, including additivated fuel, multiple fuelling choices and convenience for consumers on the move.

#### Operating Strategy

- Bring in best-in-class global fueling experience to Indian consumers through technology-enabled unique Customer Value Proposition (CVP)
- Take on a leadership role in EV infrastructure by proactively offering upcoming technologies and operating models
- Deploy next-generation technologies for automation-led operational and process efficiency

Towards realising the Net Carbon Zero ambitions of RIL, Jio-bp is working on the twin targets of becoming a leading EV charging infrastructure provider and building a CNG network in the country.

Having built the first on-the-go charging station, first cluster charging station, first fleet charging hub, launch of charging app and many other firsts during the last financial year, Jio-bp now has over 300 charging and swapping points across the country.

Jio-bp has also announced partnerships with some of the key players such as OEMs, last mile delivery players etc. to collaborate on increasing EV penetration and make EV charging and swapping convenient for customers.

It has partnered with several CGD companies during the year for establishing CNG facilities for its customers at RBML Mobility stations.

In spite of the pandemic-led constraints, Jio-bp has gone full throttle towards ramping up the pipeline for future growth of under-construction outlets. Both the new outlets and the existing network of over 1,460 fuel pumps will be rebranded as Jio-bp over the next few years. Fuel, convenience (with embedded wild bean cafe) and express oil change offering are gaining strong traction at the fuel forecourt.

**5,500 outlets**

Proposed network post expansion

**1,460 outlets**

In the Jio-bp network



## Strategic Priorities and Way Forward



### Diversified feedstock sourcing, minimising feedstock cost

#### Progress in FY 2021-22

- Increased crude oil sourcing from the Americas to capture arbitrage opportunity
- 10 new crude/SRFO grades processed during the year, widening crude sourcing
- Widening of supplemental feedstock sourcing options for FCC and Coker to minimise cost
- Advantageous Ethane feedstock sourcing from USA for optimised cracker operation

#### Medium-term priorities

- Explore strategic terming of advantage feedstock
- Debottlenecking crude processing constraints in CDU for improved sourcing
- Debottlenecking FCC supplemental feed processing constraints
- Increase production of EDC to reduce import dependence. Maximise Ethane sourcing to optimise feedstock cost



### Improved product netbacks with wider market reach and quality upgrade

#### Progress in FY 2021-22

- Diversified product supply to South America / West Africa on delivered basis improving netbacks
- Implementation of PCN quality upgrade for improved product placement flexibility and premiums
- Oxyfree and Ethanol Blend Motor Spirit (EBMS) gasoline production for domestic market compliance
- Focus on increasing LDPE domestic sales
- Successfully established grades in Caps and Closure segment
- Focus on optimising ethylene derivative value between Ethylene Oxide and Monoethylene Glycol. Increased focus on specialty polyester products

#### Medium-term priorities

- Production of niche fuel / petrochemical grades for improved product netbacks
- Invest in new materials while maximising product netbacks
- Strengthening further market share of PP grades namely in ICP/RCP/Fibre-Filaments
- Focus on increasing PP sales to further promote value-added exports of Woven Sacks & FIBCs by RIL downstream customers
- Complete import substitution of domestic LDPE capacity
- Increase tie-up with global PVC suppliers to further augment domestic sales
- Optimising product mix to maximise Ethylene Oxide over Monoethylene Glycol
- Improving product and end segment mix by targeting the growth in differentiated and specialty polyester products through downstream value chain



# OIL TO CHEMICALS

## Strategic Priorities and Way Forward



### Asset sweating and operating cost minimisation

#### Progress in FY 2021-22

- Near 100% utilisation of O2C assets with improved demand recovery
- Eliminated high-cost spot LNG procurement exploiting in-house fuel flexibility
- In-house catalyst development for LLDPE to minimise cost

#### Medium-term priorities

- Low-cost debottlenecking of existing assets for petrochemical capacity enhancement
- In-house technology development for O2C transition sustaining market advantage
- Ensure sustainability through circular economy and transition to renewable power and green hydrogen



### Digital transformation

#### Progress in FY 2021-22

- Industrial Internet of Things (IIoT) for Algae to oil R&D initiatives
- Machine Learning (ML) for improved gasifier reliability and efficiency
- Uber4Oil (on-demand doorstep delivery of diesel through app) for fuel retail business in Jio-bp
- Video analytics for remote service standard and safety management at Jio-bp
- Aligning and digitising the business services against three value streams namely Revenue & Channel, Business Ownership and Product Ownership

#### Medium-term priorities

- Process digital twins' development for critical process units for improved process efficiency, safety and reliability
- ML for predicting equipment failures / catalyst performance minimising unplanned downtime
- Leveraging AI/ML for O2C business profitability improvement
- Prioritising the collaborative processes for enhancing the customer experience through further automation



### Sustainability and transition to Net Carbon Zero

#### Progress in FY 2021-22

- Bio-mass utilisation in Circulating Fluidized Bed Combustion (CFBC) boilers at Hazira and Dahej, minimising carbon footprint
- Transition to low carbon intensity fuel to minimise carbon footprint
- New exclusive toll manufacturing business model to promote entrepreneurship in recycling
- Green polyolefin products - EcoRepol™ (green Polypropylene) and EcoRelene™ (green Polyethylene) trials for various applications
- Commercial Continuous Catalytic Pyrolysis Oil technology trial plant set up. Final product to be taken to refinery/crackers for producing circular polymers through mass balance attribution approach

#### Medium-term priorities

- Transition to renewable power for O2C assets
- Bio-mass gasification
- CO<sub>2</sub> capture for mineralisation or chemicals
- Commissioning of new Toll manufacturing plant at Andhra Pradesh to produce Recycled Polyester Staple Fibre and ramping up recycling capacity to 5 billion bottles per year
- Develop green polyolefin product portfolio and ramping up capacities to deliver application specific green products
- Scale up chemical recycling technology to promote plastic circularity

## Strategic Priorities and Way Forward



### Continuous domestic transportation fuel sales volume push

#### Progress in FY 2021-22

- Reinforced fleet management program to consolidate position in highway segment
- Grew network of mobile dispensing units (MDU) and packed fuel containers (PFC)
- Ramped up prospect pipeline & OTP pace for under-construction outlets

#### Medium-term priorities

- Leverage network growth to garner larger share of fleet customer volume
- Leverage technology and expedite rollout to sustain market leadership in mobile fuelling
- Work aggressively towards proposed network growth to 5,500 outlets



### Build and establish Jio-bp brand

#### Progress in FY 2021-22

- Launched Mobility Station with array of new customer value propositions
- Initiated network-wide rebranding exercise for existing outlets, AFS & tank-trucks

#### Medium-term priorities

- Country-wide brand launch combined with accelerated re-branding exercise
- Expedited network footprint of all new customer value propositions launched



### Foray into advanced mobility (EV charging and CNG)

#### Progress in FY 2021-22

- Launch of multi-format EV charging and battery swap units
- Tie-up with leading gas distributors, demand aggregators, technology providers and OEMs

#### Medium-term priorities

- Ramp-up country wide footprint of EV charging network
- Evolve technologies and operating model to stay abreast with the EV industry
- Build CNG network alongside evaluating co-location with existing RBML outlets



## OIL TO CHEMICALS

### Leadership in Adopting Circular Economy in India



#### Circular polymers

RIL is developing commercial scale continuous catalytic pyrolysis technology. The process has been successfully demonstrated at pilot scale. This can convert unsegregated mixed waste plastics into Pyrolysis Oil, which will be processed at the refinery. Credits can be attributed to various petrochemicals as per International Sustainability and Carbon Credit (ISCC) plus mass balance certification to create circular products. These products are in demand from multinationals to fulfil statutory requirements and keep their commitment to plastic circularity. We plan to scale up this production to promote plastic circularity.



#### R|Elan™ Fabric 2.0

##### Promoting circularity and wellness sustainably

Through the reporting year, R|Elan™ built upon its long-term sustainability commitment and undertook innovative, solution-oriented initiatives. These included Season 3 of its Circular Design Challenge, 3<sup>rd</sup> edition of #EarthTEE activation, launch of new sustainable products and digital campaigns in collaboration with its downstream customers and partners to promote sustainable, circular fashion.

##### Circular Design Challenge 3.0 – India's largest sustainable fashion award

In FY 2021-22, for the third time in a row, R|Elan™ Fashion for Earth presented the Circular Design Challenge in partnership with United Nations Environment Programme at the FDCI X Lakme Fashion Week. This edition brought greater recognition of the R|Elan™ Award for excellence in circularity to one of the finalists, Ashita Singhal of Paiwand, for outstanding innovation in circular fashion.

##### Showcasing sustainable fabrics via Designer Showcase at Lakme Fashion Week

To promote sustainable fashion and to make circular fashion aspirational, R|Elan™ collaborated with several fashion designers and influencers through the year, including Payal Singhal and the designer duo, Abraham & Thakore. For the Winter Fashion event at Lakme Fashion Week, R|Elan™ presented an exclusive collection titled 'Assemble, Disassemble & Reassemble' made with R|Elan™ GreenGold -- a next-gen eco-friendly fabric, made with 100% recycled post-consumer PET bottles.



*"I can't tell you how difficult it is to tear myself away from my infant son. But it is work like this that pulls me. I also know it is work like this that will keep my son's future safe."*

Dia Mirza,  
UNEP Goodwill Ambassador





### Making sustainability cool through EarthTEE 3

Launched on World Environment Day 2018, the #EarthTee, a t-shirt designed in collaboration with Anita Dongre from recycled PET bottles, strove to make sustainability fashionable in collaboration with fashion celebrities and influencers.

### New innovative fabric launches

R|Elan™ fabric 2.0 launched a range of three fabric collections that combine the goodness of R|Elan™ GreenGold with three other technologies that is 'Good on you. Good for your soul, and Great for the planet'.



### R|Elan™ EcoGold with Ciclo

Within the Sustainability category of R|Elan™, a new product introduced this year was R|Elan™ EcoGold with Ciclo. One of the most environment-friendly fabrics, it enables sustainable fashion across different applications. This innovative fabric helps to reduce the impact of unrecycled textiles on the environment.

### #RestoreWithRElan

RIL highlighted the importance of recycling and circularity through ongoing campaigns on important days like the World Environment Day, Earth Day and others. Beginning on the World Environment Day, RIL ran a number of interactive campaigns to create awareness, stressing on the fact that the fashion we choose, and our ecosystems are inter-linked. Inviting everyone to learn how to #RestoreWithRElan on World Environment Day, RIL urged the audience to share images/videos of their initiatives that can help restore the ecosystem.



## Impact

Driven by our B2B2C marketing concept, R|Elan™ GreenGold continuously engaged with end consumers on social media through digital posts, stories, videos and reels that promoted sustainability. During the year, such communications reached millions of users on Instagram and Facebook. There has been a major increase in engagement with the content and our co-brand partners have reported significant uptake in the demand for sustainable products and fashion collections made from Reliance's Sustainable materials.



## OIL TO CHEMICALS

### Scaling up Digital Platforms to Enrich Customer Experience

RIL implemented several new digital initiatives to ensure seamless execution of business in the virtual working environment.



- Functionality to initiate actions, generate system exceptions and escalations, eliminating manual effort and smooth operations avoiding last minute issues/decisions

The historical process data will also help in streamlining activities, identifying bottlenecks and performance of activity Service Level Agreements (SLAs) on an ongoing basis, thereby driving process efficiencies.

#### Port Operations Platform

Port operations platform has been deployed on latest open source based technology with enhanced features. It will facilitate:

- Vessel nomination, acceptance, invoicing of services, at Sikka and GCPL port facilities
- Visibility to the Operations and Scheduling team for better control of activities, minimising potential demurrage
- The historical data from the system will also help in identifying process and capacity bottlenecks for optimisation

#### Ensuring Information Readiness for Resilient Refinery Planning

The digital initiatives across planning and optimisation platform modules allow management of supply and demand volatility and the price risk. The digitisation of all inputs required for rolling plan has ensured faster response for disruption management and sensitivity analysis. Platform has improved risk assessment processes and also enabled auto price forecasting based on forward curve.

- Product placement at all coastal locations with optimal distribution cost
- Optimisation of operational metrics like tankage hiring cost, lead time, inventory levels and vessel utilisation etc.
- Improved visibility and disruption management by integrating data pertaining to future demand, inventory positions, and voyages

#### Business Operations Center

Business Operations Center has been set up for close monitoring and control of Trading and Mid office business processes. The centre provides:

- Near real time view of transaction workflow and operating parameters
- Specific actions against role holders on immediate and upcoming schedule basis
- Capability to track and monitor contract specific events and validate system details for contract execution

#### Domestic Vessels Replenishment Planning and Scheduling

Coastal replenishment is one of the key modes in Domestic Bulk S&D business for PAN India distribution. Products are needed to be placed across all coastal terminals on the East and West coasts to meet needs of the Retail network, Direct and other manufacturing companies / PSU.

An integrated optimisation module has been implemented enabling the following key benefits to business.

#### Digital Experience for Customers/Agents

- Credit control management platform to improve order execution lead time and risk management
- R-collection platform integrated with RIL systems for instant limit enhancement and utilisation
- Transporter nomination facility for touchless and paperless order execution
- Export document tracking platform for live visibility and timely cargo clearance

- Reinforced on-demand HSD delivery offer to customer's doorstep by ensuring 100% visibility from order to delivery for retail fuel customers

### **Analytics for Process Optimisation**

- SCM Spend Analytics covering warehousing, shipping, multimodal and chartering
- Business analytical and visualisation platforms to enhance the decision making process
- Trade flow information platform to increase business sustainability
- Marine insurance management platform to optimise export cargo lifecycle management cost
- Rolled out next-gen retina and face scanning system for remote monitoring of attendance, mask compliance and body temperature of outlet staff

- Deploying drone technology and smart CCTV analytics for progress measurement / safety of retail outlets under construction

### **Supply Chain Management: Saving human lives and delivering sustained value for stakeholders**

The second wave of COVID-19 in 1Q FY 2021-22 led to a national crisis over medical oxygen and created a challenging logistics landscape. RIL responded to this national emergency by building new facilities in its plants for medical oxygen and importing oxygen in ISO containers from all over the world through emergency airlift operations with the help of the Indian Air Force. Simultaneously, multimodal logistics solutions were established to deliver medical oxygen to various hospitals across the country in the shortest possible time, thereby saving human lives.

Apart from the crisis in shipping containers, port operations were affected globally, and port congestion hit an all-time high, creating challenges in vessel schedules reliability, labour management and so on. The resulting demand-supply gap led to a multi-fold increase in shipping freight in H1 FY 2021-22.

To ensure optimum supply chain cost, RIL swiftly implemented long-term supply chain cost planning, flexible multimodal transportation solutions and digital monitoring of movement across the entire supply chain. Long-term contracts with shipping line partners and organised extra-loader ships to manage large volumes in global exports. This approach has helped to retain market share and business margins. During this time, the Company supported all stakeholders in the SCM value chain for vaccinations, treatments, and timely financial support.



**CASE  
STUDY**

## **Bio-Degradable & Compostable Polybutylene Adipate Terephthalate (PBAT) Process & Composites: Niche Applications for Packaging & Agriculture Sectors**

RIL has developed and scaled up to pilot a novel process for PBAT. Different grades with varied melt viscosities showed good performance in terms of physical and mechanical properties. The developed grades were also compounded with various fillers for ease of downstream processing and enhancing product properties required for applications in flexible as well as rigid packaging, agriculture mulch films, among others.

Novel bio-compostable net-bags have been developed through a net-extrusion process using PBAT polymer blends / composites. The process optimisation and development have

been carried out on conventional downstream machines with high output and minimal loss of material in processing. It offered a cost competitive product for a green packaging solution for the fruit & vegetable (F&V) sector. The developed net-bags are easy and convenient to use and have good weight carrying capacity. These net-bags are ideal for leafy vegetables, as they maintain freshness for longer time. This development is important in view of replacement of single-use plastic by sustainable materials. Further, the R&D team is working on different variants of net-bags for different weight carrying capacity to target applications other than F&V.





## OIL TO CHEMICALS



### Puncture-proof Tire Inner Liner: Sealant Elastomer Development

RIL has developed a new generation of air impermeable functional polymer. By preventing tyre punctures, it will ensure more safety for vehicles on the move. This product will add value to next-gen EV vehicles and contribute to net carbon zero economy.



### Ensuring 100% Fuel Additivation: A New Normal for Indian Fuel Standards

Using over six unique operating and infrastructure models across its 40+ supply terminals, Jio-bp has built world-class bespoke products developed in globally acclaimed laboratories, invested in state-of-the-art technology and built a country-wide additive supply logistics network from scratch.

By additivating every single drop of fuel, Jio-bp is providing international quality fuel to Indian customers at no extra cost.



### 'Shop' with Embedded WBC Offering: Redefining Fuel Forecourt Retailing

To ensure standard, consistent and quality on-the-move food and beverage experience, Jio-bp has launched 'Shop' with embedded WBC offering at its mobility stations.

This has brought international on-the-move brand Wild Bean café (WBC) to India, built over the country-wide supply chain of Reliance Retail for compelling daily need offers and created locally curated delicacies through own chef.



CASE  
STUDY

## Jio-bp Pulse Fleet Charging Hub: Leading from the Front in EV Transition

Jio-bp has developed its own Jio-bp pulse charge app and set up couple of India's largest charging hubs (85+ and 120+ charging points) in Delhi NCR with Blusmart as our primary customer. The hub allows ease of

self-charging for those taking to EVs. A mix of slow and fast chargers cater to the specific needs of vehicles. The steady state site is already registering over 250 charging sessions per day.

CASE  
STUDY

## Express Oil Change: Redefining 2W Oil Change Industry

RIL has ensured peace of mind for millions of India's two-wheeler users through its latest innovation in partnership with leading lubricants major- Castrol. They can now have free vehicle health check-up and free oil-change service as well as

the service of professionally trained experts to assess their vehicles. This customer ease can be expected to create a renewed push for lubricant and gasoline sales.



## Outlook

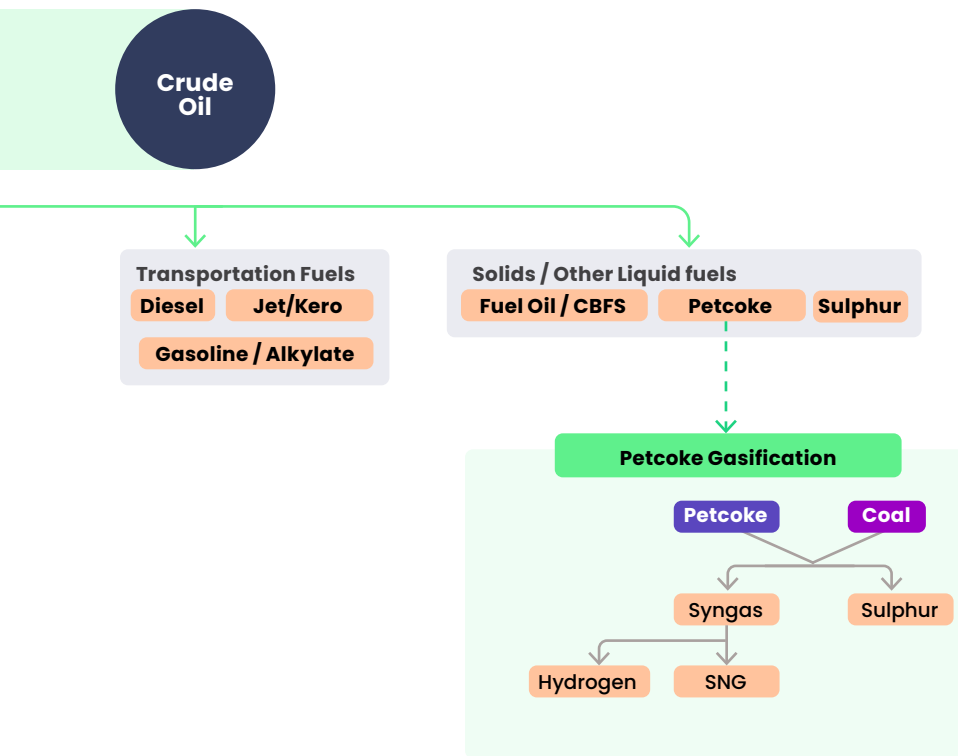
Global downstream demand is likely to improve amidst easing of COVID-19 restrictions, improvement in mobility, consumer sentiments and large economic stimulus programmes worldwide. The momentum in transportation fuel is also likely to pick up pace as the global economy returns to pre-COVID level. Polymer demand is expected to be strong, driven mainly by the growth in healthcare, e-commerce, packaging, durables, auto and infrastructure segments. Growth in the downstream polyester chain market is also expected to remain steady, making it possible to achieve higher operating rates. Although post-pandemic reopening of global economy is expected to provide further demand growth, however rising inflationary pressures due to ongoing geopolitical events and fears around economic slowdown could impact near-term demand outlook.



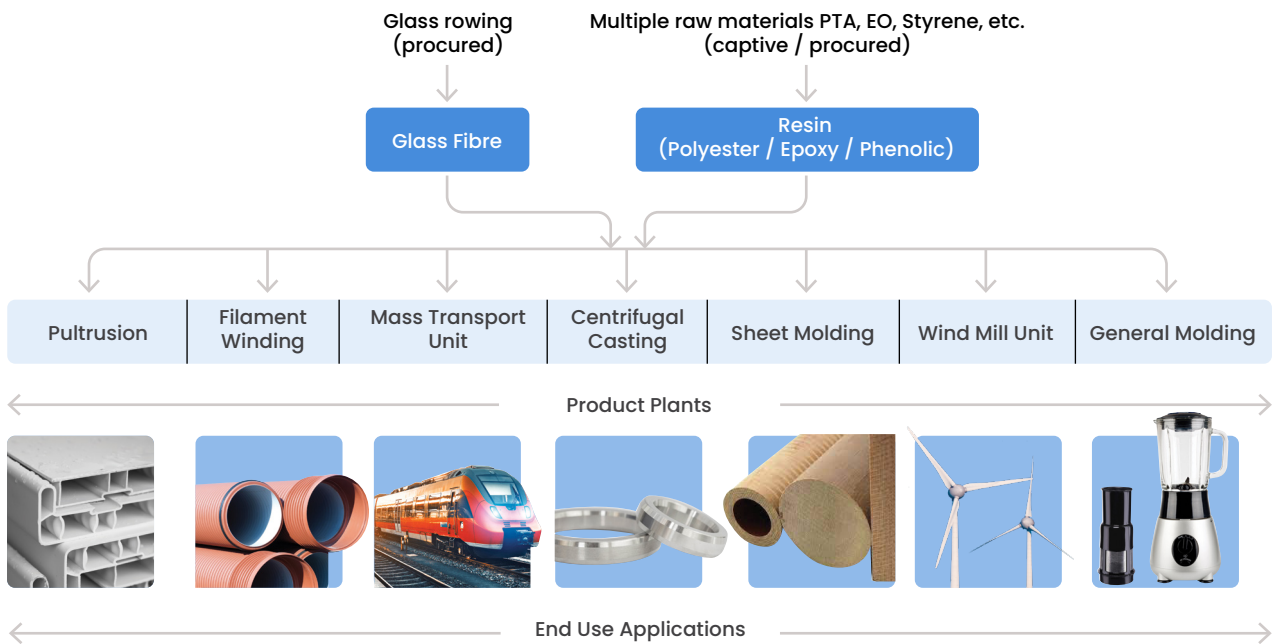
## Product Flow Chart

# A Diverse Set of Products and End Applications



**Abbreviations**

CBFS	Carbon Black feedstock
DEG	Di-Ethylene Glycol
EDC	Ethylene Di-Chloride
EO	Ethylene Oxide
FDY	Fully Drawn Yarn
HDPE	High Density Polyethylene
HPIB	High Purity Isobutylene
HTPB	Hydroxyl Terminated Polybutadiene
LAB	Linear Alkyl Benzene
LDPE	Low Density Polyethylene
LLDPE	Linear Low-density Polyethylene
LPG	Liquefied Petroleum Gas
MEG	Mono-Ethylene Glycol
MTBE	Methyl Tertiary Butyl Ether
PBR	Poly Butadiene Rubber
PET	Polyethylene Terephthalate
PFF	Polyester Filament Fibre
POY	Partially Oriented Yarn
PP	Polypropylene
PSF	Polyester Staple Fibre
PTA	Purified Terephthalic Acid
PTY	Polyester Textured Yarn
PVC	PolyVinyl Chloride
SBR	Styrene Butadiene Rubber
SNG	Synthetic Natural Gas
TEG	Tri-Ethylene Glycol
VCM	Vinyl Chloride monomer

**Reliance Composite Solutions**

# OIL AND GAS E&P

The key focus of the E&P business has been the health and safety of its people and assets during the pandemic while ensuring timely project delivery, safe and reliable operations and ramping up the new fields to peak production.

With the commissioning of R Cluster and Satellite Cluster Fields in December 2020 and April 2021 respectively, production has been ramped up to 18 MMSCMD gas.

Following the expected commissioning of MJ Field in 3Q FY 2023, the KG D6 block will produce >1 BCFe/day by FY 2023-24, thereby contributing ~30% of India's gas production and helping meet ~20% of India's demand. This will significantly reduce the country's dependence on imported gas and meet the growing clean energy requirements of the nation.



Naresh  
NarangSanjay  
B. RoyRavikumar  
PrekkiAmit  
MehtaR.  
RavichandranGautam  
Dhar

The focus of the E&P business has been on safeguarding health and safety of the people and assets while simultaneously augmenting gas production.

Despite continuing pandemic challenges, the Satellite Cluster deepwater fields were successfully commissioned in April 2021. It is another significant milestone in India's energy landscape and showcases Reliance's continued commitment in the journey towards a greener gas-based economy.



### Industry recognition

R Cluster field development awarded '**Best Managed Project of the Year**' and '**Special award for significant increase in gas production**' by Federation of Indian Petroleum Industry (FIPI)

Production ramped up to 18 MMSCMD, **contributing ~ 20%** of India's domestic gas production

Satellite Cluster commissioned in April 2021, two months ahead of plan despite **COVID-19 challenges**

### Zero LTI

in offshore installation  
campaign



## OIL AND GAS E&P

### Vision

To be a major contributor to India's Gas based economy supplying ~30% of India's production.

### Mission

Our mission is to maximise stakeholders' value by finding, producing and marketing hydrocarbons and to provide sustainable growth while catering to the needs of customers, partners, employees and the local communities in which we do business. We will conduct our business in a manner that protects the environment as well as the health and safety of our employees, contractors and the local communities in which we do business.

### Strategic Advantages and Competitive Strengths



India's leading deepwater E&P operator with best-in-class safety and reliability track record



Partnership with bp synergising RIL's project execution and operations with bp's global E&P knowledge



World-class deepwater hub infrastructure in the East Coast



~3 TCFe resources in Block KG D6



Exploration underway in the proven geological fairways of the contiguous Block KG UDW1



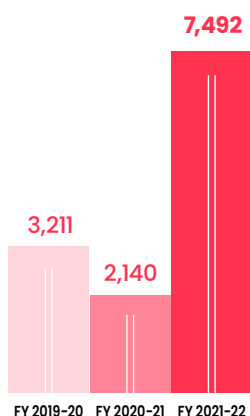
Gas-based portfolio contributing to India's transition towards clean energy

### Performance Summary

#### REVENUE

(₹ IN CRORE)

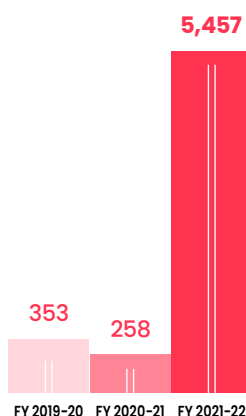
**₹7,492**



#### EBITDA

(₹ IN CRORE)

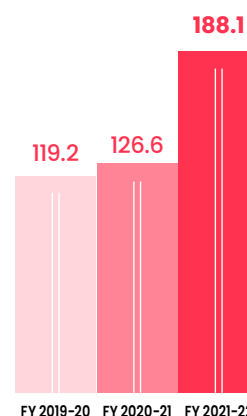
**₹5,457**



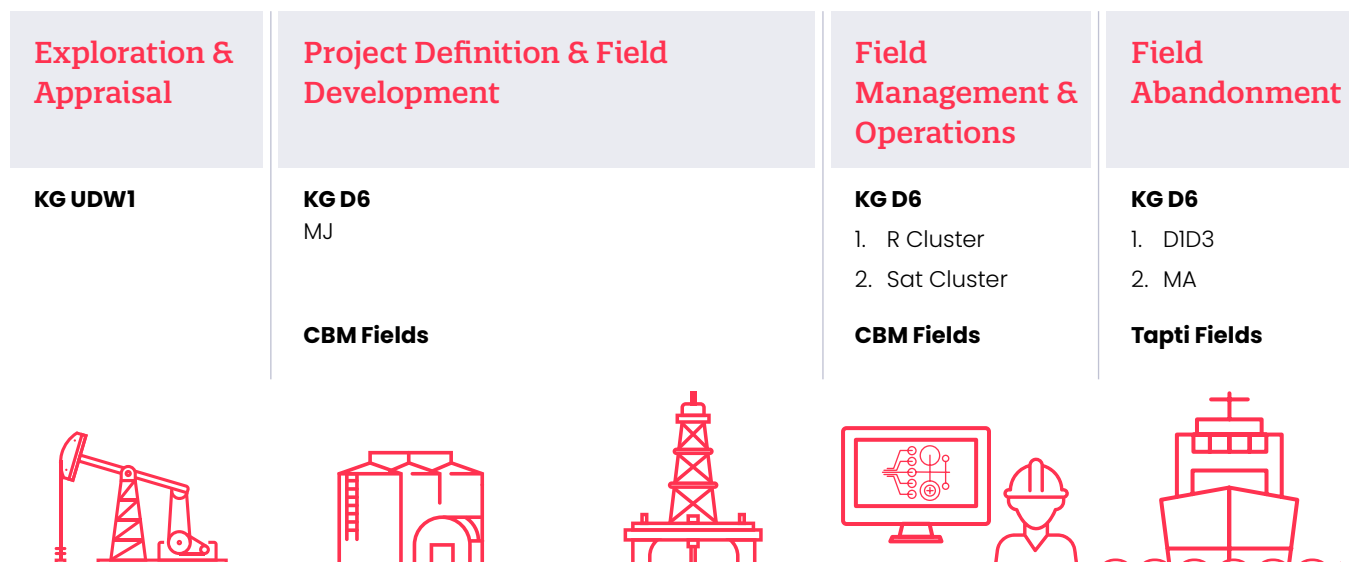
#### PRODUCTION (RIL'S SHARE)

(BCFe)

**188.1**



## E&P Asset Life Cycle and Portfolio



### E&P Portfolio

Block	Country	Partner	RIL Stake	JV Acreage (acres)	Status
<b>Conventional</b>					
KG-DWN-98/3	India	bp-33.33%	66.67%	2,90,230	R Cluster Field: Producing from December 2020 Satellite Cluster: Producing from April 2021 MJ Field: Development activities underway
NEC-OSN-97/2	India	bp-33.33%	66.67%	2,05,520	FDP submitted; under review with GoI
KG-UDWHP-2018/1	India	bp-40.00%	60.00%	3,74,093	Exploration activities ongoing
<b>Unconventional</b>					
SP(East)-CBM-2001/1	India	-	100.00%	1,22,317	Development ongoing
SP(West)-CBM-2001/1	India	-	100.00%	1,23,552	Producing

## OIL AND GAS E&P

### Industry Overview

Global oil demand rebounded in CY 2021, as the global economy began to recover from the impact of the COVID-19 pandemic. However, global oil production increased slower than demand, driving up prices. The production shortfall was mainly due to OPEC+ production cuts that started in late 2020. During 4Q CY 2021, global demand increased sharply by 1.1 MMBD to 99 MMBD. This resulted in withdrawals from global petroleum inventories that averaged 1.4 MMBD in 2021, leading to higher crude oil prices.

Average annual price of Brent crude oil climbed to US\$ 70.7/bbl in 2021, ~US\$ 30 more than the CY 2020 annual average and highest in the past three years. West Texas Intermediate (WTI) crude oil averaged US\$ 3/bbl below Brent in 2021. With an outbreak of conflict in Europe, Brent prices rose sharply to above \$110/bbl levels, reaching as high as \$130/bbl in March'22.

Global gas consumption increased by 4.6% in 2021 to ~3.8 TCM, more than double the decline seen in 2020, driven by the economic recovery and successive extreme weather events. Insufficient supply coupled with unexpected outages led to tight markets and steep price increases. The year closed with record high spot prices in Europe and Asia, as natural gas supply remained very tight. Henry Hub prices almost doubled from their 2020 levels to average US\$ 3.9/MMBtu, the highest since 2014. Asian LNG spot prices rose more than four-fold to US\$ 18/MMBtu with a 4Q average of over US\$ 35/MMBtu. Record high prices led to dampening of demand growth in the second half of 2021.



