22nd July, 2019

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Scrip Code: 532538

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Listing Department
The National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Tel.: 26598236
Fax: 2659 8237 / 38.
Scrip Code: ULTRACEMCO

Dear Sirs,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Sustainability Report 2018-19

We are pleased to enclose a copy of the Sustainability Report 2018-19 - 'Driving Growth Through SDGs'. The Report is also available on the Company's website www.ultratechcement.com.

This is for your information and records, please.

Thanking you,

Yours faithfully,
For UltraTech Cement Limited

S.K. Chatterjee
Company Secretary

Encl. a/a.

ADITYA BIRLA

UltraTech



DRIVING GROWTH THROUGH SDGs

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MESSAGE FROM THE CHAIRMAN



Dear Stakeholders,

The Indian economy is set to grow more than 7 percent in the year 2019, consolidating its position as the fastest-growing large economy in the world and on course to become the world's second-largest economy by 2030. The phenomenal growth is powered by a rising middle class that is expected to more than triple to 89 million households by 2025, indicating an attractive long-term economic future. Rapid urbanisation has created a significant demand for urban housing and infrastructure with the number of cities with populations of more than one million increasing every year. Rural demand is also on the rise with the improvement in the rural economy.

The industry is expected to witness positive growth in the coming years, with consumption set to increase at a CAGR of around 9% from FY 2017 to FY 2020

The increased focus of the government on infrastructure and low cost housing on the back of rapid urbanization and uptick in rural economy augurs well for the Indian cement industry. Government projects including 'Housing for All', *Pradhan Mantri Awas Yozana-Gramin, Bharatmala Project,* and Smart Cities project are expected to give an impetus to cement demand in the near future. The industry is expected to witness positive growth in the coming years, with consumption set to increase at a CAGR of around 9% from FY 2017 to FY 2020. The demand for the sector is expected to move above the national GDP rate with government-led spending continuing to be a key growth driver. UltraTech Cement, the largest cement manufacturer in India, is positioned favorably with both the capacity and the capability to leverage this spurt in demand.

Responsible growth will continue to be the underlying principle for UltraTech Cement, with sustainability being identified as a key pillar in our long-term growth strategy. Sustainable development goals (SDGs), as identified by the United Nations, have become a guiding framework for mature and modern organizations to align their sustainability strategies, and this applies to UltraTech as well. As a responsible organization, UltraTech has aligned its business strategy to contribute significantly towards SDGs that are relevant to the business and the industry. We have developed our sustainability framework on the three pillars of responsible stewardship, strategic stakeholder engagement and future proofing.

The past year saw UltraTech make rapid strides towards its efforts to achieve long-term sustainability targets. UltraTech became a member of EP100 and has committed to double its energy productivity (revenue/GJ) by 2035, compared to its 2010 baseline. Energy productivity is a way of measuring energy efficiency that aligns directly with business growth and sustainable development goals. Our performance on the ambitious target of reducing our CO_2 emission intensity by 25% from 2005-06 levels is on track.

We are continuously working towards increasing the fly ash and slag utilization rate in our cement products, which constitutes 16.2% of our total raw material use. We convert municipal waste into alternative fuel and use it in our plants, which is currently contributing to 3.9% of our energy requirement. We have been able to turn around our acquired assets and integrate them into our existing system with great success. We have benchmarked norms for our acquired units to work on par with our existing units in terms of quality and safety standards.

Under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development, UltraTech contributes significantly to the Group's commitment to inclusive growth. It works in 502 villages in proximity to its plants, touching more than 1.6 million lives. Over a period, we expect to see a major transformation of these villages. More than 80 of these villages have already transformed into model villages. Our focus areas include education, healthcare, sustainable livelihood, infrastructure and social reform.

Our most valued assets, our people, are committed to contributing their best to the sustainable growth of the business which is based on values, driven by performance and empowered by meritocracy. Empowering our people is one of our pillars for building leadership capability for the future.

Our unrelenting focus on improvement of efficiency, productivity and customer centricity, driven by the unparalleled talent in our organization, helps us in being prepared for a challenging business environment that lies ahead of us. I have firm faith that our business is future-ready to respond to new age challenges and to deliver superior value to all our stakeholders.

