

## STAKEHOLDER ENGAGEMENT

# Building Value through Meaningful Stakeholder Engagement

*Stakeholder engagement is one of our core pillars of success and forms a crucial part of our growth strategy. Multiple modes of engagement allow us to maintain continuous dialogues with our stakeholders and gain valuable insights into their perspectives, needs and expectations. Guided by our stakeholder engagement policy, we adopt an open and transparent approach, building trust, enabling strategic alignment and supporting long-term value creation.*



## STAKEHOLDER GROUPS

Those who have an influence on our business or are directly or indirectly impacted by our business activities constitute our stakeholder groups. At Deepak, we have identified six stakeholder groups, namely:



Customers



Investors



Employees



Suppliers



Communities



Government &  
Regulatory Bodies



## STAKEHOLDER ENGAGEMENT: PURPOSE

Some of the many reasons why we engage with our stakeholders are:

- Building trust and forging long-term relationships with our stakeholders by demonstrating responsible corporate citizenship and social accountability
- Understanding the needs and perspectives of our stakeholders and realigning our strategies and key priorities
- Strengthening our reputation and brand equity by cultivating trust, transparency and accountability
- Gathering customer feedback and leveraging their insights to improve quality, enhance product performance and drive process improvement
- Gaining outside perspective and valuable knowledge through some of our marquee customers, large investors, suppliers and regulators
- Identifying and mitigating potential risks
- Keeping abreast on emerging market trends and leveraging growth opportunities
- Staying updated on the latest industry and regulatory developments
- Understanding the needs, concerns and expectations of our employees and addressing them timely and effectively
- Aligning our talent pool and enabling the development of relevant skills to support employee growth
- Assessing the impact of our operations and sustainability initiatives on the environment and societies and collaborating with communities to find solutions driving positive impact



## CUSTOMERS

### Mode of Engagement

- Phone calls
- Email communication
- Face-to-face meetings
- Virtual meetings

### Stakeholder Expectations / Desired Outcomes

- Proactive response to customer needs and technical enquiries
- Improving product quality and affordability to enhance value proposition
- Ensure reliable and consistent supply
- Implementing a robust and effective grievance mechanism

### DNL's response

- Maintaining regular communication and collaboration to address evolving needs
- Ensuring consistency in product quality
- Customization of products to fulfil specific requirements
- Meeting all contractual obligations by ensuring timely delivery of high-quality products
- Continuously expanding operations / footprints to accommodate increasing market demand

### Value Created

- Long-term relationships with customers



## INVESTORS

### Mode of Engagement

- Annual General Meeting
- Investor/analyst meetings/conferences
- Annual Report
- Quarterly earnings concalls
- Media releases
- Company website
- Dedicated investor email address
- Individual communication channels
- Through Registrar and Share
- Transfer Agent (RTA)
- Social Media

### Stakeholder Expectations / Desired Outcomes

- Long-term wealth and value creation with robust fundamentals and consistent dividend payments
- Forecast future growth by maintaining consistency in Company's operating and financial performance
- Company's financial performance is disclosed in a timely and transparent manner
- Ensure financial discipline in line with global best practices
- Maintain high governance standards and protect minority interests

### DNL's response

- Accurate information is disclosed with all stakeholders in a timely manner
- Achieving steady and sustainable performance by deploying focussed strategy for value creation
- Consistent dividend payments
- Augmenting value creation by establishing a solid foundation for consistent growth, early identification of opportunities and mitigation of external risks and uncertainties
- Upholding the highest standards of Corporate Governance
- Transparent disclosures through Integrated Report and ESG (BRSR) reporting

### Value Created

- Net Profit ₹ 697 Crores
- Market Capitalisation ₹ 27,043 Crores
- ROE 14%
- EPS ₹ 51.12
- Dividend of ₹ 7.50 per equity share