### Emerging Trends and Business Response



#### Clean energy

Concerns over greenhouse gas (GHG) emissions have heightened global focus on green energy to mitigate the industry's environmental impact

#### How RIL E&P is geared up?

- At RIL, the focus is on building a gas-based portfolio. Being a cleaner fuel, gas is seen as a transition fuel to green energy



#### Brownfield developments

In these challenging times, when prices for oil and gas are volatile, companies are focusing on brownfield developments to improve commerciality

- The Company is leveraging its existing infrastructure in the KG Basin to develop three projects in Block KG D6 and is undertaking exploration in contiguous areas. Two of the fields, R Cluster and Satellite Cluster, have been commissioned and production is being ramped up



#### Digital technologies

Accelerated adoption of new technologies as a result of the COVID-19 pandemic, which has reinforced the importance for improved efficiencies

- Always at the forefront in the adoption of the latest technologies, RIL is further enhancing its capabilities through Digital Twin, Autonomous Fields, Virtual Command Centres and other cutting-edge technologies

## Business Performance

### Production

JV production	Unit of Measurement	FY 2021-22	FY 2020-21
<b>KG D6</b>			
Gas	BCF	224.3	24.0
Oil	MMBL	0.2	-
<b>CBM</b>			
Gas	BCF	10.2	11.8

### KG D6

With ramp up of gas production from R Cluster and Satellite Cluster Fields, E&P's operating performance improved due to incremental production and higher gas price realisation across the producing assets, leading to higher Revenue and EBITDA.

The D1-D3 and MA fields in the KG D6 Block produced ~3 TCFe of gas, oil and condensate, which have set global benchmarks in operational performance and excellence during their operations over the years. These existing facilities have been made future ready for the next 20 years through necessary upgradations made before production start-up from R Cluster and Satellite Cluster fields. The three integrated projects – R Cluster, Satellite Cluster and MJ – are leveraging the hub infrastructure in place by utilising existing production facilities and thus reducing costs. At the onshore terminal, RIL is undertaking augmentation of Monoethylene Glycol (MEG) regeneration and reclamation, and associated facilities.

### KG D6 Deepwater Production Update

R Cluster Field was commissioned successfully in December 2020 and achieved peak production of 12.9 MMSCMD with six wells. Satellite Cluster Field was commissioned in April 2021, two months ahead of schedule. All five wells have been opened, tested and ramped up, achieving a peak production of 6.1 MMSCMD. Together, the fields are currently producing ~18 MMSCMD, and contributing substantially to domestic production.

### KG D6 MJ Deepwater Development Update

Phase 1 drilling and installation of Xmas Trees for all 8 wells have been completed. Phase-2 drilling and completion activity has commenced in July 2022. The second and final installation campaign has commenced in December 2021. All subsea structures (Manifolds), 24" rigid pipeline and Turret Mooring System (TMS) buoy, along with mooring lines, have been installed.

For the Floating Production Storage & Offloading (FPSO) vessel, hull construction has been completed. All topside modules have been fabricated and erected on the hull.

Geostationary and Swivel modules have been installed. Pre-commissioning and commissioning activities have commenced. Reliance expects to commission MJ Field in 3Q FY 2023.



### Abandonment

The DID3 Field ceased production in February 2020, following which the Oil Industry Safety Directorate (OISD) and Management Committee (MC) have approved the permanent Plug & Abandonment (P&A) of wells and in-situ abandonment of the associated equipment.

Following cessation of production in MA Field, freeing flexible flowlines of hydrocarbons and the flushing of umbilicals were completed, and the floating production storage and offloading (FPSO) unit was demobilised. The flexible flowlines, dynamic flexibles, dynamic umbilicals, subsea structures, mooring lines and the Submerged Turret Production (STP) buoy were decommissioned in accordance with the Field Decommissioning Plan, which was approved by the OISD and the MC. Well P&A has been completed for all MA wells.

### Exploration strategy

RIL and its partner bp acquired Block KGUDWHP-2018/ (KG-UDWI) under the OALP II licensing round. The Petroleum Exploration License (PEL) was issued in August 2019, with 341 days' extension of the Initial Exploration Phase granted in 2021. Despite the pandemic and related challenges and constraints, the 3D Seismic Acquisition campaign was completed in the Block. Currently, Data Processing and Interpretation work is ongoing for prospect maturation, with a plan to drill the first exploration well in 2023.



## OIL AND GAS E&P

### Business Performance

#### Coal Bed Methane (CBM)

RIL is currently producing Coal Bed Methane (CBM) from Block SP (West)–CBM–2001/1. More than 300 wells are in production, with an average output of 0.73 MMSCMD gas during the year. To sustain plateau production, CBM development is being undertaken in Blocks SP (West)–CBM–2001/1 and SP (East)–CBM–2001/1.

Reliance Gas Pipeline Limited, a subsidiary of RIL, operates the 302 km Shahdol–Phulpur Pipeline from Shahdol (MP) to Phulpur (UP), connecting the CBM gas fields with the Indian gas grid, thus providing access to consumers across the country.

#### US Shale

During the year, Reliance Eagleford Upstream Holding, LP (REUHLP) a wholly owned step-down subsidiary of RIL, signed an agreement with Ensign Operating III, LLC to divest its interest in certain upstream assets in the Eagleford shale play of Texas, USA. With this transaction, RIL has divested all its shale gas assets and exited from the shale gas business in the US.

#### Update on Arbitrations And Other Legal Issues

Due to the continuing COVID-19 related circumstances, there has not been any material progress in the following matters: KG D6 Cost Recovery Arbitration, Public Interest Litigations (PILs) relating to the KG D6 Block pending before the Hon'ble Supreme Court of India, suit filed by NTPC Limited against RIL before the Hon'ble Bombay High Court, Government of India's proceedings seeking setting aside the arbitration award relating to the alleged migration of gas from KG D6 Block before the Hon'ble Delhi High Court, and the Writ Petition filed by RIL before Hon'ble Delhi High Court relating to the jurisdiction of the Delhi Anti-Corruption Bureau.

#### PMT Arbitration

The Arbitration Tribunal unanimously decided certain issues in favour of BG Exploration and Production India Limited and RIL (together the 'Claimants') in its final partial award dated January 29, 2021. Government of India filed a challenge and an appeal before the English High Court against the January 29, 2021 final partial award, which has been decided in Claimants' favour on 9 June 2022 (subject to a limited further right of appeal). In addition, the Tribunal commenced hearing the Claimants' application for increase in PSC Cost Recovery Limits at the end of 2021 and will continue hearing the said application in various hearing tranches in 2022 and 2023.

Further, arguments have been ongoing in the execution petition filed by the Government of India before the Hon'ble Delhi High Court, seeking enforcement and execution of the Tribunal's 2016 Final Partial Award.

#### New Technologies: Bio-CBM

RIL is engaged in R&D efforts to increase recovery from CBM fields. The current focus of this research is Bio-CBM. In CBM, methane gas is produced that is adsorbed and trapped naturally in coal seams. The Bio-CBM technology uses microbe injection to produce in-situ methane in places where either the coals are devoid of methane or conventional CBM extraction is uneconomical.

Lab tests have shown encouraging results on the potential of methane production. Research is underway to verify if this technology can be scaled up to commercial level. RIL is leveraging its infrastructure (advance laboratories), diverse inter-disciplinary technical skills, CBM production expertise, CBM fields and knowledge of regulatory requirements to boost the Bio-CBM research.

## COVID-19 Response



- Provided 40 tricycles to differently abled persons in Kakinada
- Conducted free medical camps in Gadimoga where 1,100+ patients utilised the services
- Reliance Foundation CBM CSR team continued to complement government efforts to mitigate effects of the pandemic on the community and other key stakeholders. As part of Mission COVID-19 Suraksha, 50,000+ masks and 5,000 hand sanitisers distributed to frontline workers, community and police officials in Shahdol and Kotma

### For Workforce

- Weekly RTPCR tests for employees
- Tie-up with hospital for treatment of COVID-19 positive cases among employees and their dependents
- Oxygen generation plant installed and made operational at OHC, onshore terminal; 12 beds equipped with oxygen supply. Also, 10 oxygen concentrators kept ready to meet any emergency requirement
- Strict implementation of all COVID-19 protocols and guidelines, including social distancing, masking and sanitisation (or SMS) at both the workplace and in vehicles
- Creation of Bio Bubble for safety of workforce
- Bio Bubble created for 450 employees, with food, medical and transportation facilities, for the commissioning of new fields and steady state operations
- Quarantine facility created for personnel going offshore
- 4,680 vaccination doses administered to employees and family members and 1,190 doses administered to the community

### For Community

- Organised awareness camps on COVID-19 in villages in the vicinity
- Organised disinfection of all surrounding villages continuously
- Extended support to the district administration during the pandemic by providing cots to the Government Hospital
- Installed 10 KL oxygen plant at the District Government Hospital, Kakinada; plant can supply oxygen to about 200 patients for 48 hours continuously
- Developed green belt at Rajahmundry Airport
- During Madhya Pradesh Chief Minister's visit to Shahdol, 18 oxygen concentrators handed over to Shahdol district administration, a gesture acknowledged and appreciated by the CM
- Financial support worth ₹51 lakh provided to Shahdol district administration towards the purchase of an emergency ambulance for the police and for other COVID-19 related relief work in the district
- Support worth ₹3.60 lakh extended by the Reliance Foundation CBM CSR team to 15 children who had lost one or both parents to COVID-19





## OIL AND GAS E&P

### CSR Activities

#### Health

- CBM CSR Shahdol continued to provide MMU services to 150 project villages in Shahdol, Kotma and Shahdol-Phulpur Gas Pipeline (SHPPL) locations under CBM project; 1 lakh + consultations provided
- Undertaken 'Adopt an Anganwadi' initiative; Reliance Foundation (RF) supported 53 Anganwadis for beautification and renovation till date; 6 anganwadis were renovated in FY 2021-22. Initiative featured in State Government website, leading to greater program visibility

#### Livelihood

- Supported farming households with various provisions, including input support, improved farming technology transfer and inter-cultural management practices resulting in sustained income enhancement of additional 6,000+ households
- Enhancing income through agroforestry and improving green cover; 20,000+ saplings planted on private and common lands, 109 orchards established in farms of progressive farmers as models for long-term income sustainability
- Reliance Foundation (RF) supported establishment of 5,100+ Rural Nutrition Gardens (RNGs) towards improving the availability of fresh vegetables for marginal households
- Promoted fishery for 670 households in 70 villages of Shahdol and Kotma, providing 1,700+ kg fish fingerlings and feed for fish in 264 ponds
- Enhanced non-farm income of 1,300+ households in 50 villages of Shahdol and Kotma, supporting with 20,000+ poultry chicks as part of a scheme run with the Veterinary Department

- RF efforts recognised with awards; 3 farmers from RF project villages received awards under various categories from the Shahdol district administration; one awarded ₹25,000 for best practices in livestock management at the district level and two farmers awarded ₹10,000 each for agriculture and horticulture at the block level

#### Water

- To boost CBM produce water and rainwater harvesting, 8 new farm ponds were dug and old water harvesting structures (WHS) were renovated to create a capacity of 2.69 lakh cubic metres harvesting capacity, benefiting over 651 acres farm area of 328 households
- To promote community ownership of development, RF facilitated 81 low-cost community water harvesting structures. Bori

Bandhan created for communities in Shahdol and Kotma; 6+ lakh CuM water harvesting capacity created to benefit 600+ households by ensuring irrigation water for 500+ acres of farm area

- Potable water ensured for 2,200 new households round the year by installing or repairing 153 hand pumps/submersible pumps in project villages of Shahdol and Kotma
- RF supported efficient irrigation and institutionalised water use through farmer groups, setting up 30 sprinkler sets for 30 farmer groups comprising 136 farmers from 17 villages of Shahdol that will ensure irrigation for 287 acres of farm area
- Improved public amenities for village residents, particularly women, by constructing 27 bathrooms near hand pumps in 20 villages of Shahdol and Kotma





## Education

- Felicitated 111 meritorious students from schools in project villages of Shahdol to motivate and assist them in education
- Continued competitive coaching in offline and online mode to prepare youth for government employment in the police or armed forces; 100+ students availed benefits of the coaching. Also organised physical training jointly with RF for youth aspiring for jobs in the police and armed forces
- Resumed bus service to facilitate conveyance for girl students after opening of educational institutions; two buses operationalised for 370+ girl students from 21 villages of Shahdol

## Outlook

Gas is expected to play a key role as a transition fuel and share of gas in energy mix is expected to increase from 6% to 15% by CY 2030.

Globally, gas markets are becoming tighter and gas prices have seen spikes across Europe, Asia and also India. With the resurgence in economic activities, receding COVID-19 cases, ongoing geopolitical conflict in Europe and gas supplies trailing demand, gas prices are expected to remain high in the medium term.

With all three fields in production, the KG D6 Block will produce >1 BCFe/day by FY 2023-24, thereby contributing ~30% to India's gas production and helping meet ~20% of India's demand. This will help reduce the country's import dependence and meet the growing clean energy requirements of the nation.





# Risk and Governance



Nikhil R.  
Meswani



Hital R.  
Meswani



Srikanth  
Venkatachari



Laxmidas V.  
Merchant



Harish Shah



K. R. Raja



Reliance Risk Management Framework ensures safety, builds trust and enables achievement of the Company's strategic objectives by managing risks.

We Care is the one common, unifying thread that runs through everything we do at Reliance. At Reliance, we are continuously working to deliver a sustainable future along with our stakeholders. Reliance's integrated risk management aims at effective management of risks and also to capture opportunities.



## Enterprise Risk Management (ERM) at Reliance

The risk landscape in the current business environment is changing dynamically. The Company's Risk Management Framework allows the management to:

- Identify specific risks and assess the overall potential exposure
- Decide how best to deal with those risks to manage overall exposure
- Allocate resources and actively manage those risks
- Obtain assurance over effectiveness of the management of risks and reporting

## Governance Framework

Reliance's Risk Management Framework is designed to be a simple, consistent and clear framework for managing and reporting risks from the Group's operations to the Board. The **Board provides oversight** through various Risk and Executive Committees as below:



<b>Purple</b>	Segment Chief Executive, Executive Vice President
<b>Blue</b>	Segment Leader
<b>Turquoise</b>	Process Leader
<b>White</b>	Responsible Manager

Further, the Company has effectively advanced to ERM 2.0 wherein all risk are plotted on a single 8 X 8 Risk Matrix categorised into 4 colours which provides a visual representation of the assessment of risk. The colours on the risk heat map determine the minimum levels of oversight, review and escalation for notification and endorsement.

**Executive Committees** provide oversight and governance through Group Operational Risk Committee, Group Financial Risk Committee, Group Audit & Disclosure Committee, Group Compliance Committee and Group People Committee. (For understanding the Company's corporate governance and

functioning of the Board and details on Internal Controls, please refer to the Board's Report and Corporate Governance Report.) Business Risk and Assurance Committees (BRACs) are headed by Business, Function and Group leadership which meets on a periodic

basis for management of Business and Strategic Risk.

Business and Functional Leaders ensure identification and mitigation of existing and new risks and its monitoring on a day-to-day basis through weekly meetings consisting of all three lines of defense (LOD).

The Company is prone to the following categories of risk:



### Strategic and Commercial Risks

PG 134



### Safety and Operational Risks

PG 139



### Compliance and Control Risks

PG 141



### Financial Risks

PG 142

## Risks and Response



### Strategic and Commercial Risks

#### Climate Change and the Energy Transition

##### Risk Description

Climate change is the biggest threat to humanity's collective and continued well-being. Therefore, the transition from old energy to new, green and clean energy is inevitable and will trigger major geopolitical shifts, economic transformations and redefine financial models in the 21<sup>st</sup> century.

The accelerated pace of transition to a lower-carbon world will be accompanied by far-reaching changes in regulations, governance norms, market conditions and technology. Societal sentiments against harmful environmental practices are growing. Regulations mandating the minimum use of renewable energy for operations and incentivising the use of alternate energy sources coupled with technological advances and changing customer preferences have the potential to lower demand for fossil fuels and their price, increase RIL's operational costs and prevent access to strategically important markets and new energy reserves.

Climate change related disruptions, including rising temperatures and sea levels, heat waves, erratic rainfall, floods and droughts can adversely impact the smooth functioning of RIL's supply chain.

Financial institutions and investors are nudging the world's transition to a low-carbon economy and limiting their exposure to particular industries or projects. These developments could affect access to capital markets for Reliance and its partners. The rising sentiment against fossil fuels could impact shareholder opinions and cause fluctuations in RIL's valuation. RIL could be impacted by growing litigation and activism, necessitating increased environmental and legal liability provisions. Trade regimes and tariff caps could further impact the Company's financial flows. Measures to make organisations accountable for their GHG emissions may increase compliance costs arising from technology investments needed for monitoring, mitigation and sequestering.

##### Risk Response

Addressing climate change through energy transition is a strategic focus of RIL's business continuity plans. We believe if Old Energy created the problem of Climate Change, New Energy is poised to provide a reliable solution to Climate Mitigation. Reliance has announced a Net Carbon Zero target for 2035, going beyond compliance requirements and business imperatives. We aim to invest ₹75,000 crore by 2024 to:

- Enable at least 100 GW of solar energy by 2030
- Build four Giga factories to build an integrated, end-to-end renewable energy ecosystem
- Invest in enhancing the value chain, partnerships and future technologies, including upstream and downstream industries
- Transform RIL's business to Net Carbon Zero operations

We have a 15-year vision to rebuild Reliance as one of the world's leading New Energy and New Materials Company. The roadmap includes creating sustainable energy sources and materials for India's future needs, building world-scale assets that produce clean fuels and materials of the future and developing next-generation Carbon Capture and Storage technologies to convert carbon dioxide into useful products and chemicals.

We are developing the Dhirubhai Ambani Green Energy Giga Complex on 5,000 acres in Jamnagar, comprising four Giga Factories. These include an integrated solar photovoltaic module factory, an advanced energy storage battery factory for intermittent energy, an Electrolyser Factory for the production of Green Hydrogen and a Fuel Cell Factory for converting hydrogen into motive and stationary power. We are also setting up infrastructure in Jamnagar to manufacture ancillary material and equipment needed to support the Giga Factories and enabling independent manufacturers

to join and grow as part of this ecosystem. Reliance R&D teams are actively working to make CO<sub>2</sub> a recyclable resource and innovating lower emission technologies.

As we transition into a New Energy era, targets for periodic reductions in emissions are being established, which will be monitored regularly through governance mechanisms that oversee RIL's progress toward Net Carbon Zero goals.

The transition to a world that is powered by clean energy is a capital intensive journey. RIL's strong balance sheet, operational efficiencies

and competitive edge will help us to absorb the impact of energy transition costs, carbon taxes or lower margins.

RIL keeps its stakeholders abreast of its climate change goals through ongoing engagement. We believe that this alignment is critical if we are to succeed in creating a sustainable future for our Company and our stakeholders and build the Reliance of tomorrow.

## Commodity Prices and Markets

### Risk Description

Despite a sharp demand recovery from the lows seen during the pandemic in 2020-21, total oil demand is yet to reach pre-pandemic levels either globally or in India. This, coupled with commissioning of additional refining capacity notwithstanding the refinery closures in the West due to poor economics and in China due to pollution, keeps refining margins under pressure.

The crude oil market remains tight due to production from OPEC Plus countries falling short of their targets and continued sanctions on Iran and Venezuela. Crude oil stocks have fallen close to 5-year lows. Besides, geopolitical developments like Russia and US/EU standoff on Ukraine and Houthi drone attacks in the UAE have added to the price volatility as well as causing a high-risk premium on crude oil. Alongside the above, gas prices also rose sharply increasing input costs.

Impact of unforeseen events like pandemic on product evacuation, challenges in logistics and thereby probable risk of stock surplus, plant shutdowns and stringent recycling norms and government regulations can reduce plastic consumption.

Reliance Retail operates in the consumer sector and a slowdown in macro-economic growth and weak consumer sentiments/spending could have a bearing on its performance. Government restrictions on account of the COVID-19 pandemic could affect smooth operation of business activities, store operation, and expansion. Sporadic disruptions in the operating environment and inability to build infrastructure at a pace and scale needed by the rapidly growing Retail business could hinder operational efficiency and customer service.

Competitive pressure from the retail industry reflected in price wars between various retailers and resulted in traditional retailers moving from the physical retail world into e-commerce platforms disrupting walk-ins.

### Risk Response

Proactive measures by Reliance such as revised product placement strategies, placement in deficit market through exports to diverse geographical locations mitigated the risk of non-evacuation with minimal adverse effect. Robust supply chain network and additional temporary warehouses closer to

the customer locations to address the demand variability issues in the domestic market. The Company increased the usage of multimodal logistics (including coastal) to fulfil its contractual commitment to customers. Reliance has either started to supply or increased volumes to some countries in Africa

and Latin America. Also, the Company has been targeting more end users/buyers for exports and offering cargoes on delivered basis.

In respect of crude oil, the Company has increased sourcing from North America (Canada in particular) as well as non-conventional feedstocks



## Management Discussion and Analysis

like Straight run Fuel Oil to overcome the tightness prevailing in heavy crude oil supplies. Leveraging the versatility of its assets, the Company has added more than 10 new grades of feedstock during the year. To mitigate the impact of high gas prices, Reliance did not import LNG during the year and managed with domestic gas and liquid fuels. With the foregoing mitigating measures, the Company ensured near 100% capacity utilisation.

Information feedback mechanism has been strengthened with the appointing of representatives in China and the Middle East. Reliance is

focusing on plastic waste collection and disposal, increasing recycling footprint in the country.

Reliance Retail undertakes a detailed analysis of the macro-economic situation and emerging risks for each consumption basket and undertakes suitable mitigation strategies. Reliance Retail has built a resilient operating model and operates an integrated channel strategy encompassing physical stores, digital commerce platforms and partner merchant ecosystem that helps in engaging with consumers at all times. Reliance Retail has opened over 2,500 stores and expanded reach through

Digital and New commerce channels with requisite investments in supply chain infrastructure and technology. During the year, business gained operating efficiency and footfalls as environment returned to normalcy.

Reliance Retail is ahead of all market competitors, in terms of 'pricing'. Till date, it is known as one of the 'lowest price' operator nationally. Operating with huge volumes gives it a strong foundational support and acts as a competitive advantage to its overall pricing strategy.

### Customer Experience and Retention

#### Risk Description

Digital Services being a customer oriented business, any sub-optimal customer experience may result in customer dissatisfaction and increased chances of churn.

In a fast-changing external environment, with evolving customer preferences and shopping habits, inability of the retail business to stay abreast of these trends and behaviours could weaken its compelling value proposition and offering for customers. If the products sold are not safe or otherwise fail to meet customers' expectations, Reliance Retail could lose customers, incur liability for any injuries suffered by customers and have material impact over brand, reputation and financial performance.

#### Risk Response

In spite of the resurgence of the pandemic, unpredictable and challenging environment, Digital Services has further consolidated its position as one of the world's largest and fastest growing mobile and wireline data network and has India's largest subscriber base.

Digital business has adopted multiple measures for sustained customer experience including superior usage and billing experience across all touchpoints, anytime, anywhere mobile and wireline broadband network access, best-in-class customer service backed by AI BoTs and app based QRC process, competitive tariff pricing and

agile model while developing its systems and platforms.

Customer engagement remains robust with strong gross additions of subscribers, significant increase in net MNP subscribers and increase in per capita data usage.

The Company has also invested in newer technologies start-up's such as AI / ML, Blockchain, BoT, Speech / NLP, Metaverse, Mobility & 5G network, Robotics, Cloud & Edge computing etc. Use of these technologies will further enhance customer experience and value proposition.

Reliance Retail is a consumer centric organisation and adapts to any

changes in customer preferences and shopping habits through market study to stay abreast of the emerging trends. Entry into new categories, adapting merchandise to suit changing consumer demands, launching of new store formats are some of the initiatives that are undertaken from time to time. All our businesses have taken cognizance of 'CUSTOMER SAFETY' as the top-most value and priority. All our products manufactured in-house, across formats, follow stringent safety norms and adhere to rigorous quality checks. Regular screening and checks for these products are also undertaken when supplied by vendors/ third party vendors.

## Oversight over Investee Companies/Alliances

### Risk Description

Reliance has entered into strategic alliances and other business relationships with various entities to expand its operations. Lack of oversight over Investee companies or not being able to successfully integrate RIL's acquisitions might adversely impact its business and competitive position or affect its financial performance or result in significant costs to integrate.

### Risk Response

Reliance incorporates the process of immediately aligning investment/ investee companies to the Group and rolls-out the Group governance

framework and integrates the newly acquired companies in a structured manner.

## Talent to Support Scaling Business

### Risk Description

With people at the heart of the business, Reliance's inability to attract, retain or develop employees relative to the scale and breadth of its operations could adversely affect its business.

### Risk Response

Reliance has built a robust in-house Talent pool for all business-critical roles and created a rigorous training regime to have successors ready at every front end. Open culture and work environment are fostered in the organisation.

Its campus outreach and engagement initiatives have helped RIL to secure prime slots on the campus for graduate engineers as well as MBAs. Concerted efforts on job rotations and growth opportunities have propelled the productivity and longevity indicators.

RIL has established a 'Forward Looking' culture by forecasting emerging trends related to people skills along with continuous training sessions. This has helped in putting together a talent pool with large scale skilling initiatives, digitisation and succession planning for businesses.

## Data Privacy Risk

### Risk Description

In this digital economy, businesses collect, process, and analyse data from individuals to understand their customers better and provide customised experiences. Collecting and using data necessitates several concerns about data privacy.

Stringent Data Privacy laws and regulations are in place that regulate the collection, storage, and handling of personal information by businesses globally. Presently, Information Technology Act 2000 (amendment 2008) governs the data privacy requirements in our country and India is on the cusp of adopting a comprehensive personal data protection law.

At Reliance, due to the expansion of B2C businesses, and large scale digitisation, there is an imperative need to handle personal data of customers, consumers, employees, partners and service providers. While these data helps RIL give personalised and customised services, it also poses risk of data breach and non-compliances to laws and regulations.

## Management Discussion and Analysis

### Risk Response

Reliance makes sure that all its business processes follow privacy-by-design principle and makes sure that the Company handles privacy information securely and with all fiduciary responsibilities. Reliance conducts privacy impact analysis for all the businesses on a regular basis and makes sure that the gaps if any are closed efficiently.

Reliance is quite cognizant of the risks in handling personal data and takes utmost care to handle these securely. Ensuring and safeguarding data privacy is one of the top priorities for RIL. Reliance believes in staying always ahead of the compliance curve and remaining compliant to all present and future laws and regulations related to Data Privacy.

While Reliance is compliant with the existing data privacy laws of India, it is also in the process of implementing global best practices on Data Privacy as part of its readiness for the impending regulation.

## Cybersecurity Risk

### Risk Description

COVID-19 pandemic has accelerated the digital transformation and the way the Company works has fundamentally changed. This has subsequently increased RIL's dependence on digital technologies. While Reliance continues to focus on large scale digitisation, it brings a lot of concerns around Cyber Security with the use of new technologies, open source software, adoption of cloud, etc. Consequently, cyber-attack surfaces also increase substantially which increases the cyber security risks.

Digital services being technology driven, there is an inherent risk of errors, bugs, or security vulnerabilities in products and internal systems.

### Risk Response

The Company realises the consequence of digital transformation in terms of increase of the cyber-attack surface due to use of new generation technologies like Cloud, AI, ML, Blockchain etc. and takes utmost care to ensure that cyber security controls are part of the design itself so that the Company is secure-by-design.

Measures taken by the Company include shift-left strategy in ensuring that security is completely integrated into the DevOps pipeline, highest order of security automation and orchestration to attain efficiency in its cyber defense, and validation of its cyber posture by third party experts. Increased cyber security awareness

through employees' mandatory trainings and training for RIL's service providers are important controls and the Company considers this as a 'Human Firewall'. Reliance has also developed an anti-phishing platform in-house viz R-Phish, through which Reliance conducts regular phishing simulation to make sure that all its users are phishing resistant.

All RIL's businesses, manufacturing units are ISO 27001 compliant for the last 5 years in a row and all its retail operations (Reliance Retail and Petroleum Retail (Jio BP) are certified with the latest PCI DSS (Payment card industry Data Security Standard). Reliance is the only organised and multi brand retail business in the

country to demonstrate PCI DSS certification continuously for nine years in a row.

Multiple layers of proactive and reactive controls are adopted for Digital Services to mitigate risk of vulnerabilities such as Penetration tests on a routine basis, a Bug-bounty program since the last 3 years to crowdsource security testing of live products by independent security researchers. A mature cybersecurity program based on NIST (National Institute of Standards and Technology) Cybersecurity Framework has been adopted. All systems and security tools are monitored for any cyberattacks via a 24x7 Security Operations Centre.



## Safety and Operational Risks

### Health, Safety and Environmental (HSE) Risks in Operations

#### Risk Description

HSE risks include the effects of natural disasters (floods, earthquakes, among others) and safety lapses on human capital. The nature of its operations exposes the Company, its employees and the society, to a wide range of health, safety, security and environment risks due to the geographical location and technical complexity of operations.

Various HSE regulations across geographies regulate Reliance's business of Exploration & Production of oil and gas, and their further refining and downstream processing. A major HSE incident, such as fire, oil spill and security breach, can result in loss of life, environmental degradation and overall disruption in business activities.

HSE risk in retail extends to food safety and waste management also. The nature of retail operations exposes RIL's employees and contractors to a wide range of occupational health hazards as well as safety risks due to complexity of operational requirements. Changes in HSE regulatory framework possibly will have lasting effect on Retail Business, especially in the environmental domain like changes in plastic waste management and e-waste rules.

#### Risk Response

During the year, RIL's facilities in the hydrocarbon business have continued focused efforts to manage the risks for safe, reliable, and compliant operations. Safety and operational risk management framework continues to play a pivotal role in consistently managing HSE risks on a real-time basis.

Reliance entities have devised novel ways to review and audit the facilities periodically through virtual and physical means. Reliance has been active in networking with industry and sponsored and participated in the '6<sup>th</sup> Global Summit on Process Safety by Centre for Chemical Process Safety' and continued its contribution in

developing safe industry practices through participation in Standards Committees of statutory authorities (OISD, PNGRB, etc.)

Reliance's digital safety platform project has progressed well in digitalising its key HSE processes through Industry 4.0 technologies. This year, Reliance rolled out solutions for digitalising risk registers, three lines of defense program across its key hydrocarbon entities. Reliance has undertaken significant activities on new projects in hydrocarbon business, in its fuel retail business and New Energy domain, which have progressed through various phases.

Reliance has taken various measures to protect health of its workforce in the pandemic.

The Retail business poses risks inherent to retail operations involving fire, breakdown in work event and risk related to ergonomics. Every member of the workforce is communicated on the potential exposure to HSE risks, and they are an integral part of risk management. For the Grocery business, food safety checks have been implemented to provide multiple layers of assurance, thereby ensuring the safety of consumers.

### Safety and Environmental Risks During Transportation

#### Risk Description

With most of the crude being supplied to RIL by sea vessels, and the overwhelming majority of refined products being exported by sea, road and pipeline, the Company faces the risk of HSE incidents, oil spills and so on, leading to disruption in business activities.

Events like technical integrity failure, natural disasters, extreme weather, human error and other adverse events or conditions could lead to loss of containment of hydrocarbons or other hazardous materials, as well as fires, explosions or other personal and process safety incidents.

RIL operates a fleet of tugs, port service vessels and operations of port and terminal infrastructure and is exposed to a complex and diverse range of marine risks, with respect to exploration vessels, oil tankers, chemical tankers, gas tankers, and dry cargo vessels.



## Management Discussion and Analysis

### Risk Response

RIL has a strong vessel vetting, incident monitoring and emergency response system. A robust ship vetting programme ensures the vessels that are contracted to carry RIL cargo or those calling Sikka port to load products 'Free-on-board' are screened based on risks prior to their induction. The third-party ship vetting system, based on extensive data analysis, provides a risk rating benchmarked against other similar vessels. This allows a clear picture of the quality of the vessel and whether it is acceptable to RIL.

Periodic vendor management audits are carried out for time charters and STS service providers in accordance with the Marine Assurance Framework. Where physical inspection of time-charter vessels is not feasible due to COVID-19 protocol, a desktop review is carried out.

Emergency Response system has been tried out in real scenario and found to be adequate. Incident Management includes root cause analysis and ensuring ship-owners' addressal of the same. The data

is further used in assisting legal/operations in case of any potential losses to RIL as a result of the incident.

