



# Making a **MATERIAL DIFFERENCE**

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# Making a material difference

As the largest cement and concrete manufacturer in India, we are inextricably linked to the way the future unfolds for the nation and its people. There is no way ahead without prioritising sustainability for the environment and society. That is also the only way to ensure sustainable business growth.

Close to a decade ago, we defined sustainability for ourselves as our 'ability to sustain'. This, we realised, was inseparable from our ability to create consistent value for our stakeholders –people, communities, supply chain partners, investors, shareholders, customers and other components of our value chain. We also realised that our ability to sustain was intricately associated with the way we cared for the environment from which we derive the resources that are essential for our business.

Aware of our role as an industry leader, we continually strive to make a material difference to environmental preservation by focusing on climate change, energy and water conservation, biodiversity, and natural resource substitution. We also strive to make a material difference to the lives we touch.

Our people and our communities naturally stand to gain from our improved focus. We continue to strive in providing our people a safe, enabling, empowering workplace. It is a matter of immense satisfaction that during the reporting year, we made significant headway in creating a superior employee experience and promoting new career development programmes such as Evolve. Through these programmes, we are training our people in new-age skills and technologies that they require to be a part of the workforce of tomorrow.

In fact, both innovation and technology have been prime enablers in ramping up the employee experience. The year saw us implement our AI-enabled USHA Chatbot to provide 24x7 support to our employees, and making them more aware of safety standards. We also championed their innovative zeal, encouraging them to think differently through innovative challenges.

We are equally happy to report that we redoubled our CSR efforts during the year and furthered women's empowerment through self-help groups. The SHG in Khor, Madhya Pradesh, bears testimony to the material difference we are making in the lives of our communities. With training and support provided by us, the Khor SHG is exporting exclusive carpets and jute work abroad, ringing in change in community life that could have hardly been imagined before. Through our targeted initiatives in healthcare, sanitation, skill development, education and sports promotion we continue to make huge difference to the lives of people, equipping them to become change agents themselves.

The key to our sustainable growth is our pioneering organisation-wide sustainability thinking. Each year we embrace newer goals, technologies, and ways of engaging with key stakeholders. As you turn the pages of this report, you will see how we are shifting the needle with our emphasis on sustainable construction, circularity, while conserving natural resources, minimising our carbon and water footprint, increasing our positive impact on communities, and making a material difference to the lives of our stakeholders.



### Cover Visual

As the most widely used material on earth after water, concrete is fundamental in shaping our world. And cement is the primary manufactured ingredient for making concrete. Both cement and concrete play a significant role in enabling social progress. Safe and durable structures are integral to providing better infrastructure, mobility and living spaces. In doing so, the building material sector contributes significantly towards achieving several key Sustainable Development Goals (SDGs).

The cover visual of this report brings alive the key role of cement and concrete in human life and how as a leading global building materials company, UltraTech is taking pioneering efforts to make cement and concrete more sustainable. The colour bands represent integration of the SDGs into the Company's manufacturing, products, processes and overall business strategy, which is represented by the visual of the concrete from which the colour bands emerge.

Our efforts to contribute to societal progress and mitigate environmental risks across our value chain help us make a material difference to all our stakeholders. The cover visual brings forth a key aspect of how we, as a business, are making a 'material difference'!

# Sustainability snapshot FY 2021-22

## Our commitment

### Net Zero Concrete

We are committed to the GCCA 2050 Cement and Concrete Industry Roadmap for Net Zero Concrete, and pledge to produce carbon neutral concrete by 2050.

→ 38

### RE100

Following our commitment to Climate Group's RE100 initiative, we will be targeting to meet 100% of our electricity requirement from renewable sources by 2050.

→ 40

### SBTi validated targets

Our carbon footprint reduction targets have been validated by the Science-Based Targets initiative (SBTi). We aim to reduce 27% of carbon emissions for every tonne of cementitious material by 2032 from the levels of March 2017.

→ 24

### First company to have Sustainability linked bonds

Launched sustainability linked bonds in 2020-21, the first ever such bonds in India.

→ 38

### EP100

Part of the global EP100 initiative, we are committed to double energy productivity.

→ 40

### UNEP Energy Compact

Part of the UNEP Energy Compact, committed to accelerate achievement of clean, affordable energy for all and net zero emissions by 2050.

→ 40

## Our achievements

### Circular Economy

#### 23.6 Mn Tonnes

Recycled materials used for cement production this year

→ 51

#### 1,24,070 Tonnes

Municipal solid waste used as fuel this year

→ 55

#### 5,36,776 Tonnes

Alternative fuel used as fuel this year

→ 53

### Renewable Energy

#### 436 MW

Green power capacity (WHRS + renewable energy) that contribute to 17.64% of total energy consumption.

→ 40

### Water Stewardship

#### 3.8 times water positive

We return almost four times the amount of water consumed, to the nature

→ 43

#### 11.03% recycled water

Used in our cement operations. All our plants follow zero water discharge

→ 43

#### 73+ Million m<sup>3</sup>

Water harvested, recharged, recycled and reused across our manufacturing locations in FY 2021-22

→ 43

### Waste Management

#### 2.3 times plastic positive

We burn plastic waste collected from the community in our kilns, which is more than twice the number of plastics used for packaging cement

→ 52

### Community

#### 16 states and 507 villages

Across India covered through our CSR efforts

→ 74

#### ₹103 Crore

Invested through CSR that contribute towards community development efforts.

→ 74

#### 1.6 Million people

Benefited through our community development programmes.

→ 73

#### 28,045 Farmers

Trained on Integrated farming methods, crop production and agronomic measures, alternative cash crops and taken on exposure visits.

→ 79

#### 700 Youth

Covered under Skill development programmes.

→ 79

### Gender Diversity

#### 840 SHGs

Were partnered, empowering 8000+ households economically and socially across India.

→ 66

#### A women managed ready mix concrete plant

In FY 2021-22, we set up an all women managed ready mix concrete plant – the first of its kind in India. We also aim to have women in STEM roles.

### Rating

#### 16% Increase

In our S&P's Dow Jones Sustainability Index (DJSI) score; amongst top 10 companies in our sector.

#### Our CDP score 2021

**B** for Climate Change

**A-** for Water Security

### Awards

#### Won the Best Corporate HR practices Award 2021

by National HRD Network (NHRDN) Bangalore for its HR initiative 'PraGaTi'.

### Freedom of Association

#### 28.02%

of our employees are represented by an independent trade union.

## Our assessments

### Climate Change

In accordance with the guidelines of Task Force on Climate-related Financial Disclosures (TCFD), we have identified climate change transitional and physical risks and impacts on our operations

→ 41

### Life cycle assessment

Completed Life Cycle Assessment and Environment Product Declaration for our major product categories, among the few cement companies to do so

→ 25

### Biodiversity

Biodiversity assessments done for units and mines to preserve the local flora and fauna.

→ 44

## Approach to reporting

### Report content and organisation

This report is in accordance with the requirements of the Global Reporting Initiative, GRI Standard: Comprehensive. It covers our performance for the period from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. The last report was released for the period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021, maintaining an annual reporting cycle.

The report presents information organised around our priorities and key areas of interest to our stakeholders. The economic indicators presented in the report are based on the data that forms a part of UltraTech's Integrated Annual Report. As founding members of Global Cement and Concrete Association (GCCA), we are also reporting our KPIs as per their guidelines.

### Scope and boundary

The report scope and boundary cover all operations of UltraTech Cement Limited including manufacturing plants, ready-mix concrete (RMC), subsidiaries, and bulk terminals across India, Sri Lanka, and the Middle East. The ready-mix concrete (RMC) plants operated by the Company for specific customers, on their premises on a temporary basis, have not been included. More than 75% of our operations are covered under environment and social reporting. There have been no changes in the organisation and its supply chain from the previous year. There are a few restatement of data updated in the sustainability scorecard.

### Subsidiaries covered in the report

- UltraTech Nathdwara Cement Limited
- Dakshin Cements Limited
- Harish Cement Limited
- Gotan Limestone Khanij Udyog Private Limited
- Bhagwati Limestone Company Private Limited
- UltraTech Cement Lanka (Pvt.) Limited
- UltraTech Cement Middle East Investments Limited
- PT UltraTech Mining Indonesia
- PT UltraTech Investments Indonesia

### Precautionary approach

We follow a precautionary approach towards minimising our operational impact on the environment. We have implemented best-in-class technology for cement manufacturing and mining to limit our ecological footprint, and we continue to enhance our efforts towards the same. At all our plants, we have implemented Environment, Health and Safety (EHS) management systems to monitor and address any concerns.

### Independent assurance

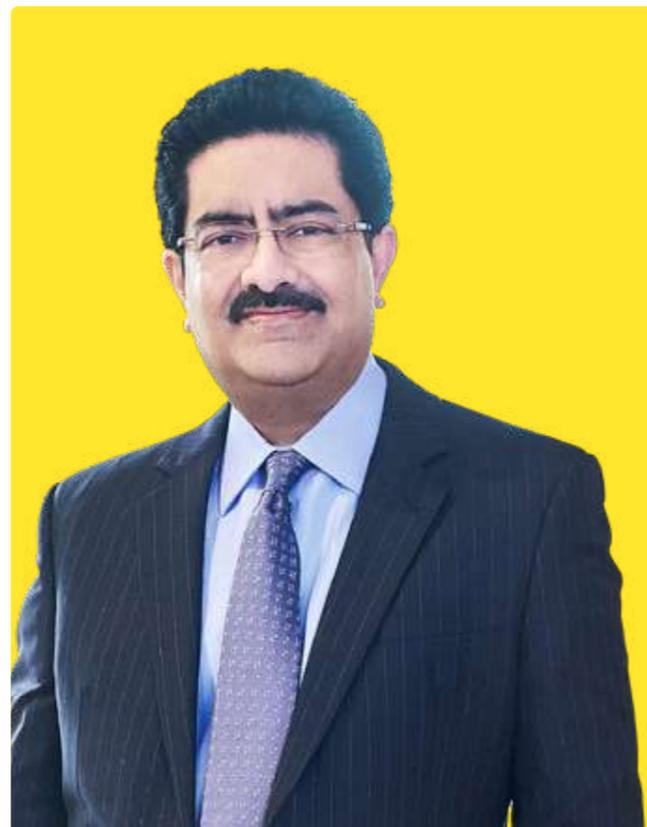
The report is assured by independent external auditor, Ernst & Young Associates LLP, following due diligence, and their assurance statement forms part of this report.

### Feedback

Your feedback, enquiries and suggestions on any aspect of our sustainability performance are welcome.

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**Website:** [www.ultratechcement.com](http://www.ultratechcement.com)

# Chairman's communiqué



We have now embarked on the ABG 'Sustain-ability Journey 2.0'. The journey focuses on the megatrends of the current decade and accelerates the mainstreaming of ESG in executive and operational decision-making. Our businesses are building ESG metrics into their business strategies and operations. Across businesses, our sustainability strategies now consider the 4 dimensions (4Ds) of sectoral uniqueness, geographies of operation, and stakeholder expectations across the value chain, and time horizon.

**Kumar Mangalam Birla,**  
Chairman, UltraTech Cement Limited

Dear Stakeholders,

The financial year gone by has once again demonstrated what collective human endeavour can achieve. Of course, the uncertainties remain with mutant viruses, the disparity of economic recovery across the world, and supply chain constraints that are yet to fade away.

The year gone by has clearly shown that we are now in the midst of the Climate Crisis! The world over, we have witnessed and with increasing frequency of adverse weather events such as cyclones, flooding, heat waves and drought. Each of these has resulted in significant economic impact and has also disrupted the ease of doing business.

Governments across the world are working towards achieving the 'below 1.5°C' global temperature target but are faced with strong headwinds. We need to drive economic growth to bring more and more people out of poverty so that they may enjoy a life of dignity, yet we need to achieve this with little or minimal impact on the planet. Businesses, given their expertise and role, are best placed to bring enabling solutions at scale to balance both social needs and environmental concerns.

## Accelerating ESGbilty. Strengthening sustainability

Little less than a decade ago, I had set an ambitious vision for the Group to become the leading Indian conglomerate in sustainable business practices across all our global operations. I am delighted to note that we have matured in our ambition and efforts in sustainability during this period.

Our focus is on 'Accelerating ESGbilty. Strengthening sustainability,' wherein we are reporting on the comprehensive measures taken and planned for the future to enhance ABG businesses' ESG quotient and ability to sustain.

We have now embarked on the ABG 'Sustain-ability Journey 2.0'. The journey focuses on the megatrends of the current decade and accelerates the mainstreaming of ESG in executive and operational decision-making. Our businesses are building ESG metrics into their business strategies and operations. Across businesses, our sustainability strategies now consider the 4 dimensions (4Ds) of sectoral uniqueness, geographies of operation, and stakeholder expectations across the value chain, and time horizon.

## Championing climate action

UltraTech, as our flagship cement business, is at the forefront of driving sustainability across the value chain of its operations. As a founding member of the Global Cement and Concrete Association (GCCA), UltraTech is committed to GCCA's 2050 Climate Ambition to deliver carbon-neutral concrete by 2050. Similarly, as a part of the Aditya Birla Group (ABG), UltraTech has fully embraced ABG's commitment to achieving net-zero carbon emissions by 2050.

UltraTech has been consistently making efforts to mitigate its carbon footprint to balance the emissions from increased production. Our decarbonisation roadmap includes adopting low-carbon technologies and processes across our value chain. This year, we committed ourselves to the GCCA 2050 Cement and Concrete Industry Roadmap for Net Zero Concrete. The roadmap also includes a sectoral commitment to cut CO<sub>2</sub> emissions by a further 25% by 2030. Our ambitious SBTi-validated GHG emission reduction targets are aligned with the sectoral goal to deliver carbon-neutral concrete to society by 2050. This year, our CO<sub>2</sub> intensity decreased by 9.1%, keeping us on course for achieving our target of 27% reduction by 2032. We have identified climate change-induced transitional and physical risks, and their impacts on UltraTech's operations, as per TCFD guidelines.

UltraTech has committed to the Climate Group's RE100 initiative. As part of this commitment, by 2050, our Company targets to meet 100% of its electricity requirement through renewables. We are investing in increasing the share of green energy at our cement plants through an optimal power mix which includes WHRS, and renewable energy such as windmill and solar power. We now have a renewable energy capacity of 269 MW, including in-house and contracted. In the last two years alone, we have scaled up our contracted renewable energy capacity by 2.5 times.

This year we also strengthened our efforts towards circularity by adopting best-in-class unique technologies for waste pre-processing. Our focus is on utilising municipal solid waste, disposal of which is a national concern. The utilisation requires extensive regulatory permissions, rigorous procedures, and practices to ensure that the health of our workforce is not compromised. We are also increasing the co-processing of industrial waste simultaneously to decrease the volume of waste going to landfills or for incineration. It is indeed a matter of pride that UltraTech was accorded the FICCI Indian Circular Economy Award, 2021.

## Future-ready

A strong set of governance policies and an experienced Board help us navigate business risks and capitalise on new opportunities. We will continue to uphold best practices and generate sustained value for our stakeholders. The effects of the second wave of the pandemic have subsided, following which, our economy has started to bounce back to normalcy, largely reinstating operations to pre-pandemic levels.

Our focus for the long run will continue to be the decarbonisation of our operations, with an emphasis on providing sustainable building solutions. This is an opportunity to enhance partnerships across the value chain and to increase our contribution to the circular economy. As an integrated building solutions company, UltraTech is well placed to navigate emerging challenges and leverage newer opportunities to sustain and thrive in the long term.

Best regards,

**Kumar Mangalam Birla**  
Chairman, UltraTech Cement Limited

# Company portrait

UltraTech Cement Limited is India's largest and the world's third largest cement manufacturing company. Our home building solutions are crafted by experts keeping in mind an individual home-builder's needs as well as that of large industrial constructions. We also provide technical support to home builders, engineers, architects and contractors. As part of the Aditya Birla Group, our growth is underpinned by the Group's Sustainability Framework. The Group has been a signatory to the United Nations Global Compact since 2003, driving thought leadership on sustainability at home and abroad.



## Vision

To be the leader in Building Solutions

## Mission

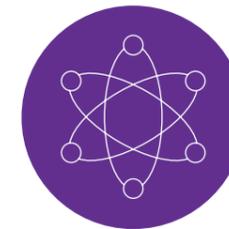
Deliver superior value to stakeholders on the four pillars of:



Sustainability



Customer Centricity



Innovation



Team Empowerment

## Our Portfolio

### Cement



- Ordinary Portland Cement
- Portland Pozzolana Cement
- UltraTech Super
- UltraTech Composite Cement
- UltraTech Weather Plus
- UltraTech Slag

### Concrete



- Ready-mix-concrete (RMC)
- Value-added concrete varieties for addressing typical application requirements

### Building Products



- Dry Mix (Plasters and Mortars, Tile Adhesives, Grouts, and more)
- Waterproofing range of products

### Building Solutions



A Range of products and solutions for use during different stages of construction life-cycle through 2,900+ stores across India

### Birla White Cement and associated products



- White cement
- Wall care putty
- White cement-based products

## Key facts

₹52,598.9 Crore

Net Revenue

₹196

Earnings Per Share (Normalised)

₹1,90,589\* Crore

Market Capitalisation

20,501

Global workforce

404

Women employees

2,900+

Outlets for UltraTech Building Solutions

650+

Warehouses

200+

Railheads in India

\*as on 31<sup>st</sup> March 2022

# Our operations

Our operations span across India, UAE, Bahrain and Sri Lanka. Our focus is on delivering high-quality products and assisting our customers in their construction needs. Our cement manufacturing capacity is 119.95 MTPA.

51  
Cement plants

175+  
RMC plants across 50+ cities

8  
Bulk Cement Terminals

5  
Jetties

2  
Wall care putty plants

GRI 102-4, 6

GRI 102-4, 6

- INTEGRATED UNIT
- GRINDING UNIT
- BULK TERMINALS
- JETTY
- WHITE CEMENT & PUTTY UNITS

## Business performance

We continue to outperform the cement industry in all ESG metrics as well as transcend our own previous benchmarks. As a market leader, we are constantly striving to transform the industry through pioneering process improvements, product innovations and sustainability initiatives. These efforts have helped us stay profitable and, at the same time, contribute towards creating a better future for all.

Although a devastating second wave of COVID-19, which led to limited lockdowns, and unseasonal rains somewhat dampened demand, cement consumption in India remains resilient on the back of strong rural demand and pick-up in infrastructure activities. The National Statistical Office estimates GDP growth at 9.2%, helped by a robust farm sector and the gradual recovery in manufacturing. The positive economic sentiment is expected to lead to an improvement in consumption. The Union Budget 2022-23 has given a major push to infrastructure, with several road, rail, ports and other projects under consideration. The length of highways is expected to double by 2025. The increased use of concrete tiles, paver blocks, together with the construction of flyovers and other structures is leading to greater cement demand. The

emphasis on affordable housing, reduced home loans leading to individual housing construction in urban areas, as well as the need to construct warehouses and data centres as a result of commercial enterprise will sustain demand in the near future.

Our increased blended realisations, premium product mix, green product portfolio, use of alternative fuel, growing geographical footprint and strengthening of our distribution network have resulted in a strong business performance.

**94.0 Mn Tonnes**  
Volume of cement

**18.9%**  
Revenue Growth

**8.8%**  
Volume Growth

**₹7,344.3 Crore**  
PAT

**₹52,598.8 Crore**  
Revenues

**₹12,022.2 Crore**  
EBITDA

### Economic value retained

Stakeholders	UltraTech			UltraTech Consolidated		
	FY 2021-22			FY 2021-22		
	Value in ₹ Billion	Value in ₹ per Bag	Share of Total Value	Value in ₹ Billion	Value in ₹ per Bag	Share of Total Value
<b>Economic Value Generated</b>						
Revenues	603.97	337	100.0%	<b>627.84</b>	<b>334</b>	<b>100.0%</b>
<b>Economic Value distributed</b>						
Operating Costs	343.41	192	56.9%	<b>352.47</b>	<b>188</b>	<b>56.1%</b>
Govt Taxes including Excise/VAT/ Income Tax/Other Levies	133.75	75	22.1%	<b>140.09</b>	<b>75</b>	<b>22.3%</b>
Depreciation	24.57	14	4.1%	<b>27.15</b>	<b>14</b>	<b>4.3%</b>
Employees, Welfare and Community Development	23.59	13	3.9%	<b>25.35</b>	<b>13</b>	<b>4.0%</b>
Payment to Lenders	7.98	4	1.3%	<b>9.45</b>	<b>5</b>	<b>1.5%</b>
Proportionate Dividend to Shareholders	10.97	6	1.8%	<b>10.97</b>	<b>6</b>	<b>1.7%</b>
<b>Economic value retained</b>						
Retained Earnings for Reinvestment/Modernisation	59.70	33	9.9%	<b>62.37</b>	<b>33</b>	<b>9.9%</b>
Significant financial assistance received from Government				<b>₹ Lakh</b>	<b>8.56</b>	
Benefits received under State Investment Promotion Schemes				<b>₹ Lakh</b>	<b>54,510.00</b>	

GRI 201: 103-1, 2, 3

## Innovation and product stewardship

Our constant emphasis on innovation enables us to create a diverse array of products that not only ensure quality and durability but also set new industry benchmarks with their low-carbon intensity.

While developing a product, we keep a resolute focus on sourcing our raw materials responsibly and manufacturing in a sustainable way. Together with reducing the carbon footprint of our products, we also aim to increase the product life cycle and provide value additions. We are, for example, developing cement products that save water, offer both crack and superior corrosion resistance, thereby increasing the life cycle of the concrete. We are also studying the performance of 3D printed concrete formulations developed in-house and other technological capabilities that can enhance product quality while making them more eco-friendly.

We work in collaboration with the Aditya Birla Science and Technology Company Private Limited (ABSTCPL), the R&D centre for the Group. We engage with teams with multidisciplinary expertise in mineral securitisation, process optimisation and predictive studies, so that we can conserve energy and natural resources and increase utilisation of renewable sources.

Our own Concrete Technology Innovation & Knowledge Management Centre also drives technological innovation with a focus on raw mix, process improvements, clinker cement conversion ratio and the use of cost-effective hard-to-burn fuels. We have a dedicated team of more than 50 scientists and engineers.

### Application-specific materials developed in FY 2021-22

We developed ultra-high-performance concrete for use in high rise buildings. This specific material helps in reducing the column size and provides higher early strength. When used in road applications, this can help quickly restore vehicular movement. Given its low density that reduces dead load and permeability, ultra-high-performance concrete can be used in open spaces and parking areas.

### Recycled aggregates

We have conducted preliminary lab trials for recycling aggregates. These indicate optimisation of concrete mix designs using 25% recycled aggregates for common grades of concrete like M20, M25 grade. Further studies are in progress to understand their durability properties and concrete performance.



## Ready-mix concrete application-specific products

We are constantly refining our product portfolio by adding to it a diverse range of products that are suited for specific building requirements.

<p><b>UltraTech</b> <b>RAPID</b></p> <p>High early strength concrete of up to 25MPa in 6 hours to repair potholes</p>	<p><b>UltraTech</b> <b>DURAPLUS</b></p> <p>A multi-featured concrete with dampness protection and long-term durability for residential and building construction</p>	<p><b>UltraTech</b> <b>LITECON</b></p> <p>An alternative filler material to sand for tile bedding and sunken slabs</p>	<p><b>UltraTech</b> <b>AQUASEAL</b></p> <p>For waterproofing applications</p>
<p><b>Ultra-High-Performance Concrete (UHPC)</b></p> <p>With compressive strength of 120-150 MPa and flexural strength of 22-25 MPa, this is the first-of-its-kind commercial solution in the country for thin structural elements and building facades</p>		<p><b>UltraTech</b> <b>DECOR</b></p> <p>For aesthetic floors</p>	<p><b>UltraTech</b> <b>PERVIOUS</b></p> <p>Designed for recharging ground water table, results in prevention of floods and droughts</p>

### Case Study

#### Innovation on the roll at UltraTech

'I Love My UltraTech' is a learning space for propagating innovation and scaling it up for implementation across the organisation. Through this weekly platform, employees in the Manufacturing and Project vertical can present their ideas/suggestion for process improvements/innovations and best practices. The platform has an apt tagline – 'My mike, My idea' – as it gives employees across different levels an open platform.

There are two parts to the weekly sessions – idea sharing and best practices sharing. Ideas for the best practices session are collected cluster-wise (organisation has six clusters) and evaluated by a separate panel before being shared on the platform. The suggestions can relate either to technology, core manufacturing, support function or anything that can benefit the cement manufacturing division.

I Love my UltraTech has completed 81 weekly sessions. The event has a regular audience of 1,000+ employees and special sessions attract an even larger number. An online tool has been developed to create a streamlined way of keeping track of the implementation status of ideas and best practices across units. Idea implementation and the resulting cost savings are now tracked on a real-time basis through the digital tool.