## EMPLOYEES

### Mode of Engagement

- Townhall meetings for transparent communication and updates
- Senior leadership communication sessions
- Performance review and appraisal meetings
- Employee engagement surveys to gather feedback and insights
- Performance awards and recognition
- Union meetings for open dialogue and collaboration
- Wellness initiatives promoting employee well-being
- Sports events to encourage team building and physical well-being
- Social gatherings for employees and their families to foster a sense of community
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Birthday celebrations to recognise and appreciate employees on their special day

### Stakeholder Expectations / Desired Outcomes

- Fair remuneration and timely payment
- Professional growth opportunities
- Training and development
- Work-life balance
- Mental and physical wellbeing and safety

### DNL's response

- Ensuring timely payment of salaries
- Sharp emphasis on Learning & Development
- Offering growth opportunities by setting higher internal mobility targets
- Implementing robust Health and Safety protocols
- Advocating for better Work-life balance
- Performance awards and recognition
- Organizing sports events music competition etc.
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Social gatherings for employees and their families to foster a sense of community
- Birthday celebrations to recognise and appreciate employees on their special day
- Availability of Doctors at plants
- Higher education sponsorship policy
- Green vehicle policy

### Value Created

- 1,01,372 manhours of training provided
- Highly motivated employees



## SUPPLIERS

### Mode of Engagement

- Supplier meetings
- Conferences
- Trade exhibitions
- Phone calls
- Email communications
- Virtual meetings

### Stakeholder Expectations / Desired Outcomes

- Mutually beneficial, long-term relationships
- Ensuring a transparent selection process
- Negotiations on pricing
- Timely confirmation of quantities and prices, mutually agreeing on delivery schedules and ensuring timely payments

### DNL's response

- Maintaining transparency in selection process and pricing
- Confirming order in a timely manner and providing clear delivery schedules based on demand and anticipated market prices
- Implementing reverse auction methods to enhance transparency across various SKUs
- Maintaining timely payment schedules

### Value Created

- Strong supplier base
- Seamless supply chain operations



## COMMUNITIES

### Mode of Engagement

- Engaging in regular dialogues with community through meetings, visits and interactions
- Executing CSR initiatives to encourage community involvement
- Utilising demographic surveys to obtain valuable insights and feedback from the community

### Stakeholder expectations / Desired outcomes

- Demonstrating sensitivity and actively responding to urgent community needs
- Participating in community development activities
- Implementing corporate social responsibility (CSR) initiatives to address community needs
- Undertaking initiatives for equitable and inclusive development
- Generating employment opportunities for local community members
- Ensuring compliance with health, safety and environmental performance standards

### DNL's response

- Planning and implementing need-based community development programmes
- Making a positive impact through CSR projects that prioritise healthcare, education, skill building, livelihood and women empowerment
- Conducting periodic reviews and impact analysis to assess the effectiveness of the initiatives

### Value Created

- ₹ 24.36 Crores in CSR investment in FY 2024-25
- 7,00,000+ CSR beneficiaries
- 5 States covered under CSR Projects
- 25 Districts covered under CSR Projects
- 2,000+ Villages covered under CSR Projects





## GOVERNMENT AND REGULATORY BODIES

### Mode of Engagement

- Meetings with local, state and national government officials and ministries
- Active membership in industry associations
- Assuming leadership positions to share domain knowledge and promote collaboration across the industry
- Participating in seminars, issuing media releases and attending conferences

### Stakeholder Expectations / Desired Outcomes

- Regulatory compliance
- Social development and employment generation

### DNL's response

- Ensuring timely and accurate legal compliance
- Exercising strong governance through Board of Directors possessing expertise in relevant fields
- Participating in consultations and public hearings organised by government, industry bodies, legal bodies, where possible
- Identifying and leveraging opportunities to influence development of new policies, regulations and legislations impacting our industry and the Company

### Value Created

- Offering well-informed, evidence-based constructive feedback to promote industry growth
- Keeping informed about pertinent legislations, policies and regulatory changes that may impact DNL, ensuring stringent compliance