RIL's control framework for road transportation has matured over a period of time and is run in collaboration with contractors. The contractors are supported by the Company through capacity building for their drivers in areas such as defensive driving, route hazard mapping and real time tracking.

## Physical Security and Natural Calamity Risks

### Risk Description

Due to the geographical spread of operations, both onshore as well as offshore, Reliance is vulnerable to manmade and natural disasters. It is an attractive target for activities related to terrorism, criminal and violent protests, which could cause harm to people, infrastructure and disrupt business operations. Pandemic conditions can also have a severe impact. Therefore, it is important to proactively focus on safeguarding people and infrastructure from all internal and external threats.

Prompt and adequate response is required to deal with all the internal and external crises and at the same time have the situational awareness to do so. Business continuity plans are critical to ensure that business operations are not disrupted and if required, are restored at the earliest. Otherwise, this could adversely impact the Company's operations and reputation.

Some of the network locations, offices, employees and other ecosystems are subject to various forms of intentional or natural disruptions, thereby impacting network availability, customer experience, restoration cost and efforts.

### Risk Response

Global Corporate Security (GCS) focuses on adopting pre-emptive de-risking strategies to safeguard and secure the Company. GCS has robust business continuity management plans and capability to handle disasters, natural calamities, and any other disruptions or incidents.

GCS is responsible for securing the people, assets and operations of RIL. This is accomplished by continuous situational awareness to proactively mitigate risks and constantly review and upgrade security plans. These are supported by deploying manpower along with an integrated security platform with wide area high end electronic sensors, drones,

seamless communication and AI based analytics across the enterprise. The COVID-19 crisis posed unique, unprecedented challenges which were successfully overcome by adopting new, revised procedures and protocols in handling men and material at all sites.

Digital Services have developed and implemented an Integrated Disaster Recovery and Emergency Response Process. Integrated response is facilitated by various teams to keep the networks functional and customer services intact. It has also implemented measures for prevention and detection of any physical security threats which

includes patrolling the vulnerable areas, Real-time situational awareness by deploying alarms management and monitoring through centralised Networks Operations Centre (NoC). Disaster recovery processes and drills are also conducted for managing unscheduled downtime. Security & Loss Prevention (SLP) and Field Operations teams proactively support in reducing pilferage, theft and losses, alarm alerts, video based surveillance, GPS based trackers and consumption monitoring.

Reliance Retail SLP de-risks, safeguards and secures the Retail business of the Company with a

prudent mix of physical security, remote surveillance and data-based audit interventions. Reliance Retail actively monitors threat and maintains detailed disaster recovery

and incident response mechanism plans to ensure business continuity during any disruption or incident. Enhanced use of technological interventions and AI based exception

identification, using CCTV to provide a less intrusive and highly accurate risk management solutions across businesses.



## Compliance and Control Risks

### Regulatory Compliance Risks

#### Risk Description

Increased regulatory scrutiny has raised the bar on regulatory compliance. This requires alignment of corporate performance objectives, with regulatory compliance requirements. COVID-19 has led the government to announce a range of notifications which companies need to adopt swiftly and effectively.

Changes in the regulatory environment, licensing processes and timelines could potentially impede the ease of doing business.

#### Risk Response

Reliance has adopted a digitally-enabled comprehensive compliance management framework. It is integrated with business processes, risks and controls. Changes in regulations, including COVID-19 induced changes, are also tracked and integrated within the Reliance Compliance Management System. Effective control and efficient oversight of the senior management

is ensured by cascading the responsibility matrix till the last performer of the activity. Apart from assurance through Three lines of defense, compliances are also periodically monitored through the Segment Compliance Committees and the Group Compliance Committee.

Regular interactions with various trade associations/ councils help in

anticipating regulatory environment and through attuning to any policy changes.

The Company's Code of Conduct, training as well as focus on ensuring 100% compliance and continuous monitoring have enabled a mature, digitally-enabled compliance framework.



### Financial Risks

#### Treasury Risks

##### Risk Description

As part of managing the market facing assets and liabilities, Treasury is exposed to the following key risks:

##### Liquidity Risk

As the global economy continues to recover from COVID-19, Central banks maintained accommodative stance during the year resulting in low interest rates and ample liquidity. The RBI is expected to remain dovish in the near term to support growth despite global rate hikes. Overall liquidity situation is also expected to remain comfortably in surplus.

##### Interest Rate Risk

Reliance borrows funds from domestic and international markets to meet its funding requirements. Given the accommodative stance from Central banks, interest rates remained low during the year and RIL benefited from it. RIL is now subject to risks arising from fluctuations in interest rates.

##### Foreign Exchange (FX) Risk

Reliance prepares its financial statements in Indian Rupee (INR), but most of the payables and receivables of the Hydrocarbon business are in US dollars. Foreign currency liabilities are availed to fund its capital investments and working capital requirements. Rupee depreciation impacts the landed cost of the foreign currency liabilities. The depreciation for this year has been 3.7%.

##### Credit Risk

Reliance deploys surplus liquidity primarily in Government securities, State Government securities, AAA Corporate bonds and Debt mutual funds. Corporate bonds and Debt Mutual Fund investments bear credit risk.

##### Risk Response

The Company continues to maintain sufficient liquidity buffer to meet additional demands that may emerge on account of the growth and new businesses. Reliance issued fixed rate Long-term senior unsecured notes of US\$4.0 billion, primarily for refinancing maturities.

Interest rate risk is managed actively through financial derivative

instruments available to convert floating rate liabilities into fixed rate liabilities or vice-versa. FX bonds issuance of US\$4.0 billion was done at a fixed coupon to lock in the prevailing low levels of interest rates and credit spreads.

Foreign Exchange (FX) risk arising from the mismatch of foreign currency assets, liabilities and earnings is

tracked and managed as per the Internal Risk Management Framework.

Direct investments are restricted to Board approved select AAA rated corporates. Debt Mutual Fund investments are managed and monitored based on a tight internal Risk Management Framework and restricted to high credit quality schemes.

## Insurance – Risk Mitigation

Reliance operations may be subject to a number of circumstances which are not wholly within the Company's control and which could adversely affect its operations. To cover such eventualities, Reliance maintains a robust risk mitigation practice by transferring the insurable risk to insurer. Mostly protection is on All Risk basis which includes cover against fire, explosions, natural catastrophes, breakdown, terrorism etc. Entire insurance program is designed in such a way that adequate protection is available for all assets belonging to Reliance and against the liability arising out of business operations. Protection design is best-in-class and takes care of entire Reliance's operations.

## SEBI – Developments During the Year

During the year, SEBI came out with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations 2021 w.e.f. May 05, 2021 including requirements related to Risk Management. Also, it may be mentioned that these risk management practices have been adopted by the Company since year 2018, largely on lines of global best practices.

## Leading Edge Technology – Governance, Risk, Compliance and Audit (GRCA 2.0) Platform

The GRCA 2.0 Platform, which is an in-house developed platform on open source technology, has enabled real-time actionable dashboards and real-time monitoring of risks and controls across three lines of defense. The platform along with robust ERP system and data analytics capabilities is used for risk management. The platform enables control evaluation via automated real time monitoring of exception alerts, timely resolution and is scalable and agile.

## Looking Ahead

The world is entering into a new energy era, which is going to be highly disruptive. New Energy and New Materials will help RIL in its mission to heal the environment. It is an expression of Reliance's commitment that We Care for our planet. JIO has developed deep expertise in multiple emerging technologies like 5G, AI/ML and blockchain and Mixed Reality. JIO PLATFORMS is blossoming into a global technology player. Reliance Retail continues to be amongst the fastest growing retailers in the world. Reliance's risk management is facilitating better risk mitigation strategies and assurance over the effectiveness of risk management across all categories of risks. Reliance has navigated through the Black Swan event with record growth and unmatched innovative response and is much more resilient for future in this Brittle, Anxious, Nonlinear, Incomprehensible (BANI) world. Reliance's risk management is agile for course correction and is scalable to support new businesses and ventures, including dealing with upside risks.



# Awards and Recognition

## Leadership Awards

- Reliance Industries Limited named as India's No.1 Company in the Forbes 2021 World's Best Employers list
- RIL certified once again as a Great Place To Work® by GPTW Institute
- among India's Best Workplaces in Manufacturing 2021
- RIL ranked among 15 organisations that featured in 'India's Best Employer's Among Nation Builders List 2021'
- Reliance ranked among LinkedIn's 'Top Companies 2021 List', sixth time in a row
- Sh. Srikanth Venkatachari (Joint CFO-RIL) won the CFO of the Year Award by Financial Express



RIL certified once again as a Great Place To Work® by GPTW Institute among India's Best Workplaces in Manufacturing 2021

Sh. Srikanth Venkatachari (Joint CFO-RIL) won the CFO of the Year Award by Financial Express

## Technology, Patents, R&D and Innovation



Hazira Manufacturing Division awarded for 'CII Digital Transformation (DX) Innovative Best Practice 2021' under Innovation in Supply chain and Logistics

- Hazira Manufacturing Division awarded for 'CII Digital Transformation (DX) Innovative Best Practice 2021' under Innovation in Supply chain and Logistics
- Reliance Foundation received the 'CII DX Award 2021' under 'Innovation in CSR through Digital Transformation' category for improving rural livelihoods
- Jamnagar Manufacturing Division won Gold Medal in 'National Awards for Manufacturing Competitiveness 2020-21' organised by International Research Institute for Manufacturing (IRIM)
- R&D Planning Team awarded 'CII Innovation Award' for Novel Adsorbent for Dowtherm & NMP Purification & RELOX catalyst commercialisation
- R&D Team won 'Global Waste Management Best Technology of the Year Awards 2021', organised by World Waste-to-Wealth Summit 2021
- R&D Team received 'Innovator of the Year' award from Federation of Indian Petroleum Industry (FIPI).
- R&D Team awarded 'IP Excellence Award, 2021', organised by Questel Orbit

## Retail Awards



Reliance Retail awarded  
'Most Admired Retail Group' by IMAGES

Reliance Digital awarded the 'Most Admired Emerging Retail Company of the Year' at MAPIC India Retail Awards

Reliance Retail won '2022 Association for Talent Development (ATD)'

- Reliance Retail awarded the 'Most Admired Retail Group' by IMAGES
- Reliance Digital awarded the 'Most Admired Emerging Retail Company of the Year' at MAPIC India Retail Awards
- Reliance Digital awarded the 'Best Brand' at the Economic Times Best Brands Awards.
- Reliance Retail won '2022 Association for Talent Development (ATD)'
- Reliance Retail certified as Great Place To Work®
- Ranked 3<sup>rd</sup> amongst most innovative firms in Asia-Pacific by Fast Company Business Media

## Digital Awards



Jio Platforms Limited listed in the TIME 100 Most Influential Companies 2021 list within the 'Innovators' category

Jio claimed the title of India's Strongest Brand as well as the world's Strongest Telecom Brand, according to the Brand Finance 2021 report

Reliance Jio was selected as the Digital Enterprise of the Year by Drivers of Digital Awards and Summit 2021

- Jio Platforms Limited listed in the TIME 100 Most Influential Companies 2021 list within the 'Innovators' category
- Jio claimed the title of India's Strongest Brand as well as the world's Strongest Telecom Brand, according to the Brand Finance 2021 report
- Reliance Jio was selected as the Digital Enterprise of the Year by Drivers of Digital Awards and Summit 2021
- Reliance Jio's MyJio App won Silver in the Most Effective App for Consumers category at The Maddies Awards 2021
- Reliance Jio won a Gold Medal in the Most Admired Brand of the Year category at the ACEF-Global Customer Engagement Forum and Awards 2021
- Reliance Jio Infocomm Limited was recognised as an Essential Worker Hero of the Year and conferred a Gold Globe Award for 'Ensured 400+ Million Customers Stay Connected during COVID-19 Lockdown' at the 11<sup>th</sup> Annual 2021 Communications Excellence Awards organised by the Globee® Awards
- MyGov Corona Helpdesk by Jio Haptik won Gold in the Most Effective Chatbot Solution category at The Maddies Awards 2021
- Reliance Jio was recognised as the 'D&I Company of the Year in Telecommunications' at the Diversity & Inclusion Awards 2021
- The JioFiber Campaign was recognised as the Best Multi Channel Campaign by an IT/ITES/IOT Enterprise at the mCube Awards 2021
- Jio won 8<sup>th</sup> edition of 'e4m Indian Marketing Awards' under the Long Term Marketing Strategy category

### Media and Entertainment Awards



Network18 – Mission Paani Award

CNN ENBA – India's Most Trusted English News Channel triumphs

- CNBC TV18 won the Gold for English Business News Channel of the Year at ENBA
- CNN News18 won the bronze for English News Channel of the Year at ENBA
- CNN News18's Marya Shakil and Anand Narsimhan won the ENBA Gold and Silver for the Best English Anchor, respectively
- News18 India's Kishore Ajwani won the Silver in the Hindi News Editor of the Year categories at ENBA
- CNBC TV18's show 'India Business Hour' won the award for Best News Programme at Asian Academy Creative Awards and Gold at ENBA for the Best English Business Programme
- News18 India's 'Desh Nahin Jhukne Denge' won the ENBA Silver for Best Hindi Prime Time Show
- CNN News18's 'The Race for Whitehouse' won Gold for the Best International News Coverage English at ENBA
- CNN News18's 'The Right Stand' won Silver for the Best English Prime Time Show at ENBA
- News18 India won the Silver Special Award for 'Hindi Channel of the Year for Fact Checking Practice' at ENBA
- News18 India won the ENBA Gold for Best Spot News Reporting in Hindi for the show 'Operation Giddh'
- News18 Kannada and News18 Assam Northeast won the Gold in their regions for the Best In-depth Series for Regional Programs
- Voot won the award for 'Best Digital Brand Campaign Of The Year' at OTT & Digital Marketing Innovation Awards for The Gone Game Social Media Marketing Campaign
- Colors Tamil won the 'Promax Gold Award' for Best Launch Campaign for its show 'Kodeeswari'
- Mission Paani was recognized as 'The Best Media Initiative' at the 3rd National Water Awards in the presence of the Honourable President of India



## Energy and Water Conservation/Efficiency



RIL E&P, KG-D6 awarded for 'Significant increase in Gas production' by FIPI for the year 2021

Dahej Manufacturing Division won Excellence Award in 'Energy Conservation and Management' in the Petrochemicals Sector from FICCI

Jamnagar Manufacturing Division won Platinum Award in 'Apex India Green Leaf – Environment Excellence' in the C2 Complex

- Dahej Manufacturing Division won Excellence Award in 'Energy Conservation and Management' in the Petrochemicals Sector from FICCI
- Nagothane Manufacturing Division won First prize in '16<sup>th</sup> State level Energy conservation 2020-21' organised by Maharashtra Energy Development Agency
- Nagothane Manufacturing Division, PP Plant secured 1<sup>st</sup> position in the category of 'Internal Stream Factor' in the annual Spheripol Global Benchmarking Survey, 2020
- R Cluster field development awarded 'Best Managed Project of the Year' and 'Special award for significant increase in gas production' by Federation of Indian Petroleum Industry (FIPI)
- Jamnagar Manufacturing Division won Platinum Award in 'Apex India Green Leaf – Excellence in Energy Efficiency' in the SEZ Refinery
- Jamnagar Manufacturing Division won Platinum Award in 'Apex India Green Leaf – Environment Excellence' in the C2 Complex
- Jamnagar Manufacturing Division won Gold Award in 'Apex India Green Leaf – Water stewardship'

## Health, Safety and Environment



Dahej Manufacturing Division conferred Platinum Award in 'Safety Systems Excellence' by FICCI

Vadodara Manufacturing Division won Gold in 'Apex India Green Leaf 2020' for Environment Excellence

- Barabanki Manufacturing Division won Platinum Award under Apex India Green Leaf Award 2020 for 'Plastic waste Management' in Manmade fibre industry sector
- Dahej Manufacturing Division won Platinum Award in 'Safety Systems Excellence' from FICCI
- Dahej Manufacturing Division won Platinum Award in 'Apex India Green Leaf Environment Excellence 2020' in the Petrochemical Sector
- Nagothane Manufacturing Division won award for 'Excellence in Health, Safety and Environment' in the Petrochemicals Sector
- Patalganga Manufacturing Division won Greentech Effective Safety Culture Award 2021
- Vadodara Manufacturing Division won Gold in 'Apex India Green Leaf 2020' for Environment Excellence
- Jamnagar Manufacturing Division awarded 'Best In-Class Safety Excellence Award' at the National Awards for Excellence
- Jamnagar Manufacturing Division awarded 'Manufacturing ICON Award' at the National Awards for Excellence
- RIL E&P, awarded 'Best Managed Project of the Year' for R Cluster field development by Federation of Indian Petroleum Industry (FIPI)



### Sustainability

- RIL won 'Plastic Packaging Waste Recycling Product Leadership Award 2022' from Frost & Sullivan
- Hazira Manufacturing Division awarded for 'Excellence in 3R (Manage Own Waste)' in the Manufacturing sector 2021
- Jamnagar Manufacturing Division won Gold Award in 'Apex India Green Leaf – Afforestation'
- Jamnagar Manufacturing Division won Gold in 'India Green Manufacturing Challenge 2020-21' organised by IRIM



Hazira Manufacturing Division awarded for 'Excellence in 3R (Manage Own Waste)' in the Manufacturing sector 2021  
Jamnagar Manufacturing Division won Gold Award in 'Apex India Green Leaf – Afforestation'

### CSR Awards

- RIL declared joint winner in the 'Excellence in Community Impact' category for its comprehensive work across the areas of Rural Transformation, Health, Education, Sports for Development, Disaster Response with a special focus on COVID-19 response including the programs of Mission Anna Seva & Mission COVID-19 Suraksha
- Reliance Foundation's Machli App announced winner at World Summit Awards 2021 for providing digital solutions, contributing to the achievement of the United Nations Sustainable Development Goals
- Sir H N Reliance Foundation Hospital's vaccination programme won the 'Best Vaccine programme by a private hospital' from India Today Healthgiri awards
- The Best Employee Engagement Team of the Year award went to Reliance Jio CHRO Innovation award for its Khayal Rakhna initiative for contributing to a social cause
- Reliance Foundation received the Gold Globee® Business Excellence 2021 award for its work-from-home implementation, which includes Khayal Rakhna initiative
- Reliance Foundation granted 'Sports for Social Change' award instituted by The Hindu media Group
- Reliance Foundation recognised for its 'Corporate Leadership in ESG' at The CSR Journal – Excellence Awards 2021
- Reliance Foundation conferred IAA Olive Crown Award 2022 under 'Green NGO of the Year – Silver' category for its green initiatives aimed at conserving natural resources and promoting ecological sustainability across India
- Machli, AI-based Mobile Application for marine fisherfolk conferred mBillionth South Asia Award for the year 2020-21 in the category 'Agriculture & Environment' for providing a one-stop solution to all needs of the fishing community
- Reliance received the Golden Peacock Award for Corporate Social Responsibility – 2021

## JioGenNext Alumni Startups

RIL's startup alumni have continued to garner media, academic and industry attention. This is a testimony to their effort and ability to thrive in a competitive market.

- Slang Labs raised an undisclosed round of funding from Google Assistant Investments Program along with 100x Entrepreneurs and participation from existing investor Endiya Partners and angel investors
- Ayushi Mishra of Drona Maps won the 'Startup of the year' award in the rural governance category at the MeitY-NASSCOM Startup Women Entrepreneurs Awards 2020-21
- Qzense Labs and Dozee featured in the inaugural edition of 'Forbes Asia 100 To Watch' list which spotlights notable small companies and startups on the rise across the Asia-Pacific region
- Skill assessment platform for recruiting and hiring talent, DoSelect was acquired by Naukri.com's parent company InfoEdge. This acquisition will add a powerful layer of tech-led assessment to the existing Naukri.com platform and evolve DoSelect to become the de facto solution for tech companies to discover, access and hire the best talent
- Fynd, the online shopping marketplace, was the subject of a Harvard Business School case study written by Prof. Ranjay Gulati, Kairavi Dey and Rachna Tahilyani. The case study delved into several aspects of the business, including how they're moving forward post-investment by RIL. The case study also explores how the co-founders of Fynd went about building their offerings, enabling retail stores and much more
- Data analytics and consulting company GlobalData predicts Orbo to potentially become a unicorn in the AI space
- Electric Vehicle startup Ather Energy acquired rights to the AiKaan OTA (Over-The-Air) platform from JioGenNext alumni AiKaan Labs
- JioGenNext alumni Patch becomes CleverTap's first acquisition. Patch is a unique technology that enables in-app voice, chat and more
- Vidcare, an at-home diagnostics company from MAP - JioGenNext's new Market Access Program, recently participated in Sling Shot 2021, Asia's most exciting deep tech startup competition and won the P&G Health Vision Award and a cash prize of SG\$ 20,000
- Uptime AI Inc was recognised as today's leading tech innovators in the Energy and Natural Resources (ENR) sector at KPMG's ENRich 2021 Startup Search
- Dozee has raised ₹71 crore in an additional funding round led by Doordash's Gokul Rajaram to make critical care more easily accessible and available in Indian hospitals and will launch new products
- Aarca Research, a healthtech startup from JioGenNext's MAP '21 programme, announced pivotal clinical validation data showing the company's non-invasive test's accuracy for early detection of metabolic comorbidities
- ThinkerBell Labs' Annie, the self-learning Braille literacy device, was featured in Shark Tank India (Season 1 Episode 13). Annie, is the world's first Braille literacy device that helps visually impaired people learn to read, write, and type in Braille on their own in any medium of instruction. They were able to successfully raise ₹1.05 crore for 3% equity

# Integrated Approach to Sustainable Growth

## We Care

The pervasive unifying thread that runs through everything that Reliance does is the spirit of 'We Care'.

For Reliance, 'We Care' is not just about caring for the financial and economic well-being of the Company and its stakeholders. It is also about taking cognisance of the non-financial and social parameters, the convergence of which is critical to optimise trust and goodwill with its stakeholders and the larger ecosystem. The Company's unique strength lies in its ability to balance financial and non-financial goals. It gives Reliance the edge to tap opportunities across the spectrum to strengthen its long-term sustainable value creation potential while meeting the needs of its diverse stakeholders.

Given the complexity of Reliance's operations and its growth aspirations, it must embrace the latest technology advances, invest in robust research capabilities, nurture communities and stay abreast of ever-evolving customer preferences. The Company must also create a mutually rewarding experience for employees and reduce the environmental impact of every action it undertakes. Reliance understands the importance of monitoring and mitigating risks and identifying opportunities that can directly or indirectly impact its present and future existence. Its approach has always been holistic so that the interdependencies between the different aspects of business

and the cause-effect relationship are synchronous. Its determination to walk this balanced path and grow while keeping 'Care' at the core are reflected in the Company's resilient and sustained financial performance.

The disclosures made in this part of the report are shaped by industry best practices and universally accepted standards and frameworks such as Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Task Force on Climate-Related Financial Disclosures (TCFD), United Nations Sustainable Development Goals (SDGs) and World Economic Forum's International Business Council (WEF-IBC) metrics.

In this report, Reliance has enumerated its value creation story by aligning to the six capitals of the framework laid down by the IIRC covering Natural Capital, Human Capital, Manufactured Capital, Intellectual Capital, Financial Capital and Social and Relationship Capital.

This section focuses on Reliance's value creation from the lens of Non-financial Capitals of IIRC <IR> framework. The details of Financial Capital is described in the Financial Performance and Review (Page 44) section of this report.

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## FINANCIAL CAPITAL

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# Reliance Industries – Extending 'Care' during COVID-19

The world has grappled with a health and humanitarian crisis rarely seen in history as it battled the COVID-19 pandemic in the past two years. For Reliance, caring for its stakeholders during these troubled times took centre stage. Just as people around the globe were struggling to manage the first wave of the pandemic, the debilitating second wave struck the world and India in 2021. Against this backdrop, Reliance's enduring commitment to 'Serve' or deliver 'Seva' to India and humanity became even more crucial. It formed the nucleus of proactive support to communities undertaken by the Company.

Drawing on its combined strengths, the 'One Reliance' family worked round the clock to quickly mobilise efforts on the ground to deliver 'CARE' and support the nation's fight against the pandemic. Since its inception, the Company's dedication to inclusive growth, sustainable development and meeting stakeholder expectations

have been a part of its core values. Reliance's commitment to its stakeholders includes but is not limited to the communities in which it operates, the employees who drive its growth, the suppliers and partners who help achieve its business goals and the customers who are the lifeline of the Company. Reliance's spirit of

'WE CARE' encompasses all Indians and the humanity at large. Today as India and the world emerge out of the shadows of COVID-19, the spirit of resilience has become the new lodestone guiding Reliance in the post-pandemic era.





## Employee Care

During the pandemic, Reliance extended care to its employees and the 'One Reliance' family through a four-pronged approach that covered communications, risk reduction, creating Infrastructure, and ensuring health and well-being, with a focus on mental health.

- In addition to implementing stringent social distancing norms, all work locations were sanitised every three hours. Materials entering sites and townships were fumigated to ensure safety.
- To contain the spread of the virus, Reliance ran daily temperature checks and ran a separate Outpatient Department for employees with symptoms.
- Reliance initiated an online symptom-checker where the employees filled questionnaires daily to identify high-risk cases and extend support, as required.
- The Company adopted robust testing modalities in collaboration with the state-of-the-art Reliance Life Science Labs to maximise testing capacity.
- Reliance developed dedicated COVID-19 care centres across various locations housing over 2,000 beds for critical patients.
- The Company implemented a COVID Pass Authenticator that has been integrated with the online symptom checker and testing data.
- The Company announced an initiative, 'Reliance Family Support and Welfare Scheme', under which it extends support to the bereaved family members of the employees who succumbed to COVID-19.
- The Company made provisions for special COVID leave that employees can avail if they or their family members are affected by the pandemic.
- For off-roll workforce members who succumbed to the pandemic, the Company, through Reliance Foundation, extended its support to the bereaved families by contributing a lump sum payment of ₹10 lakh directly to the nominee of the deceased.
- In line with the Government of India's guidelines, Reliance rolled out its vaccination programme, called Mission Vaccine Suraksha, for all its employees and eligible family members. As of FY 2021-22, nearly 100% of the eligible employees have been administered the first dose under Mission Vaccine Suraksha and 96% of all the eligible employees are fully vaccinated.
- To address physical and mental health challenges, Reliance implemented webinars on lifestyle disorders and ways to manage the post-pandemic impact, Diabetes Control Mission, BMI reduction programme, and lifestyle clinic, amongst others.
- Teleconsultations with specialists were conducted via the JioHealthHub app.
- Yoga and meditation sessions and peer-to-peer discussion platforms were facilitated.

### Community Care

#### Mission Oxygen: setting up the largest production unit of medical-grade liquid oxygen from a single location in India

Availability of medical grade oxygen for impacted patients was a life-saving need during COVID-19, especially during the second wave. Under the dedicated personal supervision of the Chairman and Managing Director, Shri Mukesh D. Ambani, the Company re-engineered its existing facilities to set up the largest production facilities in India to produce and deliver medical oxygen from a single location in record time. The Company adopted a two-pronged approach to strengthening the availability of medical-grade oxygen in India, including:

- Refocusing several industrial processes at Reliance's Jamnagar and other facilities for rapid scale-up in the production of medical-grade liquid oxygen.
- Managing the supply chain by augmenting loading and transportation capacities to ensure the swift and safe supply of oxygen to states and Union Territories across India.

Despite not being a manufacturer of medical-grade oxygen historically, the Company's engineers quickly reconfigured and optimised operations, which were initially designed for refining and producing petrochemical grade oxygen to produce high-purity medical-grade oxygen during the second wave of the pandemic. Reliance also converted nitrogen tankers into transport trucks for medical-grade oxygen through innovative and safe processes approved by the Petroleum and Explosives Safety Organisation (PESO), the relevant regulatory body of the Government of India.

**In the words of Chairman and Managing Director Shri Mukesh D. Ambani,** "For me and all of us at Reliance, nothing is more important than saving every life as India battles against a new wave of the COVID-19 pandemic. There is an immediate need to maximise India's production and transportation capacities for medical grade oxygen. I am proud of our engineers at Jamnagar who have worked tirelessly, with a great sense of patriotic urgency, to meet this new challenge. I am truly humbled by the determination and sense of purpose shown by the bright, young

members of the Reliance family who have once again risen to the occasion and delivered when India needs it the most."

### Expanding COVID Care Facilities

- As the second wave of COVID-19 infections gripped the country, Reliance BP Mobility Limited (RBML, Operating under the brand name Jio-bp) reintroduced its programme of supplying fuel free of cost to COVID emergency services vehicles. Under the pan-India programme, a total of 2,203.59 KL was dispensed to 56,283 emergency vehicles (53,272 HSD and 3,011 MS) from May 13 to June 30, 2021.
- Reliance procured and administered 40+ lakh vaccine doses. Of this, 9.4 lakh doses were given to various state governments and 2 lakh to the armed forces.



Ramped up from zero to produce 11% of the liquid medical-grade oxygen requirements of the country, including establishing the entire supply chain to meet the urgent need

Set up capacity of  
**2,000+** beds  
for COVID-19 care

Distributed  
**1.4+** crore  
Masks

Distributed  
**8.5+** crore  
Meals

Increased capacity of Reliance-led  
COVID-19 testing labs to  
**15,000+**

Distributed  
**2,00,000+**  
gloves and  
**5,00,000+**  
ORS packets

# Reliance's Integrated Approach to ESG Governance

Since its inception, Reliance has been committed to sustainable growth, which has only been possible due to the underpinning governance. The Company recognises the role of robust governance mechanisms for long-term value creation. Efficient corporate governance has acted as a pillar of Reliance's sustained growth throughout the year.

Reliance's Corporate Governance practices are driven by the principles of transparency, accountability, and integrity. This is operationalised by relevant policies and Standard Operating Procedures (SOPs) to ensure compliance and good governance for all stakeholders.

## Board Governance

Reliance's senior leadership comprises of a 14-member Board which is responsible for direction and oversight of Reliance. The Board of Directors come from diverse backgrounds with unique competencies and rich experience. The induction into the Board of Directors is instituted by the Board level Human Resources, Nomination and Remuneration Committee. This Committee oversees aspects which include formulation of the criteria for determining qualifications, positive attributes, and independence of a Director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, and other employees. The Committee has also developed a set of criteria for evaluating the performance of the Board of Directors, including that of Independent Directors. Attendance, familiarity with the business, and engagement are some of the key parameters defined for evaluating the Board's performance. The Board of Directors, through its Committees, oversee the ESG initiatives and performance.

Board diversity in skill-set, nationality, experience, and perspective is important for effective leadership and governance. A diverse Board provides guidance and effective oversight over the Company's operations. It enhances responsiveness to stakeholder needs, collaboration across departments, and provides expertise leading to the continuous growth of the Company. Presently, the Board consists of two eminent women directors.



## Regulatory Issues and Compliance

Regulatory compliance at Reliance has been of utmost importance, especially in an evolving regulatory scenario. Reliance's Regulatory compliance risk is addressed by the Reliance Compliance Management System. It is a digitally enabled comprehensive compliance management framework that's integrated with business processes, risks and controls and updated on a regular basis.

Changes in regulations are also monitored on an ongoing basis by the Group Compliance Committee. The Directors get monthly or quarterly information on key statutory and regulatory developments, as well as key judicial rulings affecting interpretation of important laws.



More information is available on <https://www.ril.com/ar2020-21/pdf/Risk%20and%20Governance.pdf>

## ESG Governance

Reliance is on a continuous improvement journey to create long-term value for its stakeholders. The key decisions that are taken pertaining to ESG include indepth analysis through an Integrated Profit and Loss lens. Reliance has integrated ESG into its governance structure so that the Company can have a better oversight and strengthen management responsibility for business-related ESG challenges and opportunities.

The Corporate Social Responsibility & Governance (CSR&G) Committee oversees the implementation of sustainability activities. Business Responsibility Report (BRR) describing the initiatives taken by the Company from an environmental, social and governance perspective is reviewed and recommended to the Board by the CSR&G Committee. The progress on the Company's CSR initiatives is periodically reviewed by the CSR&G Committee and the Company's Board of Directors. RIL continuously enhances its existing systems and processes to capture the impact of its social/economic and developmental initiatives. The Risk Management Committee oversees the ESG related risks and risk mitigation measures. Further, the Health, Safety & Environment (HSE) Committee reviews the environment related policies and matters.



Detailed information on various Board Committees is available on <https://www.ril.com/OurCompany/Leadership/BoardCommittees.aspx> and the Corporate Governance section of this report.