#### I Love My UltraTech sessions

##### Idea session

Ideas received  
**350+**

Ideas presented  
**200+**

Implementations  
**250+**

##### Best practices session

Presenters  
**110+**

Best practices shared  
**1,000+**

Implementations  
**8,300+**



## Awards and accolades

UNITS	AWARD	CATEGORY	AWARDING AGENCY
UltraTech, Business level	Frost & Sullivan and TERI Sustainability 4.0 Awards	<b>Leaders Award</b> Mega Large Business	Frost & Sullivan and TERI
	Federation of Indian Chambers of Commerce and Industry's (FICCI) Indian Circular Economy Award (ICEA) 2021	<b>Large Enterprise</b> Joint winner	FICCI
	Prime Time Awards	<b>Gold trophy</b> Best Use of Influencers <b>Two Silver trophies</b> Best Integrated TV Campaign and Best Use of TV to Create Brand Awareness	Exchange4Media
	EMVIES 2022	<b>Silver trophies</b> Different categories i.e. Best Media, Best Digital Strategy and Best Integrated Campaign, Best Case Presentation for the Year	The Advertising Club
	ESG India Leadership Award 2021	<b>Leadership in Energy Efficiency</b>	ESG Risk AI
	BizLabs Digital Award 2021	<b>First prize</b> under Technology Led Digitalisation category. Project U.S.H.A won the <b>First prize</b> the Employee Engagement category. Balaji Cement Work's Project SARAL	
	Five-star rating: For 15 of UltraTech Cement's limestone mines	<b>Sustainable mine management</b>	Ministry of Mines and Indian Bureau of Mines
	Best corporate HR practices' award at NHRDN	<b>Best corporate HR practices</b> for HR Initiative PraGati	NHRDN Bangalore
	Campaign India Digital Crest Awards (CIDCA) for #BaatGharKi and #ChanceNaLo digital campaigns and Silver for the Company website	<b>Four Gold awards for</b> <ul style="list-style-type: none"> <li>Digital Strategy</li> <li>Content Community</li> <li>Integrated</li> <li>Online Video</li> </ul> <b>One Silver Award</b> Website: Corporate/Brand <b>Three Bronze Award</b> <ul style="list-style-type: none"> <li>Display</li> <li>Mobile Display</li> <li>Mobile Integrated</li> </ul>	CIDCA
	UltraTech North cluster	Fly Ash Utilisation Awards	<b>Excellence in Transport/Supply Chain</b> for Fly Ash Utilisation



## Awards and accolades

UNITS	AWARD	CATEGORY	AWARDING AGENCY
<b>RMC Division</b>	National Safety Awards 2020	<b>MSME categories</b> <b>1<sup>st</sup> Level award: Sarvashreshtha Suraksha Puraskar (Gold)</b> Won by Sarjapura plant, Bengaluru, Karnataka <b>3<sup>rd</sup> Level award: Suraksha Puraskar (Bronze)</b> Won by Hadphsar plant, Pune, Maharashtra <b>4<sup>th</sup> Level award: Prashansa Patra</b> Won by Pawane plant, Mumbai, Maharashtra and Sanathal plant, Ahmedabad, Gujarat	The National Safety Council of India (NSCI)
<b>Birla White</b>	Gold for Birla White's topical campaign, #SaluteToPainters	<b>Most Admired Social Message - Effectiveness</b>	ACEF Global Customer Engagement Forum and Awards
	Gold for the campaign, #DeewaronkiSuno	<b>Online Media – Effectiveness</b>	SEEM, The Employer's Association of Rajasthan
	National Energy Management Award	<b>Platinum for Energy Efficiency</b> in Cement Sector	
	Best Employers' Award	<b>Special Jury trophy for Outstanding Performance</b> in Labour Welfare Initiatives	
<b>UltraTech Rajashree Cement &amp; Balaji Cement</b>	CII - Southern Region EHS Excellence Awards 2020	<b>Rajashree Cement Works</b> <ul style="list-style-type: none"> <li>• Second at Sectoral EHS Award</li> <li>• Consistent Performance Award</li> <li>• EHS Leadership Award</li> </ul>	CII Southern Region
		<b>5- star rating:</b> Rajashree Cement Works <b>4- star rating:</b> Balaji Cement	
<b>UltraTech Rajashree Cement</b>	Safety Excellence award	<b>Unnatha Suraksha Puraskara category</b>	National Safety Council - Karnataka Chapter
<b>UltraTech Aditya Cement</b>	Apex India Quality Excellence Award 2020	<b>Platinum award</b>	Apex India Foundation

UNITS	AWARD	CATEGORY	AWARDING AGENCY
<b>UltraTech Sewagram Cement</b>	10 trophies at QCFI Competition	<b>Gold</b> at 1 <sup>st</sup> Kaizen virtual competition: Low-Cost Automation category <b>Four silver trophies</b> under the Kaizen and Low-Cost Automation categories <b>Five Bronze</b> trophies under various categories such as Kaizen, Low-Cost Automation, SMED and Poka-yoke	Maharashtra Energy Development Agency (MEDA)
	46 <sup>th</sup> International Convention on Quality Control Circles (ICQCC) 2021	<b>Par Excellence category</b>	International Convention on Quality Control Circles (ICQCC)
<b>UltraTech Dalla Cement, Kotputli Cement, Hotgi Cement, Bela Cement, Vikram Cement and Dhar Cement</b>	22 <sup>nd</sup> National Energy Award 2021	Dalla Cement Works <b>Excellent Energy Efficient Unit</b> under Captive Power Plant Category <b>Energy Efficient Unit</b> under Cement Manufacturing Category Kotputli Cement Works and Hotgi Cement Works <b>Excellent Energy Efficient Unit</b> Bela Cement Works, Kotputli Cement Works, Vikram Cement Works and Dhar Cement Works <b>Energy Efficient Unit</b>	Confederation of Indian Industry (CII)
	UltraTech Dalla Cement	CII's 14 <sup>th</sup> National Competitiveness & Cluster Summit	<b>Silver</b> for Kaizen Championship for Energy category
<b>UltraTech Awarpur Cement and Hotgi Cement</b>	State Level Energy Conservation Award (2019-20)	Awarpur <b>First prize</b> at the 15 <sup>th</sup> State Level Energy Conservation Award Hotgi <b>Second prize</b> at State Level Energy Conservation Award	QCFI Competition Maharashtra Energy Development Agency (MEDA)
<b>UltraTech Rawan Cement</b>	ABG Safety Innovation Awards 2021	<b>Among the top three winners</b> under the Zero Harm theme	ABG
<b>UltraTech Sewagram Cement and Dalla Cement</b>	35 <sup>th</sup> National Convention on Quality Circles (NCQC)	Sewagram Cement Works: <ul style="list-style-type: none"> <li>• Par Excellence Award</li> <li>• Excellence Award</li> <li>• Distinguished Award</li> </ul> Dalla Cement Works: <ul style="list-style-type: none"> <li>• Excellence Award</li> <li>• Distinguished Award</li> </ul>	QCFI's Coimbatore Chapter

# Managing Director's message



We are working with stakeholders across the built environment value chain to de-carbonize our operations. We are working with our suppliers and other technology partners to develop technological solutions for enabling environment-friendly manufacturing operations. We are collaborating with our partners and leveraging technology to optimise our logistics operations. We will strengthen our efforts to leverage the power of the ecosystem in helping us achieve our sustainability goals.

**Kailash Jhanwar,**  
Managing Director, UltraTech Cement Limited

Dear Stakeholders,

The past financial year has demonstrated to us once again the power of resilience. As the economy was beginning a slow but steady recovery from the debilitating impacts of the global pandemic, supply chain constraints played spoilsport. This was not restricted to specific geographies or sectors. It was a widespread global problem. Our strong commitment to integrating sustainability across our value chain and proven capabilities in resource optimisation held us in good stead, in navigating these challenges.

Operating in a resource intensive sector, we have a rich legacy of 'doing more with less'. Our ESG initiatives have over the years not only helped reduce our environmental footprint but also improved efficiencies, reduced costs, optimised resource utilisation and improved our competitiveness.

It is very similar to the 'Total Quality Management' revolution we witnessed in the 1980s. It succeeded at scale because it was proven that improving quality can reduce costs! A win-win for both businesses and consumers. It was counter-intuitive, but it worked. Many of our ESG initiatives are of similar nature. While improving ESG metrics, it's possible to improve our bottom-line. Independent of CO<sub>2</sub> reduction, we would be

investing in them. A case in point is our strong investments in both WHRS and renewable energy.

At UltraTech, we believe that our efforts at mitigating climate change and prioritising a circular economy will ensure our sustained growth in the future.

## Climate change mitigation

During the year, we have made tremendous progress on our overall sustainability targets and more specifically with regard to our decarbonisation agenda. We have improved our energy efficiency, increased the share of renewable energy and further scaled up the use of alternative fuels and alternate raw material (AFR) in our manufacturing operations.

Our CO<sub>2</sub> intensity has decreased by 9.1% from 2017 baseline. This is in line with our target of reducing 27% carbon intensity by 2032. UltraTech currently has 436 MW of green energy capacity, including 167 MW of WHRS installed capacity and 269 MW of contracted renewable energy. Similarly, we were able to significantly enhance use of AFR to replace use of fossil

fuels in our manufacturing operations. Total AFR consumed in FY22 alone was over 24 Million Tonnes.

We are leveraging innovative sectoral partnerships in our endeavour to find answers to the high-technology barriers to decarbonisation in our sector. As a part of GCCA's Project Innovandi, UltraTech has backed three bright innovation start-ups under a unique partnership model to accelerate the development of technologies that reduce or eliminate carbon throughout the cement and concrete value chain. Each of these start-ups that we are backing represents a pioneering technology focused on solving our key sectoral challenges from carbon capture to utilising the captured CO<sub>2</sub> emissions. More recently, we have signed an MoU with Coolbrook, a transformational technology and engineering company, to explore electrification of cement kiln heating process for reducing CO<sub>2</sub> emissions from our cement manufacturing operations. This technology has the potential to reduce up to 30% of carbon emissions from our cement manufacturing process. Each of these partnerships represents a big and bold step ahead in our journey of becoming a Net Zero business.

## Engaging talent

We have been recognised amongst 'India's 30 Best Workplaces in Manufacturing – 2021' by Great Place to Work® Institute, and we aim to continue building our employee experience. We support diversity and inclusion within our business and extend it across our value chain. In a significant development for the industry and for the country, we operationalised an all-women managed ready-mix concrete plant this year. It is first-of-its-kind in India. This follows last year's initiative, whereby we had set up all-women 'process control rooms' at several manufacturing units.

## Human rights

UltraTech believes that protection of human rights is of paramount importance. Our aim is to provide a conducive environment for the growth of employees. We're dedicated to respecting the human rights of our workforce, communities, and all those whose lives we touch directly or indirectly. We follow the UltraTech Human Rights Policy and are using an in-house Human Rights Due Diligence (HRDD) Tool, with a list of 78 possible potential abuses, corresponding to 36 human rights in a business set-up. This helps us in identifying risks for potential human rights violations of employees, suppliers and contractor personnel across our value chain.

## Sustainable supply chain

With a view to achieve sustainable sourcing, we've developed a sustainable supply chain framework for working with our suppliers. The framework specifies the steps to be taken by

the suppliers to ensure sustainable procurement practices. Every year, we evaluate our critical suppliers based on multiple environmental and social criteria. We are providing corrective measures to the suppliers based on their assessment. This year, we evaluated 100% of our critical suppliers, and have provided constructive feedback to improve their sustainability performance.

## Dedicated ESG goals

During the year, UltraTech was recognised with the 'Leaders Award – Mega Large Business,' by Frost & Sullivan and TERI Sustainability 4.0 Awards 2021. This is a recognition of our best-in-class sustainability practices. The Sustainability 4.0 Awards, now in their 12th year, recognise the efforts of companies that incorporate sustainability principles into their business culture. We have been proactively measuring our carbon footprint as per the GCCA Cement CO<sub>2</sub> protocol, providing disclosures to the Carbon Disclosure Project (CDP) since 2013. This year, our CDP score was B-level, and we also provided disclosures about water security, securing an A- level for our disclosure efforts.

## The way ahead

To ensure that we can deliver on our larger sustainability vision, I believe sustainability should not only be deeply embedded in the organisational culture and processes but also be embraced by our partners and extended stakeholders in the ecosystem.

We are working with stakeholders across the built environment value chain to decarbonise our operations. We are working with our suppliers and other technology partners to develop technological solutions for enabling environment-friendly manufacturing operations. We are collaborating with our partners and leveraging technology to optimise our logistics operations. We will strengthen our efforts to leverage the power of the ecosystem in helping us achieve our sustainability goals.

As a founding member of the Global Cement and Concrete Association, UltraTech has committed to the '2050 Climate Ambition', which is a sectoral aspiration to deliver society with carbon neutral concrete by 2050. It is a commitment that we have fully embraced, and our employees are working tirelessly to help realise it. We do not yet have all the answers, but we are confident that we will find a way to get there.

Best regards,

**Kailash Jhanwar**

Managing Director, UltraTech Cement Limited

# Our material topics

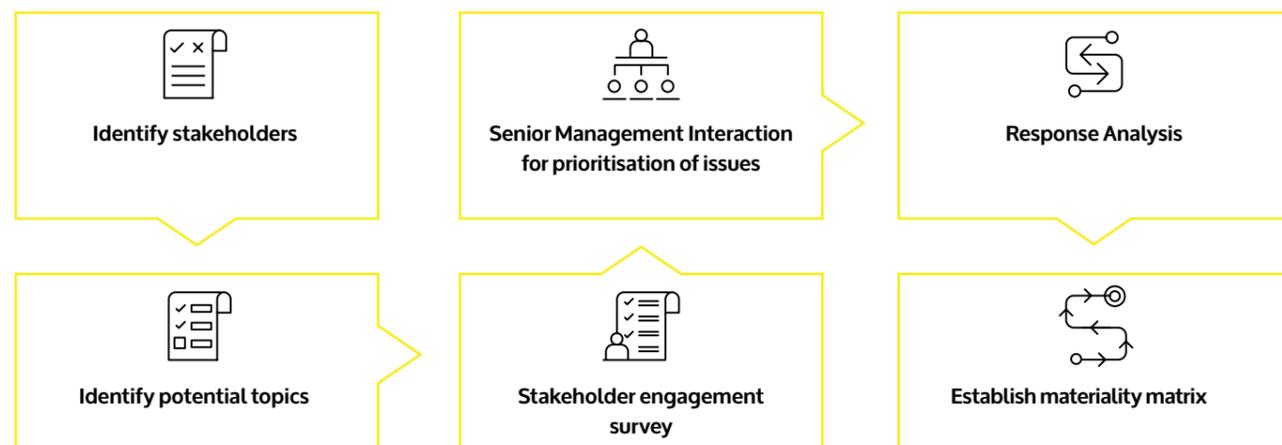
We regularly undertake materiality assessment to identify stakeholders' concerns and environment, social and governance issues that impact the business and its ability to create value. In FY 2021-22, a comprehensive materiality assessment exercise was carried out involving multiple internal and external stakeholders. The resultant list of material issues will help us take informed decisions and shape our sustainability strategy and reporting objectives better.

## Materiality

The report presents information organised around our priorities and key areas of interest to our stakeholders. When deciding on the priorities for the Company, we were guided by the GRI Standard principles of materiality, stakeholder inclusiveness, sustainability context and completeness. We continuously refine our disclosures in line with the standard.

## Assessment process

The six-step process used sectoral approach, peer benchmarking, analysis of industry standards, international indices, and dialogue with both external and internal stakeholders and the senior management of the Company.



## What the assessment covered

### External stakeholders' views

**External stakeholder engagement surveys (online/offline)** involving customers and dealers, suppliers and vendors, local communities and NGOs, government and associations, investors, market specialists and agencies

**Investor priorities** identified through desk-based research

### Internal stakeholders' views

**Employee engagement surveys:** online surveys across all management  
**Senior management interviews** to understand the Company's priorities

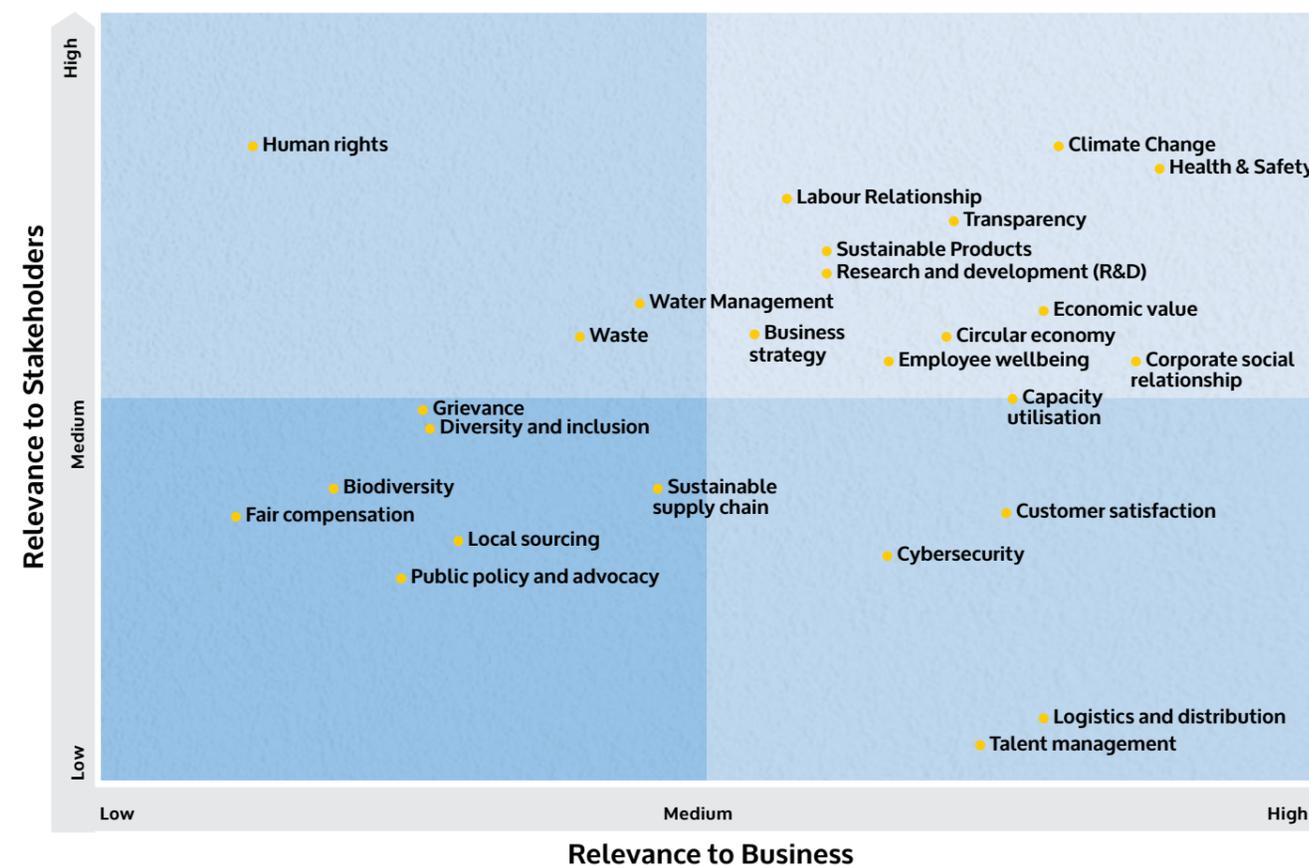
### Global frameworks and ESG Rating Agencies

**Global reporting frameworks** GRI Standards, <IR> Framework, VRF - SASB Material topics, UN SDGs  
**ESG Rating Agencies** DJSI material topics, MSCI materiality map, Sustainalytics material topics

### Industry mega trends

**Peer benchmarking** in the cement industry including both Indian and international cement companies

## Materiality Matrix



## Material issues



# Sustainability framework

Sustainability has been intrinsically woven into our strategy and core business operations for more than a decade following the Group's adoption of a robust sustainability strategy. Over the years, we have put in place the right tools, systems and processes that help us achieve our sustainability goals, and report accurately on our progress against set targets.

The three pillars of Aditya Birla Group's Sustainability Framework – Responsible Stewardship, Stakeholder Engagement, and Future Proofing – form the foundation of our own sustainability framework. This sustainability thinking informs all aspects of our functioning and business decisions –from product development to systems control to risk management to our dealings with external stakeholders. This implementation paves the way for purpose-driven and meaningful decision-making. We regularly engage with our employees and partners to keep them abreast of our thoughts and measures to promote our sustainability vision so that it can be implemented in unison with our stakeholders.

	<b>Responsible Stewardship</b> <b>Stakeholder Engagement</b> <b>Future Proofing</b>
<b>PILLARS</b>	
	<b>17 Policies</b> <b>40 Technical Standards</b> <b>17 Management Standards</b>
<b>POLICIES &amp; STANDARDS</b>	
	<b>70 Guidance Notes</b> <b>700 E-learning Courses</b>
<b>GUIDANCE</b>	
	<b>Third Party Assured</b>
<b>VERIFICATION</b>	

**Case Study**

**UltraTech secures its place at the high table of the world's sustainability champions** **S&P Global**

In a major development, our S&P's Dow Jones Sustainability Index (DJSI) score jumped by 11 points over our score last year. With the present score of 79, we are now ranked seventh globally by DJSI in the Construction Material Sector.

Our score reflects our significant improved across each of the three Environment, Social and Governance (ESG) metrics.

ENVIRONMENT	SOCIAL	GOVERNANCE
<b>126% higher</b> than industry average score	<b>108% higher</b> than industry average score	<b>71% higher</b> than industry average score

This is our fourth year of participation in DJSI. From a score of 15 in FY 2017-18 to 79 in FY 2020-21, our overall score has seen a 427% improvement over the past four years. This is because of our holistic approach to driving the ESG agenda across the entire value chain. Our focus areas are decarbonisation, circular economy, biodiversity management, water positivity, safe operations and community development. We were also included in "The Sustainability Yearbook 2022 - S&P Global" and won the badge.

**Case Study**

**We stay committed to the RE100 initiative**

We signed up for Climate Group's RE100 initiative at Climate Week NYC 2021. As part of this commitment, we are targeting to meet 100 % of our electricity requirement through renewables sources by 2050. We already have a set target to scale up our green energy mix from 17.64% currently to 34% of our total power requirement by 2024.



## Sustainability governance

At UltraTech, sustainability is a top priority over which the Board maintains a keen oversight. Together with the senior management, the Board drives the implementation of our sustainability agenda.

### Board-level implementation

We have a Board-level Risk Management and Sustainability Committee, comprising an Independent Director, Managing Director, Chief Finance Officer among others.

Key responsibilities of the committee include:

- Drive the implementation of the sustainability roadmap across business functions and verticals
- Set targets and identify various business risks (including climate change risk) and recommend action plans. The committee meets quarterly to discuss the work done and strategies on the way forward
- Implement these strategies and monitor our progress on sustainability by integrating all our functions in the process, right up to the manufacturing units, which have their respective Unit Sustainability Committees. These are led by the respective Unit Heads to ensure that sustainability thinking permeates down the ranks and across activities
- Monitor sustainability performance such as CO<sub>2</sub> intensity, Health & Safety, energy performance, alternative fuel and water positivity, which are part of our executive compensation targets
- Our Managing Director's compensation metric is linked to business performance (including financial performance metrics like profitability, return on capital employed, along with metrics like market share and safety).

### Unit-level implementation

A two-way approach is followed with respect to adopted goals and targets across units. The Unit Head-led Sustainability Committee implements targets set by the Corporate Sustainability Committee and identifies areas for improvement specific to the site.

- The Unit-lead Sustainability Committee comprises all Function Heads, including Technical, Process, Thermal Power Plant, Mines, Health & Safety, Human Resources (including ER, IR and Admin), Environment, Civil and CSR functions, Sustainability, Self-Assessment Questionnaire (SAQ) coordinators. The committee is chaired by the Site



Manager. SAQ coordinators are the identified executives who are responsible for implementing Group sustainability targets within UltraTech

- The committee meets on a quarterly basis. The convener of the meeting is the Functional Head (Technical), who is supported by Sustainability coordinators at the plant

# Targets and achievements

MATERIAL ISSUES	LONG-TERM TARGETS	ACHIEVEMENTS FY 2021-22
 <p><b>Climate change, energy and emissions</b></p>	<p><b>27% reduction</b> carbon emissions/tonne of cementitious material by 2032 compared to 2017, validated by SBTi</p> <p><b>34% electricity</b> to be met through combination of RE+WHRS</p>	<p><b>9.1% reduction</b> of our carbon emissions from 2017</p> <p><b>17.64%</b> of electrical consumption met through green energy – a combination of RE and WHRS</p>
 <p><b>Water management</b></p>	<p><b>5 times</b> water positive by 2024</p>	<p><b>3.8 times</b> water positive, this year</p>
 <p><b>Biodiversity</b></p>	<p><b>Completing Biodiversity assessment</b> at all our Integrated sites by 2024</p> <p><b>No Net Loss</b> by 2050</p>	<p><b>Completed baseline assessment</b> as part of EIA for 100% of our units.</p> <p>We have undertaken comprehensive assessments at</p> <p><b>10 integrated plants</b></p>
 <p><b>Health &amp; Safety</b></p>	<p><b>Zero fatality</b></p>	<p><b>2 fatalities</b> Directly employed    <b>5 fatalities</b> Indirectly employed</p> <p>We have made efforts to strengthen safety procedures and practices at the concerned plants</p>

MATERIAL ISSUES	LONG-TERM TARGETS	ACHIEVEMENTS FY 2021-22
 <p><b>Health &amp; Safety</b></p>	<p><b>&lt;0.25</b> Lost Time Injury Frequency Rate (LTIFR)</p>	<p><b>0.19</b> Lost Time Injury Frequency Rate (LTIFR)</p>
 <p><b>Sustainable Supply Chain</b></p>	<p><b>New suppliers</b> to be screened for ESG criteria every year</p> <p><b>Assessment</b> of critical suppliers by 2025</p> <p><b>Coverage of 25% Tier 1 suppliers</b> through sustainable supply chain awareness sessions by 2025</p>	<p><b>100% suppliers</b> Screened for ESG criteria</p> <p><b>Completed</b> 100% assessment of critical suppliers</p> <p><b>6%</b> Tier 1 supplier training completed</p>
 <p><b>Product Stewardship</b></p>	<p><b>Complete IGBC Greenpro certification</b> of all blended cements</p> <p><b>Complete Life Cycle Assessment studies</b></p> <p><b>Complete Environment Product Declaration (EPD)</b></p>	<p><b>Received GreenPro certification</b> for five cement products</p> <p><b>Completed Life Cycle Assessment</b> for 4 types of cement</p> <p><b>Environment product declaration (EPD)</b> conducted for 4 types of cement</p>

## VALUE CREATION APPROACH

# Making a material difference with our value creation approach



Ours is a customer-centric approach and we are offering innovative products and solutions. We continually endeavour to improve our products and make them efficient – with high quality and strength, green-pro certification, life cycle assessment. Over 1,000 personnel are deployed to provide technical support to home builders, engineers, architects, contractors, along with mobile concrete vans providing on-site testing, civil engineering tips and advisory.

We can proudly state that we are actively participating in the transformation journey of our country and helping build modern infrastructure, leading to fuel savings and reduced carbon footprint. Our products have the capability to craft infrastructure in the roughest terrains, structures with strength and capability and landmark projects. Our unique product portfolio offer materials and solutions with a difference. We are taking significant actions across the value chain for climate change mitigation and measurement of carbon footprint at a concrete level. UltraTech is working with GCCA to produce carbon neutral concrete by 2050.

**Vivek Agrawal,**  
BUSINESS HEAD &  
CHIEF MARKETING OFFICER



### Human Capital

Human capital is greatly valued at UltraTech. Our people are the strength behind our ability to deliver. Our operations require people with specialised skill sets for which we employ qualified engineering, geology, mining experts along with management experts for support functions. We support, encourage, and empower them through our culture of learning and development, safety, gender equality, mutual respect, and inclusivity.

→ 56

Enhancing employee wellbeing



### Natural Capital

Mineral resources are key requirement for our operations. Our topmost priority is to utilise these resources in a sustainable and eco-conscious manner. Cement being an energy intensive sector, our aim is to increasingly use alternative fuels to power our processes. This is one of the major ways to reduce our carbon footprint. We continue to optimise our logistics operations. We are also strongly committed to water recycling at all of our facilities.