Kumar Mangalam Birla
Chairman

UltraTech Cement Limited

MESSAGE FROM THE MANAGING DIRECTOR



Dear Stakeholders,

Being the largest cement manufacturer in India, and among the largest globally, UltraTech Cement has a sizeable impact proposition in the area of SDGs. True to our organizational values, we have made impressive contributions in this area in a steady manner.

The successful implementation of sustainable development goals (SDGs) requires a systemic approach. Systemic solutions encourage us to explore inter-relationships (context and connections), perspectives (each component with a unique perception of the situation) and boundaries (agreeing on scope, scale and route for improvement). Systemic thinking is particularly useful in addressing complex problem situations like sustainability.

Our progress in our focus areas has been consistent over the years, and we are taking the right strides to achieve our sustainability targets and also set new benchmarks. We became the founding members of the Global Cement and Concrete Association, which drives responsible industry leadership in the manufacture and use of cement and concrete. We have put in place a clear roadmap for reducing our carbon footprint. Product mix and effective energy management has been a key tool in helping us achieve 18.46% reduction in our CO_2 intensity as compared to FY 2005-06. Our plants are amongst the best in thermal and electrical energy performance. We have implemented a robust energy management framework which has facilitated our performance towards 'Perform, Achieve and Trade' (PAT)

> We have installed reverse osmosis plants which provide safe drinking water to more than 30,000 villagers

targets. We have invested significantly both in terms of 'Capex' and 'Opex' to reduce the environmental footprint of our manufacturing operations.

India has been aggressively promoting renewable energy in the past two years. International Solar Alliance, an alliance of more than 121 countries, was initiated by India and France for efficient exploitation of solar energy to reduce dependence on fossil fuels. As the largest player in the Indian cement industry, it is our responsibility to contribute to this national commitment. Our effective renewable energy capacity (solar and wind energy) stands at 62 MW and is expected to increase in future. We have also made rapid advances in the area of waste heat recovery systems and are planning to expand capacity from 85 MW to 131 MW by 2021.

We have increased the use of alternative fuel to more than 8% compared to last year and achieved a thermal substitution rate of 3.9%. UltraTech Cement is supporting municipal corporations and burning their solid waste as a fuel in its cement kilns, thereby helping them to manage non-biodegradable waste in a safe and sustainable manner. Out of the total raw material used for production, 16.2% recycled material comprising fly ash, slag, and waste gypsum has been used with an increase of 14.2% compared to the previous year.

We continue to invest in our water management and conservation initiatives to enhance our water positive index from the current status of '2.18x'. We are expanding rainwater harvesting facilities at different locations. Going forward, we are committed to further increasing this water positive index based on water conservation and management plans in place.

We have made meaningful contribution towards the SDGs on Poverty, Hunger, Health, Education, Economic Growth, Sanitation and Infrastructure through our CSR activities spearheaded by Aditya Birla Centre for Community Initiatives and Rural Development. We work in 502 villages in proximity to our plants, making a difference to the lives of over 1.6 million people.

Our social responsibility initiatives aligned with global SDGs work towards inclusive growth in areas such as healthcare, safe drinking water and sanitation, education, sustainable livelihood, animal husbandry, infrastructure development and social reform. We have installed reverse osmosis plants which provide safe drinking water to more than 30,000 villagers. We have worked in collaboration with various state governments for the implementation of projects under *Swachh Bharat Abhiyan and* created 5,840 individual toilets and sanitation facilities at 126 schools.

UltraTech works with over 800 self-help groups in the local communities around our factories and this has helped enhance the livelihoods of about 8,000 households. These self-help groups provide livelihood training to women and more importantly work with them for market access to ensure sustainability of the interventions. We are also implementing integrated watershed management projects to enable farmers around our sites to enhance their incomes.

UltraTech has taken up several interventions to support access to quality education in rural areas such as pre-school education by strengthening over three hundred *aanganwadis and balwadies* in terms of facilities as well as infrastructure benefitting over six thousand five hundred children. Our *Sarva Shikhsha Abhiyan* programme focuses on reduce school drop out rates of girls by providing support facilities such as transport, infrastructure development, sanitation and safe drinking water facility, which has benefited more than fifty thousand children.