## Policies and Codes

Policies and codes are the essential components that help operationalise governance frameworks. Reliance's policies and codes signify the Company's commitment to the highest business ethics and corporate values and are communicated transparently to all the relevant stakeholders. A detailed list of policies is available in the Corporate Governance Section of this report.





### Code of Conduct

With strict adherence to its Code of Conduct Policy, RIL maintains its reputation and continues to earn the trust of its stakeholders. A robust Code of Conduct Policy ensures integrity, accountability, and transparency in the Company. RIL's code lays down the responsibilities and expectations for the Directors, Business Partners, Employees, Suppliers, and other stakeholders. To deal with ethical transgressions in the organisation, the Company has established the Vigil Mechanism, Whistle blower Policy, and Ethics & Compliance Task Force (ECTF).



More information is available at <https://www.ril.com/DownloadFiles/IRStatutory/Code-of-Conduct.pdf>

Details of Reliance's governance policies and codes can be accessed on its website: <https://www.ril.com/investorrelations/downloads.aspx>



### Towards Clean and Alternative Energy: Reliance Net Zero

#### Reliance's Goal

Reliance believes that although climate change is a global threat, but tackling it in a timely manner can offer an opportunity to create a healthier, happier, more secure and resilient future. Therefore, the global New Energy agenda has to transcend from dialogue to action and commitment through urgent on-ground implementation. Led by this vision, Reliance had announced a target to be Net Zero by 2035. To achieve this ambitious goal, Reliance announced to:

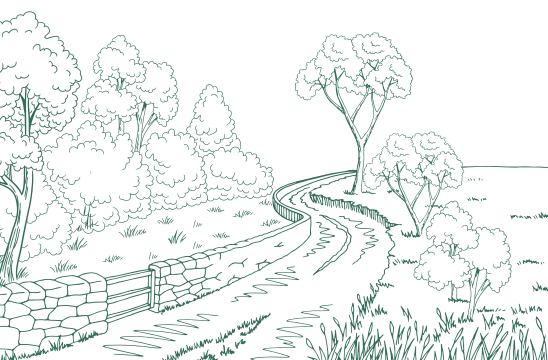
- Establish and enable 100 GW of solar energy by 2030
- Build Giga Factories to create and offer a fully-integrated, end-to-end renewable energy ecosystem
- Invest in value chain, partnerships and future technologies, including upstream and downstream industries
- Transform its business to Net Carbon Zero operations

#### Reliance's Commitment

As the world develops new technologies to combat the effects of climate change, Reliance has embraced the need of the hour and spearheaded its initiatives towards decarbonisation. The Company is transforming itself, embracing new-age technologies and establishing a comprehensive green energy ecosystem in India, ranging from solar modules and batteries to hydrogen fuel cells.

Reliance sees investments in renewables and alternative energy as an active way to ensure positive outcomes for future generations. With renewables and alternative energy dominating the future power generation mix, the Company is changing the way it operates.

As one of the biggest energy markets globally, India will play a key role in transforming the world's energy landscape. The country has already



announced its National Hydrogen Mission, which aims to boost green hydrogen production. As a Company that is always focused on growing businesses of the future and making India a stronger economy, Reliance will lead by leveraging its strengths that include finance, talent, technology, and proven project execution capabilities. The Company aims to play a meaningful role in meeting the country's growing energy demand sustainably by making its New Energy business truly global.

## Reliance's Strategy

As a part of Reliance's long-term strategy on emission reduction, the Company is committed to reducing its overall operational GHG footprint – Scope 1 or direct emissions and Scope 2 or indirect emissions from energy purchase.

The O2C Net Zero plan is anchored on six key strategic initiatives, which are as follows:



Improving energy efficiency



Energy transition to clean and green renewable energy from fossil fuels



Repurposing of petcoke gasification streams to utilise syngas for producing chemicals and hydrogen



Producing syngas on a renewable basis through biomass gasification



Using Carbon Dioxide (CO<sub>2</sub>) as a recyclable resource and adopting Carbon Capture Utilisation and Sequestration (CCUS) pathways such as but not limited to synthetic fuels and chemicals, mineral carbonation in construction materials, algae cultivation for biofuels and food supplements, and other technology-led solutions



Generating carbon credits and using them to offset hard-to-abate emissions

The Company is already accelerating its progress through resource efficiency and energy conservation. As the business evolves towards its Net Zero target, digitalisation is one factor that enables the ecosystem. Reliance is using its global collaboration to help establish the feasibility and successful deployment of CCUS.

The Company's initiatives will contribute towards the United Nations Sustainable Development Goals (UN SDGs) to combat climate change, ensuring sustainable consumption and production patterns, and ensuring access to affordable, reliable, sustainable, and modern energy for all.

## Reliance's Approach

Reliance is on the path of transformation to move its legacy businesses to Net Zero operations and improve it further with the best Corporate Governance and sustainability systems.

The Company has already enlisted eight global technocrats, many of whom are advisers to governments worldwide, as part of a nine member New Energy Council. This Council will be vital in leading an accelerated transition and providing futuristic solutions to practical problems that may arise along the way.








Reliance's approach is to create a New Energy ecosystem, transition to clean energy and convert clean energy to Green Chemicals.



The Company has made substantial progress on photosynthetic biological pathways to convert CO<sub>2</sub> emissions at Jamnagar into high-value proteins, nutraceuticals, advanced materials, and fuels. The Company is taking strong strides in its journey to develop the next-gen Carbon Capture and Storage (CCS) technologies. It is also evaluating options to convert novel catalytic and electrochemical transformations to use CO<sub>2</sub> as a valuable feedstock.

Reliance has also embarked on making changes in the present business, using less carbon-intensive alternatives and changing the legacy business model. Promoting a net-zero strategy in energy production and consumption is a key focus area for the Company. Championing an aggressive energy transition, Reliance sees a significant opportunity in hydrogen and alternate energy as the key to developing its business of the future. While doing so, the Company is selecting meaningful technologies for building a portfolio that has the most efficient, smart and sustainable solutions.

## Alignment with WEF-IBC Core Metrics

Pillar	Theme	Report Section	
 <b>Pillar-1 Governance</b>	Governing Purpose	Corporate governance section <a href="#">PG 218</a> ; Value-creation model <a href="#">PG 28</a>	
	Quality of governing body	Corporate governance section <a href="#">PG 218</a> ;	
	Stakeholder Engagement	Responding to the Material Issues <a href="#">PG 162</a>	
	Ethical behaviour	Corporate governance section <a href="#">PG 218</a> ; Human capital <a href="#">PG 176</a>	
	Risk and opportunity oversight	Management Discussion and Analysis Report; <a href="#">PG 42</a> ; Progress towards Task Force on Climate Related Financial Disclosures (TCFD) <a href="#">PG 158</a>	
 <b>Pillar-2 Planet</b>	Climate Change	Natural capital <a href="#">PG 168</a> ; Progress towards Task Force on Climate Related Financial Disclosures (TCFD) <a href="#">PG 158</a>	
 <b>Pillar-3 People</b>	Dignity and Equality	Corporate governance section <a href="#">PG 218</a> ; Human capital <a href="#">PG 176</a>	
	Health and well-being	Human capital <a href="#">PG 176</a>	
	Skills for the future	Human capital <a href="#">PG 176</a>	
 <b>Pillar-4 Prosperity</b>	Employment and wealth generation	Human capital <a href="#">PG 176</a> ; Value-creation model <a href="#">PG 28</a> ; Consolidated Statement of Cash Flow <a href="#">PG 402</a>	
	Innovation of better products and services	Intellectual capital <a href="#">PG 194</a>	

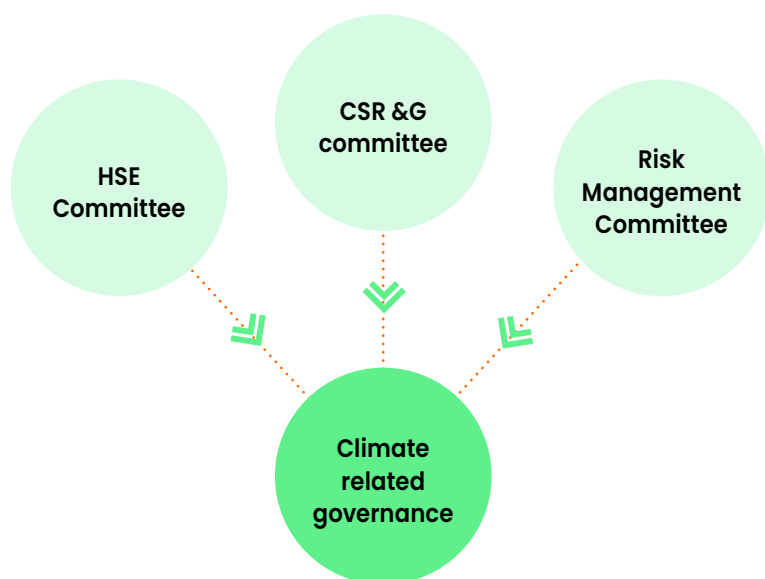
## Progress Towards Task Force on Climate Related Financial Disclosures (TCFD)

In its quest to strengthen climate-related disclosures and the management and reporting of climate-related risks in response to the TCFD recommendations, the Company is further strengthening its endeavour to move towards Net Zero. In line with the TCFD risk methodology, it takes into cognisance climate-related risks that may hamper the Company's growth. It has instituted steps to hedge such identified risks using proper lines of control.

### Governance

Governance is one of the most vital components of a company's climate risk framework. This pillar covers the Governance framework, roles, responsibilities, and decision-making procedures by which a company adheres to its climate-related commitments. Reliance has a robust Governance structure to identify and mitigate climate-related risks and opportunities. The Company's material issues that may impact climate change are assessed at regular intervals. The Governance structure followed at Reliance to oversee climate change risk mitigation includes:





The HSE Committee has broad oversight on climate-related governance. The HSE Committee, CSR & Governance and the Risk Management Committee oversees Company's ESG initiatives.

## Strategy

Reliance conducts a deep analysis of the climate-related nuances of all its businesses to formulate critical strategic advantages and competitive strengths of each segment. The structured materiality assessment process also helps determine issues vital to individual business units and Reliance. The Company has outlined its way to decarbonise in Reliance's Net Zero Strategy.

A detailed discussion on the Company's New Energy Business to achieve Net Zero by 2035 is provided in the MD&A section of this report.

## Risk and Opportunities

Climate-related risks pose threats that have financial implications for organisations, such as direct damage to assets and indirect impacts on the supply chain. Reliance identifies such risks at the Corporate and site levels through integrated work processes and group-wide risk management. It applies an Enterprise Risk Management (ERM) framework

using top-down and bottom-up approaches to anticipate any issues and mitigate their impacts in advance. Climate-related risk management initiatives are analysed through the lens of physical and transition risks. To facilitate continuous and real-time risk assessment, **Reliance has implemented a 'Three Lines of Defense' model that encapsulates:**

- **First line of defense by Business/ Process managers through Self-verification**
- **Second line of defense by the Risk Management team through Functional Assurance**
- **Third line of defense by the Internal Audit and Management Assurance Function offering Independent Assurance**

Reliance's business operations face risks from natural calamities due to the vast spread of its operational locations. Natural calamities which are largely resultant of climate change are being manifested in terms of heat waves, erratic rainfall, cyclones, floods, and drought.

The Company has created Global Corporate Security (GCS). It is a dedicated and distinct function that focuses on adopting pre-emptive, de-risking strategies to safeguard and secure the Company from disasters, natural calamities, and any other disruptions or incidents as a part of business continuity management. GCS ensures that the people, assets, and operations of Reliance are secure.

To combat climate change, Reliance has embarked on an ambitious journey to transition to new, green, and clean energy. However, this transition to a lower carbon economy brings its own set of risks which include dynamic policy, legal, regulatory, technology and market developments and changes to facilitate this transition.

Reliance sees a significant opportunity in hydrogen and alternate energy. Details on the Company's energy transition plan is provided in the Natural Capital section and the details on creating a green energy ecosystem is in the New Energy section.

## Metrics and Targets

The disclosure on Metrics provides information on how the Company is progressing towards targeted climate-related indicators. These are the mechanisms for measuring and disclosing the progress in line with the commitments or ambitions set for managing and mitigating the impact of climate-related risks. Reliance consistently discloses its metrics, goals, and progress against them in its Annual Integrated Report.

Reliance's assured climate-related parameters and performance metrics can be found in the section on Natural Capital on [PG 168-175](#) of this report.









# We Care: Maximising Shared Value

Reliance adopts a stakeholder centric approach when making business decisions. Understanding stakeholder expectations and aligning business objectives are critical to Reliance's growth. The Company regularly engages with its stakeholders to seek constructive feedback and systematically identify and resolve their concerns.

Reliance has developed robust processes to communicate and engage with various stakeholder groups and instituted necessary measures to meet their requirements and expectations appropriately. The Company strives for economic and ecological sustainability through these interactions and pre-empt and manage future uncertainties.

Reliance's Stakeholder engagement approach and inter-linkage with the Capitals:

Stakeholder Group	Employees	Investors	Customers
	For Reliance, employees are at its core and one of its most valuable assets driving its consistent success. Reliance is committed to providing a progressive workplace focused on its employees' overall development and well-being.	Investors play a critical role in bolstering the Company's financial position and ensuring its operational success. Reliance is committed to creating value for its shareholders through implementing scalable business strategies.	Reliance places a great emphasis on ensuring that the requirements of its customers are understood and met. Reliance aspires to be the brand of choice for all its customers and remain relevant through its customer-centric approach.
Functions	<ul style="list-style-type: none"> <li>Human Resources</li> <li>Corporate Services</li> <li>Medical Services</li> <li>Security</li> </ul>	<ul style="list-style-type: none"> <li>Investor Relations</li> <li>Secretarial and Compliance</li> </ul>	<b>Business Teams:</b> <ul style="list-style-type: none"> <li>Retail</li> <li>Digital Services</li> <li>O2C</li> <li>Oil and Gas E&amp;P</li> </ul>
Engagement Channels	Personal/group interactions, mailers, trainings, employee satisfaction survey, townhalls	Meetings, conferences, investor calls, roadshows and correspondence	Meetings, surveys, web portals
Frequency	Annually, Quarterly, monthly, need-based, real-time	Annually, half-yearly, quarterly, monthly, need-based	Annually, monthly, need-based, real-time
Key Factors	Employee well-being, health and safety, performance reviews, career development conversations, training, and upskilling	Financial performance, growth plans and strategies, shareholder returns and dividends	Customer experience, product and service quality, Reliance's response to demands and expectations
Impact on Capitals	 	 	 

**Suppliers**

Reliance fosters long-term relationships with its suppliers and ensures compliance with the Business Partner Code of Conduct policies. The Company believes that its suppliers enable the organisation to source responsibly and adhere to the highest standards.

- Crude, feedstock, and fuel sourcing
- Procurement and contracting

Meetings and through Annual Reports or compliance filings

Real-time, need-based

Terms and conditions, procedures, and payments

**NGOs**

Reliance works together with Non-Governmental Organisations (NGOs) to achieve holistic growth and broaden the scope of its objectives.

- Reliance Foundation
- Reliance Foundation Youth Sports
- Reliance Foundation Institution of Education and Research
- CSR Divisions: Retail, Digital Services, O2C, Oil and Gas E&P

Meetings and correspondence, participatory development activities, project planning and implementation meetings, capacity building and communities of practice

Annually, ongoing partnerships

Community development, Public infrastructure development, community health and well-being, enable communities to achieve their potential

**Communities**

Reliance strives to provide value to local communities to maintain its social licence to operate. By contributing to the upliftment and growth of its surrounding communities, the Company aspires to prosper with them.

- Manufacturing division CSR teams
- Reliance Foundation
- Reliance Foundation Youth Sports
- Reliance Foundation Institution of Education and Research

Meetings, newsletters, surveys, fieldwork and trainings, digital services, virtual engagement

Annually, ongoing partnerships

Community needs and expectations, financial and medical support, health, nutrition, and livelihood enhancing efforts, building capacities and training

**Government and  
Regulatory Authorities**

Government policies and regulations impact Reliance's operations and open up new avenues for the Company to pursue its goals.

- Secretarial and Business Compliance
- Legal

Industry representations, filings, correspondence, meetings


Annually, ongoing engagements


Compliance with regulatory requirements, collaboration in government-led sectoral plans and programmes



 Natural Capital

 Human Capital

 Manufactured Capital

 Intellectual Capital

 Social and Relationship Capital

 Financial Capital



# Responding to the Material Issues

Reliance has always strived to address issues concerning its stakeholders and the growth of its businesses. The Company consistently works towards creating a long-term value for all its stakeholders by responding to their needs and expectations.

Materiality is principle that determines which topics or issues directly or indirectly impact an organisation's ability to create value for all stakeholders and stay competitive. The Company conducts in-depth materiality assessment at defined intervals to identify the topics that are pertinent to its business and stakeholders. At Reliance, materiality assessment entails finding and evaluating a wide range of potential economic, environmental, and social issues that could impact the Company's performance and its stakeholders and then prioritising them into important material topics.

## Approach towards Materiality

Reliance operates in dynamic environments, and the assessment of material topics is an ongoing process that helps the Company in prioritising the topics depending on its criticality. Reliance conducted a materiality assessment for the listed entity during FY 2021-22. The selection of material topics involved identifying probable material issues considering international reporting standards and the priorities of peers. Subsequently, key internal and

external stakeholders that have an impact and influence on Reliance were identified for the materiality assessment. Inputs of the identified stakeholders on the probable material issues were captured through relevant stakeholder engagement mechanisms. A detailed analysis of each probable material issue was undertaken, considering the inputs of stakeholders and management. Further, the material topics were prioritised considering both management and stakeholder perspectives.



## Methodology



### Peer Benchmarking

Identified a list of industry peers as well as international standards viz. GRI and SASB and conducted a benchmarking for material topics.



### Identification of important stakeholders

Identified key internal and external stakeholder groups for RIL and communicated with them regarding the materiality assessment exercise.

#### Key external stakeholder groups identified

- Shareholders/ Investors
- Government regulators
- Customers
- Employees
- Local communities
- Suppliers
- NGOs



### Stakeholders' survey for determining the impact of probable material topics

Created questionnaires for relevant stakeholder groups and collected response from each stakeholder group.

#### Internal Stakeholder Questionnaire

Comprehensive questionnaire divided into 3 parts:

- Part A: Prioritising identified stakeholders
- Part B: Prioritising enlisted business impacts
- Part C: Rating material topics

#### External Stakeholder Questionnaire

- Short questionnaire for rating of enlisted material topics



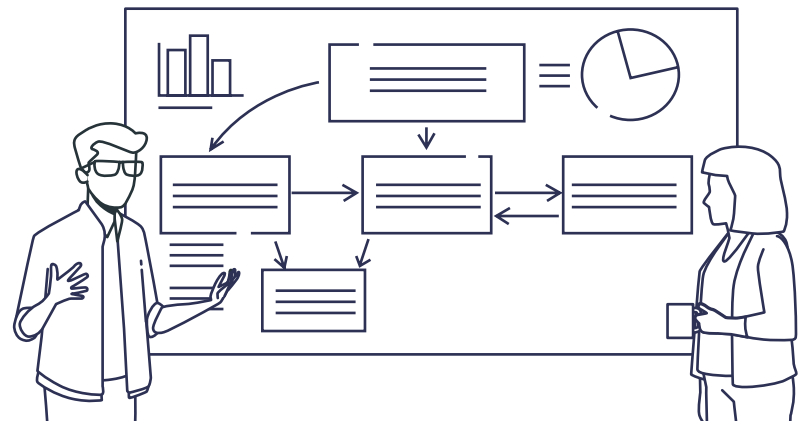
### Evaluation of stakeholder perception of Reliance's impact with respect to material topics

Collated stakeholders' responses and carried out a detailed analysis of the responses.



### Prioritisation of material topics for RIL

Created a prioritised list of material topics based on the results of the analysis. These topics will be considered as material for RIL.

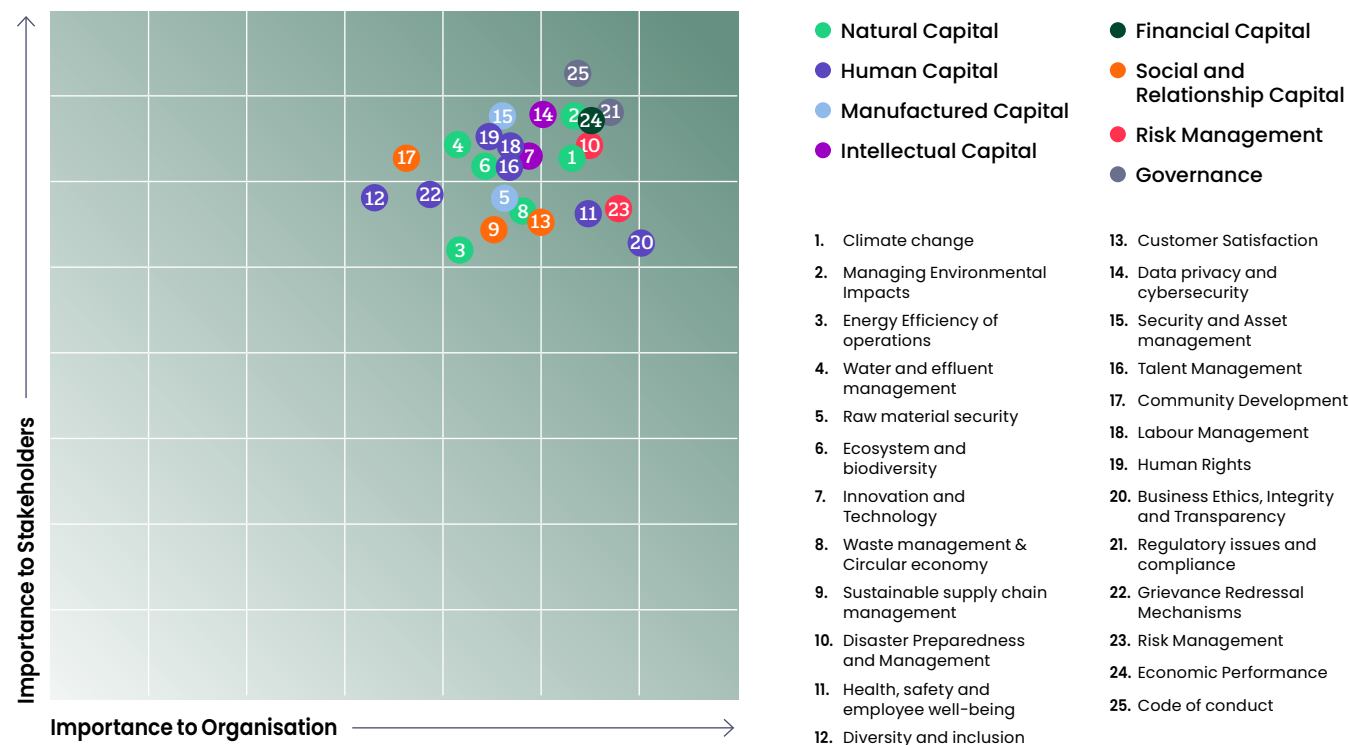




# Integrated Approach to Sustainable Growth

Through the focused materiality assessment process, RIL has identified the following key issues that are material to the growth of the Company and the well-being of all its stakeholders.

## Matrix



## Environment

### Why the issue is material to Reliance

#### 1 Climate Change

With the increasing awareness around climate change, it is crucial for Reliance to address the challenges by taking conscious efforts to ensure that the Company continues to respond to the issues arising out of climate change and develop a pathway to decarbonise its operations.

#### 2 Managing Environmental Impacts

Being a company with a vision to contribute materially to the future of India, it is critical for Reliance to continue its environmental management efforts that are aimed at creating positive impacts and minimising negative impacts that may result from unpredictable spills or unmanaged GHG emissions.

#### 3 Energy Efficiency of Operations

While the world is moving towards optimal eco-efficiency, it is important that Reliance manages its raw material and assets in the most efficient manner to generate superior returns while reducing carbon footprint through its energy efficient operations.

#### 4 Water and Effluent Management

Water availability and accessibility are key concerns. Being a responsible corporate, Reliance needs to map and manage the water used across its operations and ensure that the consumption is socially equitable and environmentally sustainable.

#### 5 Raw Material Security

Efficient reuse of materials to minimise dependency on raw materials and predicting future requirements is essential for Reliance to ensure raw material security and efficient consumption.

#### 6 Ecosystem and Biodiversity

Ecosystem and biodiversity loss can have a grave impact on a company's reputational risk. Hence, it is important that Reliance continues its conscious efforts to ensure proper care is being taken by the Company to preserve flora and fauna within its geographical scope.

#### 8 Waste Management & Circular Economy

In a decade where waste management is a critical issue and moving towards a circular economy can be an alternative, it is critical for Reliance to continue innovating its processes to materialise its vision of scaling up the recycling of its materials and maximising circularity across the value chain.

#### 9 Sustainable Supply Chain Management

With its extensive supplier footprint spread across the globe, it is important for Reliance to address the issues of quality, safety, environmental impacts, and social aspects such as human rights and fair wages.

#### 10 Disaster Preparedness and Management

With the criticality of climate change impacts being manifested in unpredictable weather patterns, cyclones, droughts, and downpour, it has become important for Reliance to continue its endeavours in planning, organising, coordinating, and implementing measures for the prevention and mitigation of disasters.

## Social

### Why the issue is material to Reliance

#### 7 Innovation and Technology

To meet the needs of its stakeholders and achieve consistent growth, it is critical for Reliance to strengthen its innovation capabilities and leverage cutting-edge technologies to remain relevant in the ever-evolving macro-economic environment.

#### 11 Health, Safety, and Employee Well-being

Employee health and safety is a non-negotiable aspect for Reliance to ensure that its human capital is provided with a working environment that places utmost emphasis on their mental and physical well-being.

#### 12 Diversity and Inclusion

For Reliance, it is essential to promote a progressive and inclusive workplace that onboards people from diverse backgrounds and provides them meaningful growth opportunities, thereby resulting in organisational growth.

#### 13 Customer Satisfaction

To remain competitive in a fast-changing business environment, it is important for Reliance to position itself as a customer-focused organisation by offering them a wide range of choices, outstanding value proposition, and unmatched experience across all its business segments.

#### 14 Data Privacy and Cybersecurity

To protect its businesses, customers, infrastructure, and internal users from security threats, it is critical for Reliance to focus on data privacy and cybersecurity by implementing measures and strengthening its systems and processes.

#### 15 Security and Asset Management

Security and asset protection is an essential aspect for Reliance to ensure safety of all its assets and reliability in operations.

#### 16 Talent Management

To strengthen its talent pool, it is critical for Reliance to invest in uninterrupted growth and development, which is supported by meaningful engagement activities and learning opportunities.

#### 17 Community Development

Being a responsible organisation, community development is an indispensable aspect for Reliance. It is essential for the Company to continue implementing community-facing programmes that can benefit society and result in true economic growth.

#### 18 Labour Management

As a people-centric entity, managing and maintaining cordial labour relations is important for Reliance to ensure that the needs and rights of its entire workforce are addressed.

#### 19 Human Rights

To ensure ethical conduct, it is important for Reliance to confirm that all its businesses comply with the applicable national and local laws surrounding human rights and implement measures to avoid incidents of human rights violations.

## Governance

### Why the issue is material to Reliance

#### 20 Business Ethics, Integrity and Transparency

At Reliance, ethics and integrity have always been the key values that have enabled the organisation to gain stakeholder trust and build a strong reputation. These aspects are critical for Reliance to ensure that the organisation conducts business in an ethical and transparent manner to remain successful over the long run.

#### 21 Regulatory Issues and Compliance

Compliance is the foundation to build the reputation of the Company. It is crucial for Reliance to continue to ensure regulatory compliance to build trust among its stakeholder groups while also ensuring that its operations are in line with relevant and applicable laws to avoid legal violations.

#### 22 Grievance Redressal Mechanisms

Establishing effective grievance redressal mechanisms is essential for Reliance to track the issues raised by stakeholders and take immediate actions to resolve their concerns.

#### 23 Risk Management

Risk management is of paramount importance for Reliance to ensure that the Company is safe from volatility, the current and emerging risks and uncertainties surrounding its business. Having a robust risk management system and effective monitoring protocols will ensure Reliance continues to manage its existing risks while parallelly identifying any new risks that may impact its ability to create value over the long run.

#### 24 Economic Performance







The Company's undeterred focus on financial and operational performance is essential for maximising stakeholder value and ensuring consistent growth of the organisation, year after year.

#### 25 Code of Conduct

Code of Conduct embodies a company's vision and mission and defines business practice principles. For an organisation like Reliance, it helps dovetail the Company ethos, set the highest standard of values, and create a healthy business relationship with all stakeholders.

# Driving ESG Growth in Reliance

## Interplay of Capitals

	 <b>Natural Capital</b>	 <b>Human Capital</b>	 <b>Manufactured Capital</b>
		Plans of adding direct and indirect jobs to the economy through the energy transition	Decarbonisation of legacy businesses
	Skilled workforce addition to drive Reliance's vision in New and Alternate Energy		Adequate training on Asset Management to ensure compliance and maximise asset availability
	Target of developing infrastructure for New and Alternate Energy, four Giga factories in the pipeline	Digitalisation of processes, enhancing employee safety in critical operations	
	R&D for net bags and bag on roll applications using biodegradable plastic	Best-in-class Electronic Lab Notebook (ELN) integrated with the Laboratory Information Management System (LIMS), giving research employees better amenities	Developed Multizone Catalytic Cracking (MCC), an in-house disruptive innovation, for converting various hydrocarbons to generate chemical building blocks. Jio has indigenously developed and launched a full stack of digital products, platforms and services backed by AI/ML, Block-chain, IoT, NLP etc.
	Investment to build a New Clean Energy business	Increased HSE expenditure, ensuring adequate funds for environmental initiatives and associated infrastructure development	Investment in setting up Integrated Renewable manufacturing facilities for Solar PV Module (Manufacture of Polysilicon, Wafer, Cell & Module); Electrolyser; Energy-storage Battery; Hydrogen value chain
	Watershed projects completed in several villages ensuring water accessibility and quality	Reliance Foundation's Mission Vaccine Suraksha ensured vaccinations for family members of employees	Partnered with WhatsApp to simplify the entire 'Prepaid Recharge' process for its digital business



## Intellectual Capital



## Financial Capital



## Social and Relationship Capital

R&D in technology that produces biofuel using various organic feedstock wastes

Heavy investment in renewable energy, operational eco-efficiency

Deployment of Electric Vehicles for deliveries by Reliance Retail

Creation of IP, technology expertise backed by a strong talent pool

Talent pool to ensure business resilience

Performance measures that integrate business value streams, P&Ls, and financial reporting available across the enterprise to the individual

Appropriate customer, supplier, and business partner engagement continuing the Reliance legacy that is built on trust and relationships

Development of commercial-scale continuous catalytic pyrolysis technology

- Revenue: ₹7,92,756 crore
- Capital expenditure: ₹1,45,352 crore
- EBITDA: ₹1,25,687 crore

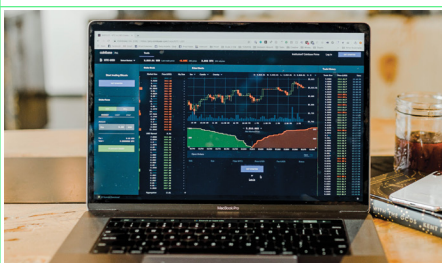
Increase Jio bandwidth to ensure maximum accessibility



Developed a technology (under RIL's flagship programme Algae to Oil) that converts sunlight, CO<sub>2</sub> and sea water to renewable bio-crude. This technology has the potential to convert CO<sub>2</sub> to valuable products to combat climate change

R&D to create medical grade oxygen for community support during COVID-19

Reliance increased its expenditure on Research and Development to ₹2,608 crore this year to encourage new ideas, innovation, and pioneering technologies



Financial support for the family members of deceased employees, ensuring the well-being of all

Developed JioPhone Next which is the world's most affordable smartphone

In FY 2021-22, JioGenNext announced its Market Access Programme (MAP '21) with 11 high-potential businesses





# NATURAL CAPITAL

## Caring for Our Planet: Building a More Sustainable World

The unchecked rise in global temperatures and the resulting climatic disruptions are impacting people, communities, and the business environment in multiple ways. However, it is heartening to note the growing awareness among individuals, communities, governments and businesses who are coming together in constructive and impactful ways to contain the damage. Urgent affirmative action undertaken at the national and international levels is helping build a more robust and carbon-efficient foundation to secure the future of the planet. Recognising the urgent need of containing the impact of climate change, a rapid transition from fossil fuels to a new era of green, clean and renewable energy is imperative. Reliance understands that the global new energy agenda needs to move from dialogue to action and commitment to urgent implementation on the ground.