→ 36

Environment Protection



### Social And Relationship Capital

We continue to successfully strengthen our partnerships through close engagement with diverse stakeholder groups. We communicate transparently, backed by disclosures that we continue to enhance; we listen to our shareholders and lenders, suppliers and contractors, employees, governments, communities and civil societies carefully and respond to them in a timely manner.

→ 72, 87

Community engagement and impact and local sourcing and sustainable procurement



### Intellectual Capital

Innovation is the driving force of our product stewardship, benefiting not just our consumer but the industry as a whole. Our portfolio of building materials encouraging sustainability is expanding constantly, backed by best-in-class technology and our continuous customer outreach.

→ 13

Innovation and product stewardship



### Financial Capital

We are committed to maximising our asset utilisation, optimising our capital allocation and maintaining a strong balance sheet with free cash flows. We continue to look for opportunities to further rationalise costs across the board, so as to create greater value for our investors and shareholders, as well as our employees.

→ 12

Business Performance



### Manufactured Capital

Our best-in-class machinery and equipment across all our manufacturing facilities helps us to deliver to our stakeholders' their expectations from us. We focus on ensuring that our people operate these facilities in the safest manner possible. For this, we provide elaborate trainings covered under our employee health and safety initiatives, as well as best-in-class safety gear and support.

→ 58

Health And Safety

# Value creation model

INDICATOR AND KEY INPUTS OF FY22

<p><b>₹2,535 Crore</b> Total employee Salaries, Wages and expense</p> <hr/> <p><b>2,73,035</b> Total training hours</p> <hr/> <p><b>20,501</b> Total employees</p> <hr/> <p><b>4,50,641.00</b> Safety Training Hours (Employees and Contractors)</p>	<p><b>₹5,540 Crore</b> Net Capex</p> <hr/> <p><b>₹56,451 Crore</b> Net Fixed Assets (including CWIP and Capital advances)</p>	<p><b>₹103 Crore</b> Amount spend on CSR projects</p> <hr/> <p><b>54,479</b> CSR Voluntary Hours</p> <hr/> <p><b>Out of 1,699 complaints received in FY'22 across Cement &amp; RMC, 1,692 were resolved. Unresolved complaints are under final closure.</b></p> <p>Total number of customer complaints resolved</p>	<p><b>₹20.23 Crore</b> Total capital spend on R&amp;D</p> <hr/> <p><b>4</b> Product Stewardship and LCA (Number of initiatives) &amp; EPD</p>	<p><b>119.95</b> Total production capacity (Million metric tonne per annum of grey cement)</p> <hr/> <p><b>24 Integrated Units and 27 Grinding Units</b> Physical Assets (Total number of plant by type)</p>	<p><b>2,836.45 TJ</b> Energy from WHRS</p> <hr/> <p><b>766.27 TJ</b> Renewable Energy</p> <hr/> <p><b>717.68</b> Specific Energy consumption (Kcal/Kg of clinker)</p> <hr/> <p><b>54.88*</b> Water Consumption (L/Tonnes of cementitious production) *(excluding colony &amp; horticulture)</p>
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**Human Capital**



**Financial Capital**



**Social and Relationship Capital**



**Intellectual Capital**



**Manufacturing Capital**



**Natural Capital**

VALUE CREATED. VALUE SHARED.

<p><b>4,587 Tonnes/FTE</b> Employee Productivity</p> <hr/> <p><b>8.81%</b> Attrition rate</p> <hr/> <p><b>0.19</b> Lost time Injury (per million man hours)</p> <hr/> <p><b>2</b> Number of fatalities (direct)</p> <hr/> <p><b>5</b> Number of fatalities (indirect)</p>	<p><b>₹196</b> Normalised Earnings per Share</p> <hr/> <p><b>₹52,599 Crore</b> Net Revenue</p> <hr/> <p><b>₹12,022.16 Crore</b> EBDITA</p> <hr/> <p><b>₹5,667 Crore</b> Normalised Profit after Tax</p> <hr/> <p><b>13.6%</b> Return on Capital Investment</p>	<p><b>72</b> Customer Satisfaction Index</p> <hr/> <p><b>1.6 Million</b> People benefiting from our community investments</p>	<p><b>UltraTech Corroprotect</b> introduced in VAC+ portfolio of RMC</p> <hr/> <p><b>3 new products</b> developed in Building Products</p>	<p><b>77%</b> Capacity Utilisation of Installed Capacity</p> <hr/> <p><b>72.1%</b> Clinker Factor</p>	<p><b>4.6%</b> Thermal substitution rate</p> <hr/> <p><b>19.12%</b> Alternative Raw Material Rate (% of total raw material)</p> <hr/> <p><b>11.03%</b> Water Recycled</p> <hr/> <p><b>Scope 1 - 582</b> <b>Scope 2 - 11.12</b> Specific GHG emission (Kg CO<sub>2</sub> per tonne cementitious material) (Includes Scope 1 and 2)</p> <hr/> <p><b>₹252.08 Crore</b> Environmental Expenditure</p> <hr/> <p><b>₹185.27 Crore</b> Environmental Savings, Cost avoidance, Income, Tax incentives</p>
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# Risk management

The key element of futureproofing is the ability to maintain a thorough understanding of risks faced by the business and the organisation, at all times. Our risk management strategy is geared to identify risks to us or threats to our business at the right time and enable us to respond to emergencies in a timely and calculated manner.

We have an extremely robust Risk Governance structure at UltraTech, with the Risk Management and Sustainability Committee at the helm. This Committee is chaired by an Independent Director and meets half-yearly to re-iterate the process of Risk Evaluation, Risk Identification (new risks), Risk Assessment and finally Mitigation Strategy.

## Risk process & Culture

We have a robust risk management strategy to help us identify the various risks and opportunities arising at the corporate and plant level. It is comprised of various steps from risk identification to mitigation, action plan and review. We review these risks and opportunities half yearly and a summary of the review is presented to the Board-level Risk management committee. It oversees the processes and mitigation actions wherever necessary. The risk horizon considered includes long-term strategic risks, short- to medium-term risks as well as single events.

Senior executives work to achieve KPI and targets, including financial and non – financial performance of the Company, to mitigate the associated risks. Their performance and compensation are evaluated based on these.

## Risk identification and mitigation training

There are various online and classroom training programmes in order to create awareness among employees about risk identification and mitigation. Some of the aspects covered include: Code of Conduct, Health & Safety, Social, Logistics Safety, Cyber Security, Environmental, Legal and more.



GRI 102-15, 307:103-1,2,3

## Risk analysis

We keep ourselves aware of the ever-changing dynamics of the risk umbrella. We undertook a comprehensive and holistic risk analysis and created 50 impact cards containing externalities and factors that could pose a risk to our business.

The externalities spanned a wide range of departmental risks. Each one of these impact cards were then expanded to identify the risks they pose to the business. They were rated in terms of likelihood of the risk, and its consequence was decided across factors like EBITDA, reputation and license to operate, impact on staff, business operations, injury/safety, business objectives, regulatory and legal action.

Regular awareness and training is conducted where all the departmental heads deliberate on the impact and decide upon the corresponding mitigation plan. The risks were rated by their likelihood of occurrence and consequence on the business, to arrive at a final rating for all the risks. Our way forward is to put in place the processes and plans in mitigating these risks.

### Key business-level risks identified

**Pandemic and linked disruptions in Global markets**

**Legal compliance**

**Information Technology risks**

**Economic environment and market demand fluctuation**

**Financial and accounting risks**

**Talent management**

**Inflation and cost of production**

**Climate change and global sustainability standards compliance**

**Resource Scarcity**

**Health and Safety**

**Talent Retention**

**Geopolitical Risk**

## Future scenarios

Within three to five years, fresh risks emerge with changing scenarios. These have the potential to impact the Company's operations. With this view, we regularly identify the emerging risks for the next three to five years and make plans to mitigate these. We have identified two emerging risks including Global regulations on curbing GHG Emissions and Pandemic/ Epidemic-linked disruptions.



### Global regulations on curbing GHG Emissions

The nature of our business is such that it is carbon intensive. India being a developing country, to meet its infrastructural demands we have to increase our production capacity. This increased consumption of limestone and fossil fuels has led to an increase and corresponding rise in carbon emissions. This makes us vulnerable to external risks like complying to changes in policies such as introduction of Carbon tax and/or Emission Trading Scheme in the Indian Market etc.

In the coming years, the cost of conventional source of energy critical to our industry, like coal, and the associated emissions linked to our production process, will escalate, due to the increase in production capacity. In such a scenario, we anticipate that the risks arising from carbon limiting regulations such as introduction of Carbon tax and/or Emission Trading Scheme in the Indian Market, and the global urge to comply to below 1.5 degree scenario, will lead to higher production cost of cement, higher compliance costs and need for an optimised fuel mix, to ensure both, transition to a low carbon technology and manufacturing low carbon products in the coming three to five + years.

#### EFFORTS TO MITIGATE OUR IMPACT

UltraTech is focusing on different options to reduce our carbon footprint and other emissions such as replacing traditional fuels with alternative fuels, improving the energy efficiency and using clinker additives. Optimising the fuel mix helps ensure both, transition to a low carbon technology and manufacturing low carbon products. The Company has proposed long-term investments for reducing our carbon footprint. Some of the investment decisions taken are i) WHRS installations at various locations and increasing energy efficiency, ii) increasing the fly ash absorption rate and AFR usage and iii) adoption of higher usage of renewable energy. All these will help us in achieving our SBTi target of reducing our Scope 1 GHG emissions by 27% per ton of cementitious material by FY 2031-32 from a FY 2016-17 base year and also reducing our scope 2 GHG emissions by 69% per ton of cementitious material within the same time frame.

GRI 102-15



### Geopolitical tension (Russia-Ukraine War, Afghanistan crisis, etc.)

The rising fuel prices in the wake of geopolitical tensions have had an adverse impact on the cost of manufacturing cement owing to increased raw material, fuel and energy costs. For our business, raw material, fuel and logistics account for a major share of manufacturing cost. With the global tensions in the world the prices of these commodities have shot up, leading to a drastic hike in manufacturing cost of cement as final product. Apart from manufacturing the transportation costs in upstream and downstream of supply chain are also impacted.

Energy, raw material and logistical costs account for approximately 60% of total manufacturing costs. Increased fuel prices because of geopolitical tensions led hikes for logistical service cost and had a significant impact on the cost of energy generation, dependent on fossil fuels. The collective factors have resulted towards increase in manufacturing costs for the producers. Apart from the manufacturing cost the transportation costs in upstream and downstream of supply chain are also impacted due to price rise in fuels due to geopolitical tensions at global level.

#### EFFORTS TO MITIGATE OUR IMPACT

At UltraTech, we're constantly working to reduce our reliance on fossil fuels by increasing our use of renewable energy. Green energy accounts for 17.64 % of the Company's overall power usage (renewable energy + waste heat recovery). UltraTech has more than doubled its renewable energy capacity in the last two years. We have also increased our use of biomass as a source of alternative energy. We have adopted means of sustainable transportation across 15+ locations by adopting CNG-based vehicles as an alternative means of transport for the road dispatches. On par with the concept of using 'Green Mobility' for its product dispatch, our Company is among the first cement companies in India to introduce CNG-based trucks for the dispatch of cement. CNG-based vehicles contribute to a 10 to 15% reduction in carbon emission as compared to conventional diesel-based trucks.

# Stakeholder engagement

Stakeholder engagement forms a key pillar of Aditya Birla Group's Sustainability Framework. Our horizons are not limited, we continuously engage with our network partners, employees, international organisations, customers, regulators, investors and the communities we serve. We connect, we listen and we work on their concerns in order to meet their expectations. It is a continuous process that is part of conduct in business.

## Our expanding horizon

Our stakeholder prioritisation is defined by the impact our stakeholders have on our business directly or indirectly and vice versa. However, we constantly take stock of what our stakeholders across the Board perceive our activities through a host of activities.

## UltraTech's approach to stakeholder engagement

Six fundamental elements of our approach to stakeholder engagement:

<b>Informative</b> Disclose key information honestly and in a timely manner	<b>Descriptive</b> Communicate comprehensively to provide a holistic picture
<b>Interactive</b> Identify stakeholder concerns through regular feedback to get multi-lateral viewpoints	<b>Collaborative</b> Encourage active collaborations with stakeholders and set the priorities accordingly
<b>Proactive</b> Identify and address concerns before they escalate	<b>Inclusive</b> Ensure that every stakeholder considers themselves to be a part of the Company's progress

GRI 102-21, 40, 42, 43, 44

## Contributions made to Industry-led associations

Industry Associations and CEO-led organisations in FY 2021-22

**Cement Manufacturers Association (CMA)**

₹ 2.34 Crore

**GCCA**

₹ 1.39 Crore

**INNOVANDI GCCRN**

₹ 1.37 Crore

**Other Entities**

₹ 0.11 Crore

**TOTAL**

₹ 5.21 Crore

## Stakeholder engagement circle



Industry Associations, CEO-Led Organisations, International Commitments



Shareholders, Lenders and Investors



Government and Regulatory Authorities

Our long-standing relationships with industry associations and CXO-led organisations enable us to participate in cutting-edge research, adopt and share best practices, and participate in advocacy for sustainability-led thinking. It is in this spirit that we commit to international targets for sustainability.

### Key engagements during the year

**GCCA global and GCCA India meeting**

**CMA**

**CII**

**Indian Green Building Council**

**Bureau of Energy Efficiency**

**WBCSD**

### Engagement platforms

- Meetings
- Participation in governance bodies
- Website
- Sustainability Report

GRI 102-21, 40, 42, 43, 44

We engage closely and very regularly with our shareholders, lenders, and investors to evolve a mutual understanding. It helps us to enrich our business conduct by understanding their priorities and addressing their queries and concerns.

### Key engagements meetings

**Investors presentations**

**Investor meetings**

### Engagement platforms

- Annual report and regulatory filings
- Annual General Meeting
- Shareholder meetings and presentations
- Carbon Disclosure Project Report
- Sustainability Report
- Business Responsibility and Sustainability Report
- Dow Jones Sustainability Index (DJSI) disclosure
- Grievance redressal
- One-on-one meetings, investor conferences, investor calls

As a responsible citizen, good governance is of paramount importance to us. We take care to remain fully compliant to all the applicable laws of the land, wherever we are present. Our commitment to transparency drives our stakeholder engagement efforts across the Board, both internally and externally, generating trust in brand UltraTech.

### Key engagements during the year

**UltraTech is fully compliant with applicable laws and regulations.**

**Strives to take proactive initiatives in its operations.**

### Engagement platforms

- Annual report and regulatory filings
- Meetings on government directives and policy development
- Facility inspections
- Regular meetings



Employees

Our employee engagement is a continuous, expansive global exercise and that is conducted throughout the year, with different areas in focus. We have also set up a formal mechanism for this – the Vibes employee survey, which includes all our employees from around the world.

#### Key engagements during the year

Ping Me, DISHA, CXO connect, performance appraisal, I Love My UltraTech.

#### Engagement platforms

- Employee health check-ups
- Employee volunteering activities
- Employee Reward & Recognition schemes
- Employee satisfaction survey
- DISHA -Quarterly CXO Dialogue
- Grievance redressal
- Intranet, Annual Report, Sustainability Report



Customers

We take great care to ensure that brand UltraTech spells quality, for our consumers/ customers. We have various modes and channels of engaging with them and our key motivation is to educate them towards getting the best out of our products and availing themselves to best-in-class solutions suited for their needs.

We evaluate the satisfaction level of our customers using Net Promoter Score (NPS) methodology. NPS study is carried out once in two years with the Key Account (B2B) customers. The last round of NPS was conducted by Dun & Bradstreet with a score of 72% and covering

21% of our customer base. The key actions identified are:

- Invest to amplify our B2B Customer Value Proposition
- Invest to maintain service as a differentiator vis-à-vis competition
- Quality differentiation of UltraTech to be sustained
- Higher value creation and extraction through cross-selling of specialist solutions like BPD & VAC

#### Key engagements during the year

Dealer meet, Customers engagement

#### Engagement platforms

- Company website
- Product campaigns
- Satisfaction surveys
- Grievance redressal
- Customer oriented initiatives
- Feedback surveys



Suppliers and Contractors

Our engagement with our suppliers and contractors is based on one key pillar: responsibility. We adhere to our supply chain code of conduct in all aspects and make sure our associates do so too. This is our condition to developing long-term business relationships.

#### Key engagements during the year

Supplier and vendor meet

#### Engagement platforms

- Contract procedures and project timelines
- Facility inspections
- Review meetings
- Vendor interaction meets
- Feedback forms
- Annual performance report
- Annual stakeholder meets
- Supplier grievance mechanism
- Supplier Assessment



Community

Local communities around our manufacturing facilities are an important stakeholder group for us. Our aim is to help benefit these people both directly – through livelihood opportunities at our facilities, and indirectly – through various CSR initiatives at UltraTech. For the latter, we work in partnerships with the local communities, leading with need assessments and following up with development and finally, a handover of the projects.

#### Key engagements during the year

Community need assessments

Community development interventions

Disaster management workshops

Mason trainings

#### Engagement platforms

- Community need assessments
- Disaster management workshops
- Community visits
- Satisfaction surveys
- Meetings with community representatives
- Impact Assessment studies
- Grievance redressal



Media and NGOs

Media and NGOs are a key influencer category for us. We engage with them frequently in order to understand their perspective on various aspects of the business as well as industry performance and priorities. We also highlight key issues of discussion to them, putting forth our management's perspectives to guide healthy dialogue.

#### Key engagements during the year

WRI

CDP

SBTi

#### Engagement platforms

- One-on-one interactions
- Direct contact during activities
- Social surveys

## ENVIRONMENT PROTECTION

## Reducing our carbon footprint consistently



Sustainability has always been central to the way we run our business. As an industry leader, we are working towards net zero concrete by 2050 as per the GCCA 2050 roadmap. RE-100 initiative, climate change targets as validated by SBTi and issue of sustainability linked bonds show our commitment towards achieving the sustainability goals.

Increasing share of renewables in our power mix, investments in waste recovery systems and capital allocation to energy improvement projects will help us to go closer to our sustainability targets. Our focus on utilisation of municipal solid waste and use of rejects from other industries as alternative fuels and raw materials contribute to circular economy. These efforts have also led us to win the FICCI circular economy award 2021

**E.R. Raj Narayanan,**  
BUSINESS HEAD AND  
CHIEF MANUFACTURING OFFICER

## Highlights

Reduction target set for 2032, validated by Science Based Targets initiative (SBTi).

9.1% reduction in carbon emissions

195 kg CO<sub>2</sub>/m<sup>3</sup> GHG emission for concrete production

15.06% carbon intensity reduction against the SBTi target considering the value chain efforts taken for carbon reduction

132 biogas-based cooking plants in neighbouring communities (Carbon offset projects) saving close to 2,400 tCO<sub>2</sub>e per annum in past four years.

2.3 times Plastic Positive

3.8 times Water Positive

54.88 Litres/tonne cement water intensity

We have completed Biodiversity assessments at 10 sites till FY 2021-22

## Deep carbon reduction achieved due to value chain engagement

## Emission reduction timeline

kg CO<sub>2</sub> per tonne cementitious product



UltraTech as a founding member of GCCA has committed to 'Climate Ambition 2050'. This is a sectoral aspiration to deliver carbon-neutral concrete by 2050. We have committed to Science Based Targets initiatives (SBTi) and our targets of reducing scope 1 GHG intensity by 27% by 2032, taking 2017 as baseline have been validated by SBTi. These are in-line with Paris accord contributing to maintain emission well below 2°C threshold.

The carbon emissions contribution of the built environment sector is the highest amongst all sectors. It is important that our carbon mitigation strategy includes the value chain. Recognising this fact, UltraTech has identified value chain efforts as an important lever of decarbonisation.

UltraTech has initiated active value chain engagements with customers for reducing carbon emissions. On extending the boundary further downstream and evaluating the carbon footprint reduction, primarily by mixing supplementary cementitious material within the ready-mix concrete. Over the years UltraTech has developed this approach by influencing consumption of industrial waste in form of supplementary cementitious material (SCM). The carbon intensity stands at 551.86 kg CO<sub>2</sub>/tonne cementitious materials and has resulted in achieving 15.06% of Scope 1 intensity target against the target value of 27% by 2032.

## In this section

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# Climate change, energy, and emissions

As India's largest cement and concrete Company, we understand that we have a crucial role to play in mitigating climate change and also be prepared for its possible impact. We have committed to Net Zero by 2050 and have set ambitious targets validated by SBTi to reduce our carbon footprint. We have also mapped climate change risks and opportunities in line with the recommendations of Task Force on Climate-Related Financial Disclosures (TCFD).

## UltraTech GHG emissions

We are strictly implementing our climate change mitigation strategy to achieve our targets. We have issued sustainability-linked bonds, with self-imposed financial penalties if we miss our sustainability targets. These helped us raise USD 400 Million and now we are closely monitoring our performance for reducing our carbon footprint. The Board-level Sustainability Committee is in charge of taking our sustainability agenda forward including monitoring of climate change mitigation efforts and targets. The Managing Director is responsible for driving its implementation.

Our CO<sub>2</sub> intensity has decreased 9.1% from baseline, which is in line with our target of reaching 27% by 2032.

**Scope 1** Includes Captive Power Plant

614,53,953 tCO<sub>2</sub>

**Scope 2**

10,49,149 tCO<sub>2</sub>

**Scope 3**

45,47,816 tCO<sub>2</sub>

## Climate change mitigation strategy

We plan to deliver on our ambition of Net Zero by 2050 through three key steps:

### Strategy 1

#### Reducing operational GHG footprint

- Internal Carbon Price
- Energy efficiency
- Alternate fuel resources
- Renewable energy
- Waste Heat Recovery

### IMPACT

**USD 10**

Adopted as Internal Carbon Price (ICP)

**436 MW**

Renewable energy capacity installed including wind, solar and waste heat recovery

**1,85,000 + Tonnes**

of hazardous waste

**3,87,000 + Tonnes**

Non-hazardous wastes from other industries are utilised in kilns, thus substituting the use of fossil fuels

### Kiln decarbonisation partnership

with Coolbrook to explore electrification of cement kiln heating process.

### Strategy 2

#### Reducing GHG emissions with our products

- Life Cycle Assessment and Environmental Product Declaration of products
- Development of new low-carbon footprint products with low clinker factor
- Recycling concrete

**4**

UltraTech products completed Life Cycle Assessment and Environmental Product Declaration.

### Xtralite-AAC blocks, Readiplast

are some of the new products developed with a lower carbon footprint

### Focused R&D efforts

to diversify our portfolio with low carbon products

### Enhanced local supply

of raw materials for reducing lead distance for procurement

**23.6 Million Tonnes**

of recycled materials utilised in Cement production

**3,55,395 Tonnes**

of recycled materials utilised in RMC

### Strategy 3

#### Key external partnership for decarbonisation

- Carbon offset projects for the community
- Evaluate carbon capture through industry partnerships

#### Partnership with start-ups carbon capture and storage (CCS)

UltraTech has entered partnerships with three start-ups shortlisted by GCCA.

- **CarbonOro:** Unique bi-phasic amine carbon capture technology.

- **Coomtech:** Kinetic energy based low energy, low cost drying technology.

- **Fortera:** Combining captured CO<sub>2</sub> emissions with calcium oxide to make reactive calcium carbonate.



## Increasing use of renewable energy

Enhancing the use of renewables in the energy mix helps in reducing carbon footprint and reduces pressure on natural resources. We are exploring ways to increase our renewable energy portfolio by setting up windmills, solar power plants and waste heat recovery systems (WHRS).

At our manufacturing plants, we have commissioned 269 MW renewable energy contracted capacity which contribute to 17.64% of our total power consumption. To further increase the use of renewable power, we are exploring new avenues such as using interstate power supply from renewable energy projects under the Inter-State Transmission System (ISTS) network, hybrid power projects with high Capacity Utilisation Factor (CUF), solar power plants, rooftop solar plants at colony, schools, and other onsite solar installations etc.

### Case Study

#### Gujarat Cement Works uses solar energy at the Mahuva mines

The Mahuva limestone mines, from which the Gujarat Cement Works sources its raw materials, is located almost 90 km away from the unit. To meet its power requirement, the unit successfully commissioned a solar power plant. The use of solar power not only assures uninterrupted power for weighbridge operations at the Mahuva mines, which is of critical importance to Gujarat Cement Works, but it also ensures substantial reduction in the carbon footprint of the unit.

### Case Study

#### MOU with Coolbrook to explore electrification of cement kiln heating process

Our Company has announced signing of a Memorandum of Understanding (MOU) with Coolbrook, a transformational technology and engineering company, to explore possibilities on reduction of CO<sub>2</sub> emissions from its cement manufacturing operations. UltraTech and Coolbrook shall jointly explore the use of Coolbrook's Roto Dynamic Heater (RDH), an innovative application based on its revolutionary roto dynamic technology. The technology has the potential to reduce up to 30% of carbon emissions from cement manufacturing process. This is a significant step in our journey of becoming a Net Zero business.

## Energy efficiency

Energy management is an essential part of ensuring the efficiency of plant operations. This makes it imperative to constantly upgrade energy management systems that leads to greater energy productivity. As part of EP100, a global leadership initiative that brings together growing numbers of energy-efficient companies, we are committed to doubling our energy productivity since 2018. The adoption of advanced technologies and innovation have helped us achieve our targets in this regard.

### Case Study

#### Innovative approach to saving fuel

Ginigera Cement Works, our grinding unit in Karnataka, has drastically reduced fuel usage in the cement grinding process and, in turn, managed to make significant savings. The cement variable cost of the plant was much higher than other grinding units because of its usage of coal as fuel. The fossil fuel was used for hot air generation that is necessary for drying facility during the production of both OPC and PPC cement.

After detailed analysis, the unit's team carried out several innovative technical changes, which have reduced its fuel consumption from 7 kg/MT to zero fuel for OPC grinding. The fuel consumption for PPC grinding has also come down significantly. These technical changes include minimised water spray on grinding table, controlled vibration levels by optimising the grinding pressure, minimised venting volume through chimney, and minimised false air in the system. Our teams are continuously working on various initiatives to improve energy efficiency by upgrading technology and optimising processes, which lead to increased productivity of the units.

GRI 302: 103-1, 2,3, 302-1, 2, 4

## Climate change financial impact assessment in alignment with TCFD recommendations

Our risk management strategy, which is aligned to TCFD recommendations, helps us identify our exposure to risks and recognise market opportunities.