This sustainability report showcases our efforts in implementing the SDGs through our policies, strategies, processes and targets. We have made significant progress on our business targets as aligned with SDGs and have made strategic plans to make further contributions to these global goals in future. UltraTech is committed to embedding sustainability into its business conduct, and we recognize that we need to embrace new ways of working and adopt innovative solutions to provide a strategic boost to our low carbon growth business model.

K. K. Maheshwari
Managing Director
UltraTech Cement Limited

REPORTING SCOPE AND BOUNDARY

102-45, 102-48, 102-49, 102-50, 102-51, 102-52

This sustainability report is a testimony of our commitment to the UN Sustainable Development Goals (SDGs) and how we are driving our triple bottom line performance through these SDGs. For our various stakeholders, it showcases the efforts and initiatives we undertake for creating a better world for all. We follow an annual cycle of reporting. The last report was released in FY 2017-18 which was aligned with SDG's. This year we have kept the same approach to report on our performances across three pillars of sustainability.

REPORT BOUNDARY

This report covers our performance* for the period 1st April 2018 to 31st March 2019 and addresses the performance of all our operations at UltraTech Cement Limited including manufacturing locations, subsidiaries and bulk terminals in India, Sri Lanka and the Middle East. There has been a change in the reporting boundary with addition of three newly commissioned plants namely Dhar Cement Works, Nagpur Cement Works and Patliputra Cement Works and nine acquired units from Jaypee Associates.

The ready-mix concrete (RMC) plants operated by the Company for specific customers, within their premises on a temporary basis, have not been included. There have been no restatements of data for any of the previous year's reports.

**The economic indicators presented in the report are based on the data that forms a part of UltraTech's Annual Report.*

INDEPENDENT ASSURANCE

The veracity and credibility of this report is assured by Ernst and Young our external auditor, after proper due diligence. The assurance statement can be viewed on page no. 73 of the report.

COMPLIANCE WITH GLOBAL REPORTING NORMS

102-46

This report is in accordance with Global Reporting Initiatives (GRI) Standards Core option. Additionally, our disclosures are aligned with the following international and national charters and guidelines:

- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India, issued by the Ministry of Corporate Affairs, Government of India.**
- Suggested Framework on Business Responsibility Reports, by Securities and Exchange Board of India circular dated August 13, 2012.
- Cement Sustainability Initiative (CSI) on key performance indicators in the cement industry. For detailed index, refer to page no. 15.

** *www.mca.gov.in/Ministry/pdf/voluntary_guidelines.pdf*

SUGGESTIONS & FEEDBACK

102-3, 102-53, 102-54

This report has been prepared in accordance with the latest GRI standards and incorporates all prospects of our sustainability performance. Feedback from our concerned stakeholders is of utmost importance to us as it will enable us to bring continuous improvement in our policies, processes and performance.

You can reach us at:

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ULTRATECH OVERVIEW

ABOUT ADITYA BIRLA GROUP

102-1

UltraTech Cement Ltd is the consolidated cement business of the Aditya Birla Group., The Group is a $44.3 billion corporation with its operations spanning across 36 countries and more than 50% of the revenue generated overseas. It is anchored by a strong and dedicated workforce of 120,000 employees belonging to 42 nationalities. It is also a member of Global Compact, an international forum that operates under the aegis of the United Nations. The forum's vision is to usher in a "more sustainable and global economy." ***Aditya Birla Group was named as AON best employer in India for 2018 – the third time over the last eight years.***

Please refer our Annual Report FY 2018-19 for additional information.