### Material Topics

- Energy Efficiency of Operations
- Climate Change
- Managing Environmental Impact
- Water and Effluent management
- Waste Management and Circular Economy
- Ecosystems and Biodiversity

### United Nations SDGs



Reliance is taking proactive steps to demonstrate its care for the planet and manage the criticality of climate change. Chairman and Managing Director Shri Mukesh D. Ambani outlined the Company's mega-investment in the New Green Energy business at its 44<sup>th</sup> Annual General Meeting (AGM). Having committed to Net Zero by 2035, he detailed an ambitious strategy and roadmap for implementing this vision. Reliance announced an investment of ₹75,000 crore to build an end-to-end green energy ecosystem.

The Company has re-engineered its traditional energy business completely and is poised to become a global leader in Clean and Green Energy and Materials. Its energy transition strategy focuses on accelerating the adoption of clean energy through a path of 'Just Transition'. It focuses on addressing associated risks and ensuring that the transition is fair, inclusive and creates value for all stakeholders, leaving no one behind. This commitment extends Reliance's philosophy of 'We Care' to chart the way for the planet to survive and thrive again.

**"The world is entering a new energy era, which is going to be highly disruptive. The age of fossil fuels, which powered economic growth globally for nearly three centuries, cannot continue much longer".**

**Shri Mukesh D. Ambani**  
Chairman and Managing Director

### Towards a Cleaner Future

Reliance has started developing the Dhirubhai Ambani Green Energy Giga Complex on 5,000 acres in Jamnagar, Gujarat. It is planned to be among the world's largest Integrated Renewable Energy manufacturing facilities. Under the plan, the Company aims to build four Giga factories to manufacture and integrate critical components of the New Energy ecosystem with the aim of bridging the green energy divide in India and globally. Reliance aims to invest in Giga factories in Solar, Battery, and Hydrogen value chains.

## Highlights FY 2021-22

### Committed to invest in Solar and Hydrogen Giga factories, value chain, partnerships and future technologies

**352%**

Increase in Renewable Energy Consumption in RIL

**2.11** million GJ

Energy savings through conservation efforts in RIL

**1.64%**

Reduction in GHG emission in RIL

### RJIL received 'A-' in CDP 2021 which is in the Leadership band

This is higher than the Asia regional average of 'B-', and higher than the Media, telecommunications & data centre services sector average of 'B'.

The Company will also invest in enhancing the value chain, partnerships, and future technologies, including upstream and downstream industries. Its multifaceted projects include:

- Integrated PV manufacturing from sand to PV modules, including building an ecosystem of ancillary units
- Battery chemicals and components, cells and pack manufacturing and energy storage system
- Electrolyser and Hydrogen value chain
- Power generation to ensure round-the-clock availability
- Power generation for production of Hydrogen
- Conversion of Hydrogen to chemicals
- Power electronics systems required to support renewable energy such as inverters, chargers, DC-DC converters
- Renewable energy for mobility

### Management Approach

Reliance has a robust governance framework to track, assess, and improve how it manages its natural capital consumption. The Company has implemented annual environmental and sustainability action plans that are regularly assessed and revised.

Reliance adopts a comprehensive strategy at the Group level that establishes company-wide HSE objectives and processes for plant operations to promote operational discipline and performance. The Company has developed a well-defined HSE audit programme to verify that management standards are followed across its operations.

The Group Safety and Operational Risk team monitor the quarterly evaluation of business plans. They also regularly perform independent reviews of environmental aspects at the segment and site levels. The asset lifecycle is covered by a comprehensive review system, which includes the phases of implementation, operation, and closure. Reliance continues to strengthen its compliance systems and processes through rigorous internal and external audits.

The Board level CSR and Governance committee has oversight on Foundations and its related disclosures. The Board level monitoring at regular intervals is a testimony to the proactive approach taken by Reliance to ensure responsible and sustainable growth.

### Environmental Performance

#### Managing Environmental Impact

Reducing the environmental footprint across Reliance's businesses is key to its operational performance. The Company's environmental and sustainability stewardship ensures that its manufacturing sites meet consent terms and environmental regulations beyond compliance. Reliance complies with all applicable laws and regulations and periodically audits operations to confirm compliance. The Company ensures that its employees are regularly trained and updated on changing laws and regulations, measures to prevent pollution, minimise waste and other solutions to reduce environmental impact.

The Company adopts comprehensive measures and advanced technology to reduce waste, energy and water usage. It is also focused on reducing and eliminating flaring and venting of feed and product gases, including volatile organic compounds. Reliance tracks, streamlines and manages GHG emissions across its manufacturing units. Retrofitting investments are made across every manufacturing division to reduce the environmental impact and energy consumption. Real-time monitoring of stack emissions through Continuous Emission Monitoring System (CEMS) has enabled Reliance to adhere to local standards for parameters like SO<sub>x</sub>, NO<sub>x</sub> and TPM emissions. Initiatives like converting organic waste into bio-manure through vermicomposting, stringent monitoring measures to prevent spills during storage, safe handling and transportation of hydrocarbon materials, have significantly reduced the negative environmental impacts of its operations.

## NATURAL CAPITAL

The air emissions recorded for RIL includes:

Parameter	Unit	FY 2021-22	FY 2020-21	FY 2019-2020	FY 2018-19
TPM	'000 ton	1.81	2.02	1.85	2.29
SO <sub>x</sub>	'000 ton	20.74	21.61	22.53	22.61
NO <sub>x</sub>	'000 ton	37.85	39.88	42.01	34.43
VOC	'000 ton	46.66	41.31	46.15	41.88

### Energy Efficiency of Operations

Reliance recognises its obligation towards climate change-related risks. As a global player, it is incumbent upon Reliance to overcome the challenges of transitioning to a lower carbon regime. The Company has in place best-in-class technologies and good operations & maintenance (O&M) practices that ensure optimal energy consumption at applicable sites. During FY 2021-22, the energy efficiency improvement initiatives resulted in energy savings of 2.11 million GJ for RIL.

Dedicated Energy Teams pursue relentless monitoring of energy performance at all sites and at the group level. The Company uses in-house mechanisms to monitor different energy usage parameters in real-time. Along with tools to facilitate decision-making, simulation and visualisation of energy efficiency, the monitoring system is also integrated with production control systems that make the Company's energy management system agile, flexible, and effective. Energy audits and benchmarking studies are also conducted periodically to identify performance gaps.

Across manufacturing sites, the Company has taken up energy optimisation and waste heat recovery projects, co-firing biomass with fossil fuel, opportunistic equipment upgrades and flare gas recovery to improve energy efficiency and resource conservation. The O2C manufacturing sites at Barabanki, Dahej, Hazira and Hoshiarpur have utilised 3.09 million GJ of bio-energy. The Company has also achieved a 16% reduction in flaring at E&P and O2C sites compared to FY 2020-21. This year the volume of flared and vented hydrocarbons was 1,32,491 MT.

**530.20 million GJ**

Total Energy Consumption in RIL

**3.12 million GJ**

Renewable Energy Consumption in RIL

RIL adopts a strategy to manage energy based on the five tenets of energy management:



Eliminate unnecessary energy use through process and heat integration, quick restoration of equipment performance, consumption optimisation using simulation models, and reduce-recover-reuse programmes.



Improve energy usage efficiency using simulation tools, deploying best practices, and upgrading equipment and technology.



Adjust operations to reduce energy consumption by redesigning the product basket and optimise the use of installed capacity.



Optimise the cost of energy consumed through an enterprise-wide fuel planning and scheduling mechanism.



Reduce carbon intensity by judicious selection of energy sources and ramping up renewable energy use to offset emissions from fossil fuels.

Reliance Retail has undertaken several measures, including the upgradation of conventional equipment and rooftop insulation of warehouses to improve energy efficiency. The Retail team is encouraging the use of day lights and HVLS fans to reduce the overall energy consumption of warehouses and stores.

The Reliance digital business accounts for one of the lowest carbon intensity per TB of data usage with the right energy systems in place. In the last financial year, Jio had a total energy consumption of 6.69 million MWh out of which 65,283.53 MWh was wheeled from renewable sources.

Reliance Jio Infocomm Limited's energy efficiency projects and measures are an important part of achieving its carbon reduction goals and Net Zero emissions milestone. As a fast growing telecommunications company in India, it has introduced initiatives and measures to optimise energy consumption at all facilities.



These include:

- Energy saving technology feature implementation in 2.3 GHz Time Division Duplex band which entails turning off radios during non traffic hours (02:00 AM and 05:00 AM).
- Hot Aisle and Cold Aisle separation by installing cold air containment to avoid mixing of cold and hot air.
- Smart lighting system and motion sensors implementation for lighting load reduction in all Server Halls.
- Diesel Generator (DG) demobilisation implementation for identified sites where low utilised DGs are replaced with a 100 AH additional Li-ion battery.
- Optimising DG run hours by prioritizing site operation on battery before DG in absence of grid power.



## Climate Change

Reliance has always been cognisant of the impending climate change and the effect it can have on the future. In FY 2021-22, the Company ensured that it will continue its business-wise endeavours so that it is on its track to become a Net Zero organisation. It understands that controlling the increase of global temperatures by 1.5°C above pre-industrial levels is no longer a choice but a necessity and Reliance has been extremely proactive in taking exemplary strides to decarbonise its operation. The Reliance O2C business is deploying several energy conservation solutions using next-generation digital technologies. It has integrated Internet of Things (IoT) and Machine Learning (ML) solutions in oil fields, repurposed petcoke gasification to utilise synthesis gas to produce chemicals and hydrogen and generate synthesis gas on a renewable basis through biomass gasification. Reliance Retail has initiated the use of battery-operated equipment for material handling to eliminate fossil fuel consumption. It ensures that idle trucks in waiting areas turn off their ignitions, reducing emissions, noise levels and fuel consumption. The heavy investments have been instrumental in helping Reliance manage its footprint.

## RIL's GHG Emissions

Parameter	Unit	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Scope 1 CO <sub>2</sub> e	million ton	43.96	44.67	47.50	29.69
Scope 2 CO <sub>2</sub> e	million ton	1.19	1.25	1.45	1.14

Reliance Jio has also been a forerunner when it comes to decarbonising its operation. Reliance Jio Infocomm Limited (RJIL) has received its highest 'A-' rating in CDP's 2021 global rating of companies on the way it manages its environmental impacts. Jio is the only telecom and digital services firm in India to receive a leadership rating on CDP's Global Environment Impact. The Science Based Targets initiative (SBTi) has validated the corporate greenhouse gas emissions reduction target(s) submitted by RJIL. In FY 2021-22, the Scope 1 emissions were 0.49 million tonnes of CO<sub>2</sub> and Scope 2 emissions were 3.36 million tonnes of CO<sub>2</sub>. Jio also calculates its Scope 3 emissions, which accounted for 4.55 million tonnes of CO<sub>2</sub> in FY 2021-22. Jio has also been able to reduce 51,574 tonnes of CO<sub>2</sub> emission by procuring power from renewable sources.

Reliance continues to meet its growing energy demands with sources that have minimal environmental impacts. The total renewable energy consumption increased by 352% Y-o-Y. Hazira manufacturing unit contributes

significantly to the renewable energy generation, and generated 13,60,181 GJ in FY 2021-22. Reliance also co-fired biomass with coal at its Dahej and Hazira manufacturing units to reduce dependence on natural resources.

Speaking at the International Climate Summit 2021, Reliance Chairman and Managing Director Shri Mukesh D. Ambani expressed his optimism that India can become the first country in the world to produce Green Hydrogen at less than US\$ 1 per 1 kg in 1 decade to meet the 1-1-1 target. India has set the goal to reach 450 GW of renewable energy capacity by 2030. Reliance has committed to enable at least 100 GW of solar energy by 2030, leading to creation of a pan-India network of kilowatt and megawatt-scale solar energy producers who can produce Green Hydrogen for local consumption. This endeavour by Reliance is aligned with its vision of making India the first country globally to make hydrogen affordable.



## NATURAL CAPITAL



### CASE STUDY

Jio-bp has made strategic engagements to enable the Electric Mobility ecosystem. Jio-bp has tied-up with BluSmart, an all EV ride hailing company operating in Delhi NCR for providing their fleet with state-of-the-art charging facilities.

Jio-bp also operationalised battery swapping service under Vehicle as a Service (VaaS) model with Swiggy, so that their driver partners seamlessly deliver food to customers and reduce carbon footprints.

Jio-bp signed MoU with the Mahindra Group in December 2021 to explore the development of EV products and services, alongside identifying synergies in low-carbon and conventional fuels. A MoU was also signed with Piaggio and moEving for exploring some of the exciting solutions in electric mobility space.

### Ecosystems and Biodiversity

Reliance conducts periodic environmental impact studies for biodiversity and marine ecosystems surrounding its greenfield and brownfield projects to assess the ecological status and mitigate negative impacts, if any, on the neighbouring ecosystem.

The impactful greenbelt development and habitat restoration efforts have borne fruits as more than 2.3 crore saplings have been planted across India, covering more than 2,600 Ha of green belt area till date. In FY 2021-22, 6 lakh + saplings were planted across various sites, and 70 Ha of green belt area was developed.

## 6 lakh+

(2.3+ crore since inception) Saplings planted across various sites in India during FY 2021-22

### Waste Management and Circular Economy

Reliance is a firm believer in the 3Rs of a circular economy – Reduce, Reuse, Recycle. The Company collects, sorts, and recycles plastics to reduce dependency on new and virgin resources to improve circularity in plastics.

The Company strongly focuses on responsible and efficient resource consumption. The waste management initiatives go far beyond regulatory compliances to strengthen the circular economy. Some of the initiatives taken by the Company include:

- **Recron® GreenGold™ Polyester Staple Fibre (rPSF):** Reliance recycles over 2 billion PET bottles every year to make Recron GreenGold Fibre. Reliance has adopted an innovative asset-light business model to support entrepreneurs for setting up toll manufacturing plant with minimal market risk and augment its recycling capacity.

- **Green Polyolefin (gPO):** Reliance is developing green polyolefin products, which are introduced to the market as sustainable packaging solutions for non-food and non-pharma applications. These products can be used in the automotive segment, appliances, paint pails, warehousing pellets, PE films, HDPE blow moulding, HDPE injection moulding and raffia bags.
- **Waste to Road (W2R):** Reliance has developed an innovative product for hard to recycle end-of-life plastics called ReRoute™, which is used in preparing roads.
- Reliance has collaborated with India's CSIR-National Chemical Laboratory (CSIR-NCL) to recycle COVID-19 PPE waste. Useful products such as automotive components and flowerpots are being made from the recycled PPEs.
- Hazardous waste from Reliance operations is recycled as alternate fuels and raw material (AFR) for the cement industry.

In FY 2021-22, the volume of waste disposed and recycled across the Company's operations for RIL and Jio stood at :

	Parameter	Unit	FY 2021-22
RIL	Hazardous waste (disposed)	'000 MT	15.70
	Hazardous Waste diverted from disposal	'000 MT	58.66
	Non-Hazardous waste (disposed)	'000 MT	797.55
Reliance Jio	Hazardous waste (disposed)	'000 MT	2.01
	Non-hazardous waste (disposed)	'000 MT	1.38



Additionally, Reliance Retail is extremely conscious about the waste it may generate and is proactive in managing waste at every stage of its product lifecycle. Re-usable totes and crates are used to a large extent to reduce generation of packaging wastage. Supplier cartons are re-used where possible. Reliance Retail's vision is to move towards 100% paperless operations at its facilities. Reliance Jewels uses carry bags and envelopes made with recycled paper at its stores.

## Towards Circularity

To grow responsibly in magnitude and scale while satisfying all stakeholders expectations lie at the core of Reliance's operation. The Company recognises the need to move to a low-carbon economy. It takes proactive initiatives to accelerate the change and has enhanced its internal governance framework to minimise and mitigate risk. Reliance is working on a multipronged approach covering various aspects of the circular economy through a cradle-to-cradle approach. It has identified short, medium and long term strategies to accelerate the progress of circularity for plastics. In the short term, the focus is on increasing the Company's PET recycling footprint and usage of Multi-layered Plastics (MLP) for road construction. In the medium term, it is focusing on polyolefin recycling. In the long term, the Company is looking at chemical

recycling alternatives such as Waste to Oil (W2O) and Hydrothermal Liquefaction (HTL), among others.

Reliance supports projects that encourage circularity, such as the development of the RIELAN™ fabric, in recognition of the growing consumer preference for environmentally-friendly products. The Company is also developing commercial scale continuous catalytic pyrolysis technology. The process has been successfully demonstrated as a pilot delivering promising results to convert unsegregated mixed waste plastics into Pyrolysis Oil. These products have significant scope in accelerating global circularity.

Reliance Retail's packaging is based on the core principle of a Sustainable Circular Economy. The 3Rs for Retail business stands for:

**Reduce:** Reduction of usage of packaging material and packaging material waste.

**Reuse:** Multi-use packaging instead of single-use/ single time packaging.

**Recycle:** Converting waste packaging into materials for new packaging items.

## Packaging Design Approach Targeted for Sustainable Packaging

For Reliance's brand Hamleys, the plush toys developed out of India are made of 100% sustainable fibre sourced from the Company.

30% (~54K units) of Hamley's e-commerce orders are fulfilled by Reliance's re-useable gamified, up cycled packaging.





## NATURAL CAPITAL

### Green Initiatives - Packaging Design & Application



#### Pallet

Pallets are developed with 30% recycled HDPE instead of 100% new polymer

✓ Recycle



#### Shelving Bin

Multiple use plastic bins instead of corrugated paper bin box

✓ Reuse



#### Delivery Tote

Multi use Totes deployed for primary & secondary movement in place of single use plastic bags and corrugated boxes

✓ Reuse



#### Delivery Bags

Development of multiple use customer delivery bags. Each delivery bag is made from R Elan Green Gold fabric using ~10 PCR\_PET bottles

✓ Recycle



#### Tote Partition

Minimum use of corrugated paper partition to avoid damages due to rattling, replacing conventional (non-biodegradable) Bubble Film & Inflated Air Packaging

✓ Reduce



#### Protective Pack

In-house corrugated packaging waste in shredded protective packaging

✓ Recycle



#### CASE STUDY

Reliance converts more than 2 billion post-consumer PET bottles. Reliance plans to double its PET recycling capacity to 5 billion PET bottles by setting up a recycled polyester staple fibre (PSF) manufacturing facility in Andhra Pradesh. Reliance's R|Elan™ Green Gold converts polyester from ocean bound plastic into high quality branded polyester. The Company introduced a new product, R|Elan™ Ecogold, with Ciclo, one of the most environment-friendly fabrics that encourages sustainable fashion across different segments.



#### CASE STUDY

Reliance is driving various initiatives such as Fashion for Earth in partnership with Lakmé Fashion Week and the United Nations in India, Hub Excellence Programme and Circular Design Challenge to inculcate circularity and sustainability concepts in polymer, textile, and fashion industries.

Satyajit Vetoskar's 'Bandit' label of accessories at the FDCI x Lakmé Fashion Week in March 2021 was the winner of the Circular Design Challenge. David Abraham and Rakesh Thakore for their label Abraham and Thakore presented a collection created from recycled PET under the theme "Assemble, Disassemble and Reassemble" as a pre-launch initiative.

## Water and Effluent Management

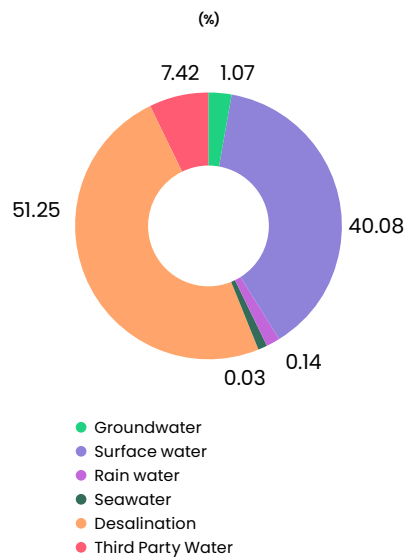
Water is a critical resource used in the operations. With Reliance's philosophy to reduce freshwater dependence, the Company has commissioned state-of-the-art technologies to reduce specific freshwater consumption, maximise recyclability and minimise external discharge. The world-class desalination unit at Jamnagar provides strategic advantage in terms of water management.

Reliance continues to focus on maximising wastewater recyclability and reusability of treated water. The treated effluent is reused in cooling towers, horticulture activities and firewater networks. Rainwater harvesting capacities are being augmented to 3,17,669 kL across RIL. All the manufacturing divisions have water efficient faucets and reuse treated wastewater for domestic purposes.

Reliance Retail in FY 2021-22 has made significant Investments in automation to improve operational efficiency and productivity in its quest to reduce overall water consumption. The Company has employed mechanised crate washers at fruits and vegetable processing centres that have reduced the consumption of water.

In FY 2021-22, the total water withdrawn for RIL stands at 224.19 million kilolitre out of which 32.94 million kilolitre was discharged and 103.54 million kilolitre was recycled. Additionally, the E&P vertical reported on 5.25 million kilolitre of produced water.

### RIL'S WATER CONSUMPTION BY SOURCE



## Way Forward

Reliance is going through a transformative phase. With its commitment to be Net Zero by 2035, it is investing heavily across all the levers of decarbonisation and changing its business which previously was heavily dependent on fossil fuels to new avenues of energy. The Company has planned significant investments in the next decade and will work along with strategic collaborators/partners to help India and the world transition to clean and green energy.





# HUMAN CAPITAL

## Nurturing the 'One Reliance' Family: Creating a Growth-driven Workplace with Care and Empathy

Reliance has always believed that its greatest strength is the ONE RELIANCE family that has powered its inclusive growth since the beginning. The Company regards its people as its most valuable asset. Therefore, caring for its people holistically, enabling them to build meaningful careers and ensuring their overall well-being, is central to the Company's organisational culture, strategic priorities and future aspirations. In turn, led by the organisational spirit of service and care, every member of the Reliance Family goes that extra mile to create value for society and serve as a Goodwill Ambassador of the Company.

### Material Topics

- Health, Safety and Employee Well-being
- Diversity and Inclusion
- Talent Management
- Labour Management and Human Rights
- Business Ethics, Integrity and Transparency
- Grievance Redressal Mechanism

### United Nations SDGs



As one of India's largest private-sector employers, Reliance focuses on fostering the sustained development of its human capital through a well-defined strategy underlined with care, empathy, inclusiveness and respect. The Company's culture of boldly embracing the future and empowering successive generations to take up seemingly unsurmountable challenges helps it attract some of the best minds from across the world. Reliance nurtures a progressive people environment, where purpose-driven talent is empowered by a strong, consistent, and meritocratic Human Resources (HR) framework.

Over the years, Reliance has continued to place a great emphasis on enriching its human capital.

The Company ensures that its people have an encouraging work culture and continuous learning opportunities. Additionally, it has invested in creating a world-class workplace that interweaves productivity, health and safety, and a deep sense of belonging.

Reliance believes that its success is inextricably related to the success of its people. Continuous learning, structured career advancement opportunities and an industry-leading employee value proposition are part of its value creation strategy for its people. The entrepreneurial culture at Reliance has nurtured an energised and motivated talent pool that is translating opportunities into reality for the Company every day while carving enriching professional paths for themselves.

## Highlights FY 2021-22

### TOTAL WORKFORCE STRENGTH FOR FY 2021-22

# 3,42,982

Reliance Group

# 22,642

RIL

# 2,15,614

Retail

# 83,347

Jio

### INCREASE IN NEW RECRUITS AS AGAINST THE PREVIOUS YEAR

# 56%

RIL

# 132%

Retail

# 67%

Increase in Women workforce  
at Retail

# 116%

Increase in total person -hours of  
training in Jio

### Management Approach

The Company has strong systems and processes to monitor and improve its workforce's quality continuously and implement measures required to support a dynamic business environment.

One of the significant challenges the Company faced was ensuring people's mental health and well-being during COVID-19. During the year, Reliance periodically assessed employee sentiment studies through feedback on wellness & safety, learning, productivity, communications, and overall organisational response to the pandemic. Additionally, various

cohort-specific measurement frameworks were launched to receive feedback across the employee lifecycle at multiple touchpoints. These included new joiner experience, exit feedback, and cadre experience surveys targeting the campus cadres' learning journey, Reliance Emerging Leaders, Graduate Engineering Trainees, Chartered Accountancy Trainees, Executive Trainees, and others. Over the last year, Reliance has received overwhelmingly positive feedback from eligible employees and has endeavoured to ensure consistent action planning and remedial measures for any gap areas identified.

# HUMAN CAPITAL

## Health, Safety and Employee Well-being

Reliance's Health, Safety, and Environment (HSE) Policy reflects the importance of human value. The HSE Policy is enabled by the Operating Management System (OMS). The OMS is a framework to deliver and sustain conformance to the essentials at all times and achieve excellence in operating activities and processes. The OMS provides a systematic approach to consistently reduce Health, Safety, Security, and Environment (HSSE) risks in operating activities. Risk management is at the heart of the OMS and implementation of a standardised Risk Management process has brought enhanced risk understanding down to the asset facing personnel who understand and manage operating risk on a real time basis.

The governance of OMS is entrusted to a fully equipped and well-qualified HSE and Process Safety organisation embedded within the operating entities. A Safety & Operational Risk function has been put in place at the corporate level to bring in technical expertise and to provide independent assurance. This function facilitates aligning the requirements of OMS with global and national standards such as OSHA, API, PESO, PNGRB, OISD and NFPA.

The Company implemented a three lines of defense approach to have an independent view of OMS implementation requirements in the operating and maintenance activities.

The principles set out in OMS have been imbibed in operations and are helping to achieve safe, compliant and reliable operations. The OMS framework is based on the principle of continual improvement. Systems and processes have been put in place to analyse incidents and implement learnings to further improve the operations from safety and reliability point of view.

Safety Parameters (FY 2021-22)	RIL	Retail	Jio
Lost Time Injury	35	49	5
Lost Time Injury Frequency Rate (per million man-hours)	0.13	0.06	0.07

In Malaysia, there were 46 injuries and the LTIFR was 4.73 per million man-hours. In December 2021, there was a fatality at one of our RIL sites, involving 1 contractor workman. The incident has been thoroughly analysed and corrective actions have been taken to strengthen our systems further to prevent recurrence of such incidents in future.

## R-Swasthya

Reliance has taken several measures to institutionalise care and ensure the holistic well-being of all its employees. The R-Swasthya initiative is an integrated approach based on the five pillars of well-being mainly, Physical, Mental, Financial, Social and Spiritual wellness.

### R-SWASTHYA - FRAMEWORK



The programme is a focused effort to develop the capabilities of managers to ensure mental well-being in the organisation. In the spirit of self-reliance, the programme includes interventions that train individuals on self-care and build resilience to deal with life and work challenges. R-Swasthya serves as a platform where communities of trust can be formed, inculcating a deep sense of psychological safety necessary for people to thrive. These are spaces where employees can lean on each other and provide mutual support when facing stress and anxiety. In addition, the programme helps develop well-being champions who can act as listening posts and support employees without prejudice and judgement.

Several unique initiatives under R-Swasthya were rolled out for the employees and their families during the year. Over 15,000 employees and families attended about 60 webinars. Additionally, engagements on mental wellness, education and awareness, physical health, financial planning, mindfulness, and others were organised throughout the year.

CASE  
STUDY

## A 21 Day Campaign to Mark International Day of Happiness

The Company launched a 21-day campaign on the International Day of Happiness for the Reliance Family. The campaign was curated to encourage employees and their families to develop healthy habits focusing on mental, physical, financial, social, and spiritual wellness. More than 2000 employees joined this initiative, where a new activity was shared every day and participants were encouraged to socialise and share the learnings of their experience with others through various platforms.

Reliance Retail has implemented measures to provide a safe and healthy workplace and access to benefits. With the onset of the pandemic, the Company moved to a remote working environment and offered employees with benefits of location flexibility, extended maternity leaves, guidance on accessing doctors on the Reliance network and coordination for hospitalisation and medicines among many other initiatives. It extended its well-being benefits to all employees to ensure their physical and mental well-being. As part of this, several webinars were conducted for employees on Empathy, Physical well-being, Mental health and Behavioural and Mental adjustments to remote working models. Structured communication around vaccination ensured eligible employees register themselves and their family members for vaccinations through the government app – CoWIN or Aarogya Setu as applicable and follow the mandated process.

In FY 2021-22, key initiatives undertaken to promote health and well-being across the Company included:

- Providing psychological and financial support through emergency assistance or additional insurance coverage on a case-to-case basis
- Scaling internal counselling capabilities with external partners, giving employees time offs and breaks for mental well-being and self-care
- Setting up adequate IT infrastructure support to enable employees to work-from-home efficiently
- Launch of 'Project Sakhi' shaped by three key pillars – Women Safety and Hygiene, 24\*7 Outreach and Career Progression to reinforce safety, hygiene and well-being of women store employees

- One tap 'StreeShakti' WhatsApp group created for the safety and well-being of women employees at the stores through which updates are shared on the group regularly

## Diversity and Inclusion

Reliance's philosophy of 'We Care' has helped it draw talent who not only bring expertise and experience to the Company but also have shared values. It takes pride in its diverse workforce that transcends nationalities, cultures, genders, abilities, generations, and experiences.

Reliance strives to build a conducive environment where each employee has the chance to participate, contribute and grow while tapping its rich and diversified human capital to realise its aspirations and build a long-term competitive edge. Diversity and Inclusion (D&I) at Reliance is incorporated into the Company's people strategy and focuses on three key dimensions of gender, ability, and generation.

The Reliance Group's Diversity & Inclusion (DEI) Charter was launched by Ms Isha Ambani, affirming Reliance's unwavering commitment to the values of Diversity, Equity and Inclusion. The Company follows a 5E framework (Educate, Encourage, Enable, Experience and Effectiveness) to support a more inclusive workplace for all. Group D&I efforts focused on demonstrating "intended inclusivity" and further strengthening the culture of allyship through interventions such as inclusive leadership program, inspiring leader connects, created various platforms for employees to connect/share and learn and a Group D&I Portal to showcase the One Reliance Inclusion Story to all and ensuring people can access information relevant to them based on their life stage and career stage.



# HUMAN CAPITAL

Reliance Retail has adopted a top-down approach to demonstrate the spirit of inclusion & diversity. As a starting point, more than 200 senior leaders have been sensitised on 'Unconscious Biases', which often serve as impediments to building an inclusive workplace. Reliance Retail has implemented two significant flagship programmes, 'Jagriti' and 'Pragati', to enable women employees to grow to managerial roles at stores. These programmes are designed to empower women employees to overcome their mental barriers and inhibitions and generate belief in their abilities to become managers and successfully lead stores and teams. Select women employees were put through various training programmes and promoted as store and department managers to encourage more women to take on leadership roles and boost gender diversity. Currently, there are over 370 stores led by women managers, of which the Grocery business has 204 women-led stores, followed by Trends with 76. There has been a perceptible and definitive improvement in hygiene, discipline and working conditions at these stores.

Reliance Retail has gone a step further. Its 'Sahakari Bhandar' has employed close to 100 differently-abled boys and girls under the programme 'Saksham', transforming their lives right from training to employment and then engagement. There are exclusive rewards & recognition programmes designed for them at the workplace as well as cultural activities to ensure their continued engagement.

## 'HerCircle'

A first-of-its-kind digital networking platform launched by Smt. Nita Ambani aims to accelerate women's empowerment and strengthen the bonds of sisterhood globally. It offers women from all over the world a joyful and safe space for interaction, engagement, collaboration and an extended mutual support group.



CASE STUDY

## Empowering Women at Reliance through R-Aadya

**Approach:** R-Aadya is a gender inclusion programme which firmly believes that each gender has a unique set of realities and ways of knowing and understanding the world. The initiative focuses on gender specific needs and challenges; and through a set of development interventions aims at addressing the specific personal life stages and career stage needs of women employees in partnership with all the stakeholders.

**Impact:** The programme reached out to nearly 5,000 employees resulting in a allyship in the organisation with an increased awareness on inclusion, equality, equity and diversity.

## Talent Management

Onboarding the right talent and investing in their growth is key to Reliance's people strategy. The Company seeks out and develops high-potential employees, providing them with accelerated learning and development opportunities.

Talent Development has always remained a key enabler for achieving business and talent outcomes. The Company focuses on four key areas to promote the culture of continuous improvement and development among the employees.

Four key focus areas of Reliance:



**Building Future Readiness and Talent Sustainability**



**Building Leaders of Tomorrow**



**Nurturing Young Talent**



**Fostering Talent in the Virtual Ecosystem**

## Building future readiness and talent sustainability

Reliance aspires to be a global leader in the energy and materials space, sustaining the leadership position of O2C, and achieving Net Zero. The Company operates in a highly volatile and disruptive industry scenario which requires sharp focus on building capabilities across the value chain. Therefore, upskilling for future-readiness is a critical business imperative.