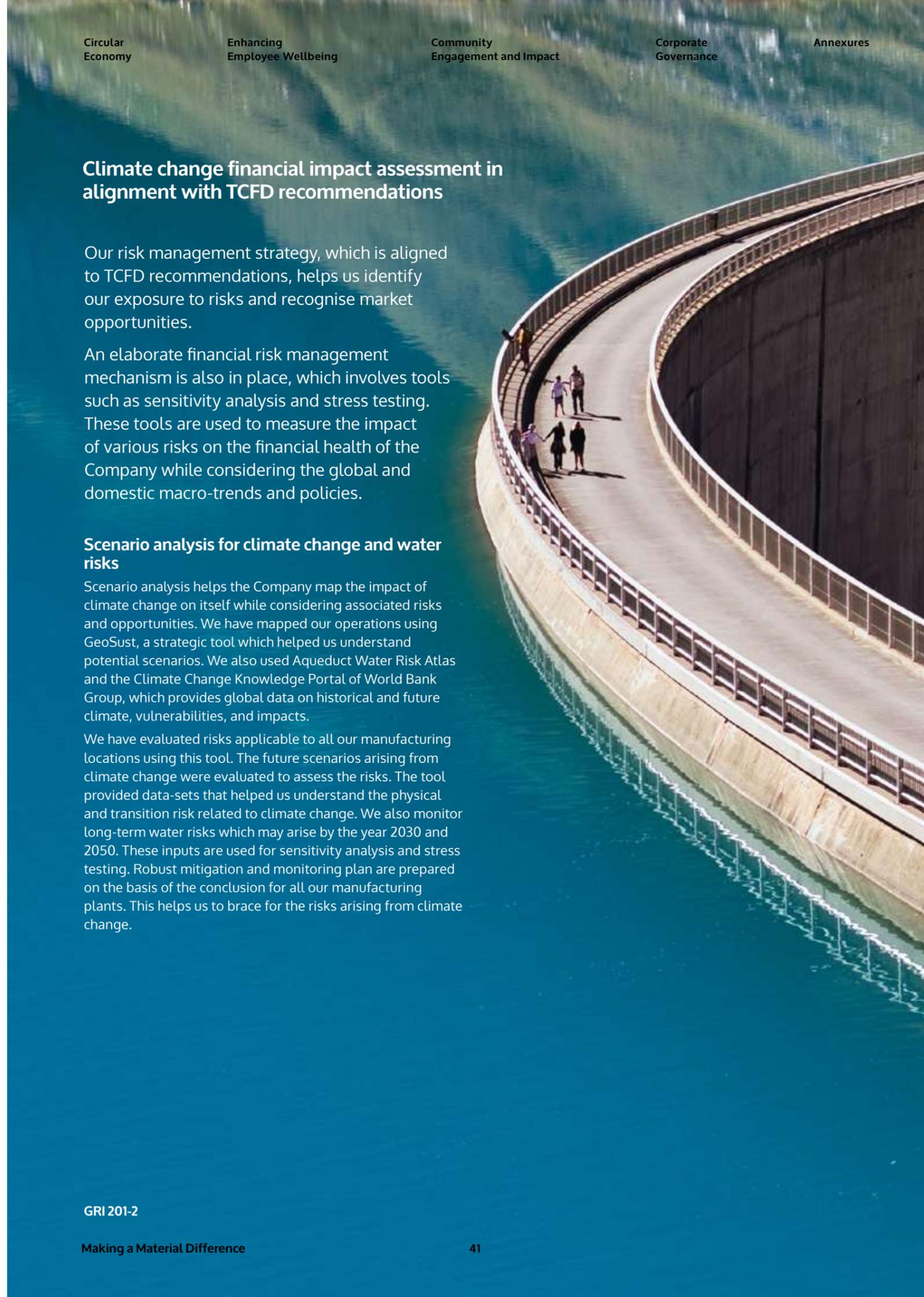
An elaborate financial risk management mechanism is also in place, which involves tools such as sensitivity analysis and stress testing. These tools are used to measure the impact of various risks on the financial health of the Company while considering the global and domestic macro-trends and policies.

### Scenario analysis for climate change and water risks

Scenario analysis helps the Company map the impact of climate change on itself while considering associated risks and opportunities. We have mapped our operations using GeoSust, a strategic tool which helped us understand potential scenarios. We also used Aqueduct Water Risk Atlas and the Climate Change Knowledge Portal of World Bank Group, which provides global data on historical and future climate, vulnerabilities, and impacts.

We have evaluated risks applicable to all our manufacturing locations using this tool. The future scenarios arising from climate change were evaluated to assess the risks. The tool provided data-sets that helped us understand the physical and transition risk related to climate change. We also monitor long-term water risks which may arise by the year 2030 and 2050. These inputs are used for sensitivity analysis and stress testing. Robust mitigation and monitoring plan are prepared on the basis of the conclusion for all our manufacturing plants. This helps us to brace for the risks arising from climate change.

GRI 201-2



# Minimising other emissions

We remain compliant with local and national regulations related to emissions. We have continuous emissions monitoring systems and ambient air quality monitoring systems installed at all our cement manufacturing facilities for the measurement of dust, NOx, and SOx. We are constantly setting targets to improve our performance and management of emissions.

Preserving the air quality in and around our facilities and mines is important for us. The key emissions from our operations are dust, nitrogen oxide (NOx) and sulphur oxides (SOx), which we keep within permissible limits. The main sources of dust emissions are cement production stacks. Fugitive emissions arise from quarrying, transfer, loading-unloading of materials and open storage of materials at a few manufacturing facilities. NOx and SOx emissions result from combustion of fuel and raw materials.

## Emission reduction strategy

### NOx

- Raw mix, coal residue and process optimisation
- Burner management and replacement
- Installation of low NOx burners at most of the units
- Installation of low NOx calciners for new plants
- Modification in old calciner technology for low NOx emission

### SOx

Installation of flue-gas desulphurisation technology to manage SOx emissions

### Dust

#### Fugitive emissions:

- Building more covered sheds for material storage
- Installing closed conveyor belts for transfer
- Paved roads inside facility

#### Stack emissions:

- Modern abatement technologies such as filter systems
- Regular maintenance of equipment at our manufacturing units
- Upgradation of all existing electrostatic precipitators with bag house



# Water management

Water is not used in the cement manufacturing process, but water is integral to the smooth running of plants, offices and colonies. At UltraTech, we aim to reduce our water usage and increase water availability for communities around our plants. At all our plants, we have implemented Environment, Health and Safety (EHS) management systems to monitor and address any concerns arising with regards to various aspects of environment, health and safety.

## Water conservation, reduction and recycling strategy

Water efficient technology	Zero water discharge
Recycling of water	Recharging of groundwater
Integrated watershed management projects in community	Rainwater harvesting

Some of our facilities are located in water stressed regions, hence, it is our duty to give back more water to the community than we extract.

We comply with all the laws and regulations safeguarding water resources. Our operations do not endanger any water body; and we constantly monitor ground and surface water levels and its quality across our facilities. We evaluate our water-related risks with the help of the Indian Water Tool (IWT), which combines data from Indian government agencies and water stress indicators from WRI and Columbia Water Centre. This is used to understand and assess water related risks in the future, which helps us plan and prioritise our actions to ensure sustainable water management.

GRI 303: 103-1, 2,3, 303-1, 2



### Did you know



## We are 3.8 times water positive

We return more water to the community than we consume. We have constructed ground water recharge structures, rainwater harvesting structures, check dams and other structures that help maintain water levels. We are desilting existing ponds to increase their storage capacity. We are also converting mine pits into reservoirs. Water conservation efforts at our facilities help reduce our water consumption at plants and mines while facilitating water reuse and recycling efforts.

# Biodiversity and land use

As part of our responsible resource stewardship, we integrate biodiversity considerations into our operations and policies while ensuring that our supply chain apply sustainability standards. Our Biodiversity Policy based on the 'No Net Loss' approach calls for negative biodiversity impact from projects together with biodiversity gains through compensation measures.

Our integrated plants carry out extensive biodiversity assessments to ensure the preservation of local flora and fauna, Ecologically Sensitive Areas (ESAs) and animal corridors. We have undertaken biodiversity assessments for 10 of our integrated plants and plan to complete them all by 2024. None of our sites have a key biodiversity area within 10 km radius or near any critical ecological zones.

We also conduct regular ecosystem service reviews and community/stakeholders' conservation efforts review. We have created biodiversity maps, biodiversity index and ecosystem services. Based on these assessments, we implement biodiversity management plans across our facilities and mines.

### Case Study

#### Biodiversity conservation efforts shaping up across plants

As part of our collaboration with IUCN since 2017, we have been assessing the biodiversity of all our sites through the Integrated Biodiversity Assessment Tool (IBAT). We have completed focused biodiversity assessments at ten of our integrated plants so far. On the basis of these assessments, focused initiatives have been undertaken at several of these plants to regenerate and preserve biodiversity.

At Rajashree Cement Works, for example, we have a Biodiversity Management Plan (BMP) comprising five biodiversity conservation strategies, with a vision to positively enhance biodiversity at the site by 2025. The BMP for Kotputli Cement Works similarly involves mitigative measures, and at Aditya Cement Works, the BMP involves progressive restoration, natural resource development, improvement of the habitat quality and other similar steps.

We have completed framing elaborate management plans at Andhra Pradesh Cement Works and Reddipalayam Cement Works, where biodiversity assessment is in different stages of completion. The learnings from these projects would be shared with all our integrated units to guide them towards framing their own BMPs by 2024.



### Rejuvenating delicate ecosystems

We recognise the importance of biodiversity and the preservation of the ecosystem for the long-term sustainability of our operations. We conduct our operations responsibly and take concerted action to protect, restore and promote all forms of life in the ecosystem.

We not only conserve biodiversity but we also rejuvenate it. As part of our Biodiversity Policy, we strive to maximise biodiversity around our plants and quarry sites through various initiatives. To conserve biodiversity, we have started to study the ecological evaluation of our sites to help identify risks and opportunities.

We celebrate the International Day for Biological Diversity on May 22, and pledge every year to keep working, in both our individual and collective capacity, to promote a shared future for all life.

### Collaboration with external partners

We are working together with the external agencies to create a scientific and systematic approach towards biodiversity management.

Our engagement with agencies has evolved through the organisation's involvement at several Integrated units. At the corporate level, we are collaborating with IUCN, Terracon & Green Future Foundation to draw up policies and technical standards for comprehensive assessment and data collection at four of our units.

The sites were selected through the Integrated Biodiversity Assessment Tool, which was used to screen all our units. The identified sites need prompt intervention, and a comprehensive Biodiversity Management Plan is being prepared for them.

# Responsible mining

### Taking care of our mines

Responsible mining is critical to our operations as we aim to make our raw material deposits sustain for long. We explore deposits both laterally as well as vertically till the end of mineralisation to optimise usage and assess mineral availability through advanced technology and data management. We are now blending high-grade limestone with low-grade material, which are otherwise stacked separately, in order to maximise resource use. We have created synergy between two captive mines and two nearby plants. Excess oxide in the limestone of one mine was making it unusable. The synergy has made it possible for the neighbouring plant to access limestone devoid of this oxide.

### Mine lifecycle management

We take care to ensure mines are effectively managed to prolong their life. A comprehensive mining plan is drawn up, one that details mineralisation and the constraints that a mine may pose as well as how to plan for end-of-life operations. To keep mining benches and faces dry, we never pump out water, which also entails its misuse. Instead, we create a sump, which is lower than the lowest bench, and collect the water. This is then pumped out for use either at the plant or in neighbouring villages.



## Digitalisation in mines

### Use of Arc GIS for storage of land data

We are digitising revenue maps of villages that form part of the mining lease along with information on the status of purchase. We intend to digitalise and centrally store all information of future acquisitions using this software.

### Use of drones for topographic survey

We are using drones for the initial topographic survey of the entire mining lease areas and its immediate surroundings (100 m periphery). The contours provided by the survey helps create the Digital Terrain Model. The high-resolution images from drones also help in course correction with regard to bench width, calculation of stocks (overburden, high-grade, low-grade materials stored in the mines etc.) haul road and ramp gradients as they capture terrain variations for active mining areas. This also helps us save fuel from the transport of equipment.

### Digital tracking of violations and action taken

We have developed inhouse a special software to capture and track violations in mining operations. Monitoring is done every week and the concerns are flagged to the management.

### Better technology, better performance

We are using vibration monitoring instruments to capture information so that charging of the blast holes is within safety limits. We purchase top grade equipment to enhance safety and optimise efficiency. Special emphasis is laid on the gradient and width of haul roads and ramps and operating bench widths to ensure safe operations.

### Use of advanced software for 3D geological modelling and mine planning

We are now digitally storing all information related to geological exploration data, mining equipment and daily operations. The data is being used to prepare a 3D block model with a software that provides accurate estimate of quality and reserves. This will facilitate better mine planning as the information will be used to assess process parameters required by plants. We will also be able to better assess blocks that are selected, extracted and transported to the crusher for sizing and onward dispatch to plants. We are also undertaking a pilot for integrating equipment's operation and maintenance.

### Pilot to integrate mine to crusher

We are undertaking a pilot to integrate the entire mining value chain encompassing mine planning, drilling and blasting, mine operation, grade control and equipment maintenance. We intend to scale it up after successful implementation.

## Safety at mines

It is mandatory to enforce guidelines issued by the Directorate General of Mines Safety (DGMS) at each mine. But we go beyond this mandate to ensure the safety of our people working in mines.

Our first concern is to ensure the mine layout is spacious enough to provide unhindered access and exit for equipment. We also take care to ensure adequate gradient of the haul roads and ramps connecting one bench to the other.

Mine faces and roads are kept clean to keep fly rock away from the rotating equipment wheels. We run most of our mines in a double shift, avoiding night shifts for enhanced safety and performance. Blasting is carried out during the day and after all safety precautions are followed. Highly trained personnel handle the use of explosives for blasting and all equipment are adequately tested before deployment. Standard PPE kits are mandatory inside the mine.

To prevent dust from posing any safety risk, we regularly sprinkle water on the haul roads and at loading points. Green belts developed also keep the dust in control.

To check whether the disaster management plan is properly implemented, regular internal safety audits are undertaken and recommendations for improvement are proactively implemented. Each plant has a medical centre. As part of the disaster management plan, we undertake continuous training of operations and maintenance teams and improve safety standards.

## Labour and human rights in mine practices

We have a comprehensive compensation policy and employee welfare schemes to safeguard the rights of our mine workers. Regular training and opportunities for growth keeps them motivated. We treat each individual worker with dignity. We follow all established laws of land that ensure fair treatment to employees and protection of them.

## Mines awarded 5-star certification

Star ratings are awarded by the Ministry of Mines to mines that adopt best practices and implement the Sustainable Development Framework in mining. It also recognises mines that perform best on the parameters such as scientific and efficient mining and comply with approved production, zero waste mining and environment protection. The rating also recognises mines with progressive and final mine closure plans, green energy sourcing, and undertaking local community engagement and welfare programmes, resettlement and other beneficial social impacts.

### 5-star rated mines

BABARKOT LIMESTONE MINE – NARMADA CEMENT

TUMMALAPENTA LIMESTONE MINE - ANDHRA PRADESH CEMENT WORKS

RAJASHREE LIMESTONE MINE - RAJASHREE CEMENT WORKS

CENTURY LIMESTONE MINE - BAIKUNTH CEMENT WORKS

KOVAYA LIMESTONE MINE - GUJARAT CEMENT WORKS

MOHANPURA JODHPURA LIMESTONE MINE – KOTPUTLI CEMENT WORKS

HARUDI-KHARAI LIMESTONE MINE – SEWAGRAM CEMENT WORKS

MANIKGARH CEMENT LIMESTONE MINE – MANIKGARH CEMENT WORKS

BHADANPUR LIMESTONE MINE – MAIHAR CEMENT WORKS

VIKRAM LIMESTONE MINE – I & II – VIKRAM CEMENT WORKS

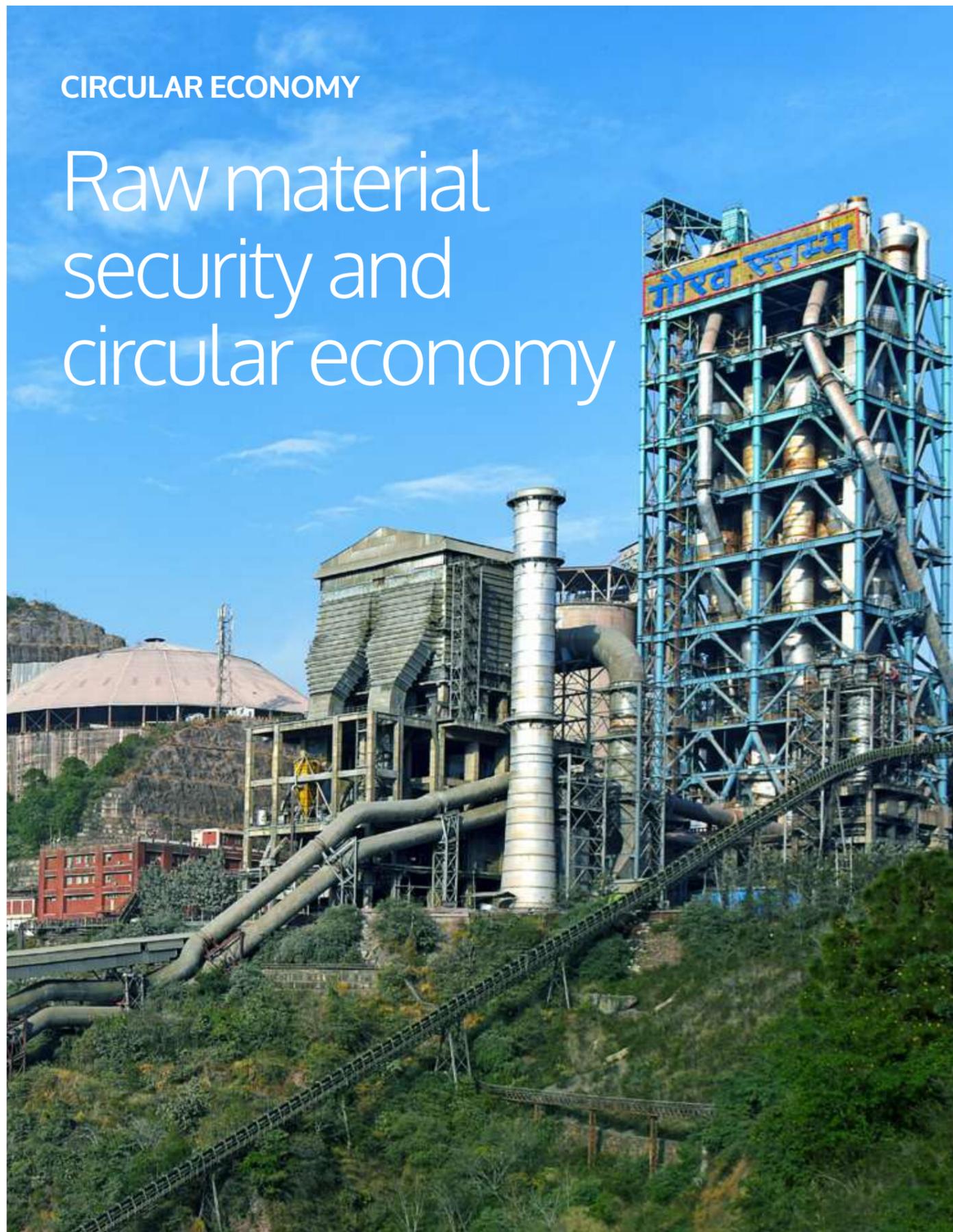


## Mined out pits converted to water reservoirs

Most of the mining areas under Company lease are flat grounds. Mining in these areas leads to development of pits, which get filled with rainwater or by ground water. The collected water is utilised either in the plant and its associated colony and/ or supplied to the neighbouring villages through tankers for drinking purposes.

## CIRCULAR ECONOMY

## Raw material security and circular economy



## Highlights

19.12%

recycled material used for production, out of our total raw material

1,24,070 Tonnes

municipal solid waste has been utilised as fuel

1,84,728 Tonnes

industrial waste utilised as fuel

15.44%

increase in recycled materials, compared to the previous year

78%

increase in consumption of biomass waste in cement production, as compared to last year.

Mineral resources security is a strategic concern for us. Securing access to sustainable supply of minerals at reasonable prices is critical to retaining a competitive edge. We ensure optimal extraction from our captive mines while aiming for minimising waste and prolonging their life. Together with resource conservation, as a leading cement manufacturer, we also play a catalytic role in giving impetus to circular economy in the country. By ensuring a circular supply chain and through recovery and recycling of industrial and municipal waste, we are facilitating a circular economy. The use of such alternative materials helps in conserving natural resources, lowers the clinker factor in cement and CO<sub>2</sub> emissions.

Being a recognised industry leader with strong commitments, sustainability has always been central to the way we run our business. We have invested in resources, capex and aligned teams to aggressively contribute to a circular economy. Our focus is on utilising municipal solid waste, which is a problem for the country. The utilisation requires consents, rigorous procedures and practices, to maintain the health of our people and we have successfully established the same. At the same time, we are increasing industrial waste co-processing to decrease the volumes of waste going to landfills or incineration. We are proud to share that UltraTech has won FICCI Indian Circular Economy Award, 2021.

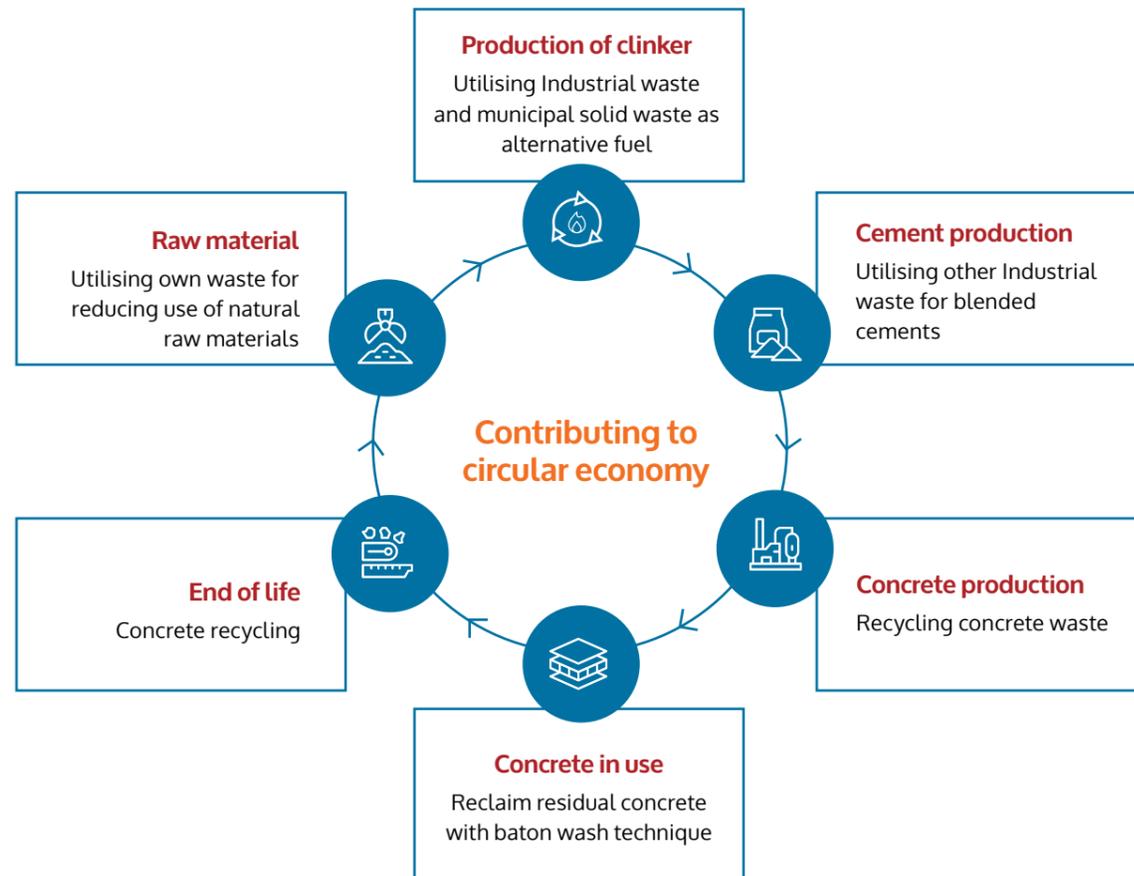
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## Waste to resource

Through the adoption of advanced technology and innovation in our processes, we have continued to evolve our circular economy model. While we are limiting raw material use by reusing waste generated from other sources as fuel, we are also bringing down emissions through the use of such alternative fuel. As a founding member of Global Cement and Concrete Association (GCCA), we are pledged to promoting the principles of circular economy across the industry. Each year, we explore fresh waste streams. The use of best-in-class technology and generating greater awareness on the issues through the proper training of people are critical to this initiative.

We have invested in resources, capex and aligned teams to aggressively contribute to a circular economy. Our focus is on utilising municipal solid waste, which is a problem for the country. The utilisation requires consents, rigorous procedures and practices, to maintain the health of our people and we have successfully established the same. At the same time, we are increasing industrial waste co-processing to decrease the volumes of waste going to landfills or incineration. We are proud to share that UltraTech has won FICCI Indian Circular Economy Award, 2021.



## Managing waste at our plants

The waste generated by our manufacturing plants include fly ash, hazardous waste and non-hazardous waste. We are utilising fly ash, a by-product of the energy production process at our captive power plants, to blend with cement. This repurposed use ensure reduction in carbon footprint. We are minimising the use of natural resources while reducing emissions. Small quantities of hazardous and non-hazardous waste are sent to authorised recyclers.



100%

Fly ash generated at the power plants at our manufacturing facilities is used to produce cement



GRI 306:103-1, 2, 3, 306-12

# Utilisation of industrial waste as raw material

We use industrial waste such as flyash, slag and gypsum for the production of our blended cements such as PPC (Portland Pozzolana Cement), PSC (Portland Blast Furnace Slag Cement), PPC Super and Composite cement. These alternative materials thus replace naturally occurring limestone in the production process.

**19.12%** recycled material used, of our total raw material used.

**15.44%** increase in recycled materials, compared to the previous year.

### Case Study

**13,98,424 Tonnes**

Aluminium industry waste utilised in the current year.