ULTRATECH AT A GLANCE

102-6, 102-7

- Largest manufacturer of grey cement, ready mix concrete (RMC) and white cement in India
- Has a consolidated capacity* of 102.75 million tonnes per annum (MTPA) of grey cement.
- Operations spanning across India, UAE, Bahrain, Bangladesh and Sri Lanka
- Member of Global Concrete and Cement Association
- End-to-end solutions in building construction: A product portfolio ranging for applications from foundation to finish
- Embodiment of strength, reliability and innovation



PHYSICAL FOOTPRINT: INDIA AND OVERSEAS

102-5

- 20 INTEGRATED PLANTS
- 1 CLINKERISATION PLANT
- 26 GRINDING UNITS
- 7 BULK TERMINALS
- 2 WALLCARE PUTTY PLANTS
- 1 WHITE CEMENT PLANT
- 5 JETTIES
- 1600+ RETAIL FORMAT STORES

OUR SUBSIDIARIES

- 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
- ULTRATECH NATHDWARA CEMENT LIMITED
- PT ULTRATECH MINING INDONESIA
- PT ULTRATECH INVESTMENTS INDONESIA

PRODUCTS & SERVICES

102-2, 102-6

UltraTech Cement is a 360 degree building material destination providing end-to-end solutions from foundation to finish with its host of products. Our product portfolio ranges from grey cement (UltraTech Cement) to white cement (Birla White), from building products (UltraTech Building Products Division) to building solutions (UltraTech Building Solutions) and an assortment of ready mix concretes (UltraTech Concrete) catering to wide range of construction industry needs and applications. Our focus on quality and durability of the product has strengthened UltraTech's position as the market leader in cement industry in India. Continuous innovation and use of state-of-the-art technology has enabled us to respond effectively and manage the demand and requirements of the new-age construction market.

ULTRATECH CEMENT

Ordinary Portland Cement, Portland Blast Furnace Slag Cement, Portland Pozzolana Cement, UltraTech Super, Composite Cement

ULTRATECH CONCRETE

Ready-mix-concrete (RMC) and a broad range of value-added concrete specifically designed to meet typical application requirements

ULTRATECH BUILDING PRODUCTS

Aerated autoclaved concrete (AAC) blocks and dry mix products that include waterproofing, grouting and plastering solutions

BIRLA WHITE

White cement, Wall care putty and white cement-based products

ULTRATECH BUILDING SOLUTIONS

Retail stores offering a wide range of construction products to meet all the primary construction needs with more than 1,600+ outlets across India





KEY ACCOUNT MANAGEMENT

The key account management cell as a first of its kind in construction industry was started in 2002. It is aimed at developing and strengthening B2B relationships with established market players in construction industry. It also serves as a medium to communicate our unique product service offering which enhance increased customer profitability and satisfaction.

TECHNICAL SERVICES

Technical assistance for architects, masons, contractors and home builders

We are not restricted by industry sectors or type of customers while providing products and services. For additional information please refer our Annual Report FY 2018-19.



AWARDS & ACCOLADES

UltraTech's efforts towards sustainability and consistent pursuit of excellence has gained us recognition at regional and national levels. These awards serve as an indicator of our outstanding performance and also spur us on to achieve higher benchmarks. Below is a list of select few awards.

- **UltraTech Concrete** has won at the Economic Times Innovation Awards 2019 under the 'Innovation for Sustainability' category
- **UltraTech Concrete** was conferred with Golden Peacock Environment Management Award 2018 under the Excellence in Environment Management category
- **Birla White bagged** three prestigious awards at the Apex India Excellence Awards 2018. Birla White was honoured with Platinum Award in the Environment Excellence category, Gold Award in Energy Efficiency, and Occupational Health & Safety categories, for its outstanding performance in the respective domains
- **Star Cement** clinkerisation unit in Ras Al Khaimah (RAK), UAE, was honored with the Environment Appreciation Award 2018 by the Environment Protection Development Authority (EPDA), Government of Ras Al Khaimah
- **Vikram Cement** Works and Aditya Cement Works were conferred the Sustainability Award 2018 by CII-ITC Centre of Excellence, for sustainable development, under the 'Commendation for Significant Achievement in Environment Management' category
- **Vikram Cement** Works was also recognized for excellence in CSR initiatives by Madhya Pradesh Chambers of Commerce & Industry (FMPCCI).
- **Birla White** and Ginigera Cement Works bagged the SEEM National Energy Management Award 2017
- **Four Ready Mix Concrete** (RMC) plants of UltraTech Cement, bagged the National Safety Council of India's (NSCI) Safety Award -2017 under Micro, Small & Medium Enterprises (MSME) category

SUSTAINABILITY AND US

Cement is considered a barometer of economic activity of a country, more so in the developing world. UltraTech Cement Limited is the largest manufacturer of cement in India and ranks among world's leading cement makers. With its vision of becoming "The Leader" in Building Solutions, UltraTech is committed to value creation for its stakeholders in social, environment and economic terms.