Reliance's key initiatives:

### A. Upskilling for new-age technologies, power skills and domain knowledge

During the year, the Company launched several deep skilling initiatives to develop and strengthen digital and data skills of its employees both at an organisation level as well as for specific focus groups. These include training for specialised skills to enhance Digital, Data and Design Thinking capabilities among employees.

The 'Power Skills of Future' initiative aims at developing critical behavioural skills. Immersive mini simulations on ten future skills were launched during the year, benefiting more than 3,500 employees.

Reliance also launched 'Learning Challenge', an innovative effort to develop critical power skills. The challenge witnessed participation from over 12,500 employees.

Based on business needs, 177 future domain skills have been identified across the organisation, 64% of which are addressed through relevant initiatives. Some of the training initiatives include IWCF and BOSIET HUET (E&P), Techno-Commercial Expertise in Procurement Risk Management, Business Acumen, Export Import management (P&C), Value-Based Selling, Customer Centricity and Business Risk Management (Petchem).

Further, continuous learning is at the centre of all the talent development interventions at Reliance Retail. The intent is to

inspire a pull-based learning culture in which employees are provided with multiple opportunities and mediums to learn. The learning strategy has been defined as per the role-based employee lifecycle from new role readiness programmes to next role readiness programmes.

The objective for defining a structured capability development strategy is two-fold:

- Encourage people's productivity by creating a sustainable learning environment within the organisation.
- Enable employees to learn the knowledge and skill they need to excel in their position using digital tools and technology.



## Healing while learning through powerful business stories

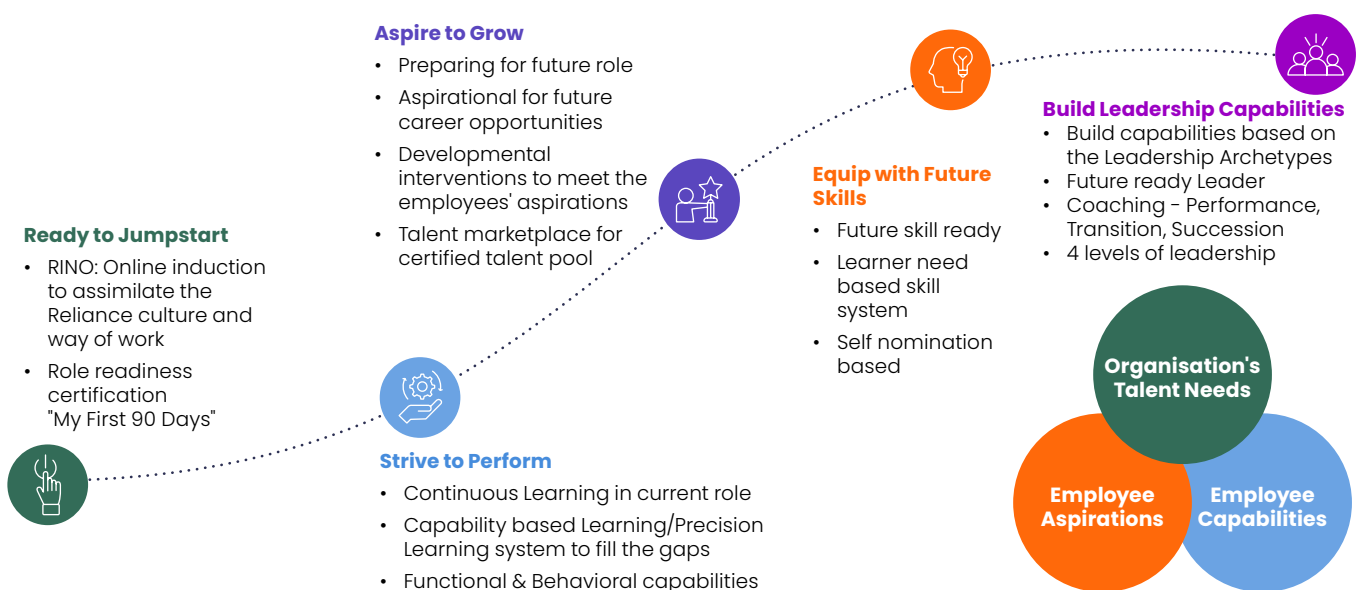
**Approach:** The Petchem Academy launched a monthly initiative 'Story Sutra' to cover a business story by employees. Till date, 7 episodes have been successfully concluded with participation by more than 1,000 employees. Every episode received average participant rating of more than 4.6 on the scale of 5.

### Impact:

- Uplifting and changing employees' mood.
- Improving the information retention up to 22 times more by weaving it through stories instead of sharing the facts alone.
- Improving decision making of the employees.

## Employee Development Journey... in the flow of work & life

Learning agenda is no more Push-based, its Pull based. It is employee-centric and meets the organisation's talent needs!



## HUMAN CAPITAL

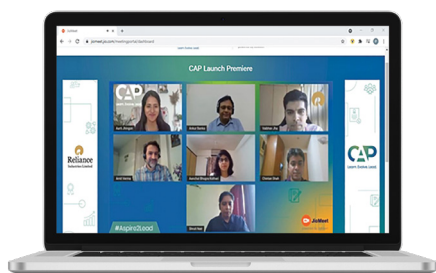


### Nurturing Talent through the Career Acceleration Programme (CAP)

**Approach:** Reliance's CAP initiative is designed to identify high potential employees. The programme is a journey of learning and self-reflection with preparatory assistance and access to previous CAPs.

**Impact:**

- The programme expanded to over 8,000+ employees this year.
- Participants get an opportunity to work on cross-functional assignments and roles.
- The programme, till date, has boosted the career progression of over 70% of the participants.
- The programme has been instrumental in retaining high performing and potential talent with average retention being 96% over the years.



#### B. Talent reviews and succession planning

Reliance emphasises robust succession planning to identify high potential talent and prepare them for critical leadership positions. Sustained efforts were taken to ensure that high calibre employees led critical roles within the organisation.

##### Building leaders of tomorrow

The Company follows a structured and comprehensive leadership development approach that focuses on building and empowering leaders at all levels. Some of the interventions undertaken include:

- **Career Acceleration Programme (CAP)**, the Company's flagship leadership development programme, which identifies high potential talent through rigorous evaluation and supports their development to fast-track their growth.
- **Step-Up**, a development programme aims at building transitional leadership capability for First Level, Senior Level and Group Leader roles. The programme was redesigned as an end-to-end digital learning journey for the participants.
- **R-Aadya**, the leadership programme, seeks to address the unique challenges women leaders face and build a more inclusive environment.
- **The First Line Young Engineers at Reliance (FLYER)** programme seeks to build commercial and business acumen among engineering talent to groom them as effective technical leaders.

#### Nurturing young talent

Reliance emphasises young talent and offers entry-level programmes at prominent institutions, enabling fresh graduates from campuses to join the organisation and contribute to its expansive ecosystem. Reliance continues to nurture talent through entry-level programmes, with hiring efforts ramped up in FY 2021-22:



- Graduate Engineer Trainee (GET) programme for engineering talent.
- Reliance Emerging Leaders Programme (REL) for management graduates.

The young talent undergoes a careful selection process and a unique gamified orientation into the world of Reliance. They are mentored by senior leaders and experts, and are involved in live projects to develop their capabilities to prepare them for future leadership roles.

- Base Camp is responsible for onboarding all new hires at Reliance to quickly acclimatise them to the Company's culture and equip them with the necessary tools for smooth transitioning. The flagship programme under Base Camp is the Discover Reliance session that is offered both as a virtual session and self-paced learning module. During FY 2021-22, 100% of the newly joined employees have completed all the trainings.

- Reliance deploys a structured role and skill-based approach for building people manager capabilities. This includes interventions for first-time, asset facing and experienced people managers. Over 2,200 unique people managers were benefitted through 800+ trainings during the year.
- The Company's initiative 'Ascender' focuses on key behavioural skills such as communication, prioritisation, and planning. They are offered both as self-learning paths and instructor led sessions. During the fiscal, over 10,000 participants were covered through this initiative.
- Reliance Retail has developed a strong managerial talent pool in its Grocery Business stores through its Flagship 'Graduate Store Trainee Programme.' The programme allows final-year students to strengthen their managerial skills through the 'earn-while-you-learn' scheme, which consists of blended learning tools spread over nine months and includes e-learning courses, on-the-job trainings, job shadowing, and specially designed projects. The initiative launched in 2019, presently employs over 200 persons and is further looking to hire at least 800 trainees next year. Additionally, Reliance Retail is committed to providing employment opportunities across India with a special focus on Tier 2, 3 and 4 towns over and above the metro cities.

- Reliance's initiative 'The Ultimate Pitch' has been a huge success in nurturing entrepreneurial thinking and innovation among India's youth. The initiative's 7<sup>th</sup> season was hosted in a 3D virtual setup, witnessing 15,200+ student registrations and 1,600+ ideas across 350+ B-School campuses.

### **Fostering talent in the virtual ecosystem**

To ensure the continued development of talent in the face of changing realities, all the initiatives seamlessly operated in the virtual mode of delivery, with the focus of efforts pinned on holistic development and well-being.

- In line with its philosophy of nurturing a digitally enabled learning value chain, Reliance leverages both internally and externally curated content to deliver an excellent learner experience. The Company has partnered with the world's best learning content partners to meet the requirements of effective learning. In FY 2021-22, employees from the Hydrocarbons division

consumed more than 2.4 lakh hours of digital learning content across various platforms:

- LinkedIn Learning – Over 1,09,000 employees are actively engaged in developing micro-skills via the platform across the company
- Coursera- Over 26,000 employees are deep-skilling through intense learning journeys to build skill proficiency via this medium
- Learnet – Over 51,000 employees are active on the social learning platform and are committed to blogging, sharing, and learning via the platform

These mediums have democratised learning which is accessible anytime, anywhere and on any device. They are available to anyone and provide a superior learner experience.

- The talent initiatives also involved the parents and spouses of the participating employees in the efforts towards employee development and well-being by sending them acknowledgements.





# HUMAN CAPITAL

## HR and L&D Key Parameters

Parameter	RIL*	Jio	Retail	Reliance Group**
Number of employees	22,642	83,347	2,15,614	3,42,982
Number of new hires	1,843	57,883	1,68,910	2,32,822
Number of voluntary separations#	1,785	28,473	69,266	--
Differently-abled employees	45	0	1,351	1,410
Number of Female employees	1,303	8,280	48,882	63,167
Paternity leaves taken by employees	463	2,504	902	4,090
Employees back in the same year after Paternity Leave	463	2,456	814	3,954
Maternity leave taken by employees	43	213	251	608
Employees back in the same year after Maternity Leave	43	208	226	578
Total man hours of training (in Hours)	7,65,273	88,41,082	1,31,37,620	2,27,78,582

\* RIL in this context only includes India operations.

\*\* Consolidated data for the Group includes RIL, Jio, Retail, Media and Malaysia operations.

# Voluntary separations exclude death, retirement and other involuntary separations.

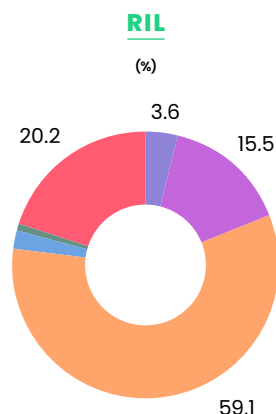
Reliance is committed to talent management and investing in people. The Company recognises that it can play a fundamental role in providing skill building opportunities to the young or unskilled workforce. Reliance takes immense pride in developing skillsets relevant for India and Indians in evolving economic models. This is reflected in the 2.2+ Crore person-hours of training imparted during the reporting year. The Company has a substantial workforce that is under the age of 30 (representing 55.2%), and in the consumer facing businesses the Company also provides job opportunities to the employees in the Non-Supervisory category (over 50% as shown in the graphs below). Nonetheless, there are factors which contribute to separations and the Company recognises that these are inevitable and monitors them as an important matrix for employee retention.

For RIL, the most common reasons for the voluntary separations have been identified as – diverse career advancement opportunities available in the market, pursuing higher education, and relocating to areas closer to home.

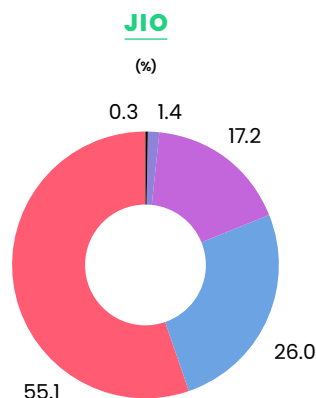
In the digital services business voluntary separations was primarily driven by specific frontline non-supervisory roles pertaining to sales and service.

Retail employs a young staff, typically in the twenties. With reopening of the economy, multiple opportunities opened up for young employees, enabling them to explore new sectors and workforce models. Retail implemented significant engagement programs to secure critical talent. Retail's people practices have allowed it to get certified by the Great Place to Work Institute as one of the Top 100 Best Workplaces in the country.

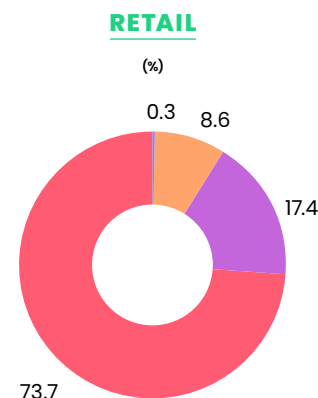
## Employees by Skill Breakdown



● Leader  
● Manager  
● Executive  
● Trainee  
● Apprentice  
● Non-Supervisory



● Sr. Leader  
● Leader  
● Manager  
● Supervisory  
● Non-Supervisory



● Leader  
● Executive  
● Manager  
● Non-Supervisory

## Grooming Future Leaders

'Spectrum', Reliance Hydrocarbons' annual dedication to the Company's culture of continuous and holistic development, ran its 6<sup>th</sup> edition on the theme of 'Learning Unlimited'. The two week-long learning intervention witnessed deep leadership involvement of 100+ leaders as speakers, guides, and content designers. This initiative delivered business-led, future-focused immersive learnings through innovative new formats covering 13,000+ learners in 65+ sessions. Eminent industry leaders such as Smt. Arundhati Bhattacharya, Ex Chairperson SBI and Independent Director, Reliance, led "Spectrum Talks". The marquee event saw the participation of 1,200 Company employees.



### Immersive Learning

Inspiring micro learning, leadership talks, SME Sessions, Simulations, Speed Monitoring, Idea Hackathon, Day in the life of Leader, and more



### New-age Gateway

3D and 360-degree gateway enhanced the experience manifold



### Leadership Presence

Strong presence as speakers, facilitators, and content designers



### Future-focused Approach

Centred around themes of future of business and future skills



### Engaging Families

Open to families with a variety of sessions and activities



### Continued Learning

The Spectrum Reflection campaign keeps the spirit of the programme alive beyond the event by making the content available to all

Reliance continues to celebrate 'Inspire' in September 2021 to recognise internal facilitators. During Inspire 2021, over 1,200 internal facilitators were thanked for their contribution to the learning agenda. Additionally, 800 People Managers who played an active role in their team's learning were recognised as Learning Enablers.

## Digitally enabled people transformation

Reliance is building a world-class digitally enabled platform, aptly named PeopleFirst, that places 'people at the centre'.

PeopleFirst aims to provide a highly personalised and curated employee experience to help people find their purpose and passion at work, and reinforces growth and well-being. It has simplified employee services and brought them to the fingertips of each employee, no matter their location or role.

The platform acts as a world-class real time integrated performance management system, with wide customisation choices by business and workforce, linking individual performance to business outcomes, feedback from primary and agile project teams and many more features.

In the near future, the Company will have visibility on employee skills, automated, dynamic and individual career maps for each employee, and integrated learning needs with personal aspirations.

PeopleFirst will facilitate swifter adoption of 'future of work' practices and seamless access to all infrastructure and benefits.

## Fostering employee centric innovation platform

The spirit of innovation is central to Reliance's credo. The core element of the organisation's DNA is Innovation which enables the Company to add value to all its stakeholders. Be it inspiring the first generation of retail investors in India, setting up the world's largest grassroots refinery, or ushering in the Fourth Industrial Revolution, Reliance's disruptive innovations continue to fulfil the aspirations of millions of Indians.

Innovation within the Company endeavours to catalyse 'integrated innovation-led exponential growth'. Reliance leverages cutting-edge digital technologies to develop and deploy relevant programmes that empower all its stakeholders and foster a culture of innovation.

**1 Mission Kurukshetra (MK)** aspires to equip all members of Reliance with new-age tools to innovate, thereby democratising creativity and resourcefulness. It is an interactive digital platform through which ideas, big or small, are submitted, refined, and executed to create a lasting positive impact. Through MK, human capital practice hands-on creative problem solving and climb the upskilling ladder.

Launched in 2014, MK is now a treasure trove of more than 35,700 path-breaking ideas that have the potential to springboard the organisation. 2,775 new ideas were submitted in FY 2021-22 under MK.

# HUMAN CAPITAL

- 2 Having pledged to achieve Net Zero emissions by 2035, Reliance is well on course to help decarbonise India's growing economy and make the human experience more pleasant for all through its New Energy business.

Reliance's New Energy Council (NEC) has been set up to guide the science, technology, and innovation vision and to construct pathways to sustainability. Global thought-leaders and new energy pioneers will join forces with the Company to accelerate the shift away from fossil fuels and leverage technology to drive innovation-led growth in India. The NEC comprises leading lights in sustainability such as Dr. Alan Finkel (Special Adviser to the Australian Government on Low Emissions Technologies & Former Chief Scientist, Australia), Dr. David Milstein (Professorial Chair at Weizmann Institute of Science & Founder of Molecular Design Centre, Israel), Dr. Geoffrey Maitland (Professor at Imperial College London, Founder Qatar Carbonates and Carbon Storage Research Centre), Mr. Henrik Stiesdal (Professor at Technical University of Denmark's Department of Wind Energy), Dr. Martin Green (Professor at University of New South Wales, Australia), Dr. Rachid Yazami (Entrepreneur, former Professor & Principal Scientist at NTU Singapore), and Dr. Robert Armstrong (Professor of Chemical Engineering and Director, MIT Energy Initiative, USA). The Company is committed to furthering the Hon'ble Prime Minister's goal of reaching 450 GW of renewable energy by the end of this decade and ensuring that the post-pandemic recovery is green and equitable.

## Labour management and human rights

Reliance adheres to the principles of the United Nations Global Compact (UNGC) in human rights, labour practices, environmental protection, and anti-corruption. The Company's operational units comply with local and national regulations. Further, the Company's Values and Behaviours, and the Code of Conduct provide necessary policy and operating framework for execution of its strategic vision. The collective bargaining agreements encompass nearly all non-supervisory permanent employees across all manufacturing facilities.

There were zero occurrences of child labour, forced labour, involuntary labour, sexual harassment, or discriminatory employment throughout the reporting period. Men and women selected for the same cadre programme receive equal pay at the entry-level.

## Business ethics, integrity and transparency

Reliance has robust governance and Code of Conduct policies for its human capital. The Company's Board level Human Resources, Nomination and Remuneration Committee periodically reviews and evaluates overall human resources and associated policies from time to time. Further, the decisions relating to the employee Code of Conduct are monitored through Ethics and Compliance Task Force (ECTF), which consists of an Executive Director, General Counsel, Group Controller, and Group Company Secretary. This Task Force evaluates incidents of suspected or actual violations of the Code of Conduct and reports them to the Audit Committee every quarter. In addition to this, Reliance

has mandatory e-learning courses, which aim to equip its employees with the required understanding and knowledge to effectively conduct its business in an ethical manner and prevent, identify, and respond to violations.

## Grievance redressal mechanism

To deal with concerns of ethics, non-compliance, and violations of its Code of Conduct, Reliance has established a vigil mechanism and a whistle blower policy for its employees and directors. The whistle-blower can make a protected disclosure through an e-mail or dedicated telephone line or a letter to the ECTF or to the Chairman of the Audit Committee. RIL's Code of Conduct, Vigil mechanism and Whistle blower policy form the foundation of the Company's commitment towards ethical conduct at all levels.

## Employee volunteering

Several studies indicate that employee volunteering instils a sense of purpose amongst employees and has the potential to increase productivity and higher workplace morale. Throughout the year, Reliance organised numerous employee volunteering activities to provide them with a meaningful and gratifying experience. These activities saw increased participation of employees from all levels across the Company. The Reliance Foundation organised the engagements to promote various causes through partner NGOs around the country.



## Our recognitions

- Reliance has been recognised with the Great Place to Work® certification from the Great Place to Work® Institute, based on their Trust Index® assessment. This is the second time that Reliance has been Great Place to Work—Certified™. RIL was also one among 15 organisations that featured in their 'India's Best Employers Among Nation Builders List-2021'.
- Reliance has been featured in LinkedIn's Top Companies list of 2022. The Company has achieved this feat for the 6<sup>th</sup> time in a row.
- Reliance is ranked #52 globally in the Forbes "World's Best Employers 2021" list, making it the top-most Indian Company on the list.
- Reliance Foundation and Jio won two awards for their Diversity & Inclusion initiatives at the 3<sup>rd</sup> D&I Summit & Awards.



## Way Forward

As Reliance reimagines its future, the Company is also strengthening its talent development frameworks to groom the next generation of leaders and workforce. The Company will continue to create opportunities to increase the diversity in the workforce.

Reliance will continue to extend support to help tackle any COVID-19 challenges and better adapt to the post-pandemic world. Building this relationship of trust and shared values with its people empowers the Company to realise its aspiration of creating a more sustainable and inclusive future for India and the world.



# MANUFACTURED CAPITAL

## Committed to Growing with Care for the Planet

Reliance believes that the global new energy agenda needs to move from dialogue to action, from commitment to urgent implementation on the ground. Therefore, it has made a bold commitment to meet its ambitious Net Zero target by 2035.

### Material Topics

- Raw Material Security
- Security and Asset Management

### United Nations SDGs



Reliance is conscious of the need to build environmentally responsible capabilities and robust state-of-the-art infrastructures that make judicious use of nature's resources to build world-class products and services.

Reliance has always focused on the efficient use of resources and advanced digital technologies in its operations. The Company has strategies in place to ensure efficient use of all capital goods, enhancing flexibility of operations, meeting ever evolving consumer demands, and contributing to addressing global challenges such as climate change. The Company strives for total system optimisation and economies by improving its assets' efficiency, performance, and lifecycle. As a Company, its philosophy of 'We Care' has ensured that its facilities are technologically advanced, innovative, flexible and limit their environmental footprint.

Owing to the diverse set of businesses Reliance operates in, the Company relies heavily on the optimum utilisation of its manufactured capital to ensure sustained growth across businesses. Reliance Retail has crossed 15,000 stores milestone and has a direct presence across 7,000+ cities, with services in 98% of India's pin codes. Extensive supply chain network, largest network of stores, digital and new commerce platform offers Retail strategic advantages over its competitors. Exploration & Production (E&P) has R Cluster Field and Satellite Cluster field together producing ~18 MMSCMD. The Company's O2C business includes the world's largest and most integrated O2C Complex at Jamnagar Supersite with 1.4 MMBPD crude refining capacity.

## Highlights FY 2021-22

Reliance Retail crossed

# 15,000

stores milestone

# 1,732

MHz

Increased Jio's spectrum footprint

# 1.4

MMBPD

Crude refining capacity

## Largest Petcoke Gasifier globally

# 68.2

MMT

Production meant for sale

## Satellite Cluster field commissioned in April 2021

Reliance has always been a frontrunner in leveraging digital technologies to tap new market opportunities and improve business operations. The launch of Jio in 2016 with the aim of bridging the digital divide in India is a testimony to the Company's focus on digital technologies. Post the 2021 spectrum auction, Jio's spectrum footprint has increased 56% to 1,732 MHz, which bolsters its network capacity to meet the ever increasing demand for data services.

### Business Performance

#### Digital Services

The year 2021 marks five years since Jio began its commercial operations in September 2016. Over these five years, Jio changed the communication landscape of India. With 410.2 million subscribers, Jio's services span geographies, income, and social classes. One of the most important factors behind the steady growth of Reliance Jio is its customer centricity on the back of three key pillars: innovative products/services, affordable tariffs and plans, and network expansion and augmentation.

Jio has built a network to serve every citizen, home, and enterprise across the country with over 99% population coverage for mobility network. JioFiber services has increased its homes passed to almost 20 million. Jio's widest and deepest market presence and ahead of the curve investment in next-generation

communication and digital technologies have helped steady business growth. It has created a full stack of digital products, platforms, and services to serve evolving consumers and business needs.

Jio partners with globally established and new age platforms across the full suite of digital and connectivity services. Some of the major partnerships and milestones are mentioned below:

Reliance Jio and Google cloud have embarked on a comprehensive, long-term strategic relationship with a goal of powering 5G in enterprise and consumer segments nationwide. Google Cloud will provide a complete end-to-end cloud offering for fully automated lifecycle management of Jio's 5G network and services.



# MANUFACTURED CAPITAL

In addition, Jio and Google Cloud will collaborate to bring a portfolio of 5G edge computing solutions to help industries address business problems. Reliance will also augment its compute workload for the Retail business taking advantage of Google's AI/ML, e-commerce, and demand forecasting offerings. This will help Reliance leverage Google Cloud with increased reliability and performance, and the scale-up needed to respond to customer demand.

JioPhone Next jointly designed by Jio Platforms and Google was launched during the reporting period. JioPhone Next is among the most affordable smartphone anywhere globally with a unique financing option and unprecedented features like an all new Pragati OS.

Jio also partnered with WhatsApp to simplify its entire 'Prepaid Recharge' process.

Jio has relentlessly driven network improvements for enhanced customer experience through network automation, Next-Gen platform deployment, advanced analytics, and data sciences.

Jio's 5G stack is a comprehensive 5G solution which is fully cloud native, software defined and digitally managed. 5G coverage planning has been completed for 1,000 top cities across the country based on targeted customer consumption and revenue potential using heat maps, 3D maps and ray tracing technology. Within two years of its launch, Jio has become the largest fibre broadband provider with over 5 million connected homes with an average data usage of almost 300 GB per home, per month.



## O2C

Reliance's O2C structure enables an integrated decision-making approach to maximise and optimise the entire value chain. The integrated O2C business consists of state-of-the-art manufacturing assets, including a refinery with an integrated off-gas cracker and gasification unit, aromatics, multi-feed and gas crackers, downstream manufacturing facilities, logistics and supply-chain infrastructure.

O2C business includes the world's largest and most integrated O2C complex at the Jamnagar Supersite.

O2C will focus on transforming into a Net Zero entity by transitioning from fossil fuels to renewables for energy demand and adopting a circular and sustainable business model. Optimisation, cost reduction and debottlenecking are other focus areas of the O2C business.



## New Energy

Having committed to Net Zero by 2035, the Company detailed an ambitious strategy and roadmap to achieve the target at Reliance Industries' 44<sup>th</sup> Annual General Meeting (AGM).

In this context, Reliance aims to build four Giga factories to manufacture and integrate critical components of the new energy ecosystem.

- Solar Photovoltaic Giga Factory
- Advanced Energy Storage Giga Factory
- Electrolyser and Hydrogen value chain

Its existing infrastructure and materials will support the four Giga factories. The Company's Jamnagar complex will provide infrastructure and utilities to manufacture ancillary material and equipment needed to support these Giga factories so that all critical materials are available in time. The Company will also help independent manufacturers to build capabilities to be part of the ecosystem.

Over the years, Reliance has demonstrated significant engineering, project management and construction capabilities combining physical and digital technologies. Reliance aspires to repurpose these capabilities, along with major international organisations to execute and deliver world-class, renewable energy solutions.

## Reliance Retail

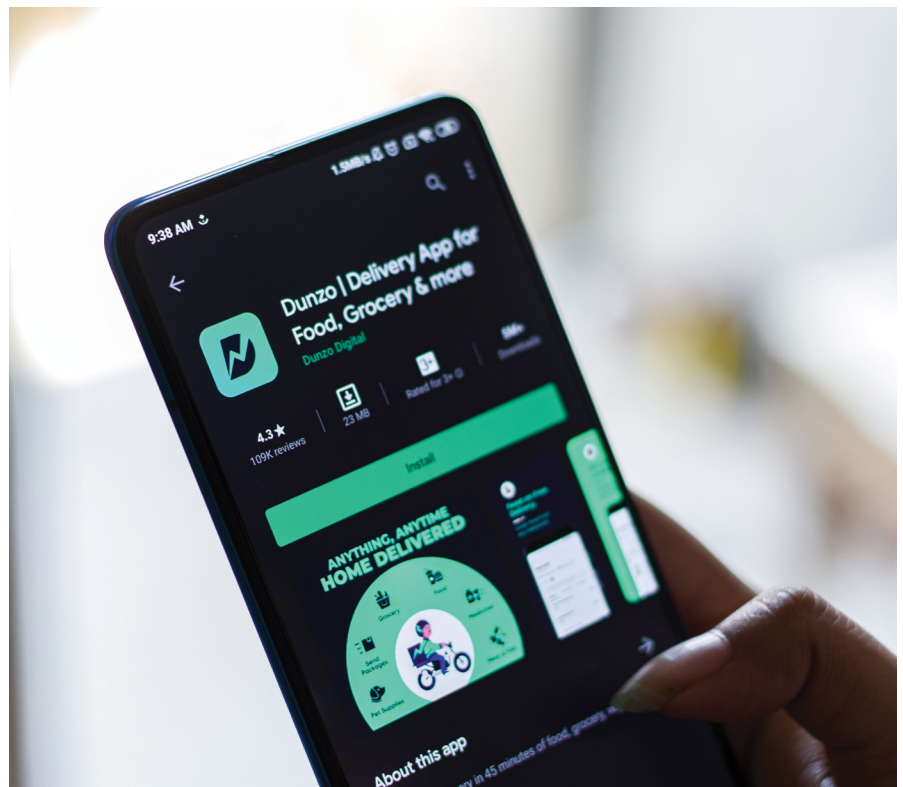
Reliance Retail is India's largest and most profitable retailer with a diverse omni-channel presence via integrated store concepts and digital commerce platforms. Retail's performance demonstrates a robust business model, superior understanding of evolving consumer needs and highly capable staff. The Company operates in consumer electronics, fashion and lifestyle, grocery, pharma, and connectivity consumption baskets.

Retail's strategic advantage and competitive strength include its largest store network and strong supplier relationships that straddle across the value chain. The Company's extensive supply chain covers the length and breadth of the country and supports product design and development, serves customers across segments and deploys cutting edge technology to improve business efficiencies.

Reliance Retail continued its investments in network and infrastructure expansion. The business added ~7 new stores every day during the financial year and crossed the 15,000 store milestone. Retail is trusted by more than 193 million registered customers. It has also bolstered retail capabilities through acquisitions, partnerships, and strategic investments. During FY 2021-22, it invested over ₹ 9,700 crore. Retail made significant investments in a broad range of companies, including Just Dial, 7-Eleven, Milkbasket, Kalanikethan and Ritu Kumar. It also invested US\$ 200 million in Dunzo, India's leading last-mile delivery and quick commerce player, for a 25.8% stake on a fully diluted basis.

**₹9,700 crore\***

Invested in Reliance Retail in FY 2021-22 to bolster capabilities and brand portfolio





## MANUFACTURED CAPITAL



### Exploration and Production (E&P)

Reliance is India's leading deepwater E&P operator with best-in-class safety and reliability track record. The Company is committed to maximising shareholder value and conducting business in an environmentally responsible manner.

Highlights of FY 2021-22:

- Satellite Cluster field was commissioned in April 2021, two months ahead of schedule, with peak production of 6.1 MMSCMD. Together with R-cluster field, the fields are currently producing ~18 MMSCMD and contributing ~20% of India's domestic production.
- Exploration is underway in the proven geological fairways.
- Reliance has divested all its shale gas assets and exited from the business in the USA.

With the expected commissioning of the MJ field in 3Q, FY 2023, the KG D6 block will produce more than 1 BCFe/day by FY 2024, thereby contributing ~30% of India's gas production. This will help to meet a significant portion of India's demand and reduce the country's dependence on imported gas and meet the growing clean energy requirements of the nation.

### Strengthening the Framework to Build a Digital-first Company

#### Raw Material Security

Reliance strives to enhance raw material utilisation by adopting the 3R philosophy. Efficient waste management is well ingrained into its business model, which helps in minimising dependency on raw material. The Company has deployed IT systems to understand

current trends and predict future requirements based on real-time data tracking and monitoring of business operations. The Company's O2C business focuses on cost reduction, debottlenecking and optimisation to enhance its competitive advantage. Reliance also makes strategic investments in various companies to ensure raw material security.