### Case Study

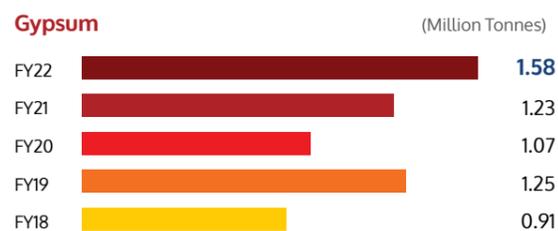
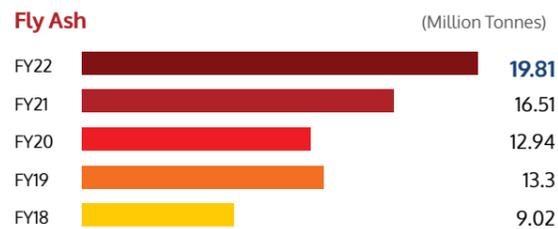
#### Sikandrabad unit adopts a circular business model

Sikandrabad Cement works, our grinding unit in Bulandshahar, Uttar Pradesh has been sourcing natural gypsum from Rajasthan and Jammu and Kashmir to be used as an additive in the cement manufacturing process. To reduce dependence on this natural resource and save on costs, the unit looked for alternative resources and adopted a circular approach. This requires fundamental changes throughout the value chain, product design and technology, business model and manufacturing.

The unit team identified industrial clusters that could have waste material with properties similar to natural gypsum. They found ceramic manufacturing units which generate persistent organic pollutants of 400-500 MT per month. Sourcing from these ceramic industries, the team has managed to successfully use 15-20% POP gypsum waste to partially replace the use of natural gypsum.

By increasing waste utilisation, Sikandrabad Cement Works has thus taken a step towards catalysing circular economy. The intervention not only has the potential of generating substantial savings, but also the possibility of the option being replicated across our other units which are proximate to similar industrial clusters.

## Recycled material used by weight



### Case Study

#### Innovative use of zinc slag at Aditya Cement Works

As part of our ongoing efforts to identify alternative raw materials and promote sustainable manufacturing, Aditya Cement Works, an integrated unit, has found an innovative use of zinc slag. The waste is being used to partially replace laterite, which is a natural raw material used in cement raw mix.

Aditya Cement Works found a few industries generating waste in the form of zinc slag, which falls under the non-hazardous category. The team collected samples of the zinc slag for further study and analysis at the unit's Quality Control laboratory and found that its chemical composition and characteristics were similar to laterite. After tests and impact analysis, the team started utilising zinc slag in cement raw mix as a partial replacement of laterite without any negative impact to the product quality.

The step bears immense potential for cost saving and boosting our efforts to reduce the consumption of natural resources and lessen the environmental impact of its operations. Following in the footsteps of Aditya Cement Works, Vikram Cement Works is also planning to use zinc slag from Hindustan Zinc, Chittorgarh, which produces approximately 10,000 MT of zinc slag per month.



### Case Study

#### Use of Industrial waste at Vikram Cement Works

Vikram Cement Works, an integrated unit, has found an innovative solution to utilise the alumina waste generated by metal and alloy industries to partially replace bauxite in the clinkerisation process during cement manufacture. While analysing the properties of alumina, the unit team found that alumina had characteristics similar to bauxite. After extensive technical analysis and obtaining approvals from authorised regulatory bodies, the unit team was able to use alumina as a raw material without impacting the clinker quality.

Around 100-120 MT of alumina is generated by the nearby industries each month. The entire quantity is being utilised by Vikram Cement Works. The measure resulted in a cost saving of ₹ 83,000 per month, and around ₹ 14.49 Lakh in FY 2020-21. Further studies are being conducted at the unit to enhance the use of waste as alternative raw material and fuel.



## Co-processing of industrial waste

By using industrial waste in co-processing, we are not only providing an effective waste management solution but also improving the thermal substitution rate in our kilns, and thus making manufacturing more sustainable.

Among the pioneers of co-processing in India, we have been developing the requisite infrastructure since 2005. We follow all regulatory norms related to co-processing and are supported by a strong team of qualified professionals and state-of-the-art laboratories. Backed by this support system we regularly undertake waste analysis and handling of waste at our manufacturing sites. We have installed extensive shredding systems to utilise a wide variety of industrial waste. As part of co-processing, we carefully monitor emissions and implement the latest pollution abatement technologies.



### Did you know



#### Co-processing is a sure-fire way to Mission Zero

In cement manufacturing, co-processing means the use of alternative fuels in both combustion and production processes. When it comes to combustion, it means substituting fossil fuels, such as coal, petroleum and gas, with waste. Typically, such waste consists of combustible municipal waste or refuse-derived fuels (RDF), biomass, and non-hazardous industrial and commercial waste. When it comes to the production process, co-processing means substituting part of the natural raw materials used in the production process with ash residue from the combustion process.



## Use of municipal solid waste as alternative fuel

Making Refuse Derived Fuel (RDF) from municipal solid waste (MSW) to be used as fuel in cement plants is gaining traction in India. RDF has the potential to replace up to 15-20% of primary fossil fuels in cement manufacturing. At UltraTech, we are pioneering this change and providing a major solution for the management of MSW. For emerging countries like India, MSW management poses a major challenge as it consumes a lot of resources in processing the waste and poses problems with regard to its hygienic disposal.

Our initial efforts in using MSW began in 2007 at our first dedicated processing facility in Jaipur. The facility now converts the waste into compressed RDF pellets, which are clean and free of odour. These pellets are then fed into cement kilns for fuel recovery.

Following the successful implementation in Jaipur, we are using the same method in our operations in Tamil Nadu, Rajasthan, Karnataka, Gujarat and Andhra Pradesh. We have tie-ups with 80 municipal corporations in India and are in discussion with several others. Currently, we process 1,24,070 Tonnes of MSW annually. Through this initiative, we are promoting the Swachh Bharat mission of the Government of India.

**1,24,070 Tonnes**

of municipal solid waste is used as alternate fuel at our plants.

**3,39,675 Tonnes**

of non-recyclable plastic waste is used as alternate fuel at our plants.

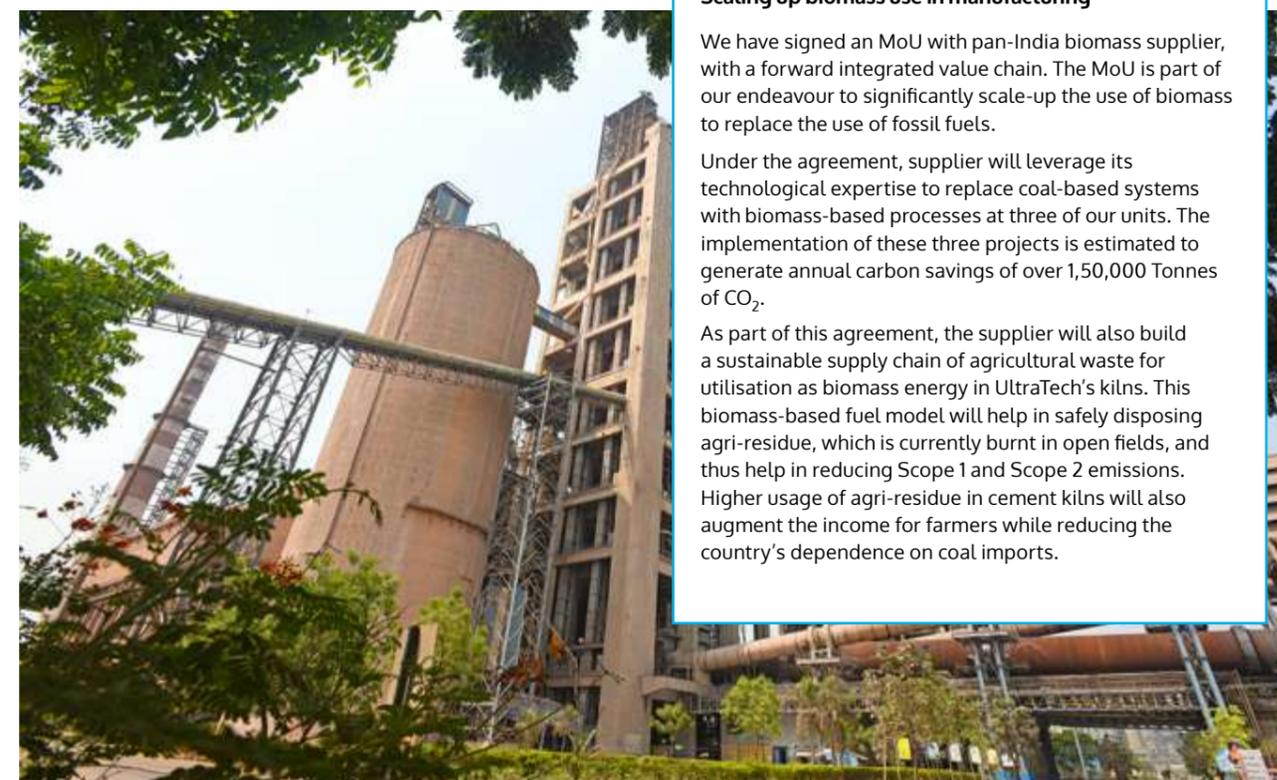
### Case Study

#### Scaling up biomass use in manufacturing

We have signed an MoU with pan-India biomass supplier, with a forward integrated value chain. The MoU is part of our endeavour to significantly scale-up the use of biomass to replace the use of fossil fuels.

Under the agreement, supplier will leverage its technological expertise to replace coal-based systems with biomass-based processes at three of our units. The implementation of these three projects is estimated to generate annual carbon savings of over 1,50,000 Tonnes of CO<sub>2</sub>.

As part of this agreement, the supplier will also build a sustainable supply chain of agricultural waste for utilisation as biomass energy in UltraTech's kilns. This biomass-based fuel model will help in safely disposing agri-residue, which is currently burnt in open fields, and thus help in reducing Scope 1 and Scope 2 emissions. Higher usage of agri-residue in cement kilns will also augment the income for farmers while reducing the country's dependence on coal imports.



## ENHANCING EMPLOYEE WELLBEING

# Safeguarding health and safety, every step of the way



Our Group's Mission is to deliver superior value to our customers, shareholders, employees, and society at large. Our belief is that our people make things happen in delivering superior value and they form the core in building our organisation. Their safety, health and wellbeing are paramount for us. The organisation stood by the employees and their families during the pandemic, extending them needed support. Our people practices embed our Employee Value Proposition of "A World of Opportunities". Our inclusive work culture provides an empowering and enabling work environment with opportunities to learn and grow. The recognition accorded to us by Great Place To Work® Institute as among 'India's 30 Best Workplaces in Manufacturing - 2021' reflects our people focus. We nurture diversity and endeavour to promote it across the value chain. We already have an all-women managed Ready-mix Concrete factory – a first-of-its-kind in India with several more planned. Young women engineers manage activities of cement manufacturing control room and mining operations among others at our manufacturing locations.

**Ramesh Mitragotri,**  
CHIEF HUMAN RESOURCE OFFICER

### Highlights

## 100%

Plants certified to OHSAS 18001/ISO 45001 standard

## 0.19 LTIFR

for FY 2021-22

### IT-enabled system

for conducting safety audit from remote locations

### Application of video analytics and data analytics in safety

## 4.5 Lakh +

Safety trainings hours imparted

### USHA Chatbot

AI-based platform for Safety training

The assurance of a safe working environment for both workers and contractor personnel are our topmost concern. Building on our motto of Zero Harm, Zero Injuries and Zero Excuses, we are promoting a safety culture where everyone is made responsible for safety.

### Safety focus areas for FY 2021-22

#### Operations

- Zero (0) on-site fatality
- 20% reduction in LTIFR compared to FY 2020-21
- Developing Standard Champions at units through virtual training
- Implementing 100% MOC (Management of Change)
- Achieving 100% compliance with Process Safety Management standard

#### Projects

- Sustain zero fatality
- Severity Index below 2.5 (for each site and for each contractor) Achieving 100% compliance to Safety Management System, which includes standards, compliance and associated activities. (i.e. Formation of Project Safety Committee, Contractor Safety Committee, Focused High Risk Committees, Incident Investigation Committee and Area Safety Committee (ASC) at each project site)
- 100% adherence to Pre-Startup Safety Review (PSSR) and Regional Transport Office (RTO)

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# Health and safety

## Inculcating a safety culture

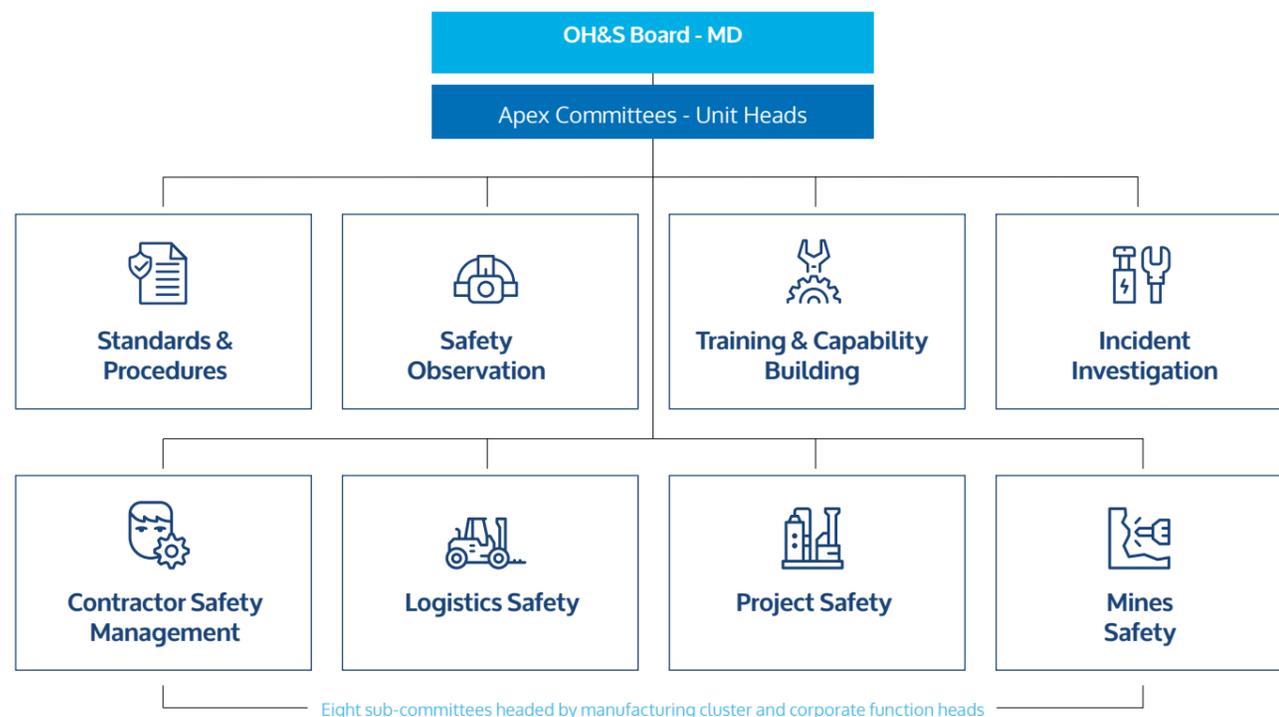
To ensure that a safety culture is imbibed across the organisation, safety has to be made an everyday issue. We have a comprehensive governance structure and a strong management system to see that procedures, standards and guidelines are adhered to. The effectiveness of these measures are regularly evaluated through observations and audits which serve as the basis for further improvements.

The overall effectiveness of the safety management system is reviewed by an apex governance body, i.e., Occupational Health and Safety Board, chaired by the Managing Director once in every two months. Safety is also closely monitored by eight subcommittee headed by the manufacturing cluster Heads and Corporate Function Heads at the Board-level. In addition, we have six subcommittee at the unit-level, each headed by the Unit Head to ensure employee safety in a sustained manner. Health and Safety KRAs form a part of the evaluation process for members of the Executive Committee.

We have evolved a comprehensive safety management system consisting of 26 critical standards, 20 procedures and 12 guidelines for all our facilities. It is mandatory for all our employees, including contract employees, to follow our eight life-saving rules and five road safety rules. From hazard identification and risk assessment to compliance with legal requirements, safety management at our plants involve effective implementation of all risk control measures. These include following a set hierarchy of control, ensuring adequate competence of people, periodic checking through inspection and audit and taking appropriate corrective and preventive action. Our OHS measures are certified by recognised certification bodies. We have implemented International Safety Standards OHSAS 18001 and now ISO 45001.



### Safety governance structure



GRI 403: 103-1, 2, 3, 403-1, 2, 4, 7, 8

## Ingraining the emphasis on zero harm

At UltraTech, we strive to design an inherently safe workplace that ensures minimal or no risk in our operations. We promote our zero-harm safety culture through three types of action – Leading, Proactive and Corrective.

### Leading interventions

These efforts identify areas of concern and build capability to continuously enhance our systems that minimise risks of injury and reduce facilities.



### Safety Standard Champions Training

Employees across all units are trained on 18 safety standards through a virtual Safety Standard Champions training programme so that they can further impart training to our on-roll and contract employees to ensure compliance.

### Using the USHA Chatbot

To provide 24x7 support to our employees and making them more aware of safety standards, around 7,000 frequently asked questions (FAQ) on 27 safety standards, 11 procedures and five guidelines are made available to them through the AI-enabled USHA chatbot.

GRI 403-1, 4, 5

### Monthly safety campaigns

To give our employees a greater understanding of safety risks, safety campaigns are organised across units every month on identified themes based on the analysis of past incidents. These events and activities are supported by a variety of mediums such as 3D animation video, creative posters, training through virtual platform and so on, so that they are accessible to all employees, including contractual ones.

### Virtual third-party safety assessment

To evaluate how much the lessons have permeated horizontally and to assess the implementation of standard requirements at units, even during the pandemic, we conducted an independent virtual safety assessment by a third-party expert agency at our units.

### Contractor connect Initiative (Hamein apki parva hain)

To correct 'at risk' behaviour among contract workers, the Unit Head and Functional Head (Technical) of each integrated unit conducted two virtual connect events every week with the contract workmen from another unit. The focus is to find out what is not going well on the safety front by probing. Weekly observations are circulated across units through mailers that give the details under 'Hall of fame' and 'Hall of shame'.

### Pratibimb: Leader connect with employees

To review and improve the effectiveness of walk-through inspections, each of the four Cluster Heads (COO) connect randomly with four employees every week and interact with them on a virtual platform. Through these 16 employees of four units, every week, we assess where and how they can add more value to make our workplace safer.

### Mandatory e-learning on high-risk operations

To enhance the technical knowledge of our employees associated with specific high-risk operations (at coal mill, boiler etc.), e-learning modules have been developed and uploaded onto the Learning Management System (LMS) platform. It is mandatory for them to take these tests and qualify to ensure they are fully aware of the safety processes.

## Proactive interventions

We undertake various intervention to identify and eliminate the risk of accidents at our manufacturing facilities by proactively engaging with employees and contract workmen.

### Using TapRoot for incident investigation

To ensure thorough investigation of lost time injury incidents and high potential near misses, a select few Safety professionals have been trained as trainers through a Train the Trainer (TtT) model about 'TapRoot' – an effective tool for incident investigation. The tool is used to investigate all significant incidents and is yielding good results in terms of unearthing root causes so that we can take effective corrective/ preventive actions.

### Digitalisation

We use data analysis tool to carry out detailed analysis of various safety indicators of units to pin-point specific areas where we need to strengthen control systems so as to avoid recurrence of incidents.

### Video analytics

We are also applying video analytics in specific high-risk areas (with potential exposure to hot material, electrical arc flash etc.) for real time intervention by integrating the camera and alert system.

### Continuous PPE upgradation

We regularly evaluate PPEs (personal protective equipments) with respect to quality/protection factor/suitability on the basis of inputs received from units. PPEs are upgraded in close coordination with vendors.

## Corrective actions

Through corrective actions we continuously evaluate our systems and processes to reduce recurrence of incidents.

### Prevention of incident recurrence and compliance tracking

Learning from an incident is critical to for our ability to control future incidents and manage the aftermath effectively. This learning is useful for the organisation as a whole. Therefore, we make sure to share any serious incident findings along with recommended actions taken to handle it, across all facilities through RCN. Unit incident investigation sub-committee is accountable for ensuring compliance of recommended actions; the status of compliance is obtained through monthly safety reports from each unit.

## Consequence management

We follow a policy of zero tolerance towards individuals or groups that display unsafe behaviour. If at-risk behaviour or reckless decision-making is identified as the root cause of an incident during investigation, we apply the consequence management approach to deal with the situation. Disciplinary action is taken against such individuals and groups and this counts in their performance appraisal that is undertaken through our Enterprise Resource Planning (ERP) software.

### Application of data analytics

We use data analytics to gain insights about safety at the facilities on the basis of safety observations and near misses. A granular analysis (section/area-wise, contractor-wise, standard-wise among others) is made available to the facilities to enable them take corrective actions with a focused risk-based approach.



## Keeping a watch on safety behaviour

To identify 'at risk' behaviour of employees and reforming such behaviour immediately, we have implemented a behaviour-based safety programme named Safety Behaviour Observation.

This is a structured, proactive six-step process to effect positive change in the behaviour of our employees with regard to workplace safety so that they:

- Recognise and reinforce positive safety behaviour
- Identify and correct behaviour at risk
- Engage in conversation regarding safety concerns or issues

In addition, we organise behaviour-based safety training programmes for our employees throughout the year. A progressive consequence management (PCM) procedure is in place to deter unsafe behaviour. Likewise, to reinforce positive safety behaviour, reward and recognition (R&R) has been institutionalised.



## Ensuring road safety

We have implemented road and driving safety standard at units that covers three major components of road safety: vehicle, driver and road.

Compliance with these standards is evaluated periodically through internal as well as external audits and corrective actions are taken against non-compliance.

The Plant Logistics Head (PLH) is accountable for ensuring road safety at respective units. Regular meetings are held between the logistics department and transporters to review road safety performance and ensure that they follow the Company's road safety norms.

### Technology to maximise road safety

With cement trucks fitted with GPS, all data related to driving (e.g., over-speeding, harsh braking, driving longer than specified duration etc.) can be captured and analysed. Based on the analysis, the drivers concerned are counselled for improvement. Further, to ensure man-less operation at the factory gate, we have adopted a 'eye on wheel' technology.

All new drivers and contract workers have to mandatorily go through a safety induction, wherein they are apprised of our safety system requirements. We have developed and implemented a truck yard management plan at our units' truck yards. We also undertake initiatives to enhance drivers' awareness on road safety, impart training on defensive driving, first aid, and create awareness on AIDS and potential risks from tobacco use, and so on. Health camps are also organised for drivers. In view of the pandemic, we created a Romberg test facility to examine if drivers were under the influence of alcohol. We undertake frequent sanitisation and ensure drivers follow COVID-related protocols such as wearing of masks and maintaining adequate social distance.



## Consistent focus on occupational health

As a responsible employer, we prioritise the occupational health and safety of our employees. We have a Board-level Occupational Health (OH) sub-committee headed by a Unit Head, with representation from doctors of units, the Group Sustainability Cell, and Corporate Safety. Through its periodic reviews, this sub-committee decides on actions to further improve occupational health management.

We have implemented three occupational health procedures along with a Health Index. We conduct regular campaigns to sensitise our employees on various aspects of OHS. Self-assessment is a part of the process, which is conducted annually. Through employees' response to a Group questionnaire we evaluate the efficiency of our occupational health management, first aid and emergency medical care, and management of HIV/TB/malaria at the workplace.

We also conduct qualitative and quantitative exposure assessments (QLEA & QNEA respectively) regularly and align medical examinations accordingly. The recommendations are implemented across our facilities. We also offer the medical staff and first aiders the facility of vaccination against Hepatitis B and conduct ergonomic assessments for our employees.

### The following initiatives have been completed at our manufacturing units:

- Three occupational health procedures developed and implemented
- Health Index developed and released
- Sensitisation of unit management about Occupational Health

### The OH sub-committee monitors the following on a regular basis:

- Availability of doctors and Associate Fellow of Industrial Health (AFIH) at units
- Typhoid vaccination for food handlers
- Utilisation and upkeep of HMS system at units
- Availability of at least one Automated External Defibrillator (AED)
- Qualitative and quantitative exposure assessment (QLEA & QNEA respectively) together with medical examinations aligned to the analysis reports
- Tracking implementation of the recommendations of QLEA and QNEA
- Availability of Type C or Type D ambulances
- Periodic medical examination (PME) if any occupational illness found
- Hepatitis B vaccination for medical staff and first aiders
- Availability of Material Safety Data Sheet (MSDS) at health centres
- Ergonomic assessment
- Self-assessment against questionnaire of ABG Sustainability Cell for Occupational Health Management, first aid and emergency medical care, management of HIV/TB/malaria at workplace

## Safety at ready-mix concrete plants

We have 170+ ready-mix concrete (RMC) plants located strategically across the country, where we engage nearly 6,000 people (directly and indirectly) for manufacturing and delivery at site. The RMC industry faces high attrition levels among its skilled workforce due to the laborious and fragmented nature of work and dynamic conditions at the worksites, resulting in low safety awareness.

We are addressing this challenge by proactively inculcating a culture of safety among this workforce. All our RMC sites are covered under our safety standards, and we regularly train people in established safety protocols.

We apply our Train the Trainer (TtT) module here for training and also train our drivers of transit mixers in defensive driving. An animated training module is used to help our concrete workers at the pour site to train them to safely use the concrete pump. Use of arc flash suits at these locations is mandatory. Our senior leadership members regularly conduct surprise audits at the RMC plants.

GRI 403-3, 7

# Employee wellbeing and engagement

We create an enabling environment for our people where they can grow both personally and professionally. We encourage open, honest, frequent interactions so that they can forge a deep connect with the organisation and remain involved and interested in contributing their best. As part of the Aditya Birla Group, we have implemented the 'One HR' policy applicable for the entire Group. Employee engagement, promoting employee health and wellness, talent management, change management, organisation effectiveness are integral to this policy. Our labour management system ensures both fairness and propriety. Our HR approach is aligned to principles laid down by the United Nations Global Compact.

## Highlights

All women run ready-mix concrete plant

All women run CCR operations

UltraTech amongst 'India's 30 Best Workplaces in Manufacturing'

## Employee Value Proposition

### Pillars

Career	Enrich your Life
Learning and Development	Rewards and Recognition



## Promoting a collaborative work culture

UltraTech fosters a free, fair, open, inclusive, performance-driven and collaborative work culture, based on the five core values that form the backbone of organisational culture.

These values are integrity, commitment, passion, seamlessness and speed. The diversity of our people, their diverse age, expertise, gender, cultural background and experience among others continue to enrich the organisation.

We make conscious effort to promote the highest standards of professionalism and we have earned industry recognition for doing so. We encourage our employees to be accountable for their actions and decisions. We inspire our employees to give their best and remain responsible professionals. Collaboration is encouraged across functional groups, hierarchies, businesses and geographies.

# 70%

of total career opportunities made available to internal talent

### Succession planning

We undertake meticulous succession planning for key positions and regularly evaluate them with the help of the talent council comprising the top leadership. Movements into the key positions are also prioritised in accordance with this succession plan. Employees in the succession pipeline are trained through special projects, critical exposures and are coached by external coaches.

This year we took significant efforts to encourage internal talent to make us of 568 cross-departmental and cross-functional career opportunities. We facilitated 916 lateral and 619 growth opportunities through robust succession planning processes.

We also launched a '40 under 40' initiative to fast track career growth for top talent among the young. As part of this initiative, we will be setting up academies to develop people capabilities and undertake specific role-based initiatives across different levels. We have institutionalised accelerated leadership development programmes for career growth. This has helped strengthen our brand as an employer.

Also, in order to provide a delightful onboarding experience, we have standardised our onboarding process across units and improved the quality of training provided at the time of onboarding.

#### Case Study

##### Digitalised talent management for better succession planning

At UltraTech, we have experienced 90% organic and inorganic growth in the last four years across geographies. To ensure quick availability of successors and providing them growth opportunities by ensuring their placement against vacant positions, we have digitalised the succession planning process.

This has made the process of successor identification and placement process simpler and faster as we can now access real time data of ~1,400 successors along with their readiness at our 24 manufacturing units, including that within the senior management. This automated tool also has a comprehensive dashboard which is available to the stakeholder concerned.

##### Our framework



### Performance evaluation

Our performance management process has kept evolving according to the needs of the organisation. PerformNEXT at UltraTech aims to build and institutionalise the key ethos of reflection, ownership, development and feedback to drive high performance.

#### Compensation review

In order to ensure our compensation levels are aligned to the market we operate in, we conduct an annual compensation benchmarking exercise via an external vendor. This data is procured for all roles/positions from similarly-sized organisations, taking into consideration the industry, company size, turnover, etc. Based on the findings, decisions to adjustment compensation are taken.

### Employee engagement survey

Vibes, our employee engagement survey, is conducted on a biennial basis across all age group, gender and management level to gather employee feedback and views. We conducted the survey between November-December 2021, which saw the participation of 98% employees.

#### Key components of Vibes

- Engagement Index
- Business Themes
- Workplace Themes
- COVID-specific wellness and workplace basics

#### Key results of the employee engagement

# 99%

employees felt confident that precautionary measures followed to keep them and their family members safe from COVID-19

# 81%

employees were able to meet work commitments and deadlines while working from home

# 77%

were able to adjust easily towards working from home

# 96%

employees felt cared for by the organisation during the lockdown

The greatest benefit employees shared about working from home are – being with family, work-life balance, learning and saving on travel time

This study has helped the organisation provide necessary support to employees to make work from home a productive and seamless experience.

#### Case Study

##### Driving a deeper connect with Employees

To build a deeper connect with employees this year, we focused on our knowledge sharing initiative, Disha, which helps employees connect directly with the top leadership. We were able to engage with 3,000+ family members through 50+ activities. We also conducted the UltraTech Parivaar Series, which included talks held virtually to reinforce hope and the collective strength of the UltraTech family. This motivated our employees and their families during testing times. We engaged with different sets of employees to help them pursue their passion or hobbies through various initiatives under the UltraTech Hobby Clubs. As many as five initiatives were launched by the clubs during the year.



### Employee wellbeing

At UltraTech, we focus on the holistic wellbeing of our employees, which means ensuring their physical, emotional, mental, social and financial wellbeing. We run preventive health check-up for employees, wellness competitions, mental and emotional awareness sessions, External Employee Assistance Programme for employees and their family members, providing them the support of counsellors, financial wellness workshops and consultation with finance experts, etc. Our key initiatives include flexible working hours, working from home arrangement, paid paternal leave for primary and non-primary care giver, child care leave etc.

During COVID-19, we launched UltraCare in partnership with an external partner for all employees in the Sales & Marketing function. We provided them with COVID-19 facility, ambulance services and home isolation services. We also launched teleconsultation and counselling services for employees and their family members. This was apart from the wellness sessions, awareness drives, and hospitalisation support provided to all employees in serious cases.

# Diversity and inclusion

We recruit a diverse set of people purely on the basis of their merit, expertise, experience and their keenness to learn and deliver. They are treated fairly and given equal chance to grow and contribute to the organisation. We are constantly striving to make our team more diverse and inclusive.

## An inclusive and safe work culture

At UltraTech, we believe gender diversity adds value to the Company. We encourage women to take charge at our manufacturing facilities. As a result of our constant efforts to promote diversity, women representation has substantially increased in our workforce across businesses. We have a policy of zero tolerance towards any form of sexual harassment and conform to the Group policy on the prevention of sexual harassment at the workplace. During FY 2021-22, there were no grievances reported to the Special Complaints Committee, which has been set up at our Unit, Business and Group Levels.

During the reporting year, we were able to improve women hiring (52 hires), cross-industry hires (242 hires) and young talent hiring (95 hires for projects and operations), which gave a further impetus to our D&I policy.

The share of women in our total workforce stands at 2.56%. We have a target of increasing the share of women employees as part of total workforce to 4% by 2024 and women employees in STEM related positions to 4% by 2024.

Apart from gender, we also demonstrate diversity and inclusion of people from different nationalities.

Nationality	Share in total workforce (as % of total workforce)
INDIA	99.248
SRI LANKA	0.456
UAE	0.105
PAKISTAN	0.050
BAHRAIN	0.046
BANGLADESH	0.046
PHILIPPINES	0.023
NEPAL	0.014
YEMEN	0.009
EGYPT	0.005

GRI 202:103-1, 2, 3, 202-1, 2

## Enhancing diversity and inclusion through a four-pronged approach

### Infrastructural support

Building uniform experience through infrastructure

### Gender intelligence

Creating cultural push for placing women in technical functions and the inception of 'Women only GU'

### Safe environment

Prevention of sexual harassment at workplace

### Women-friendly policies

Influencing and making stakeholders accountable for hiring more women employees in plants near the city

## Women as future leaders

Employee diversity and responsible leadership have driven our success. However, low retention of women talent is a major impediment to ensuring gender diversity. To create a balance, we focus on retaining team diversity through women employee hires and regular career development trainings.

Springboard is one of our programmes wherein talented female employees are groomed to develop their leadership capability. Workplace enabler survey is done every two years with women employees which focuses on essential infrastructure, safety, POSH and feedback on programmes run for women employees. We have a maternity support policy for enhanced support. Gender intelligence workshop is run for employees to enhance an inclusive culture in the organisation.

## Fair compensation

We are an equal opportunity employer and ensure we provide fair remuneration to our employees for their contribution to the organisation. We conduct an annual compensation survey together with external consultants to define and benchmark competitive salaries for our employees vis-à-vis our peers. Based on the findings, market corrections are made to specific cases in order to match market pay. We also participate in the annual industry forum for cement, conducted by external consultants, where professionals working in reward teams from cement organisations meet and set standards for markets in terms of pay and benefits.

The ratio of basic salary and remuneration for women to men during the reporting period was 0.7 for executive (leaders) level employees, 0.9 for management level employees and 0.9 for non-management level employees.

We conduct our compensation cycle twice a year – the Annual Compensation Revision (ACR) and Mid-Year Compensation Revision (MYCR). The ACR cycle caters to annual changes in employee remuneration on account of business and individual performance. The MYCR cycle caters to specific cases requiring special attention e.g., any unique or niche skills which have high demand in the market and need to be corrected to remain competitive and retain high performers.

Increment levels are based on the employee's eligibility for the job, current and past performance as well as market data corresponding to each position.

A variable pay component is paid out along with the annual compensation revision. It is calculated basis the parameters of business performance, unit performance and individual performance.

### Case Study

#### Valuing talent

At UltraTech, 100% employees are covered under the Annual Compensation Review, which is comprehensive and transparent. It factors in parameters like self-assessment, supervisor assessment, business performance, employee performance, market information and variable pay.



# Employee learning and development

Our talent management process focuses on identified talent who are closely supported through interventions, development assessment centres followed by a focused My Development Plans (MDPs) to map progress.

These MDPs are driven using the 70-20-10 philosophy of development. Progress of these

employees are reviewed regularly by the Manager, HR team and the Talent Council. Identified employees are also nominated for accelerated development programmes to fast forward their development journey. This year our average spend on training and development per employee is ₹355.87.

## Key programmes for employee personal and professional development

PROGRAMMES	OBJECTIVE	PARTICIPANTS
EVOLVE	Programme for Section Heads to build a future-ready unit leadership (DH role) in Manufacturing	22
STEP HEAD	Programme for Territory Sales Managers (TSM) to build future-ready leadership competencies so that they can lead a region in Sales & Marketing	25
STEP HEAD	Programme for TSM/Territory Sales Heads (TSH) to build future-ready leadership competencies so that they are able to lead a region in Sales & Marketing	23
NEXT STEP	Programme for Channel Relationship Managers to build future-ready leadership competencies so that they can lead as TSHs in Sales & Marketing	55
RISE UP	Programme for Logistics Coordinators (Rail/Road/Regional) to build current and future role competencies so that they can lead as Head Road/Rail, PLH/RLH of smaller units	180
<b>Augmented Reality (AR)-based learning</b>	To help participants acquire, process, and apply the technical expertise for nine essential maintenance processes using AR (Avail. In Hindi and English)	
<b>First-time Managers</b>	Building managerial capability for transitioning from individual contributor role	50
<b>UltraTech Masters Black Belt</b>	Certification programme to build technical capability of all members of the Technical Customer Solutions group to be seen as experts in the space of Building Solutions	586
<b>CCR Certification</b>	To provide complete understanding of the cement manufacturing process and operations	81
<b>QC certification</b>	To enhance the functional skills and competencies of quality control front-line engineers and section Head	60
<b>Technical webinars</b>	To build technical expertise in specific identified areas and equipment by leveraging the expertise and experience of internal and external SMEs and OEM partners	5,731

GRI 404:103-1, 2, 3, 404-2, 3



### Case Study

#### PraGaTi programme for talent development

Continuous learning is necessary to help enhance workmen proficiency. Aligned with Industry 4.0 technologies, we have devised the PraGaTi programme to upgrade workforce skills through training and development.

#### Phase 1

6,000+ workers from 30 units were evaluated against desired skills for various jobs. The evaluation took into account functional, behavioural, quality systems knowledge and safety aspects. This helped us assess current competency levels and find skill gaps and training needs.

1,530

Workmen trained on the job

#### Phase 2

A strategic development framework (70:20:10 development model) was drawn up which aimed at improving workmen's capabilities. Workers were identified through Phase I assessment. The HR manager reviews the assessment scores, development needs and plans the timeline accordingly.

1,237

Workmen trained

43,769

Classroom training sessions conducted

**PraGaTi, has helped in enriching the learning culture where workmen can continuously learn and contribute towards individual as well as organisational development.**

### Case Study

#### Evolve – developmental journey programme for our critical talent

In line with business expansion plan and talent pipeline, we developed a unique development journey programme called 'Evolve' for our critical talent. We levered best of all worlds to create this unique journey.

Technically, it is based on 70:20:10 model of learning with interleaved retrieval of the information through inter-sectional projects, coaching with the help of cross-business certified coaches, creating your own digital playbook to jot down notes for long time memory retrieval. We used cognitive learning concepts and business requirements to develop this programme.

Currently, 6 out of 22 participants of the programme have already moved to new higher role (Dept. Head) in a time period of 6 months. The programme has aided in holistic development of the employees and prepared them to take higher roles and larger responsibilities. This has enabled the organisation to have internal growth of the employees rather than hiring externally and to be future-ready.



GRI 404-2, 3

# Human rights

We are committed to respecting human rights and have zero tolerance for rights abuses of any kind. We implement policies and processes with a systematic, do-no-harm approach, and ensure respect and dignity for all our stakeholders.

We have established our Human Rights Policy in accordance with international standards including United Nations Global Compact (UNGC) and International Labour Organization (ILO). No employee is discriminated based on their ethnicity, gender, age, political orientation, religious belief, or physical disability. UltraTech follows the local laws and regulations regarding legal working age when hiring staff. The clauses of our Human Rights Policy are to be followed by our workforce, communities and all people whose lives we touch, directly or indirectly by our operations (all manufacturing sites of Grey Cement, White Cement, RMC, BPD, subsidiaries and new projects) and our products and services (including our contractors, suppliers, customers, dealers and logistics partners).

## Due diligence

We have developed a due diligence process to proactively identify and assess potential impacts and risks related to respecting human rights which covers the following:

- Risk identification in our own operations
- Risk identification in our own value chain or other activities related to our business
- Risk identification in new business relations, be it some new venture, merger or acquisition
- A systematic periodic review of the risk mapping of potential issues observed

The human rights issues listed as part of our due diligence process are exhaustive, ranging from forced labour, human trafficking, child labour to freedom of association, right to collective bargaining, equal remuneration, discrimination to name a few. The groups covered as part of our assessment are our own employees, women, children, indigenous people, migrant workers, third-party contracted labours, and local communities.

## In-house tool

Our in-house Human Rights Due Diligence (HRDD) tool contains a list of 78 possible potential abuses corresponding to 36 human rights in a business setup. It is used to identify the probability of occurrence of human rights violations and the possible consequences/risks due to potential human rights abuse on employees, suppliers and contractor personnel.

Our HRDD tool is country specific in terms of its exhaustiveness and classification of human rights risks. Multiple country specific issues are taken into consideration. The identified potential risks are rated and prioritised by assessing the severity and likelihood of the occurrence. The tool assists in assessing the potential risk and opportunities of issues across our operations and the value chain. The identified potential risks are reviewed on a regular basis based to develop risk management plans. Our aim is to provide a conducive environment for our employees to enjoy their human rights.

## Mitigation and remediation

Based on our HRDD tool we have assessed 100% of our operations across India for potential human rights abuse. We have mitigation plans in place at 100% of our sites to minimise or eliminate any risk related to human rights.

To counter the risks observed, an action plan has been put in place to minimise the possibility of human rights abuse, be it at the Company-level or on the part of suppliers/contractors. The teams are given responsibility for taking up the issues on behalf of the vulnerable groups and take necessary corrective actions. The Company also undertakes a quarterly review at all our sites. We diligently and regularly work towards reducing the likelihood of any negative impact related to human rights risk.

## Human rights management plan



## COMMUNITY ENGAGEMENT AND IMPACT

# Nurturing a symbiotic relationship with neighbourhood communities



### Highlights

## 1.6 Million

beneficiaries across 500 villages in 16 states of India

## ₹92,21,00,000

Cash Contribution

## ₹57,820

Employee voluntary during paid working hours

## ₹2,00,00,000

In kind donations

## ₹2,19,00,000

Management Overheads

### CSR focus areas

Education and Capacity Building, Healthcare, Sustainable Livelihoods, Infrastructure Development, Social Reform

We aim to make our communities resilient and self-dependent by empowering them with skills, knowledge and the right tools to change their lives for the better. Through health, education, promotion of better sanitation and infrastructure and inclusive development, our CSR efforts are directed at improving the lives of people who live in the vicinity of our facilities and beyond.



Our Vision is to actively contribute to the social and economic development of the communities in which we operate. In doing so, we aim to build a better, sustainable way of life for the weaker sections of society and raise the country's Human Development Index.

**Mrs. Rajashree Birla,**  
CHAIRPERSON, THE ADITYA BIRLA CENTRE FOR COMMUNITY INITIATIVES AND RURAL DEVELOPMENT

## 47

Locations across India

## 16

States

## 24

Districts

## 1.6 Million

Programme participants

## 39

Blocks

## 507

Villages

### In this section

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# Corporate social responsibility at UltraTech

We believe in and follow the Group's CSR vision: "To actively contribute to the social and economic development of the communities in which we operate. Our efforts are aligned with the United Nations Sustainable Development Goals (UN SDGs), to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index."

## Our CSR approach

All our CSR initiatives are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development, and are aligned with Schedule VII of Companies Act, 2013 and UN SDGs. We are guided by the CSR policy of UltraTech framed by the CSR Committee in alignment with the Group's CSR vision. We follow a bottom-up approach for all our social projects, which are planned in consultation with the community members. The process involves interacting with them and understanding their challenges and issues. We often use the 'Participatory Rural Appraisal', a mapping process to understand the specific needs of the community.

## Investing in community development

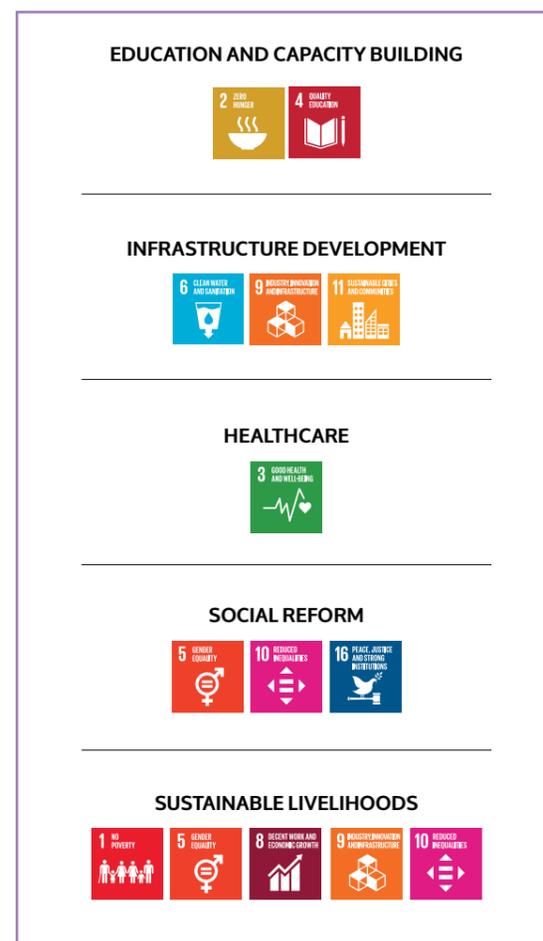
CSR spend (in ₹ Crore)

Fiscal Year	CSR Spend (₹ Crore)
FY 21-22	103
FY 20-21	120.68
FY 19-20	125.00
FY 18-19	74.96

## CSR Committee

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee chaired by Mrs. Rajashree Birla. Other Members of the Committee are Mrs. Sukanya Kripalu, Independent Director; Dr. (Mrs.) Pragnya Ram, Group Executive President, CSR, Legacy, Documentation & Archives, Mr. K.C. Jhanwar, Managing Director. Our CSR Policy is available at - <https://www.ultratechcement.com/investors/corporate-governance>.

## Focus areas for community efforts



## Awards

- National Award for Excellence in Corporate Social Responsibility For COVID
- Fame CSR Award
- Excellence Award for COVID-19 CSR Response
- ICC Award
- The Frost and Sullivan Award for Sustainability and other Sustainability assessments

# Response to COVID-19

COVID-19 has had an unprecedented impact on our CSR activities. While the first wave in 2020 tested our preparedness to face a global pandemic at the local level, FY 2021-22 proved challenging as well with two consecutive waves, the second wave resulting in more casualties than the third.

The pandemic impacted our ability to deliver planned programmes in more ways than one. Some of our team members who were at the forefront were affected, but that did not stop us from reaching out to the neighbouring villages. In fact, we looked at the situation as an opportunity to explore new and better ways of engagement. CSR teams focused on:

- COVID-19 prevention in the neighbourhood
- Facilitating COVID-19 vaccination for eligible populations
- Strengthening the public health infrastructure
- Providing much needed support to frontline health workers, with an overarching objective to build capacities of the public health care system

As a result, UltraTech has built a better working relationship throughout the healthcare ecosystem – right from Asha workers to District Medical Health Officer at the district level and health authorities at the state level.



GRI 203-1, 413-1, 2

## Specific interventions

### Driving awareness on social distancing, COVID-19 spread and prevention

Proactive engagement with local communities and other stakeholders of

**300 villages**

and nearby urban centres

Setting up

**3 COVID Care Centres**

with

**100 beds**

Distribution of

**2,50,000 masks**

Provided

**628**

oxygen cylinders

**95**

oxygen concentrators

Supported distribution of

**39,360 medicine kits**

Supported establishment of

**5 oxygen cylinder plants**

Provided

**1 ambulance**

**19,575 kits**

to frontline workers

Set up

**9**

quarantine centres with

**296 beds**

# Education

## 18,114

Children from neighbouring villages avail quality education in 31 Company-run schools

## 10,804

Children in 287 Anganwadi centres have availed additional services



GRI 203-1, 413-1, 2

### BUSINESS LEVEL GOALS: BY 2025 IN 300 VILLAGES



Reduction in poverty from 25% to 5% (vis-à-vis the currently measured – people living on less than USD 2 a day)



Ensure 100% enrolment and zero dropout rate

#### Case Study

##### I Teach Hirmi: Education support programme

I Teach Hirmi is an initiative whereby employees volunteer to teach students who cannot afford tuition or coaching outside school. In FY 2021-22, with physical schools suspended on account of the pandemic, we focused on tutoring students who were detached from the formal school environment. We organised a career counselling session for higher secondary school students on finding out that many of them needed coaching in science subjects, some of them aspiring to take the admission test for the Polytechnic College. We decided to organise coaching for 110 higher secondary school students. Simultaneously, we organised coaching for 22 students to help them take the pre-Polytechnic Test. We extended smart class facilities of ABPS Hirmi, through which science teachers volunteered to coach underprivileged students, helping them prepare for the entrance exam. We also visited the homes of some of the aspirants and met with their parents in order to encourage the students to work hard for the entrance test. After three months of continuous efforts and guidance from our teachers, we were delighted when six students got selected for the Government Polytechnic College, having bagged good ranks.

We also observed that girls who failed to secure pass marks in the intermediate level were not being allowed to reappear for the examination. They were being married at an early age. Following the I Teach Hirmi initiative, we noticed that the dropout level drastically reduced among girls. With proper guidance and continued counselling of parents, the girls could complete their intermediate level of education. Out of the 110 students, 56 girls secured good results in their exams.

#### Case Study

##### Strengthening mid-day meal programme: Improving last mile service delivery

The GVI Zilla Parishad High School in Jaggaiahpet town, a Mandal headquarter, caters to the educational needs of over 45 villages in the Jaggaiahpet Mandal of Andhra Pradesh. Over 700 school children, who were either day scholars or lived in hostels, were being forced to have their mid-meal under the scorching sun.

The mid-day meal programme, run the government, is expected to improve school attendance, reduce dropout rates and improve children's nutrition. However, due to gaps in last mile delivery, the programme has not had desired results in the GVI High School.

Against this backdrop, the Parents' Committee and school management brought the issue to the notice of UltraTech. We swiftly arranged to construct a 2,500 sq ft dining hall with seating facility, fulfilling the wish of the parents and the school authorities to enable the children to have their meals comfortably.

# Health

## 157,178

People benefited through mobile health initiative that aimed at improving availability and access to preventive and primary health services at the doorstep

## 29,528

People have access to safe drinking water within a <30 min walk (round trip)

## 132,359

Children covered by vaccination programme in remote locations

## 3,312

Adolescents reached out through awareness sessions

### Business level goals: by 2025 in 300 villages



- Ensure access to quality essential primary health services
- Zero Infant and Maternal Mortality (IMR & MMR)



- Reduce malnutrition in children under 5 years of age to less than 5%
- Halve percentage of anaemic women aged 15-49 years
- Increase farm productivity by 50%



- Open Defecation Free (ODF) villages
- Access to safe drinking water in less than 30 min walk (round trip)

GRI 203-1, GRI 413-1, 2

#### Case Study

##### Suposhan Programme: A small but decisive nutritional intervention

Anaemia in women is a major public health challenge, given its long-term negative impact on the health of women, their children, and thus societal development. Around 51.4% women in the reproductive age of 14-49 years are estimated to be anaemic. A vicious cycle ensues as a combination of societal factors such as low access to education, early marriage, early pregnancy, nutritional deficiency lead mothers to bear children with low birth weight, sometimes resulting in pre-term births or infant or child mortality.

At Sidhi Cement Works a month-long survey was carried out by the CSR team to obtain andromorphic data of children aged between 1-6 years from among the 2,520 children across 36 Anganwadi centres in 26 operational villages. We identified 145 children as moderately malnourished and 19 severely malnourished. We approached the Sidhi District Child Development Project Office to discuss an effective intervention plan so that we could work together towards a goal of Zero Malnourished Child Village. The government registered dietician suggested booster meals for the children, comprising a protein and iron rich diet.

We identified women volunteers or 'Suposhan Mitras', who were tasked to provide the identified children with the prescribed booster diet. We provided them with teaching and learning materials, which were targeted for play and learn games. Suposhan snake and ladder games were designed with the do's and don'ts of nutrition, informative posters and charts were prepared for distribution.

We also held Suposhan Chaupals, where anganwadi workers and girls disseminated information through skits and poetry. Continuous awareness sessions were conducted with mothers, and community cooking encouraged to popularise the 'Tiranga Thali' (tri-colored plate), comprising vitamins, carbohydrate, protein and pulses and so on.

##### Outcome

After six months, the results were motivating.

- 145 children improved to 'Normal (Green)' status, 19 children shifted from Red to Yellow status
- 14 villages out of 17 target villages are now 'Malnutrition free'
- Average growth in weight observed is 3.3 kg; average increase in height is 0.67cm in 6 months

Shri Kapil Kol of Argat village recalls the day when he used to rush from one quack doctor to another to cure his child of low weight. Thanks to the intervention of the Suposhan Mitra, his child has gained weight rapidly. He is proud of his small kitchen garden of spinach, which he and his family consume routinely. A small nutritional intervention has thus worked wonders in the operational villages of Sidhi Cement Works.

# Water security

We always strive to minimise our intake of freshwater while maximising its availability to neighbouring communities through water recycling, rainwater harvesting, recharging of groundwater, and employing water efficient technologies. Given that some of our facilities are located in water-stressed regions, we consider it our prime responsibility to give back to the environment more water than we extract. We are chasing an ambitious target to be 5x water positive by 2024.



### Case Study

#### Transforming lives through water management

In Rajasthan, we have been working on our water security initiative, which has improved the lives of 5,000 families in 18 villages at Sawa, Samri and Shabhupura Panchayats. In our initial need assessment study we realised that water availability was less than half the requirement for the people in these villages, which in turn led to domestic issues. The women had to spend 3 hours daily fetching water, creating health issues and hazards to their lives; along with the problems of domestic violence, low access to education, poor health, unsanitary living conditions. The study also revealed that 30-35% of the girls had quit studies due to the problems ensuing from water deficiency. The project was selected after discussion with different stakeholders such as Self-Help Group women members, the village Panchayat and other community leaders.

#### Our key efforts

Under this project we have constructed 6 overhead water tanks with total capacity of 3.5 Lakh liters, 30 new bore wells and pipeline connections for around 3,000 families.