Reliance has partnered with several companies to build an entire green energy ecosystem. The key acquisitions and investments are mentioned in the New Energy section on page 22 and 23 of the report.

## Security and Asset Management

The protection and security of assets across businesses are critical for Reliance to ensure the reliability of its operations. The Company uses analytics-led and technology-driven measures to ensure the safety of all assets. The Company's Group Security function and teams provide assurance to businesses at all levels to manage security risks through continuous monitoring and assessing emerging risks. The Company has instituted management plans for robust disaster recovery, crisis, and business continuity.

The Company is a forerunner in adopting advanced technologies and smart manufacturing processes

in its value chain. It uses advanced technologies such as machine learning-based solutions to predict equipment and process health to take corrective/preventive actions and the use of drones for inspection of inaccessible points. Secured Connected System (RelianceSCS), Company's smart manufacturing system, is based on real-time information using advanced analytics to predict the future state of operations established on the foundation of securely connected sensors and systems. In addition, Global Corporate Security (GCS) officers are engaged round the clock to ensure the safety of employees, assets and operations.



## Way Forward

The Company's undeterred focus on efficient use of its manufactured capital has helped deliver robust operational and financial performance across all businesses. Reliance remains steadfast on its Net Zero commitment. It will focus on the next big value creation engine – New Energy and New Materials business through its mega-investment. In 2016, the Company launched Jio with the aim of bridging the digital divide in India. Now, RIL has launched a New Energy business to bridge the green energy divide in India and globally. Reliance will continue to focus on providing a superior customer experience across its businesses. It will continue to bolster its manufactured capital through investments, acquisitions, strategic partnerships and environmentally conscious ways to meet consumer demands and tap emerging opportunities into sustainable business ventures.



# INTELLECTUAL CAPITAL

## Research and Development for a Sustainable Future

Led by its philosophy of 'We Care', Reliance strives to make its products and services affordable and accessible for all by reducing complexity, leveraging technology, and exploring sustainable options through its Research and Development (R&D) initiatives and investments.

The Company's R&D strengths are the foundation that enables it to build the edifice of a great company that brings exceptional products and services to customers far and wide. The Company's Intellectual Capital fuels its ambition to develop innovative products, processes and catalysts to build a sustainable and profitable business. Reliance encourages new ideas, innovation, and pioneering technologies to create sustainable and long-term value for its stakeholders.

### Material Topics

- Innovation and Technology
- Data Privacy and Cyber Security

### United Nations SDGs



Reliance has more than 1,000 scientists and engineers to support R&D activities. The Company runs initiatives and campus recruitment drives to continually attract the best minds to expand its R&D capabilities. Reliance laboratories and R&D facilities are equipped with advanced infrastructure that provides the optimal environment to accelerate the development of innovative products and services for customers and the greater well-being of the planet, communities and the country.

### Reliance Research and Development: A Crucial Driver of Sustained Value Creation



#### Shareholder Value

R&D will build an IP portfolio to provide a long-term competitive advantage



#### Customer Value

R&D will support all technologies to create customer value with short-term as well as long-term projects



#### Societal Value

R&D will help businesses to reach all segments of society through products developed for masses

## Highlights FY 2021-22

# 1,000+

Researchers and Scientists

# 152

Patent applications filed

# 123

Patents granted

# ₹2,608

R&D expenditure crore

## Won the CII Innovation Award

For Reliance's Novel Adsorbent for Dowtherm & NMP Purification & RELOX catalyst commercialisation for PET production



## Innovation and Technology

Reliance believes that innovation and technology will pave the way for its steady growth. The spirit of innovation is central to Reliance's value system. Innovation, a core element of the organisation's DNA enables the Company to create value for all stakeholders. As a result, the Company invests significantly in R&D efforts. The Company always looks for market opportunities and leverage its intellectual capital to tap the same. Be it inspiring the first generation of retail investors in India, setting up the world's largest grassroots refinery, Reliance's disruptive innovations fulfil the aspirations of millions of Indians. Its continuous innovation efforts include advancement in biological science to tackle climate change, deriving value out of waste to promote circular economy, affordable and clean energy initiatives, among many others. As a consequence of the Company's relentless efforts, it has witnessed several breakthroughs over the years. In FY 2021-22 a total of 123 patents were granted to Reliance and 152 new patent applications filed in various jurisdictions. Reliance has been granted 1,323 patents till date.

Reliance has a robust internal Intellectual Property (IP) governance framework that ensures that these patents are in close alignment with the organisation's business objectives. The IP governance framework helps in meeting all compliance requirements in areas such as confidential information management, third party engagement management, regulatory requirements across the globe, among others.

Reliance has implemented various digital initiatives to support its R&D efforts. The R&D team has adopted a benchmarked Intellectual Property management system that provides enterprise-wide end-to-end workflow management, streamlining and automating various portfolio

management processes. This system also acts as a centralised repository of various intellectual properties. The Company's R&D has implemented best-in-class Electronic Lab Notebook (ELN) which is seamlessly integrated with the Laboratory Information Management System (LIMS). The ELN application provides scientists with a robust platform to capture and store structured and unstructured data as they conduct experiments or execute laboratory procedures. ELN user interface is flexible and can be tailored by creating experiment templates that allow the scientist to easily enter information and directly capture results from analytical instruments and barcode systems for sample lifecycle management.

## Leveraging its Intellectual Capital to Fight COVID-19

The outbreak of COVID-19 disrupted every economy worldwide and tested human vulnerabilities. Nevertheless, governments and businesses left no stone unturned to minimise the impact of COVID-19 on health and the economy. Reliance, a responsible organisation, leveraged its intellectual capital to contribute to the country's fight against COVID-19.

Reliance's scientists analysed more than 1,000 genomes of the virus. The knowledge base was used to develop novel cost-effective diagnostic kits called 'R-Green' and 'R-Green pro one'. These kits have received ICMR approval and showed a high degree of accuracy and specificity during validation studies. Reliance has also collaborated with IIIM-CSIR (Jammu) to develop an RT-LAMP Kit to facilitate the point-of-care diagnosis of COVID-19.

The R&D team actively contributes to the Company's technical wisdom to facilitate innovation globally by publishing research articles on diagnostics and treatment. Application of natural-astaxanthin for



# INTELLECTUAL CAPITAL



Reliance has also developed Microbial cell factories for fermentation production of one of the strongest biomaterials such as Spider Silk for advanced fabric and personal care application. Collaboration with some of the leading personal care brands is ongoing for developing unique skin and hair care formulations using this recombinant spider silk.

The Company also leverages advanced analytical science to fast-track innovation in biology. 'Digital tongue' is an algorithm for prediction of taste of the proteins and proving enzyme-system to bias taste of food towards customer's requirement. Several ML (Machine Language) tools were developed and used in computational biology platforms to fabricate DNA to make novel products from microbial cell factories.

The CRISPR platform demonstrated genome alteration of algae and cyanobacteria using programmable nucleases. The R&D team is working relentlessly for developing molecular tools and applications of the technology for agricultural and synthetic biology product development.

The team is applying this technology for higher algal biomass and novel product development in crops that conventional methods cannot produce. The Company aims to use this path breaking technology to solve significant challenges.

Coal which cannot be mined and, if not redeemed for its value in the form of methane production, would be a waste of natural resources. Reliance's Bio CBM process is targeted at converting coal that cannot be mined to methane, which will help improve the country's energy security and even help reduce GHG emissions.

COVID-19 management published in 'Biomedicine and Pharmacotherapy' journal is recognised as top 100 research paper. The paper is listed in WHO's global repository. The flow-virometry-based method proposed by Reliance for robotics-based high-throughput sample testing has received accolades from international communities, such as the Future Virology journal.

PSA based oxygen concentrators can produce oxygen with 93% (+/- 3%) purity. The unit is an excellent solution during hospitalisation situation due to COVID-19 to maintain the SpO<sub>2</sub> level of a patient. Reliance R&D has designed oxygen generator with a purity of 90% to 95% with 5 LPM oxygen leveraging its expertise in adsorption technology. As adsorbents contribute significantly to the cost of the PSA unit, the Company's R&D team is working extensively for in-house adsorbent development for oxygen PSA systems.

development of Next-Gen tools and eco-friendly technologies for a safe and healthy planet.

Reliance's synthetic biology platform aims for innovation-led growth via hybridising competencies developed in genetic engineering, photosynthesis, omics, big-data analytics and robotics. The platform has helped improve productivity outcomes for novel products and create new business opportunities in food, personal care and next-generation biomaterials. Reliance demonstrated robust and scalable year-round outdoor algal cultivation continuously for more than four years.

Reliance has successfully demonstrated the application of algae biomass for food and feed application in a sustainable and eco-friendly way. It has also initiated work to commercialise super protein powder from algae for various Indian and global snacks, health drinks, and texturised meat substitutes. Algal biomass produced in a sustainable way using seawater, sunlight, and CO<sub>2</sub> was harvested and processed to develop a rich and appropriate source of highly nutritious food and feed ingredients. The ingredients have successfully replaced the prevalent and environmentally regressive fish meal ingredient from various applications.

## R&D Focus Areas

### Bio-innovations

Reliance recognises that advancements in biological science could transform economies and societies to tackle climate change issue. At Reliance, the core biology stream was integrated with digital sciences and engineering for



## Circular Economy

The single use plastic in food packaging and consumer goods mostly ends up in landfills. Reliance recognises the negative impact of single use plastic on the environment. Reliance is exploring sustainable solutions to reuse plastic waste to promote and adopt a circular economy to tackle this menace. The Company's R&D team and the Sustainability Solutions team in the Reliance-Petchem business have launched ReRoute™, the only product of its kind in the market today that can be used to make bituminous concrete road surfacing using the 'dry mix' process.

The R&D team also developed net bags and bag on roll applications using biodegradable plastic. These have been tested at Reliance Retail stores. The materials showed excellent properties required for flexible as well as rigid packaging. Innovations in biodegradable plastic technology have also moved from bench scale to pilot scale development.

Reliance's low temperature continuous catalytic pyrolysis technology can convert plastic waste containing multi-layer film polymers into stable oil. The technology does not require any feed segregation or clean up. Additionally, this novel process gives a higher yield and enhanced stability. The produced stable oil can be readily processed in a refinery or petrochemical units such as FCC, Coker, Steam cracker, etc.

Reliance uses RCAT HTL technology to produce biofuel using various organic feedstock wastes to derive value from the waste. Produced biofuel can be utilised for heat and power applications or as a transportation fuel. Biofuel generated using the technology has been successfully tested in commercial engines, and the technology is ready for commercialisation. The technology has the potential to significantly contribute to the Company's Net Zero goal by achieving a 25% blend in its refining capacity.

Discarded PET based fabrics have a detrimental impact on the environment. As an essential step towards a circular economy and addressing the challenge of discarded PET based fabrics, the Company's R&D is targeting to separate PET from mixed fabric blends and convert it back to fibers and into fabric. The R&D team has also developed a process to recycle waste tyres and is exploring ways to convert waste recyclable polyester material into valuable chemicals to make polyurethane with improved physical properties. The team developed a bench process using a Reliance proprietary solvent to separate different layers of polymer. Separate layers can be recycled as per their different functionalities and processability.

Earlier, a benign process was used to recover high-value metals, vanadium and nickel, from petcoke cinder, which is a leftover by the product from entrained flow gasifiers. Hydro process demands a large quantity of acid or alkali for leaching, and pyro process involves very high temperature ( $> 1,700^{\circ}\text{C}$ ). The R&D team has developed a hybrid process where salt roasting at low temperature, followed by hydrometallurgical processing steps, leads to the extraction of vanadium and nickel at a significantly lower cost than the conventional process. R&D team is also pursuing various national and international collaborative projects to utilise  $\text{CO}_2$ .



CASE  
STUDY

## Chemical Recycling of Multilayer Packaging Material

**Approach:** The Polymer R&D team developed a novel process using in-house developed chemical 'RESOLVE' for separation of polymer layers in multilayer packaging. The process is a simple two-step approach using 'RESOLVE' separating medium and it avoids the complex multistep process involving various solvents and antisolvents for the recovery of the polymer layers.

**Impact:** The process helps in recovering the polymer layer in pure form without dissolution.

# INTELLECTUAL CAPITAL

### Industry and Infrastructure

Reliance has its pulse on evolving consumer needs, and it leverages its intellectual capital to develop novel solutions for industry and infrastructure use. Following are the key initiatives undertaken by the R&D team:

- R&D team has developed a novel functional emulsion based SBR rubber. Reactive silica composite prepared from this reactive product has low rolling resistance and excellent abrasion properties.
- Poly Vinyl Chloride (PVC) is generally processed with a higher quantity of external plasticisers to make it more flexible and processable. However, this flexible PVC polymer has poor leaching properties. Reliance has developed internally plasticised-PVC (IP-PVC), which does not need external plasticisers. Additionally, IP-PVC does not lose its inherent properties of flexibility and neither does it leach any plasticiser into the environment.
- R&D team has developed quick and visible methods for identification of industrial popcorn samples from normal elastomer/polymer samples, thereby, enhancing the safety quotient of the elastomers or polymer processes.
- R&D team has developed a novel polymer, disentangled high molecular weight polyethylene (DPE), for lightweight helmets, cut-resistant gloves.
- The chlorination of PVC produces chlorinated Polyvinyl Chloride (CPVC). UV-light mediated photochlorination of PVC to CPVC is a common industrial practice to produce CPVC resin. Reliance has developed in-house visible light mediated photochlorination by replacing hazardous UV light. The CPVC has improved resin properties than the commercially available option.
- R&D team has developed an innovative, green, and commercially viable process to produce selective infrared transmitting polymeric materials. The NIR-transmitting material is produced through solid-state reactive processing and is cheaper, non-toxic, air and moisture stable with the added advantage of the flexibility to mould into the desired shape.
- R&D team is developing technologies to make low-cost carbon fibers using various raw materials.
- There is a growing demand for novel solutions that provide protection to process and structural components from corrosive environment. R&D team has developed thermoset composite solutions that can be coated on surfaces to provide adequate protection from mild to the harsh corrosive environments.

### Affordable and Clean Energy

Reliance believes that climate change presents an opportunity to create a healthier, happier, and sustainable planet. Affordable and clean energy options will realise this opportunity for humanity. The R&D team has been operating a large pilot facility near Jamnagar, where it converts sunlight, CO<sub>2</sub> and seawater to renewable bio-crude. The ponds have been operating continuously without any failure for more than four years. No other organisation in the world has been able to cultivate algae without crashes and significant downtime. Reliance has developed all the technology components which will be instrumental in converting CO<sub>2</sub> to useful products to combat climate change.

**The Company has also developed a catalytic gasification technology that can convert a variety of carbonaceous feedstocks like petcoke, coal, biomass, etc. into hydrogen and syngas.**

The novel catalytic process can be used to convert challenging feedstocks like high-ash Indian coal and agricultural residue into hydrogen or syngas. The Company has successfully completed plant testing of the technology with different agricultural residues and high-ash Indian coal, and 10 TPD plant capacity is being worked out.

A high temperature-polymer electrolyte membrane (HT-PEM) fuel cell system has been built and is presently being tested on simulated Reliance-Jio towers. In coming years renewable hydrogen will supply fuel cells to produce in-situ hydrogen.

### Oil to Chemicals (O2C)

Fossil fuels like gasoline and diesel have a high carbon footprint impacting the environment. Having committed to a Net Zero target by 2035, Reliance strives to explore innovative options to adopt sustainable practices. Reliance's Multizone Catalytic Cracking (MCC) is an in-house disruptive innovation to generate chemical building blocks for speciality materials from refinery streams or whole crude instead of fuels. The MCC is a vital technology enabler that will help in Jamnagar's O2C transformation. The 3KBPSD MCC demo plant is in the advanced design stage and has been constructed for a demonstration before building a full-scale commercial plant.





A unique technology has also been developed to separate the aromatics BTX component from olefinic MCC gasoline and recycle the raffinate stream to MCC riser for maximising petrochemicals production.

## Refining and Petrochemicals

Reliance has developed a high-capacity sodium removal adsorbent and a process to remove trace amounts of sodium from disulphide oil (DSO). This solution has been commercialised at Jamnagar. The treated DSO is being utilised in Reliance's Refinery Off-Gas Cracker (ROGC) unit replacing imported costly additive, Dimethyl disulphide (DMDS). A facility is also being developed at the JMD to transport the product to Reliance's other petrochemical sites to use them in-stream crackers.

The R&D team has developed an in-house RELOX (Reliance Oxidation) catalyst for the purification of nitrogen gas streams. The RELOX catalyst purifies nitrogen gas streams containing hydrocarbon impurities and is used in the nitrogen purification unit. The RELOX catalyst is being supplied to the PET HMD site, where production is in progress. The Company aims to use RELOX

catalyst in all PET plants for nitrogen gas purification.

Thermic fluids are predominantly used in high temperature process applications between 150°C and 400°C. For the first time globally, the R&D team has developed an in-house novel adsorbent and a process for the online purification of thermic fluids. The technology has been commissioned at Dahej and Silvassa plants and is under commissioning in Hazira. Besides being superior to conventional techniques like distillation and alkali wash, this technology is environmentally friendly and cost effective.

The R&D team has developed REL-ORCAT, a proprietary catalytic technology, for olefins removal or BI reduction from aromatics rich hydrocarbon streams. The technology with its superior catalyst has the potential to replace conventionally used clay-based catalyst. The team has also developed an eco-friendly, single-step adsorptive process to purify recycling/waste MEG generated in polyester plants. Further, to maximise propylene yield, conversion and reduce the coke make, the team has developed a process for High Active FCC catalyst.

Biodegradation is the most sustainable and economical way of industrial effluent treatment, as it leads to terminal conversion of organic pollutants into microbial biomass without leaving behind toxic residues. Once established, it's a self-regenerating system. Tailor made microbial consortia have been developed, scaled, and implemented for consistent chemical oxygen demand (COD) remediation at the polyester ETP plant at Patalganga Manufacturing Division (PMD). Similarly, a specialised microbial consortium has been implemented for COD reduction at Silvassa Manufacturing Division (SMD) for smooth and uninterrupted operations.

## Climate action

R&D team has developed a mixed oxide stable catalyst to convert methanol and CO<sub>2</sub> to a high-value Di-methyl carbonate (DMC) product that can be used as a solvent and specialty chemical. The process and the catalyst have been scaled up to a pilot stage. The team has also developed a sorbent based circulating fluidised bed process for concentrating CO<sub>2</sub> from dilute refinery and power plant flue gases. The process is protected by several patents.

Under RIL's flagship programme, Algae to Oil, the R&D team has developed a technology that utilises abundant sunlight, waste CO<sub>2</sub> and sea water, to produce valuable products. This process has a huge potential to utilise atmospheric CO<sub>2</sub> and convert it to a valuable green crude oil, thus reducing the carbon footprint to a significant extent and combating climate change. RIL has been operating a large pilot facility at Gagwa near Jamnagar.



# INTELLECTUAL CAPITAL

### Digital Services

Leveraging its technology investment and customer engagement, Jio has indigenously developed and launched a full stack of digital products, platforms and services for multiple ecosystems serving consumers and businesses. The Jio R&D team, with over 9,000 technical and research professionals, has developed leading technology platforms spanning 5G stack, cloud and edge compute, devices & operating systems, blockchain, IoT, mixed reality, AI / ML, secure identity and natural language processing, among others. Till date, Jio has been granted 417 patents across multiple

jurisdictions for the pioneering initiatives it has undertaken. In FY 2021-22 alone, the company filed for 110 patents and was granted 46. Among the key technology areas covered by these patents are vDLT (Virtual Distributed Ledger Technology), 5G User Equipment, AI for Health and Agriculture, IoT, Industrial 4.0 and AR/ VR.

### Data Privacy and Security

Considering the wide range of digital services Jio offers, it is important for the company to provide a safe and secure experience while using its services. Jio always strives to assure users that their personal

information is protected. To this end, data privacy, data protection, and information security form an intrinsic part of Jio's service design across the entire lifecycle.

Jio's privacy and security programme focuses on three key aspects of embedding security in design, effective governance and enabling organisation-wide security awareness. Jio tries to minimise the chances of security incidents by defining and implementing a highly effective governance structure. It has implemented a holistic information security management programme to protect its business, customers, infrastructure, services, and internal users from security threats. The Company has policies (including Data Privacy Policy), standards, and processes in place.

Jio also conducts security risk assessments to evaluate and identify security flaws in services, products, and technology. It has implemented state-of-the-art security monitoring infrastructure and effective incident detection and management processes. Suspected events are analysed and verified for its impact on assets and organisation. The incident movement processes define the criticality level for every incident and are managed in line with documented processes.



**CASE  
STUDY**

## R-phish: A phishing simulation platform to measure user awareness level

Phishing is a form of Cyber-attack where Cybercriminals attempt to trick individuals by disguising as a trustworthy source. Although organisations have tried numerous ways to prevent phishing attacks, there is no full-proof solution. Therefore, employees become the last line of defence.

Several organisations use Simulation based anti-phishing exercises as a method to educate employees. However, it only assesses an employee's susceptibility to phishing attacks which varies with every new simulation.

To address this, Reliance has developed a phishing simulation platform 'R-phish' to conduct anti-phishing exercises on a periodic basis and to calculate the user awareness index 'Phishing Resistance Score (PRS)'. PRS, which is a function of multiple factors attributing to user awareness initiatives, determines user's resistance to identifying a phishing email.

## Way Forward

Reliance believes that innovation and technology will be key to its continuous growth. Over the years, Reliance has leveraged digital technologies and tapped business opportunities through innovative business models. Customer-centricity, care, and commitment to building a better world and India have always been at the core of its innovation and R&D efforts. The Company has always focused on developing new products at affordable prices and expanding product applications to broaden the access and reach of its offerings. Having committed to a Net Zero target by 2035, Reliance focuses on developing innovative products and solutions that contribute towards building a sustainable world.

Reliance will focus its R&D efforts to develop technologies that promote circularity and help it fulfil its ambition to build an entire green energy ecosystem. The Company will continue to focus on industry innovation to explore alternative and sustainable options for industrial and infrastructural needs.

# SOCIAL AND RELATIONSHIP CAPITAL

## Caring for the Community: Building a Stronger India

Harmonious relationships and partnerships built on trust have been Reliance's first principles of business since its inception. Coupled with its ethos of 'We Care', these principles have steered Reliance to create unmatched transformational value for its stakeholders, be it communities, partners, customers and others. Today the Company's empowered stakeholders are, in turn, creating tangible and sustainable value for their stakeholders and the larger eco-system to help build the new India.

### Material Topics

- Community Development
- Sustainable Supply Chain Management
- Customer Satisfaction

### United Nations SDGs



From the time it was founded, Reliance made a promise of 'We Care' to all those who are touched by the Company and beyond. Its commitment to stand with the nation and serve those most in need with care and empathy continues unabated. Throughout its journey to becoming India's most successful business house, the Company has led with the intent of building a purpose-led organisation and fostering mutually enriching relationships with all its stakeholders.

Reliance's ability to grow and prosper in harmony with the community and other stakeholders while balancing financial and non-financial needs is paramount to its sustained success. As a responsible corporate citizen, it has upheld its philanthropic spirit and has improved the quality of life for millions of people across the nation. Today, as Reliance builds the Company of the future to reach even greater heights, it continues to be motivated by the single-minded desire to make a difference to India and Indians and extend CARE to all.



## Highlights FY 2021-22

**5.75+** crore

Lives touched through CSR initiatives since inception

**40+** lakh

Free COVID-19 vaccinations provided to employees, extended families and general communities

**410.2** million

Jio subscribers

**193** million

Retail customer base

**17,000+**

O2C customer base



### Management Approach

Reliance's Corporate Social Responsibility (CSR) programmes are designed based on the requirements of Schedule VII of Section 135 of the Companies Act, 2013.

The Board level CSR & Governance (CSR&G) Committee oversees the Company's community development programmes, ensuring stringent due diligence, evaluation, and impact tracking.

The CSR policy provides the framework for implementing the programmes that are designed to reflect the Company's vision, mission, and focus areas for community development.

The policy is periodically revisited to reflect the community's changing needs and accommodate legislative changes mandated by amendments in the Act.

Reliance has positively impacted 5.75+ crore people through its efforts, with a total CSR spend of ₹1,186 crore during FY 2021-22. A detailed overview of the Company's CSR programmes and financial outlay is available in Annexure II of the Board's Report.

### Community Development

Reliance partners with local communities, governments, and other stakeholders to design and implement its social development programmes that bring to life its pervasive philosophy of Care and Empathy for all.

Through Reliance Foundation, the Company implements its community development programmes focusing on Rural Transformation, Health, Education, Sport for Development, Disaster Response and Art, Culture and Heritage to achieve comprehensive, inclusive, and sustainable development.



**Health**



**Rural Transformation**



**Education**



**Sports for Development**



**Disaster Response**



**Arts, Culture and Heritage**



## SOCIAL AND RELATIONSHIP CAPITAL

### Health for All

Through Reliance Foundation, the Company broadens access to quality and affordable healthcare in India. The Foundation's 'Health for All' motto, integrated healthcare model and delivery network, brings care and cure to some of the most vulnerable sections of society. The Reliance Family, including the Foundation, came together to strengthen India's fight against COVID-19. It continued to build on its commitment of supporting and uplifting the community through its development efforts and interventions led by care and 'Seva' through the tumultuous times.

### The Reliance family's COVID-19 response

Reliance has always been at the forefront of assisting and uplifting communities. During the pandemic, the Company has taken remarkable measures as part of its 'We Care' endeavours. Mission Oxygen, Mission COVID Infra, Mission Anna Seva, Mission Employee Care, and Mission Vaccine Suraksha are some of the efforts that supported the most-at-need communities during the crisis.



**"The COVID-19 pandemic is a humanitarian crisis. It has tested the very spirit of humanity. But even in the darkest hour, our spirit has shone bright. We, as a people, have come together and fought this battle with immense empathy and compassion".**

**Smt Nita M. Ambani**

Founder & Chairperson of Reliance Foundation



### Our Support to the People in Shahdol and Kakinada

Reliance has extended all efforts to provide end-to-end support in the Shahdol and Kotma regions in India. Under Mission COVID Suraksha, over 50,000 masks and 5,000 hand sanitisers were distributed to the frontline workers, community, and police officials in these regions. 18 oxygen concentrators were handed over to the Shahdol District Administration by Reliance Foundation and Coal Bed Methane (CBM) CSR team.

As part of Mission Anna Seva, more than 3,000 dry ration kits were distributed to the community, labourers and agencies working for COVID relief in Shahdol. The team supported the establishment and operation of two COVID Care Centres in Shahdol.

The Company provided financial support to the District Administration in Shahdol to purchase an Emergency Ambulance for the Police and undertake other COVID-19 related relief activities in the district. The

CSR team in Shahdol also extended support to 15 children who had lost one or both parents to COVID-19. They provided an allowance of ₹2,000 per month to every impacted child. In coordination with CBM HR, the team provided 1,000 doses of COVID-19 vaccine to the district health department to support the community vaccination drive in Shahdol.

Initiatives by Reliance equipped the villagers to better handle the crisis with awareness about precautionary measures like social distancing, avoiding social gatherings, proper washing of hands and the importance of sanitation.

Reliance Foundation installed a 10 KL Oxygen plant at District Government Hospital, Kakinada, which can supply medical-grade oxygen to about 200 patients for 48 hours. The Foundation also took up community vaccination drives providing free vaccination to all eligible persons in the nearby villages.

CASE  
STUDY

## Extending Critical Care to Communities during COVID-19

During COVID-19, Reliance Foundation connected rural communities with government officials and experts to address various issues such as enrolling for government schemes, agriculture and allied services inputs, securing farm machinery at subsidised costs and access to temporary procurement centres and markets. RFIS also undertook efforts to raise awareness about COVID-19, supported employment drives to meet temporary paramedical staffing needs and facilitated the availability of medicines and other requirements. Foundation provided specialist help and advice to Gram Panchayat leaders in

rural communities on schemes for financial support and livelihood opportunities through virtual conferences for farmers, fishing communities, livestock owners and migrant labourers. These services reached close to four million people in rural India.

The Mobile Medical Units (MMUs) of Reliance Foundation helped raise awareness about precautionary measures in rural communities while delivering healthcare services. Information on COVID-19 vaccination centres and awareness about symptoms were shared across 20 states.

CASE  
STUDY

## Our Support to the People in Jamnagar

Reliance set up Gujarat's first paediatric COVID-19 hospital at Jamnagar. Around 50,000 PPE kits, N95 masks, triple layer masks and medical examination rubber gloves were handed over to the Guru Gobind Singh Hospital. The Padana veterinary hospital provided consultation support to 19,000+ animal cases from 50 surrounding villages.

Women's groups were supported under the Swashray initiative in preparing and selling healthy food

products that earned them a good amount. The construction of a primary school building along the lines of 'Building as Learning Aid' concept in Lalwadi was undertaken. In Jamnagar and Dwarka districts, HIV/AIDS affected children were given nutritional kits every quarter. In Dwarka and Khambhaliya, two ambulances were made available to reduce response time during emergencies.

## Delivering Health Services to the Underserved Across India

Reliance aims to provide quality and affordable healthcare to society's most vulnerable members. Reliance's health outreach programme also provides primary health services to the underprivileged communities across the plant locations in Andhra Pradesh, Gujarat, Haryana, Maharashtra, Madhya Pradesh and Uttar Pradesh through 12 MMUs and several health camps. Through MMUs and camps, over 2.4 lakh consultations were provided during the year.

Under the Government of Madhya Pradesh's "Adopt an Anganwadi" initiative, Reliance Foundation has renovated and beautified 6 Anganwadis or childcare centres, in the state during FY 2021-22. The Foundation has beautified and renovated 53 Anganwadis till date. The renovation and beautification of these Anganwadis are helping the children learn and develop in clean, healthy, and sanitized environments.

Reliance is increasing focus on women's healthcare and well-being progressively. Initiatives such as 'HerCircle' and 'One-Stop Breast Clinic' were launched during FY 2020-21 to strengthen infrastructure for women's health. HerCircle aims to create a network of women by sharing meaningful content that include motivating films, life-skill development guides and expert-led masterclasses to inspire and empower women, including entrepreneurs. The platform has touched 50 million lives within a year of its launch.

For our overall COVID-19 response, please refer to [PG 152](#)

## SOCIAL AND RELATIONSHIP CAPITAL



### Giving Sight, Giving Opportunity

Through its Drishti programme, Reliance through Reliance Foundation has improved and restored the vision of people from underprivileged sections of society. In partnership with the National Association for The Blind (NAB) India, Govel Trust – Aravind Eye Hospitals, and Sankara Eye Hospital (unit of Sri Kanchi Kamakoti Medical Trust), Drishti has facilitated over 20,400 transplants since its launch in 2003. In association with NAB, Drishti also publishes India's only Braille newspaper in Hindi and reaches over 24,000 visually impaired people across India and 15 other countries. RF also engages in vision screenings within the local community and has conducted over 6,000 consultations during FY 2021-22.

### Building the New India, One Village at a Time

Through Reliance Foundation, the Company is undertaking several projects to enhance sustainable livelihood opportunities. The interventions focus on improving critical development indicators such as rural livelihoods, water, food and nutrition, women empowerment and access to knowledge resources. Reliance has reached out to over 14.5 million people and empowered 50,600+ villages across India through various initiatives under the Rural Transformation Programme.

During FY 2021-22, over 121 lakh m<sup>3</sup> of water harvesting capacity was created through the construction or upgradation of facilities such as earthen or masonry dams and check dams, agricultural ponds and open wells. As a result, over 5,600 hectares of land is estimated to get guaranteed irrigation for at least two agricultural seasons. Consequently, 364 villages now have better access to drinking water.



### Improving Livelihoods through Farmer Producer Organisations (FPOs)

Reliance Foundation has undertaken various initiatives to support, promote, nurture, and incubate FPOs across the country. The Company also assists these farmers in developing and strengthening market links to enhance their incomes by enabling them to form FPOs through the Foundation. To date, Reliance Foundation is engaged intensively with over 100 FPOs. Around 63% of FPO members reported an incremental

Furthermore, Reliance is augmenting rural households' nutritious intake by promoting Reliance Nutrition Gardens (RNG), which are modest kitchen or backyard gardens.

Reliance aims to augment the lives of farmers, fishermen and women, livestock owners, and rural youth across the country by delivering critical information, thereby protecting livelihoods. Initiatives such as interactive awareness, broadcast dissemination services, and troubleshooting programmes assist the rural population living in hinterlands to stay informed. The initiative engages with over 1,000 knowledge partners, including research institutes, universities, specialist technical agencies, and grassroots organisations. Understandable and straightforward information in vernacular languages is circulated using numerous digital platforms such as voice messages, WhatsApp, Jiochat, and audio-video conferencing.

annual income of ₹40,000 or more in the last year due to their association with the Foundation. These FPOs have a combined annual revenue of more than ₹114 crore. Business activities and promotion of FPOs in respective locations have increased the source of income and have improved the economic situation of farmers by giving them better bargaining power, reducing the cost of production, and providing linkages.

IMPACT  
ASSESSMENT

## Reliance Foundation's Impact Assessment for Water Interventions

Reliance Foundation's flagship programme of Bharat India Jodo (BIJ) has worked on water interventions for the past ten years. This initiative works with communities affected by variable rainfall, repeated droughts, dependency on rainfed agriculture, severe soil degradation, migration for manual work, lack of basic facilities and uncertain earnings. BIJ's initiatives are broadly based on four aspects: organising and capacitating the community, participatory budgeting, collaboration with Gram Panchayats and the Government for synergies and building community capacities for water resources, including critical support for water harvesting and management.

The capacities created through these activities have resulted in improved water availability for agriculture and household needs. Based on a study conducted, the

programme has demonstrated impact and contribution to the holistic development of the villages in the following ways:

### **For 89% of the farmers**

Rain was no longer a primary source for irrigation

### **79% of the farmers**

Reported an increase in area under assured irrigation in the last five years

### **54% of the farmers**

Adopted efficient irrigation techniques

### **85% of the farmers**

Could crop their fields two or more times a year

### **More than 50% of the farmers**

Cultivate three or more types of crops annually

### **89% intervention village residents**

Have the primary source of water within 200m from their house

### **75% intervention village residents**

Reported reduction in the inconvenience caused to women in fetching water

CASE  
STUDY

## Women Connect India Challenge

Reliance Foundation announced the Women Connect Challenge, a global call for solutions to improve women's participation in everyday life by meaningfully changing how they access and use technology. Ten organisations across India were chosen as grantees for the Women-Connect Challenge India, established by the Reliance Foundation and the United States Agency for International Development (USAID). The organisation's solutions encouraged women farmers, entrepreneurs, and members of Self-Help Groups to solve social and cultural hurdles and bridge the gender digital gap. These initiatives to bridge the gender digital divide and boost women's economic empowerment through technology will benefit over 3,00,000 women and girls across 17 states.

CASE  
STUDY

## Towards Water Security through Shramdaan

Although the region of Uttarkashi, Uttarakhand receives ample rain during monsoons, lack of proper storage and irrigation left the Kharwan village often high and dry during summers. Reliance Foundation engaged with the Gram Panchayat to mobilise the community to come together to build an irrigation canal to ensure a more consistent supply of water. Smt. Jagdamba Devi,

Sarpanch and 30 women and youth volunteers from the village worked relentlessly for 28 days to reconstruct the 1.5 km long irrigation canal through shramdaan to address water scarcity between May and June 2021. This inspiring display of community participation has ensured ease of irrigation, benefiting 85 households in the village.



# SOCIAL AND RELATIONSHIP CAPITAL

### Sports for Development

The 'Sports for Development' programme promotes sports activities to achieve critical outcomes such as learning and developing leadership skills and improving health and empowerment among children and youth in India. An integrated set of interventions under this programme offers aspiring athletes in India a strong and free resource to develop their skills and abilities in various sports.

#### Enabling Youth through Sports: RFYS-AIFC Workshops Aid Nagaland, Arunachal and JK Football Coaches

In conjunction with the Association of Indian Football Coaches (AIFC), Reliance Foundation Youth Sports (RFYS) organised a three-day course for 33 coaches from Nagaland and Arunachal Pradesh. Tangbao Singto, Technical Director and Assistant Coach of Indian Super League (ISL) team Hyderabad FC, well-known in Indian football circles, helped organise the event. Another such workshop was organised for 35 Jammu and Kashmir coaches assisted by the former Indian football player, Mehrajuddin Wadoo and former Indian national youth team coach, Sajid Dar. The camps educated participants on topics such as acceptable behaviour, effective communication, player scouting, and safeguarding youngsters from all types of abuse.

### Disaster Response

Natural catastrophes wreak havoc on human lives, livelihoods, and intensity wherever they strike. The impact is amplified in developing countries such as India, with inherent socio-economic inequities. Reliance Foundation aims to ease the suffering of those affected by such events.

The Foundation adopts a two-pronged approach to respond to natural disasters. The programme provides early warning and advisory services to build community preparedness and ensures speedy response post disaster. Reliance Foundation strives to respond quickly to disasters by interacting directly with affected communities by leveraging its strengths – human resources and information technology.

Through Reliance Foundation, the Company extended support to communities impacted by cyclones -Tauktae, Yaas, Jawad- and flood-affected communities in the states of Gujarat, Maharashtra, Goa, Rajasthan, Karnataka, Uttar Pradesh, West Bengal, Odisha, and Kerala by distributing dry ration kits, livestock shelters during FY 2021-22. The activities were organised in collaboration with government agencies such as INCOIS, IMD, agriculture, animal husbandry, fisheries, and Jio and RRVL. Reliance also mobilised its trained disaster response volunteers to respond to the community's needs swiftly and effectively. Reliance's disaster response was given ISO Certification 9001:2015.



CASE STUDY

### Reliance Foundation Information Systems: A lifeline for many in good times and bad

When the Tauktae cyclone was approaching, Sh. Vasrambhai Solanki, a fisherman and President of Bhidiya Koli Samaj Boat Association, received forecasts through the voice message service and the RFIS. He was a member of the WhatsApp group of the Veraval Fish Landing centre and had participated in various marine fisheries related field programmes conducted by RFIS. Based on the forewarnings, the Association advised its members not to take their boats into the sea during this time. They also recalled boats from the ocean saving precious lives and livelihoods. Further, the warnings helped the community to move their boats and other equipment to a safer place, preventing further damage.



## Education and Skill Development: Bridging the Literacy Divide

Reliance Foundation believes in quality education for all, irrespective of their financial, geographical, and cultural challenges. To achieve its mission of providing education to children across the nation, Reliance delivers quality education to 15,000+ children annually through 14 Reliance Foundation Schools, including Dhirubhai Ambani International School, to fulfil its mission of educating children across India; 9,395 online courses and 12,903 webinars have been

completed by around 754 teachers and 126 non-teaching staff of 13 Reliance Foundation Schools on technology platforms.

With the goal of empowering India's brightest youth with the potential to lead India's technologically driven growth, the Reliance Foundation Scholarships were awarded to 76 students in August 2021, to full-time undergraduate and postgraduate students of Artificial Intelligence (AI) and Computer Sciences. This year the scholarships will be awarded to 100 students of AI, Computer Sciences, Mathematics and Computing and Electrical / Electronic Engineering.



## Empowering through Education

The CSR initiatives across Shahdol CBM, Dahej Manufacturing Division and Model Economic Township Limited (METL) are focused on active engagement with the students in local schools and colleges. One notable activity is to assist students in appearing for entrance examinations of prestigious schools such as Navodaya and Sainik schools. The projects helped children keep up with studies through remedial classes run by volunteers in their villages during the lockdown.

Reliance's CSR team at Nagothane launched the Lakshya initiative to support students who cannot afford private coaching classes. The Lakshya initiative, started in 2015, prepares students from surrounding villages for competitive exams for securing jobs in services like the Police, Army, Navy, Railway, SSC, and Banking. It includes on-ground

training provided by subject matter experts like security personnel, Reliance Foundation school teachers, counsellors and others. The preparatory platform trains students free of cost. The CSR team also aims to address the inferiority complex among rural students. They work with them to build their self-confidence and help shape their careers. The team provides required guidance and encouragement to students to prepare them for jobs that can provide them with security, respect, and social standing in their communities.

To date, 114 students have enrolled in the training programme, of which 21 students (23.94%) have qualified for the competitive examinations conducted by the Government, with female candidates outnumbering the male candidates.



## Sri Singh makes her mother proud

Sri Singh from Lalpur village in Shahdol, Madhya Pradesh, lost her father at a young age. Since then, the three family members, her mother, elder sister, and Sri, have tried extremely hard to make ends meet. Her mother, an educated lady, took it upon herself to earn for the family by tutoring local students. She wished to give her daughters a good education so that they could come out of this devastating situation and end their financial struggles.

Reliance Foundation stood firmly by their family. Her mother, Shipra, works as a Shiksha Mitra with the Foundation and prepares children for school entrance exams. Sri's elder sister secured admission in a Navodaya school and thereafter qualified for several higher education opportunities. She is presently pursuing a nursing course.

Both the daughters have earnestly worked and studied hard to end their mother's struggles and help her lead a comfortable life. Sri secured admission last year in Class 7 in the Beohari Navodaya Vidyalaya. Shipra's dream of giving her daughters a quality education has been fulfilled. Sri and her sister are shining examples in their village. Today, they are motivating other students in the village to follow their example.



## SOCIAL AND RELATIONSHIP CAPITAL

### Reviving and Nurturing India's Art, Culture and Heritage

India is a land of diverse cultures. Reliance through the Foundation endeavours to ensure that the youth appreciate and connect with the country's rich heritage and arts. Reliance Foundation defines ways to protect and promote India's priceless heritage to sustain and make art and culture relevant to the younger generation. This rich art and cultural ethos runs across all of Reliance's businesses.

Reliance collaborated with pioneering designer Ritu Kumar and Reliance Retail Ventures Limited (RRVL) to charter a new, untried interpretation of India's crafts and textiles. It took the country's vibrant and diverse culture beyond existing ideas in couture and fashion. This was a novel step to preserve, nurture and celebrate India's art and textiles heritage.

### Employee Volunteering & Social Change

Volunteering is a significant enabler to express and share gratitude, essential for developing resilience in challenging times. At Reliance, volunteering has been a key lever for giving back to the communities. Reliance Foundation continued with the virtual mode of volunteering due to the pandemic. In FY 2021-22, volunteering was expanded to newer areas of engagement to address present and future challenges. The programmes were crafted and implemented to focus on harnessing skills of the immense people resources and their expertise available within the organisation. The objective of these programmes has been the holistic development of beneficiaries while concentrating on thematic areas of education and capacity building of social organisations. These programmes are congruent with the goals of Reliance Group of Industries and the UN SDGs.

Reliance Foundation continued to work extensively with two major beneficiary groups – children and youth. During FY 2021-22, the employee volunteering activities focused on building the capacities of staff members of social development organisations across India. The highlights of the year are as follows:

- This was the third consecutive year for the Month of Good Deeds, which encourages employees and their families to give back to the community by volunteering their time and skills. These sessions reached more than 4,400 children, youth, and NGOs from cities like Giridh and Koderma (Jharkhand), Rourkela, Rajpura, Alibaug and several metros.
- Employees and their families from Jio Digital organised 30 virtual sessions on art and language skills in the second edition of the Jio Digital Monsoon Camp for more than 5,300 children from Jammu, Srinagar, Latur, Tuticorin, Erode and others.
- Volunteers from the Learning and Development team from the Hydrocarbons and Retail divisions located across metros and Nagapattinam, Shillong, Warangal, Begusarai trained 1,000 staff members from NGOs on advanced excel, report writing, stakeholder management etc.
- Virtual sessions on raising awareness on plastic and waste segregation were conducted by expert volunteers in partnership with the Indian Centre for Plastics in the Environment (ICPE). Over 3,800 children attended the sessions, including students from Reliance Foundation schools.

Nearly 21,000 lives have been touched due to the invaluable contribution of Reliance employees and their family members in FY 2021-22.

### Sustainable Supply Chain Management

Reliance takes pride in diversified portfolio of businesses spread across Oil and Gas (O2C, E&P), Retail and Digital. The Company relies heavily on its excellence in supply chain management aided by efficient and robust systems and processes to run seamless operations and efficiently manage its vast pool of suppliers and partners.

### Managing a Vibrant Supplier Network

To effectively deliver high-quality projects with stringent timelines, managing a substantial number of suppliers located across the globe is key to any company's success. Reliance ensures regular interface and interactions with its partners and vendors across various levels to address this need. All procurement and Contracting (P&C) activities for Exploration and Production (E&P) Division are primarily governed by contracts signed with the Government of India. E&P Project Development and Operations require highly specialised technical goods and services. Reliance is one of the very few vendors in the world that can cater to these technological and expertise requirements at exceedingly high precision and satisfactory levels.

Through its sustained investment in mega projects and operations, Reliance has contributed to developing India's chemicals and engineering supplier base. Supporting and encouraging its suppliers to indigenise, expand their capabilities and increase their economic value has always been the focus of the Company. Reliance has procured goods and services worth more than ₹23,800 crore from indigenous suppliers in FY 2021-22. The Company ensures a high quality of service by



working with its contractors to ensure that their employees are competent, and that work is carried out in a safe environment complying with statutory requirements. Some of these initiatives include :

- Standardisation of PPEs for contract workers
- Fair & transparent practices for statutory compliance
- Contractor performance evaluation including Safety and Environment Performance
- Trade & Safety test for all contract workers
- Focus on safety practices and records during new contractor registration
- Weekly visit of safety ambassadors to plants for improvement of contract worker safety
- Training for field personnel on safe handling of hazardous chemicals

Reliance also ensured that COVID-19 vaccinations were made available for the Company's suppliers and their employees.

## Sustainable Supply Chain Processes and Supplier Engagement

Reliance has developed systems and processes with years of expertise and experience to build and manage a sustainable and effective supply chain. Ongoing collaborations and partnerships have helped the Company maintain a long-term productive relationship with suppliers.

The sustainable sourcing ethos of Reliance focuses on eight parameters



### Green packaging



### Environment protection



### Make in India & developing India's engineering talent



### Supplier collaboration



### Digital enabling interaction with suppliers



### Contract worker care



### Community support



### Regeneration/Safe disposal

Green packaging involves using recycled plastic or PET flakes, recycling plastic / wooden pallets used for domestic market, and optimising bag specifications to reduce material usage and palletisation to ensure safe handling and faster turnaround. The packaging design approach is based on the core principles of a sustainable circular economy of reduce, reuse, and recycle.

Environment protection is ensured by the co-development of environmentally conscious and safe products with suppliers, like the development of Silicon spray using environment-friendly solvents during FY 2021-22. The Company also

focused on reducing paper use and its physical transfer through end-to-end digital 'Procurement to Pay Cycle' processes and preference for digital invoices over paper invoices. Reliance received over 90% of the invoices from suppliers in digital format. The procurement decisions are also based on the energy efficiency of the products.

Reliance encouraged the development of India's engineering talent by replacing imported RE13 Spin Finish oil for PFY with indigenously developed Spin finish oil components developed in the Company's technical laboratories. Reliance uses Vendor Managed Inventory (VMI) for select categories, long-term agreements with packaging suppliers, and conducts joint programmes with vendors and reduce system costs to ensure sustainable supplier collaborations.

Reliance has developed a query management system for supplier queries, vendor self-service facility for transaction-related queries, development of P&C helpdesk and 'Chatbot' for online, real-time feedback to suppliers. The Company has shown care towards its contract workers with multiple safety performance evaluations and defining PPE norms by work type. It ensures 100% compliance to the laws and regulations, including verification of contract worker wages payment.

Reliance extends support to the local community by encouraging its suppliers to source talent from 'near plant' communities. The Company is conscious about the regeneration and safe disposal of its waste. The total sale of e-waste including used oil and batteries, catalyst and plastic waste to the vendors is authorised by the Central and State Pollution Control Boards (CPCB/SPCB) for efficient and environmentally friendly recycling and disposal of that waste. Waste materials like wood, paper, metal, etc., are also recovered or recycled.



# SOCIAL AND RELATIONSHIP CAPITAL

### Transparent and Robust Process for Identification and Evaluation of Suppliers

Reliance follows an in-depth and robust evaluation process for its suppliers that involves sending out a global notice inviting Expression of Interest (EOI) that publishes the requirements of all major goods and services. The EOIs received are then evaluated based on parameters such as technical competence, past experiences, HSE performance, quality system and financial strength for shortlisting bidders in response to the issuance of Request for Proposal.

The Supplier Code of Conduct, developed by Reliance, forms the basis of the Company's relationship with its suppliers. Reliance's belief that its suppliers need to comply with Labour and Human rights, Health and Safety, Environmental Protection, Ethical Conduct, Business Integrity and Confidentiality Laws and Standards is reflected in its Supplier Code of Conduct. The Company facilitates a range of measures to comply with the prevalent Anti-Money Laundering, Anti-Bribery and Prevention of Corruption Act and the Supplier Code of Conduct. The compliance function and Ethics and Compliance Task Force (ECTF) have built a strong capability to undertake regulatory compliance checks, counterparty checks, real-time screening of any suspicious internal transactions, and investigations of reported incidents to curb any unlawful behaviour by its suppliers.

All suppliers are compliant with the Reliance Group Business Partner Code of Conduct (BPCOC). Reliance strictly adheres to all the procurement processes for the contracts signed with the Government of India.

Third-party vendors are identified and evaluated based on their track record and capability of meeting the Company standards. Reliance is moving towards a per-piece/per-pallet based contract from the cost-plus contracts to enable a significant cost advantage. The operational performance of these vendors, once onboarded, are continuously measured and monitored against defined parameters, and corrective actions demanded where necessary.

Supplier engagement is an overly critical factor for Reliance, and the same is ensured during the procurement process through regular meetings / communication. Suppliers and Reliance work as Partners to achieve the laid down objectives of the Company.

### Nurturing Digital Ecosystems

#### JioGenNext

JioGenNext began with the leadership's vision of encouraging startups. They saw early on that startups would increasingly become a major powerhouse of talent, technology, and creativity for the country. JioGenNext has been essential in catalysing the Indian entrepreneurial ecosystem and enabling various businesses to attain scale by launching them

in the Reliance ecosystem since its debut in 2014. Startup Reseau recognised it at the NEXTT Summit 2021 as one of the top five corporate innovation and corporate venture capital programmes in India. It has conducted more than 16 cohorts supporting 170 startups who have collectively raised over ₹2,600 crore in early-stage venture capital.

In FY 2021-22, JioGenNext announced its Market Access Programme (MAP '21) with 11 high-potential businesses. MAP focuses on two areas of advice and opportunity for startups:

1. Reliance / Jio access: To connect founders in the Reliance / Jio ecosystem. Create and accelerate interactions between startups and internal stakeholders to identify partnerships and possibilities that can help them expand quickly. It's a one of a kind 'customer-as-mentor' approach.
2. Business Mentorship: To assist businesses on product innovation, go-to-market strategy, recruiting, marketing, funding, and product-market fit, all of which are related to a startup's overall business success. The programme is tailored to each startup's specific needs and goals.

MAP currently operates on an annual cohort model, with entrepreneurs being accepted on a rolling basis throughout the year. JioGenNext intends to use MAP to increase its value addition to entrepreneurs and develop win-win collaborations in the startup ecosystem.



## Customer Satisfaction

For Reliance, customers are the key to a sustainable future. Winning their trust drives the Company to surpass consumer expectations continuously. Across all its businesses, Reliance aims to offer customers a diverse selection of options, an exceptional value proposition, high standards of quality, and an unrivalled experience. The Company continued to provide its millions of customers with high-quality service across all business verticals throughout the challenges of the COVID-19 pandemic and beyond.

### Customer Satisfaction Surveys

Understanding consumer demands and responding to market realities are critical to the success of Reliance's businesses. Reliance engages customers through various channels to understand their needs and obtain crucial insights into their requirements, interests, and preferences. The Company is always agile and aware of the changing market environment, which allows it to build services that are market-driven.

Reliance's customer engagement initiatives include direct feedback through one-on-one meetings/visits, calls to dedicated operation desk lines, surveys and meets that are arranged regularly. This allows effective customer contact, ensuring compliance with corporate norms and standards, identifying process improvement opportunities, and providing solutions to any unique concerns encountered by the customer.



Reliance Jewels conducts 'Mystery Audits' to measure customer satisfaction. This includes audits on critical parameters that contribute to the overall customer experience, such as cover employee appearance, ease of store navigation from the customer perspective, ability of employees to recommend and pitch products and handle objections. In addition to obtaining feedback from converted customers, Reliance also collects non-converted customer feedback through an online feedback form, which helps the Company understand customer preference and satisfaction levels.

## Delivering Superior Customer Experience

Reliance is at the forefront of applying technology to automate sales processes for improved customer experience and cost and time savings. Reliance was the first to introduce a web-based sales operations system that allows customers to check their accounts around the clock. The Company continues to develop its systems and processes. As a result, it has introduced and intends to roll out additional features and flexibilities in the system to give customers easy access and convenience of operation. Reliance complies with all contractual commitments and legal and legislative requirements related to sales.

Reliance is improving the user experience across its businesses through digitisation. Measures such as collaborative planning using Client Relationship Management (CRM) systems to manage demand successfully and mobile applications for approvals, account management, and customer visits have aided in providing customers with service excellence.

As of March 31, 2022, RIL received 1,191 customer complaints, of which 1,125 were successfully resolved. Subsequently, most of the remaining complaints have been resolved.



# SOCIAL AND RELATIONSHIP CAPITAL



CASE  
STUDY

## Redefining customer centricity at Reliance Retail

Reliance Retail reorganised its customer service Standard Operating Process (SOP) across functions and formats to deliver an enhanced customer experience at the store and online. The focus is to simplify systems and processes, and train and empower people to deliver a faster resolution to customers. Human resources and scheduling restructuring for its Customer Action Centre have helped the Company respond to calls and emails from customers. The abandoned call percentage was always kept at less than one per cent, and no pendency to customers reaching out on email and social channels. Reliance Retail created a specialised team whose primary responsibility is to track orders placed online by customers and communicate with them to ensure that they are delivered and installed as efficiently as possible. The Company launched a Remote Technical Support (RTS) desk that

eliminates the need for repair engineers to travel to customer locations. Troubleshooting is done over the phone with videos and images, providing customers quick resolution to technical issues. RTS also helped pull off faster replacements, which reduced complaints by 20%. The Company empowered customers with various self-service initiatives including deploying cancellation feature on the app. It reduced complaints related to cancellations and refunds by 15%. As a result of supply bottlenecks during the year, imported spares were not readily available, adversely impacting repair service levels. Reliance Retail improved the repair Service Level Agreements (SLA) to 82% closure within three days and 94% closure within seven days by working closely with brands to prioritise ResQ customer repairs, increasing spares inventory levels and enabling quick supply to service centres.



CASE  
STUDY

## Elevating Customer Experience at Reliance Fashion and Lifestyle

To enhance customer experience at Reliance Fashion & Lifestyle offline outlets, the Company launched various targeted initiatives. It launched Project CASH at Reliance Trends stores. The project focused on rigorous store team capability building and assessment for a consistent brand experience, improved product options, coordinated visibility to aid customer decision-making and upgraded the cashiering process to smoothen the point-of-sale experience. The aim was to ensure that each client was well-served. The results were reflected in an improved Net Promoter Score (NPS) of 21% absolute for Trends Small-town and 12% absolute for Trends, with a 63% increase in NPS feedback response rate.

Within the online store, an improvement in NPS of 7% was achieved through the launch of several customer focused initiatives and process improvements, such as aggressive promised delivery dates and adherence to the same, supply chain speed improvements across order journey by an average of one day, improved refund speed with 99% returns getting repaid at the door. To further enhance customer service on the platform, the Company has focused on reducing queue waiting time and increasing first-time solution percentage, improving NPS of customer interactions.





## Netmeds: Standing by customers through COVID-19

Netmeds is an online pharmacy digital commerce platform managed and operated by Reliance Retail. Netmeds spread COVID-19 awareness through its app and through awareness camps at many Netmeds stores. Netmeds also created a new COVID-19 essentials category, with a wide assortment of products, in the app for customers to place orders easily. The Fulfillment Centre team went beyond its call of duty to deliver essential products to customers in times of crisis and fear when courier partners were not available to make the deliveries. Customers wholeheartedly appreciated this act of humanity and kindness, as evident through their testimonials. Netmeds has ensured exceptional customer delight led by its B2B sales force team that personally delivered medicines to pharmacies on multiple occasions, enabling timely availability to customers. Netmeds also supported its group companies by on-time delivery of Remdesivir, PPE kits and other COVID related medicines.

### Data Privacy and Security

Reliance places tremendous importance on security and privacy in each of its businesses. Within Jio's privacy and security programme, the focus is on three essential aspects: embedding security in design, effective governance, and allowing organisation-wide security awareness. A highly efficient governance architecture with optimised processes ensures asset protection, customer data privacy, and fewer security breaches.

## Way Forward

Reliance continues its efforts to build a more inclusive India. The Company works closely with communities and collaborates with various organisations and business groups with shared values to empower and enable those most in need. Powered by its talented and committed team, the Company has successfully established replicable and scalable development models to transform many more lives across the country.

Reliance's success is underpinned by its forward-looking strategies. Its robust business model is ever ready to adapt and evolve to embrace change and realise the potential of emerging opportunities. The Company's support for the most marginalised communities strengthens its commitment to help achieve the United Nations Sustainable Development Goals (UN SDGs). It remains invested in understanding and responding to the changing needs of its customers and has built deep-rooted relationships with them. Customers continue to be at the core of Reliance's future growth trajectory.

To strengthen the Indian entrepreneurial ecosystem, the Company will expand its efforts to empower budding entrepreneurs through JioGenNext. It has nurtured a responsive partner network that remains the force behind its steady growth in every addressable market. The Company will further enhance its supply chain management systems and processes, banking on decades of expertise and experience. Reliance will boost its supplier base to include many more small and medium-sized businesses from the local communities.

The Company has successfully navigated macroeconomic headwinds and other obstacles throughout the year to create long-term value for all stakeholders. Reliance stays firm in its resolution to build a stronger nation by enabling lives and livelihoods through outcome-oriented social change endeavours led by its philosophy of 'We Care' and duty of 'Seva' or 'Service' to all.



# Independent Assurance Statement to Reliance Industries Limited on their Sustainability Disclosures in the Integrated Annual Report for Financial Year 2021-22

To the Management of Reliance Industries Limited, 3<sup>rd</sup> Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400021, Maharashtra, India.

## Introduction

We, KPMG Assurance and Consulting Services LLP ('KPMG'), have been engaged for the purpose of providing assurance on the selected sustainability disclosures presented in the Integrated Annual Report ('the Report') of Reliance Industries Limited ('RIL' or 'the Company') for FY 2021-22. Our responsibility was to provide assurance on the selected aspects of the Report as described under 'boundary, scope and limitations' below.

## Reporting Criteria

RIL has developed its report based on the applicable accounting standards and has incorporated the principles of the International Integrated Reporting Framework ('IIR') published by the International Integrated Reporting Council (IIRC), into the Management Discussion and Analysis section of the Report.

The Company's sustainability performance reporting criteria has been derived from the GRI Standards of the Global Reporting Initiative, United Nation's Sustainable Development Goals (UN SDGs), the American Petroleum Institute / The International Petroleum Industry Environmental Conservation Association's (API/IPIECA) Sustainability Reporting Guidelines, and the Business Responsibility Reporting (BRR) framework of the Securities and Exchange Board of India (SEBI).

RIL has also referred to new and emerging frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD), and the WEF-IBC metrics.

## Assurance Standards

We conducted the assurance in accordance with:

- The requirements of the International Federation of Accountants' (IFAC) International Standard on Assurance Engagements (ISAE) 3000 (Revised)

Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

- Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
- Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.
- Reasonable assurance is a high level of assurance, but it is not a guarantee that it will always detect a material misstatement when it exists.

## Boundary, Scope, and Limitations

- The boundary of our assurance covers the sustainability performance of RIL's manufacturing divisions, refineries, exploration and production in India; business divisions such as chemicals, fibre intermediates, petroleum, polyester, polymers, Recron and RP Chemicals units in Malaysia, petro-retail division facilities under Reliance BP Mobility Limited (RBML), terminal operations, LPG, Reliance Jio Infocomm Limited (RJIL), Reliance Retail Ventures Limited (RRVL), and corporate office at Reliance Corporate Park, Navi Mumbai.
- The reporting period for all the above business units except Recron and RP Chemicals, Malaysia was from 01 April 2021 to 31 March 2022. The reporting period for Recron and RP Chemicals, Malaysia was from 01 January 2021 to 31 December 2021.
- The scope of reasonable assurance included total number of employees, new employee hires, diversity of governance bodies and employees, parental leave and total manhours of training for Reliance group. The sustainability performance data for RIL covered under reasonable assurance were total energy consumption, reduction in energy consumption, renewable energy generated, direct (scope 1) GHG emissions and energy indirect (scope 2) GHG emissions,

quantity of flared and vented hydrocarbons, emissions of total particulate matter, oxides of nitrogen, oxides of sulphur, and volatile organic compounds (VOC), water withdrawal, waste water discharged, water recycled, hazardous and non-hazardous waste disposed, and the number of injuries, fatalities and Lost Time Injury Frequency Rate (LTIFR).

- Additionally, the data subjected to limited assurance for RIL included, markets served, mechanisms for advice and concerns about ethics, governance structure and chair of the highest governance body. For Reliance Jio Infocomm Limited (RJIL), the sustainability performance data covered under limited assurance were total energy consumption, renewable energy consumption, direct (scope 1) GHG emissions, energy indirect (scope 2) GHG emissions and other indirect (scope 3) GHG emissions (limited to business travel, upstream leased assets, upstream transportation and distribution, capital goods, purchased goods and services, fuel and electricity and waste disposal), hazardous and non-hazardous waste disposed, number of injuries, fatalities and Lost Time Injury Frequency Rate (LTIFR). For Reliance Retail Ventures Limited (RRVL), the data on number of injuries, fatalities and Lost Time Injury Frequency Rate (LTIFR), were covered under limited assurance. For Recron Malaysia and RP Chemicals Malaysia, the performance data namely total energy consumption, direct (scope 1) GHG emissions, energy indirect (scope 2) GHG emissions, emissions of total particulate matter, oxides of nitrogen, oxides of sulphur, water withdrawal, wastewater discharged, water recycled, hazardous and non-hazardous waste disposed, number of injuries, fatalities and LTIFR were covered under limited assurance.

The assurance scope excludes:

- Aspects of the report other than those mentioned above;
- Data and information outside the defined reporting period;
- Strategy, regulatory compliances and other related linkages expressed in the Report;

- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and assertions related to intellectual property rights and other competitive issues.

## Assurance Procedures

Our assurance process involved performing procedures to obtain evidence about the reliability of specified performance data. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability performance data whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances. Our assurance procedures also included:

- Assessment of RIL's reporting procedures regarding their consistency with the application of the GRI Standards.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability performance presented in the Report.
- Verification of systems and procedures used for quantification, collation, and analysis of sustainability performance data included in the Report.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by RIL for data analysis.
- Discussions with the personnel at the corporate and business unit level responsible for the performance data presented in the Report.
- Discussion on sustainability aspects with senior executives at the different plant locations and at the corporate office to understand the risks and opportunities from sustainability context and the strategy RIL is following.
- Assessment of data reliability and accuracy.
- For the data and information related to RIL's financial performance, we have relied on its audited financial statements for the FY 2021-22.
- Review of the Company's Business Responsibility Report section to check

alignment with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE)

- Verification of performance data through virtual conference meetings with manufacturing units at Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar DTA, Jamnagar SEZ, Jamnagar C2 complex, Jamnagar Pet Coke Gasification unit, Nagothane, Naroda, Patalganga, Silvassa, Vadodara; Recron Malaysia facilities at Nilai and Melaka; RP Chemicals Malaysia; Petro-retail division facilities under RBML, Terminal Operations and LPG; On-shore and Off-shore exploration and production facilities at Gadimoga and Shahdol; Reliance Jio Infocomm Limited; Reliance Retail Ventures Limited; and Corporate office at Reliance Corporate Park, Navi Mumbai.

Appropriate documentary evidence was reviewed to support our conclusions on the information and data verified. Where such documentary evidence could not be shared with us due to sensitive nature of the information, our team verified the same during the site interactions using screen sharing tools.

## Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 (Revised) standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

## Responsibilities

RIL is responsible for developing the Report contents. RIL is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems, and derivation of performance data reported. This statement is made solely to the Management of RIL in accordance with the terms of our engagement and as per scope of assurance.

Our work has been undertaken so that we might state to RIL those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RIL for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

## Conclusions

Based on our assurance procedures and in line with the boundary, scope and limitations, we conclude that, for the selected performance data subjected to limited assurance procedures as defined under the scope of assurance, nothing has come to our attention that causes us not to believe that these are appropriately stated in all material respects, in line with the reporting principles of the GRI Standards. The sustainability performance data that have been subjected to reasonable assurance procedures as defined under the scope of assurance, are fairly stated in all material respects and are in alignment with the GRI standards.

**Anand S. Kulkarni**

Technical Director  
KPMG Assurance and Consulting Services LLP

19 July 2022