We have constructed overhead tank with 2,00,000 litres capacity along with nine bore-wells in Sawa village and provided water access connections to individual households. We have also deployed water tankers wherever required.

Further, we have laid pipelines, constructed six bore wells and connected individual households with water sources for Samri (main basti and new basti), Medi Ka Amrana, Bad Ka Amrana, Sindwadi and Sambhupura villages.

We have constructed two 30,000-litre capacity of overhead tanks in Rail Ka Amrana and Amarpura village and connected individual households for smooth water supply. We are also supplying water through water tankers every day, where required.

We have also successfully introduced kitchen gardening for around 1,000 poor families by way of re-using domestic water.

#### The impact created

With all our efforts we are able to ensure 24 hours water availability for every house at their doorstep. This has in turn helped improving overall health, safety and hygiene of the people especially women and girls.

# Sustainable livelihoods

### Business level goals: by 2025 in 300 villages



Achieve water positivity in 80% of target villages



Increase farm productivity by 50%



- Ensure gainful employment for 50% youth through honing skills
- Double income of farmers
- Reduction in poverty from 25% to 5% (vis-à-vis the currently measured – people living on less than USD 2 a day)

## 28,045

Farmers trained on integrated farming methods, crop production and agronomic measures, alternative cash crops and taken on exposure visits

## 9

Units of UltraTech actively pursuing watershed management approach with NABARD, partnering with MYRADA, ICRIASAT, Aide-et-Action

## 700

Youth covered under skill development programmes

## 840

SHGs engaged in various income generation activities

## 54,207

Livestock provided vaccination services. Over 7,800 families covered under fodder management programmes and breed improvement programme



## Case Study

**Gothan model: Strengthening the village economy by restoration of village commons**

The programme is focused on a sustainable and integrated farming approach towards water management, and composting for soil health, animal health and sustainable agriculture on village common lands and backyard gardens.

The idea behind the project was to promote alternative livelihood options among 200 women farmers of six villages through environment-friendly enterprises within a span of four years that would fetch them an incremental income of ₹ 10,000 per month.

Gothans are a kind of day care centre for animals, initially promoted under the new Godhan Nyay scheme. This has been turned into the concept of rural industrial park. The programme is built around three objectives:

- Going back to villages
- Reviving the village economy in watershed approach
- Generating sustainable livelihood by organic farming and preparing organic bi-products

Gothans are managed by the Gothan committee and women headed SHGs, which prepare 12 types of products, both farm and off farm, including vermicompost, NADEP compost, vermiwash, and bio-pesticides.

The programme is providing ample of opportunities to the villages for not only generating income through viable, sustainable means, but also encouraging them to participate in local self-governance and revive village institutions, restore village commons from encroachers while helping providing opportunities for the vulnerable and marginal communities by linking them with different economic programmes and schemes.

Villages are being trained on integrated farming methods, preparation of organic manure and bio pesticides as per availability of local resources. They are also growing climate resilient seasonal vegetable seeds, Ragi (minor millets) and turmeric and so on. Women are being trained to produce products such as Ragi powder, turmeric powder from farm yields, as well as guava jam, drumstick powder, soaps from turmeric, neem, aloe vera, rose etc. and products from cow dung that can be sold in the local market. They are being taught mushroom cultivation and promoted among women farmers as off farm activity.

The Gothan Samity helps them in packaging, and they also have legal counsel from several institutions. Resource has been mobilised from NABARD to construct Rural Haat at Bahesar village to provide adequate space for marketing their cultivable and handmade products.

At the Jalso and Kirna gothans, the model has generated a revenue of above ₹ 2,00,000, which has enhanced the self-confidence and self-reliance of the women farmers while increasing their social status and value within their community. The project has also resulted in improving the health of 200 women, due to the availability of vegetables round the year in their backyard.

As a way forward, we are looking at replicating the model in FY 2022-23 elsewhere and scaling and establishing women-led enterprises.



GRI 203-1, 413-1, 2



## Case Study

**The success of Go Char-Krishna Project**

Vikram Cement Works has been closely working with 1,400 cattle of 320 farmers across 16 villages of the Neemuch district of Madhya Pradesh, in close collaboration with BAIF Development Research Foundation, since 2015. Go-Char Krishna as the name implies, covers 'Go' (cow) 'Char' (fodder) and 'Krishna' (the keeper). The programme has been running successfully for the past seven years on the twin pillars of breed improvement of indigenous breeds and fodder management. Improvement in breeding has led to more milk yield, and thus more revenue for farmers. Fodder management techniques, meanwhile, have improved nutrition in cattle, leading to optimisation of resources and harnessing existing resources for better milk yield.

The confident smile on the face of Shri Subham Motilal Ahir of Barkheda Kamliya village, expresses his happiness. He who owns a dairy of eight cows and two buffalos. A graduate engineer, he started his dairy with a cow from a local breed. Gauri, the cow, produced three litres of milk per day. Today, he collects 64 litres of

milk per day from his six cattle. Subham feels indebted to Vikram Cement works, which helped carry out the Go-char Krishna project, that led him to the artificial insemination procedure to improve the cattle breed. The sustainable farming adds ₹ 4.8 Lakh to his family income.

Under the Go-char Krishna project, Vikram Cement Works provides a special variety of cattle fodder BAIF-Bajra, a drought resistant millet variety, which helps farmers throughout the year. Fodder management training also forms an essential part of the project. Farmers are taught how to minimise wastage of fodder. Farmers are taught the importance of chaff cutting and giving a mix feed of plant parts to the cattle as well as keeping the water trough for the animals separate. The initiative has helped farmers like Subham earn a profit of ₹ 5.6+ Lakh annually. Vikram Cement Works supports 320 farmers, thus contributing to the circular economy.

GRI 203-1, 413-1, 2

# Infrastructure development

Rural need-based infrastructure such as road connectivity, road repair works, bus shelters, culverts, community halls, bathing ghats, solar lights, Gaushala etc., created/supported.

## Business level goals: by 2025 in 300 villages



Transform 300 villages as model villages with equitable access to sustainable, and resilient community infrastructure and services for development



Access to renewable energy services to at least 30% population in 300 model villages

## Creating model villages

Through a major social upliftment project, we are turning impoverished villages with attendant problems such as unemployment, water scarcity etc., into model villages. A model village is one where people have equitable access to all life-changing opportunities such as education, healthcare, family welfare, infrastructure, agriculture, watershed management and sustainable livelihood options, thus ensuring the possibility of a wholesome life.

All the major UltraTech units are working towards the total transformation of several villages in the proximity of their operations by ensuring that the village committees become self-sustaining.

Of the over 500 villages that we are associated with, we have selected 100 villages to implement our concept of the model village. We hope to effect major transformation in all these villages over the next few years. More than 44 villages in the hinterlands have already been transformed into model villages. For example, the Bibee village in Chandrapur district, which was selected as one of the five Smart Villages in Maharashtra from 3,000 villages through an evaluation that considered 30 major criteria. In most of these villages, the social situation has seen thorough transformation, enabling communities to become self-reliant and progressive.



GRI 413-1, 2

# Social welfare

Striving towards promoting gender equality and reducing inequalities

## Business level goals: by 2025 in 300 villages



Socio-economic empowerment of women through SHGs in 300 villages

# 840

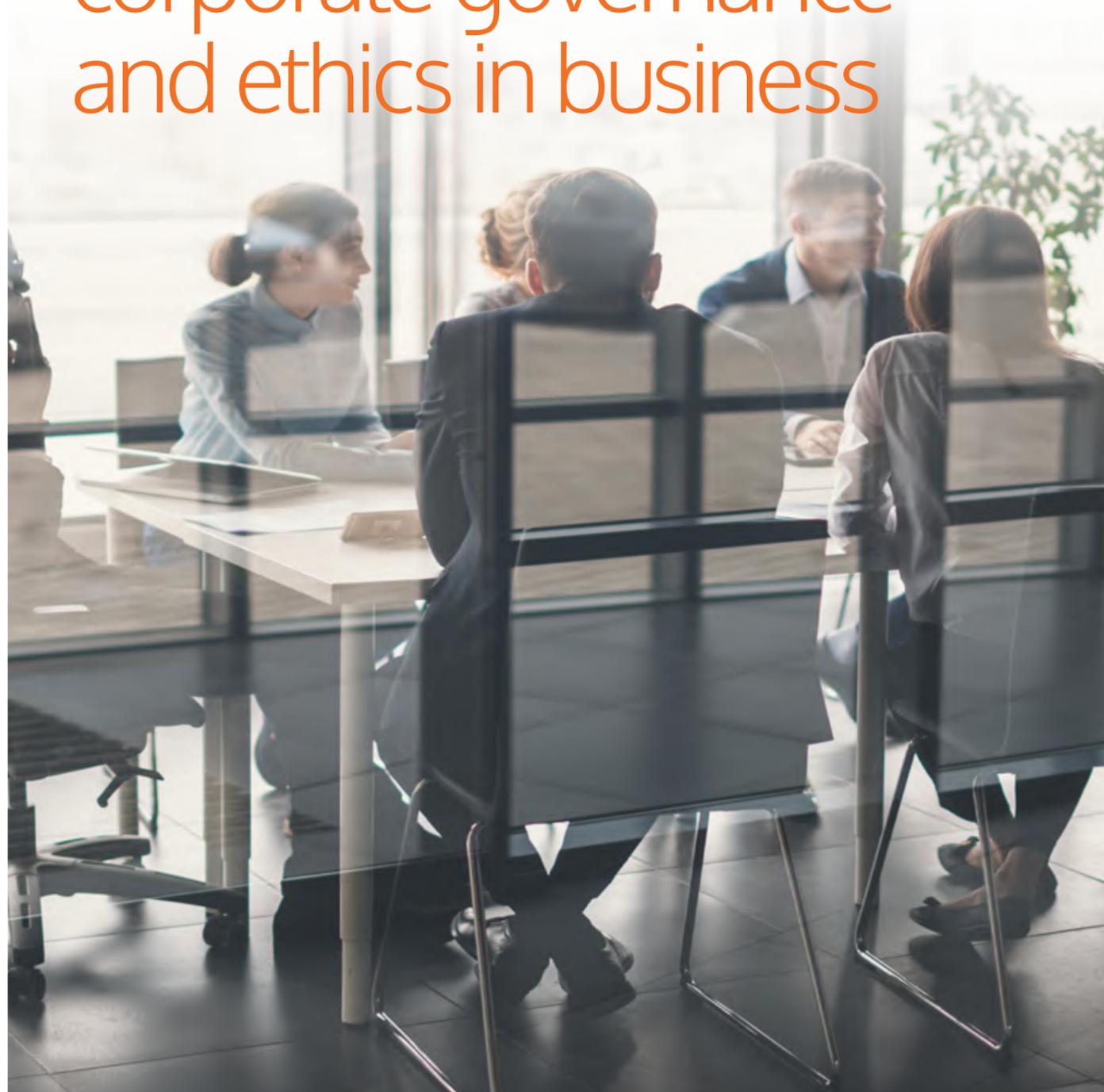
Empowered SHGs have brought socio-economic transformation of 8,000 households



GRI 203-1, 413-1, 2

## CORPORATE GOVERNANCE

# Transparency, corporate governance and ethics in business



UltraTech is one of the prominent selling cement brand in India and the 3<sup>rd</sup> largest cement player globally. Creating long-term shareholder value with a focus on ESG and contributing to the Indian economy is our aim. We are consistently and positively impacting the lives of all our stakeholders, our people and our communities. During 2023, we will commission 16.7 Million Tonnes of cement capacity. We are simultaneously investing in renewable energy at our cement plants through waste heat recovery, windmill and solar power. We have contracted renewable energy capacity of 269 MW and installed 167 MW of WHRS, with plans in place to increase renewable capacity to 600 MW and WHRS capacity to 318 MW by 2024 reducing our consumption of fossil fuel to the extent of 30%. This will help us fulfil our environmental and social responsibility and reduce our carbon footprint. We are on track for the commitments made as part of the USD 400 Million sustainability linked bonds on reducing our carbon footprint.

**Atul Daga,**  
WHOLE-TIME DIRECTOR AND  
CHIEF FINANCIAL OFFICER

UltraTech is committed to the adoption of best governance practices and adhering to them in letter and spirit. Through our robust corporate governance, we are promoting our cherished principles of achieving the highest levels of transparency, accountability, sustainability, ethical behaviour and safety in all spheres of our operations. Presence of Independent Directors on the Board safeguards the interests of all stakeholders, thus helping us retain their trust and appreciation.

### Highlights

# 84%

of our IT infrastructure and information security management systems are certified to ISO 27001/ NIST/ Similar Standards

Women constitute  
3/10 of our Board of  
Directors

### In this section

- 86 Governance
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- 89 Digitalisation, Cyber security and data protection

# Governance

## Code of Conduct

To ensure fairness, transparency, and uniformity within the organisation, we follow a comprehensive Code of Conduct, which is applicable to all employees of the organisation, including the Board. The Code of Conduct can be seen on our website. The Code guides employees in the right direction, fostering an ethical work culture that makes for a conducive workplace. As per our COC, we strictly do not tolerate anti-trust/anti-competitive practices.

## Board structure and responsibility

UltraTech has a diverse and experienced Board, whose responsibility is to promote the long-term success of the business and create value for all shareholders through sustainable development practices.

The Board of Directors comprises Executive, Non-Executive and Independent Directors. The Board provides strategic guidance to the Company in all areas of its operations, while focusing on optimum utilisation of resources, governance and sustainability matters. The Board also ensures that all decisions and strategies are aligned to the Company's vision and mission statement and are undertaken in the best interests of all stakeholders.

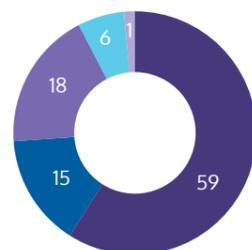
Sub-committees under the Board implement the Board's decisions as per its strategic priorities that seek to protect and further the interests of the Company and its stakeholders. Headed by Independent Directors, these sub-committees maintain continuous oversight on key business functions through rigorous reviews of the implementation of policies and procedures.

## Board Committees:

- Audit Committee
- Stakeholder Relationship Committee
- Risk Management and Sustainability Committee
- Information Security/Cyber Security Committee
- Nomination, Remuneration & Compensation Committee
- Finance Committee

The management team, led by the Managing Director, reports to the Board. It is responsible for implementing the strategies and achieving the goals and targets set by the Board.

## Shareholding Pattern



- Promoter Group
- Foreign Portfolio Investors (FPI) and Others
- Mutual Fund (MF), Institutions, Insurance and Bodies Corporate
- Other Public Holding
- GDRs

## Board of Directors

10

Board of Directors

84 months

Average tenure of Independent Directors

5

Independent Directors on the Board

5/6

Committees headed by Independent Directors

3

Women Directors

>95%

Average attendance at Board meetings\*

\*All the Directors attended at least 1 out of the 5 (i.e. 20%) total meetings held during the reporting period, thus, adhering to the meeting attendance criteria as per Section 167-1 (b) of the Act.

## Board competency summary

Key competency areas	Number of Board members
Core areas (Industry)	5
Finance and Accounting	8
Engineering	-
Sustainability & Risk Management	6
Corporate Governance, Legal & Compliance	10
Innovation, Technology and Digitisation	6
Marketing and Brand Building	7
HR	6
General Management	10
Strategic Expertise	6

# Local sourcing and sustainable procurement

As a long-held policy, we source locally to boost the domestic economy and create opportunities for local communities. To extend our sustainability vision across the value chain, we regularly engage with our contractors and suppliers.

We are guided by the Aditya Birla Group's Supply Chain and Procurement Policy, which is building resilience into our supply chain and nurturing our relationship with our stakeholders. While choosing our vendors, we ensure that they adhere to ethical and healthy work practices, follow policies such as no child labour and no forced and compulsory labour. Our business partners have to comply with our emphasis on health & safety and abide by statutory compliances. Monitoring and evaluation are carried out even after the vendors are on boarded. We prioritise local vendors over others in order to encourage responsible sourcing.

We have developed a Sustainable Supply Chain Framework using an ESG criteria for vendor assessment and prefer those with better scores.

The following are the ESG criteria under which our suppliers are assessed:

- Governance
- HR Management
- Environment Health and Safety (EHS)
- Social

These criteria encompass robust policies, compliance certifications like ISO 14001, OHSAS 18001, etc., performance on emissions, water use, staff training percentage, etc.

We have successfully completed the assessment for 100% of our critical suppliers. We organised a virtual consultation workshop to formally launch our Supply Chain Sustainability Framework, invite comments and feedback from select critical suppliers, and share the good practices for mutual learning.



GRI 102-9, 204:103-1,2,3

### Sustainable supply chain targets



KPIs	
<b>New suppliers to be screened for ESG criteria</b>	
Target	Progress 2021-22
100% continuous	100%
KPIs	
<b>Assessment of critical suppliers</b>	
Target	Progress 2021-22
100% by 2025	100% achieved
KPIs	
<b>Coverage of Tier 1 suppliers through sustainable supply chain awareness sessions</b>	
Target	Progress 2021-22
25% by 2025	6% of total Tier 1 suppliers have been trained.

### Supplier classification

Type of Supplier	Absolute Number of suppliers	Amount Spent (Crore)	Share of total procurement spend
Total Tier-1 Suppliers	990	15,990	100%
Critical Tier-1 Suppliers	123	9,853	62%

### Developing a local supply chain

We procure the majority of our raw materials and other essentials locally, even when operating from some of the remotest areas of the country. Responsible sourcing on our part also creates major gains for the communities around us as it creates employment and business opportunities and contributes locally.

**11.2%**

Contracts are from MSME suppliers

### Procurement from local suppliers



## Digitalisation, Cyber security and data protection

At UltraTech, we are using digitalisation as a driver of sustainability. We are accelerating our digital transformation that holds enormous potential to decouple emissions and resource use from economic growth and make our operations safer and more reliable.

Together with decarbonisation, digitalisation is a major trend that is changing the way the cement industry operates. Fast-paced digitalisation is forcing companies to undergo structural change and fundamentally alter traditional business models. We have done successful pilots leveraging Artificial Intelligence (AI) across the manufacturing value chain of cement plants, thermal power plants, safety, mines etc.

### Key digitalisation efforts

- AI-enabled asset health monitoring system for clinker cooler
- AI-led platform for CPP digitalisation for reliability and performance improvement
- IoT based real-time performance monitoring platform of Mines Vehicles
- Enhancing operational safety through VEDA

### Cybersecurity and data protection committee

We are increasing being dependent upon data and information for better operation, efficiency and performance. Digitisation helps in removing redundancy and presents better opportunities to minimise risks. It also comes with the risk of loss, theft, or data breach and can potentially lead to cut down of processes, loss of working hours and loss of customer and supplier databases, and various intellectual properties of the Company, to name a few. To address this situation, Information security/Cyber security committee is formed comprising senior leadership team, headed by our Chief Information Security

Officer (CISO). The CISO reports to the Head of Information and Technology, who in-turn reports to a board member.

#### CYBER SECURITY POLICY AIMS TO

- Protect UTCL from any risk or fraud or exposure and minimise impact
- Facilitate compliance to regulatory requirements like IT Act 2008 (Section 43A), Company Act (Section 134(3)(n)), SEBI regulations e.g. Securing Unpublished Price Sensitive Information, Data Privacy Act etc.

#### KEY RESPONSIBILITIES OF THIS COMMITTEE

- Ensure that cyber security and data privacy efforts are aligned to business strategy
- Allocation of resources to develop and enforce Security Policies, at all levels of the Company
- Review key risks, controls and residual risks
- Update Chairman and Board of Directors twice a year

As part of our preparedness, we conduct third-party vulnerability analysis including simulated hacker attacks. We continuously monitor Fake Websites, Social Media, Dark Web for Digital exposure or Brand abuse and take those down. Security Controls such as Firewall, IPS, Zero Trust VPN, Secure Proxy, DLP, WAF, EDR, SIEM monitoring, etc. are deployed to ensure protection, detection and quick response.

Typical types of security incidents include Theft of Computer, Laptop, Mobile device, receiving malicious, phishing mails leading to Ransomware attack, disclosure or leakage of Company confidential/sensitive information, unauthorised access to Company information systems and unauthorised person found at any sensitive office area or network. As part of Info-Sec awareness at UTCL, in the event an employee notices something suspicious is in place, one can report to Manager, unit CISO or Business CISO, Group/Local IT SOC as part of escalation process. Also, Incident Escalation and Closure statements and responsibilities are included as part of Information security policy. Separate Threat Notification Button provided in Mail Client Outlook to report suspicious mails.

As part of cyber security awareness, regular trainings on information security are provided to all the employees. The trainings are carried out through online sessions, classroom sessions, banners, posters and e-mails. As part of induction process, all new joiners are given training on Information Security. All employees complete the e-learning programme on Information Security Awareness. Phishing campaigns are organised to identify risky employees and they are separately trained. Every employee signs Info Sec Code Of Conduct which provides guidelines to follow Information Security and disciplinary action in case of any breach to it.



# GRI content index

This report is in accordance with the requirements of the Global Reporting Initiative, GRI Standard: Comprehensive. It covers our sustainability performance for the period from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

GRI STANDARD	DISCLOSURE	PAGE NUMBER /RESPONSE	OMISSION AND REASON FOR OMISSION
<b>GRI 102: GENERAL DISCLOSURES 2016</b>			
<b>ORGANISATIONAL PROFILE</b>			
102-1	Name of the organisation	8	
102-2	Activities, brands, products, and services	8-9	
102-3	Location of headquarters	5	
102-4	Location of operations	10-11	
102-5	Ownership and legal form	8	
102-6	Markets served	10-11	
102-7	Scale of the organisation	9	
102-8	Information on employees and other workers	95-96	
102-9	Supply chain	87-88	
102-10	Significant changes to the organisation and its supply chain	4	
102-11	Precautionary Principle or approach	5	
102-12	External initiatives	20-21	
102-13	Membership of associations	Integrated Annual Report 2021-22	
<b>STRATEGY</b>			
102-14	Statement from senior decision-maker	6-7	
102-15	Key impacts, risks, and opportunities	30-31	
<b>ETHICS AND INTEGRITY</b>			
102-16	Values, principles, standards, and norms of behaviour	86	
102-17	Mechanisms for advice and concerns about ethics	86, Integrated Annual Report 2021-22	
<b>GOVERNANCE</b>			
102-18	Governance structure	Integrated Annual Report 2021-22	
102-19	Delegating authority	Integrated Annual Report 2021-22	
102-20	Executive-level responsibility for economic, environmental, and social topics	22-23	
102-21	Consulting stakeholders on economic, environmental, and social topics	32-33	
102-22	Composition of the highest governance body and its committees	Integrated Annual Report 2021-22	
102-23	Chair of the highest governance body	Integrated Annual Report 2021-22	
102-24	Nominating and selecting the highest governance body	Integrated Annual Report 2021-22	
102-25	Conflicts of interest	Integrated Annual Report 2021-22	
102-26	Role of highest governance body in setting purpose, values, and strategy	The Risk and Sustainability committee of the Board of Directors has the highest role in giving purpose, values and strategy. It also approves the long term ESG goals.	
102-27	Collective knowledge of highest governance body	Integrated Annual Report 2021-22	
102-28	Evaluating the highest governance body's performance	Integrated Annual Report 2021-22	
102-29	Identifying and managing economic, environmental, and social impacts	The Board Risk and Sustainability Committee reviews impacts and gives inputs identifying both risks and opportunities on sustainability aspects, as part of the quarterly review. They also review progress on the targets quarterly.	
102-30	Effectiveness of risk management processes	30-31, Integrated Annual Report 2021-22	
102-31	Review of economic, environmental, and social topics	The Board Risk and Sustainability Committee reviews impacts and gives inputs identifying both risks and opportunities on sustainability aspects, as part of the quarterly review. They also review progress on the targets quarterly.	
102-32	Highest governance body's role in sustainability reporting	The Board Risk and Sustainability committee approves the Sustainability Report.	

GRI 102-55

GRI STANDARD	DISCLOSURE	PAGE NUMBER /RESPONSE	OMISSION AND REASON FOR OMISSION
102-33	Communicating critical concerns	During quarterly reviews, critical concerns are presented and resolved. Read more in Integrated Annual Report 2021-22.	
102-34	Nature and total number of critical concerns	Integrated Annual Report 2021-22	
102-35	Remuneration policies	Integrated Annual Report 2021-22	
102-36	Process for determining remuneration	The remuneration is determined based on the remuneration policy of the Company. Read more in Integrated Annual Report 2021-22.	
102-37	Stakeholders' involvement in remuneration	Integrated Annual Report 2021-22	
102-38	Annual total compensation ratio	-	
102-39	Percentage increase in annual total compensation ratio	-	
<b>STAKEHOLDER ENGAGEMENT</b>			
102-40	List of stakeholder groups	32-33	
102-41	Collective bargaining agreements	70, Integrated Annual Report 2021-22	
102-41	Identifying and selecting stakeholders	32-33	
102-43	Approach to stakeholder engagement	32-33	
102-44	Key topics and concerns raised	32-33	
<b>REPORTING PRACTICE</b>			
102-45	Entities included in the consolidated financial statements	Integrated Annual Report 2021-22	
102-46	Defining report content and topic Boundaries	4	
102-47	List of material topics	20-21	
102-48	Restatements of information	4	
102-49	Changes in reporting	4	
102-50	Reporting period	4	
102-51	Date of most recent report	4	
102-52	Reporting cycle	4	
102-53	Contact point for questions regarding the report	5	
102-54	Claims of reporting in accordance with the GRI Standards	4	
102-55	GRI content index	90	
102-56	External assurance	102-104	

GRI STANDARD	DISCLOSURE	PAGE NUMBER /RESPONSE
<b>GRI 200: ECONOMIC PERFORMANCE</b>		
<b>GRI 201: ECONOMIC</b>	103-1	Explanation of the material topic and its Boundary
	103-2	The management approach and its components
	103-3	Evaluation of the management approach
	201-1	Direct economic value generated and distributed
	201-2	Financial implications and other risks and opportunities due to climate change
	201-3	Defined benefit plan obligations and other retirement plans
<b>GRI 202: MARKET PRESENCE</b>	201-4	Financial assistance received from government
	103-1	Explanation of the material topic and its Boundary
	103-2	The management approach and its components
	103-3	Evaluation of the management approach
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage
<b>GRI 203: INDIRECT ECONOMIC IMPACTS 2016</b>	202-2	Proportion of senior management hired from the local community
	103-1	Explanation of the material topic and its Boundary
	103-2	The management approach and its components
	103-3	Evaluation of the management approach
203-1	Infrastructure investments and services supported	

GRI STANDARD	DISCLOSURE	PAGE NUMBER /RESPONSE	
<b>GRI 204: PROCUREMENT PRACTICES</b>	103-1	Explanation of the material topic and its Boundary	87
	103-2	The management approach and its components	87
	103-3	Evaluation of the management approach	87
	204-1	Proportion of spending on local suppliers	88
<b>GRI 205: ANTI-CORRUPTION</b>	103-1	Explanation of the material topic and its Boundary	Integrated Annual Report 2021-22
	103-2	The management approach and its components	Integrated Annual Report 2021-22
	103-3	Evaluation of the management approach	Integrated Annual Report 2021-22
	205-1	Operations assessed for risks related to corruption	Integrated Annual Report 2021-22
	205-2	Communication and training about anti-corruption policies and procedures	Integrated Annual Report 2021-22
	205-3	Confirmed incidents of corruption and actions taken	Integrated Annual Report 2021-22
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOUR</b>	103-1	Explanation of the material topic and its Boundary	Integrated Annual Report 2021-22
	103-2	The management approach and its components	Integrated Annual Report 2021-22
	103-3	Evaluation of the management approach	Integrated Annual Report 2021-22
	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Integrated Annual Report 2021-22
<b>GRI 300: ENVIRONMENT PERFORMANCE</b>			
<b>GRI 301: MATERIAL 2016</b>	103-1	Explanation of the material topic and its Boundary	45
	103-2	The management approach and its components	45
	103-3	Evaluation of the management approach	45
	301-1	Materials used by weight or volume	97
	301-2	Recycled input materials	97
	301-3	Percentage of reclaimed products and their packaging materials for each product category	97
<b>GRI 302: ENERGY</b>	103-1	Explanation of the material topic and its Boundary	40
	103-2	The management approach and its components	40
	103-3	Evaluation of the management approach	40
	302-1	Energy consumption within the organisation	97-98
	302-2	Energy consumption outside of the organisation	97-98
	302-3	Energy intensity	98
	302-4	Reduction of energy consumption	97-98
	302-5	Reductions in energy requirements of products and services	Not applicable
<b>GRI 303: WATER AND EFFLUENTS</b>	103-1	Explanation of the material topic and its Boundary	43
	103-2	The management approach and its components	43
	103-3	Evaluation of the management approach	43
	303-1	Interactions with water as a shared resource	43
	303-2	Management of water discharge-related impacts	43
	303-3	Water withdrawal	98, 100
	303-4	Water discharge	98, 100
	303-5	Water consumption	98, 100
<b>GRI 304: BIODIVERSITY 2016</b>	103-1	Explanation of the material topic and its Boundary	44
	103-2	The management approach and its components	44
	103-3	Evaluation of the management approach	44
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	44
	304-2	Significant impacts of activities, products, and services on biodiversity	44
	304-3	Habitats protected or restored	44
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	44	

GRI STANDARD	DISCLOSURE	PAGE NUMBER /RESPONSE	
<b>GRI 305: EMISSIONS</b>	103-1	Explanation of the material topic and its Boundary	38
	103-2	The management approach and its components	38
	103-3	Evaluation of the management approach	38
	305-1	Direct (Scope 1) GHG emissions	38
	305-2	Energy indirect (Scope 2) GHG emissions	38
	305-3	Other indirect (Scope 3) GHG emissions	38
	305-4	GHG emissions intensity	98, 100
	305-5	Reduction of GHG emissions	98, 100
	305-6	Emissions of ozone-depleting substances (ODS)	98
	305-7	Nitrogen Oxides (NO <sub>x</sub> ), Sulphur Oxides (SO <sub>x</sub> ), and other significant air emissions	99
<b>GRI 306: EFFLUENTS AND WASTE</b>	103-1	Explanation of the material topic and its Boundary	51
	103-2	The management approach and its components	51
	103-3	Evaluation of the management approach	51
	306-1		51
	306-2	Waste by type and disposal method	51
	306-3	Significant spills	99, 100
	306-4	Transport of hazardous waste	
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>	103-1	Explanation of the material topic and its Boundary	30
	103-2	The management approach and its components	30
	103-3	Evaluation of the management approach	30
	307-1	Non-compliance with environmental laws and regulations	None
<b>GRI 400: SOCIAL DIMENSION</b>			
<b>GRI 401: EMPLOYMENT</b>	103-1	Explanation of the material topic and its Boundary	63
	103-2	The management approach and its components	63
	103-3	Evaluation of the management approach	63
	401-1	New employee hires and employee turnover	96
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	97
	401-3	Parental leave	97
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY</b>	103-1	Explanation of the material topic and its Boundary	58
	103-2	The management approach and its components	58
	103-3	Evaluation of the management approach	58
	403-1	Occupational health and safety management system	58
	403-2	Hazard identification, risk assessment, and incident investigation	58
	403-3	Occupational health services	62
	403-4	Worker participation, consultation, and communication on occupational health and safety	58-59
	403-5	Worker training on occupational health and safety	59
	403-6	Promotion of worker health	62
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58
403-8	Workers covered by an occupational health and safety management system	58	
	403-9	Work-related injuries	96
	403-10	Work-related ill health	96
<b>GRI 404: TRAINING AND EDUCATION</b>	103-1	Explanation of the material topic and its Boundary	68
	103-2	The management approach and its components	68
	103-3	Evaluation of the management approach	68
	404-1	Average hours of training per year per employee	96
	404-2	Programs for upgrading employee skills and transition assistance programs	68-69
	404-3	Percentage of employees receiving regular performance and career development reviews	68-69



# Sustainability scorecard

This chapter provides our sustainability performance over time.

## Business

Stakeholders	UltraTech			UltraTech Consolidated		
	FY 2021-22			FY 2021-22		
	Value in	Value in	Share of	Value in	Value in	Share of
	₹ Billion	₹ per Bag	Total Value	₹ Billion	₹ per Bag	Total Value
<b>Economic Value Generated</b>						
Revenues	603.97	337	100.0%	627.84	334	100.0%
<b>Economic Value Distributed</b>						
Operating Costs	343.41	192	56.9%	352.47	188	56.1%
Govt Taxes including Excise /VAT/ Income Tax/ Other Levies	133.75	75	22.1%	140.09	75	22.3%
Depreciation	24.57	14	4.1%	27.15	14	4.3%
Employees, Welfare and Community Development	23.59	13	3.9%	25.35	13	4.0%
Payment to Lenders	7.98	4	1.3%	9.45	5	1.5%
Proportionate Dividend to Shareholders	10.97	6	1.8%	10.97	6	1.7%
<b>Economic Value Retained</b>						
Retained Earnings for Reinvestment / Modernisation	59.70	33	9.9%	62.37	33	9.9%
Significant financial assistance received from Government				₹ Lakh	8.56	
Benefits received under State Investment Promotion Schemes				₹ Lakh	54,510.00	

## Employee Details

	2019-20	2020-21	2021-22
No. of Employees	19205	20670	20501
Attrition (%)	6.27	5.64	8.81
Training hours per employee	20.47	18.69	13.32

## Employee Distribution by Role, Age and Gender

	2019-20							2020-21							2021-22							
	Gender		Age			Region		Gender		Age			Region		Gender		Age			Region		
	M	F	<30	30-50	>50	Within country	Outside country	M	F	<30	30-50	>50	Within country	Outside country	M	F	<30	30-50	>50	Within country	Outside country	
Permanent Employees																						
Leaders	38	0					40	0						42	1							
Managers	963	27	1681	13424	4100	18846	359	1048	29	1599	14336	4735	20155	515	1095	42	2077	13809	4615	20107	394	
Executives	11749	302						12687	358						12360	400						
Workers	6099	27						6491	17						6544	17						
Non-Permanent																						
Trainees	196	61				257	0	96	23				119	0	116	22					138	0
Retainers	120	3				122	1	120	1				117	2	104	0					103	1
Fixed term employees	84	15				99	0	118	15				129	4	81	9					90	0
Contract Labour	30168	698				30687	179	35495	856				36120	231	31123	323					31259	187

### Employee turnover by role, age and gender

	2019-20							2020-21							2021-22						
	Age		Gender		Region			Age		Gender		Region			Age		Gender		Region		
	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country
Employee Turnover	196	672	337	1161	44	1184	21	218	641	306	1103	62	1129	36	251	960	265	1409	67	1445	31

### New Employees Hired by age, gender and region

	2019-20							2020-21							2021-22						
	Age		Gender		Region			Age		Gender		Region			Age		Gender		Region		
	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country
New Employees Hired	424	546	34	922	82	993	11	194	281	36	471	40	484	27	773	1369	113	2131	124	2237	18

### Average training hours per person per year

Category	2019-20			2020-21			2021-22		
	M	F	Total	M	F	Total	M	F	Total
Leaders	12	0	12	25	0	25	10	9	19
Managers	19	12	31	32	23	55	16	21	37
Executives	23	11	34	42	37	79	15	12	28
Workers	16	4	19	10	2	12	7	12	19

	2019-20	20-21	2021-22
Total Training hours	393,096.1	386,421.6	273,034.5
Training hours per employee	20.4	18.6	13.3

### Safety Performance

Health & Safety	2019-20	2020-21	2021-22
Number of fatalities directly employed	1	1	2
Number of fatalities per 10,000 directly employed	0.68	0.63	1.30
Number of Fatalities, Indirectly Employed	0	1	5
Lost Time Injuries (LTIs) per million man-hours (directly employed) (LTI Frequency Rate Directly Employed (per million manhours)	0.17	0.03	0.30
Lost Time Injuries (LTIs) per million man-hours (indirectly employed) (LTI Frequency Rate Indirectly Employed (per million manhours)	0.21	0.18	0.16
Number of Fatalities (Involving Third Parties)	0	0	0

### Maternity Leave

Description	2019-20				2020-21				2021-22			
	Number of female employees who returned to work after maternal leave (in FY 2018-19)		Total number of employees returning from maternal leave in the prior period (FY 2017-18)	Number of female employees who took maternal leave in FY 2018-19	Number of female employees who returned to work after maternal leave (in FY 2020-21)		Total number of employees returning from maternal leave in FY 2019-20	Number of female employees who took maternal leave in FY 2020-21	Number of female employees who returned to work after maternal leave (in FY 2021-22)		Total number of employees returning from maternal leave in FY 2020-21	Number of female employees who took maternal leave in FY 2021-22
	Number of female employees who returned to work after maternal leave (in FY 2018-19)	Number of female employees who returned to work after maternal leave (in FY 2018-19)	Number of female employees who returned to work after maternal leave (in FY 2018-19)	Number of female employees who returned to work after maternal leave (in FY 2020-21)	Number of female employees who returned to work after maternal leave (in FY 2020-21)	Number of female employees who returned to work after maternal leave (in FY 2020-21)	Number of female employees who returned to work after maternal leave (in FY 2020-21)	Number of female employees who returned to work after maternal leave (in FY 2020-21)	Number of female employees who returned to work after maternal leave (in FY 2021-22)	Number of female employees who returned to work after maternal leave (in FY 2021-22)	Number of female employees who returned to work after maternal leave (in FY 2021-22)	Number of female employees who returned to work after maternal leave (in FY 2021-22)
Number of employees	11	10	8	6	13	12	6	5	3	1	2	2
Rate	75				83				100			

### Benefits provided to full-time employees, which are not provided to temporary of part-time employees

Benefits	Unit	FY 2021-22
Leave Encashment	₹ Lakh	5261.9
HRA	₹ Lakh	17748.8

### Environment

#### Environment Performance - Cement

##### Material Consumption

Parameter	Units	2019-20	2020-21	2021-22
Natural raw materials	Million Tonnes	75.7	90.9	99.8
Associated materials	Tonnes	85,739.7	103,153.8	42,647
Semi manufactured goods	Tonnes	8,447	8,750.8	8,957.1
Packaging materials (Plastic and paper bags)	Tonnes	76,474	100,336.5	120,858.7

##### Recycled Materials used by weight

Parameter	Units	2019-20	2020-21	2021-22
Fly ash	Tonnes	12,939,464	16,505,011.8	19,803,748.7
Slag	Tonnes	582,590.9	1,141,321.12	888,423.6
Waste Materials as gypsum (Also includes Chemical and Marine Gypsum)	Tonnes	1,069,508.4	1,231,956.4	1,581,342.1
Other industrial wastes	Tonnes	1,143,691.5	1,567,470.5	1,271,249.2
Recycled material used	Tonnes	15,735,254.9	20,445,760	23,603,070.1

##### Direct Energy Consumption - For Production

Parameter	Units	2019-20	2020-21	2021-22
Coal and Lignite	PJ	44.6	81.4	136.6
Petcoke	PJ	106.8	98.8	59.2
Waste Fuel	PJ	5.8	5.8	7.5
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.1	0.2	0.7
Mining and Transportation	PJ	1.9	2.2	1.6

**Direct Energy Consumption - For Captive Power Plant**

Parameter	Units	2019-20	2020-21	2021-22
Coal and lignite	PJ	52	61.5	<b>60.1</b>
Pet coke	PJ	2.9	1.6	<b>0.2</b>
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.2	0.3	<b>0.3</b>

**Green Energy Produced**

Parameter	Units	2019-20	2020-21	2021-22
Waste Heat Recovery System	TJ	1,764.6	2,157.7	<b>2,836.4</b>
Wind Energy	TJ	5.8	4.8	<b>3.9</b>
Solar Energy	TJ	41.1	49.5	<b>51.46</b>

**Indirect Energy Consumption**

Parameter	Units	2019-20	2020-21	2021-22
Electricity purchased	TJ	3,743.8	4,376.6	<b>4,594.5</b>
Electricity Purchased -Renewables	TJ	380.7	632	<b>710.8</b>

**Alternate Fuel Rate**

Parameter	Units	2019-20	2020-21	2021-22
Total Alternative Fuel Rate (% of thermal energy consumption)	Percentage	3.7%	3.1%	<b>4.6%</b>

**Energy Intensity**

Parameter	Units	2019-20	2020-21	2021-22
Specific Thermal Energy	kcal/kg of clinker	718.4	724.8	<b>717.6</b>
Specific Electrical Energy	kWh/ ton of cement	79.8	78.5	<b>73.2</b>

**Total Water Withdrawal**

Parameter	Units	2019-20	2020-21	2021-22
Surface water	Million m <sup>3</sup>	5.44	4.76	<b>6.26</b>
Ground water	Million m <sup>3</sup>	3.80	4.47	<b>4.92</b>
Rainwater	Million m <sup>3</sup>	9.45	13.89	<b>16.18</b>
Water from municipality	Million m <sup>3</sup>	0.33	0.19	<b>0.26</b>
Water recycled and reused	% of water withdrawn	14.06	12.12	<b>11.03</b>

**Biodiversity**

Parameter	Units	2019-20	2020-21	2021-22
Total number of saplings planted	Number	256,495	244,748	<b>233,424</b>
Saplings survival rate	%	85.5	84.2	<b>85.4</b>

**GHG & ODS Emissions**

Parameter	Units	2019-20	2020-21	2021-22
Direct CO <sub>2</sub> (Includes CPP)	Thousand tCO <sub>2</sub> /year	47,952	56,586	<b>61,755</b>
Indirect CO <sub>2</sub> (External power)	Thousand tCO <sub>2</sub> /year	1,314.5	1,405.9	<b>1,049.1</b>
Scope 3 Emissions	Thousand tCO <sub>2</sub> /year	5,376.3	5,257.2	<b>4,547.8</b>
Total use of ODS	Equivalent Tonnes	0.29	0.50	<b>0.35</b>

**Specific GHG Emissions - Cement**

Parameter	Units	2019-20	2020-21	2021-22
Specific Direct GHG Emissions	kg CO <sub>2</sub> per tonne of cementitious material produced	613.7	596.5	<b>582.1</b>
Specific Indirect GHG emission	kg CO <sub>2</sub> per tonne of cementitious material produced	19	16.7	<b>11.1</b>

GRI 302-1, 2, 3, 4, 303-3, 4, 5, 305-4, 5, 6

**Other Air Emissions\***

Parameter	Units	2019-20	2020-21	2021-22
SPM	Tonnes/year	1,692	2,386	<b>2,873</b>
SOx	Tonnes/year	7,578	7,135	<b>9,783</b>
NOx	Tonnes/year	66,230	87,980	<b>73,717</b>

**Waste Management and Recycling**

Parameter	Units	2019-20	2020-21	2021-22
Hazardous waste (solid)	Tonnes	714.5	624.9	<b>798.2</b>
Hazardous waste (liquid)	Tonnes	928.1	608.4	<b>745.5</b>
Non-hazardous waste (solid)	Tonnes	554,459.7	680,376.8	<b>43,769.9</b>
Total Hazardous Waste	Tonnes	1,642.7	1,233.3	<b>1,543.8</b>
Waste reused/recycle/sold	Tonnes	556,102.4	681,610.2	<b>45,313.7</b>
Waste Management system Data Coverage	%	100	100	<b>100</b>
Co-processed Waste (AF Used)	Tonnes	323,322	346,615.8	<b>536,776.2</b>
Total Waste Derived Resource Consumed (AFR+ARM)	Million Tonnes	16,058,577	20,792,375.9	<b>24,139,846.4</b>

**Environment Performance - RMC****Material Consumption**

Parameter	Units	2019-20	2020-21	2021-22
Natural raw materials	Million Tonnes	6.9	6.0	<b>7</b>
Associated materials	Tonnes	22.8	24	<b>24.5</b>
Semi manufactured goods	Tonnes	1,063,000	956,392.5	<b>1,114,938.2</b>

**Recycled Materials used by weight**

Parameter	Units	2019-20	2020-21	2021-22
Fly ash	Tonnes	246,439.1	198,943.9	<b>250,175.0</b>
Slag	Tonnes	92,691.1	78,976	<b>95,590.7</b>
Silica Fume	Tonnes	1,391.7	1,292.2	<b>1,253.4</b>
Other industrial wastes	Tonnes	2,510.0	1,501.8	<b>2,753.4</b>
Recycled material used	Tonnes	343,032.0	280,714.1	<b>355,395.4</b>

**Specific GHG Emissions - RMC**

Parameter	Units	2019-20	2020-21	2021-22
Specific Direct GHG Emissions	kg CO <sub>2</sub> per m <sup>3</sup> of concrete produced	0.64	0.73	<b>0.64</b>
Specific Indirect GHG emission	kg CO <sub>2</sub> per m <sup>3</sup> of concrete produced	2.01	1.92	<b>2.01</b>

**Direct Energy Consumption for Concrete Production**

Parameter	Units	2019-20	2020-21	2021-22
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.019	0.017	<b>0.0199</b>

**Energy Consumed in DG set**

Parameter	Units	2019-20	2020-21	2021-22
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.013	0.015	<b>0.012</b>

**Indirect Energy Consumption**

Parameter	Units	2019-20	2020-21	2021-22
Electricity purchased	TJ	32.6	27.4	<b>33</b>

\* data reinstated for FY20 and FY21

GRI 302-1, 2, 3, 4, 305-7, 306-1, 2

**Energy Intensity**

Parameter	Units	2019-20	2020-21	2021-22
Specific Thermal Energy	GJ/100 m <sup>3</sup> Concrete produced	1.76	1.86	<b>1.73</b>

**Total Water Withdrawal**

Parameter	Units	2019-20	2020-21	2021-22
Surface water	Million m <sup>3</sup>	0	0	<b>0</b>
Ground water	Million m <sup>3</sup>	0.43	0.42	<b>0.47</b>
Rainwater	Million m <sup>3</sup>	0.01	0.01	<b>0.00</b>
Water from municipality	Million m <sup>3</sup>	0.69	0.56	<b>0.65</b>
Water recycled and reused	% of water withdrawn	2.60	2.07	<b>1.70</b>

**Biodiversity**

Parameter	Units	2019-20	2020-21	2021-22
Total number of saplings planted	Number	2,284	1,465	<b>1,439</b>
Saplings survival rate	%	85	82	<b>76.23</b>

**GHG Emissions**

Parameter	Units	2019-20	2020-21	2021-22
Direct CO <sub>2</sub> (Includes CPP)	Thousand tCO <sub>2</sub> /year	2.35	2.33	<b>2.4</b>
Indirect CO <sub>2</sub> (External power)	Thousand tCO <sub>2</sub> /year	7.31	6.13	<b>7.55</b>

**Waste Management and Recycling**

Parameter	Units	2019-20	2020-21	2021-22
Hazardous waste (solid)	Tonnes	1.71	1.11	<b>2.67</b>
Hazardous waste (liquid)	Tonnes	1.27	1.90	<b>0.487</b>
Non-hazardous waste (solid)	Thousand Tonnes	64.4	48.4	<b>74.5</b>

**GCCA KPIs**

As a founding members of GCCA, we measure and report the following KPIs

Basic Parameters	Unit	UltraTech + Star Cement
<b>CO<sub>2</sub> emissions</b>		
Total direct CO <sub>2</sub> emissions – gross	Million tCO <sub>2</sub> /year	61.45
Total direct CO <sub>2</sub> emissions – net	Million tCO <sub>2</sub> /year	54.95
Specific CO <sub>2</sub> emissions – net	kg/t of cementitious material	582.14
Target Reduction for CO <sub>2</sub>	Science Based Target: Reduction in CO <sub>2</sub> emission intensity by 27% from FY 2017 level by FY 2032	
Independently Verified CO <sub>2</sub> data		
Externally Verified		
<b>Emissions</b>		
Overall coverage rate	%	100%
Coverage rate continuous measurement	%	100%
PM Emission Absolute**	Tons/year	2873.60
PM Emission Specific	g/tonne clinker	42.00
NOx Emission Absolute*	Tons/year	73717.34
NOx Emission Specific*	g/tonne clinker	1077.42
SOx Emission Absolute*	Tons/year	9783.77
SOx Emission Specific*	g/tonne clinker	143.00
<b>Fuels and Raw Material</b>		
Alternative fuel rate (kiln fuels)	%	3.80%
Biomass fuel rate (kiln fuels)	%	0.80%
Alternative Raw Materials rate (% ARM)	%	19.12%
Specific heat consumption for clinker production	MJ/tonne	3004.24
<b>Safety</b>		
Number of fatalities, directly employed	Number	2
Number of fatalities, contractors and sub-contractors	Number	5
Number of fatalities, third parties	Number	0
Number of lost time injuries (LTI), directly employed	Number (per million man-hours)	0.30
Number of lost time injuries (LTI), contractors and sub-contractors	Number (per million man-hours)	0.16
<b>Water</b>		
Water Consumption (Total Water withdrawal – Water Discharge)	Million m <sup>3</sup> /year	12.51
Specific Water Consumption	L/Tonnes of cementitious product	54.88
<b>Quarry rehabilitation and biodiversity management</b>		
Quarries with high biodiversity value where biodiversity management plan is implemented	Percentage (%)	43
Quarries where rehabilitation plan is implemented	Percentage (%)	100

\*\*The values reported for NOx, SOx and dust emission are only for kiln stacks as per the GCCA Guideline for emission monitoring and reporting.



# Independent Assurance Statement



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## INDEPENDENT ASSURANCE STATEMENT

### The Management and Board of Directors

UltraTech Cement Limited,  
Mumbai - 400093, India

### Scope

We have been engaged by UltraTech Cement Limited to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements (ISAE 3000), hereafter referred to as the engagement, to report on UltraTech Cement Limited Sustainability Report FY 22 (the "Subject Matter") for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### Criteria applied by UltraTech Cement Limited

In preparing the sustainability report, UltraTech Cement Limited applied the Global Reporting Initiative (GRI) Standards, in accordance with Comprehensive (Criteria). GRI Standards - Comprehensive Criteria were specifically designed for the Sustainability Report FY 22; As a result, the subject matter information may not be suitable for another purpose.

### UltraTech Cement Limited's responsibilities

UltraTech Cement Limited management is responsible for selecting the Criteria, and for presenting the sustainability report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') Limited Level, and the terms of reference for this engagement as agreed with UltraTech Cement Limited on 14<sup>th</sup> March 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability report and related information and applying analytical and other appropriate procedures

Our procedures included:

- Conducted interviews with select personnel at sites and corporate teams to understand the process for collecting, collating and reporting the subject matter as per Global Reporting Initiative (GRI) Standards;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Undertook analytical review procedures to support the reasonableness of the data
- Remote verification of data, on a selective test basis, for the following sites, through consultations with the site team and sustainability team;
  - RAK (Ras-al-Khaimah)
  - Dalla Cement Works
  - Manikgarh Cement Works
  - Sewagram Cement Works
  - Jebel Ali Grinding Unit
  - Ajman Grinding Unit
  - Ginigera Cement Works
  - West Bengal Cement Works
  - Pune Bulk Terminal
  - Wagoli RMC Unit
  - YehliankaGIL RMC Unit
  - K.R.PuramGIL RMC Unit
  - Sarjapur Road RMC Unit
  - Greater Noida RMC Unit
  - Sahibabad RMC Unit
  - Gurgaon Khandsa Road RMC Unit
  - Bhiwadi RMC Unit
- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed for below mentioned GRI Disclosures;
  - General Disclosures: Organizational Profile (102-1 to 102-13), Strategy (102-14, 102-15), Ethics and Integrity (102-16, 102-17), Governance (102-18 to 102-39), Stakeholder Engagement (102-40 to 102-44) and Reporting Practice (102-45 to 102-56);
  - Environmental Topics: Materials (301-1, 301-2), Energy (302-1, 302-2, 302-3, 302-4), Water (303-3, 303-4, 303-5), Emissions (305-1, 305-2, 305-3, 305-4, 305-6, 305-7), Waste (306-2);
  - Social Topics: Employment (401-1, 401-3), Occupational Health and Safety (403-5, 403-9), Training and Education (404-1), Local Communities (413-1);
  - Key performance indicator "Carbon emission per ton of concrete" as per 'GHG Protocol and GCCA Sustainability Guidelines for the monitoring and reporting of CO2 emissions from cement manufacturing;
- Review of the Company's plans, policies and practices, pertaining to their social, environment and

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sustainable development, so as to be able to make comments on the fairness of sustainability reporting;

- Review of the Company's approach towards materiality assessment disclosed in the Report
- to identify relevant issues
- Review of select qualitative statements in various sections of the sustainability report

We also performed such other procedures as we considered necessary in the circumstances

#### Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period (1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022)
- Data and information on economic and financial performance of the Company
- Data, statements and claims already available in the public domain through Sustainability Report, Annual Report, or other sources available in the public domain
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention provided by the Company
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters

#### Conclusion

- Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Sustainability Report FY 22 for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, in order for it to be in accordance with the Criteria.

#### Restricted use

- This report is intended solely for the information and use of UltraTech Cement Limited and is not intended to be and should not be used by anyone other than UltraTech Cement Limited

For and on behalf of Ernst & Young Associates LLP

Shailesh Tyagi  
21<sup>st</sup> June 2022  
Mumbai, India





## Registered Office

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