As a global citizen in a global industry, UltraTech is aligning itself with the United Nations Sustainable Development Goals (SDG's). Recognizing the strategic importance of the SDGs both in our business and in the world, we have aligned our sustainability strategy with the 17 SDGs, that are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity in inclusive societies.

We are actively contributing to try and achieve these global development goals through our sustainability initiatives. By aligning ourselves to SDGs we can assess, moderate and showcase how we are contributing to sustainability in a global context.



Kailash Jhanwar,
Deputy Managing Director

Sustainability & innovation are amongst the core of our business vision and strategy. We are committed to invest our resources in area of low carbon products, sustainable energy sources, water management and circular economy and thereby taking lead in making our manufacturing operations sustainable.



It also instills greater responsibility and strengthens trust of our stakeholders amidst their growing concern on various socio-environment issues. Infrastructure development an activity which drives the economic development engine, poses potential challenge to the society and the environment. Responding to these challenges is necessary to realize a sustainable society and improve quality of life that will ultimately lead to sustainable growth.

Apart from pivoting our sustainability strategy on SDGs, UltraTech is making great progress towards being a sustainable enterprise and is continuously improving and innovating the process, policies and practices by:

- Adopting the Aditya Birla Group Sustainability Framework aligned to international standards
- Formulation and Launch of policies on Energy and Carbon, Water Stewardship and Biodiversity
- Joining EP100 and pledging to double energy productivity by 2035
- Carrying out a structured materiality assessment
- Voluntarily embracing global benchmarks like World Business Council for Sustainable Development's (WBCSD) Water, Sanitation and Hygiene (WASH) pledge
- Going beyond improvement approach and reinforcing commitment to complete transformation approach
- Thinking beyond resource conservation
- Redesigning the traditional sustainability models in UltraTech through a series of strategic, innovative and systemic interventions, with an aim to future-proof our businesses

SUSTAINABILITY FRAMEWORK

To focus on practical aspects of operating in a sustainable world, Aditya Birla Group has developed a Group Sustainability framework that aims to align all the business under a common sustainability vision. The three strategic pillars that support this framework are: Responsible Stewardship, Stakeholder Engagement and Future Proofing.

Responsible Stewardship is the first pillar in our sustainability strategy. As a part of Group sustainability vision, we are in the process of development of policies, technical and management standards and guidelines that conform to international standards such as UN SDGs, IFC, OECD, UNGC, ISO and OHSAS. These documents steer our business activities towards excellence that lead to or become best practices in our sector. **Installation of capable management systems will help UltraTech to excel across all the three verticals of sustainability; economic, environmental and social.**

Stakeholder Engagement is the pillar that connects us to the most important components of sustained existence of business – our stakeholders. Our institutionalized channels of interactions with the stakeholders provide us perspectives on internal and external scenarios that have potential to impact our business. **Through engagement with our strategic selected stakeholders we work out the key issues and trends to identify the external factors that poses risks to our business.** Hence, we have established various thought exchange platforms with key technical experts and strategic stakeholders to gain knowledge on critical parameters and stay abreast with evolving industry paradigms.

Future Proofing is continuously shaping our business strategy to minimize the risk and maximize the opportunities that various future trends and externalities have to offer. It helps us to chalk out appropriate mitigation, adaptation and transformational programmes against the potential risks. **Anticipating the future and developing capabilities to leverage the opportunities is what makes a business risk resilient and future ready.** The risk-map developed by our Group Sustainability Cell is being used as an operational guidance across our business to map our current status and develop a strategy best suited to mitigate the risks.

MATERIALITY

102-29

Our Approach

At UltraTech, materiality assessment is conducted on a periodic basis to identify sustainability topics that are relevant to us. In 2018-19, a comprehensive materiality assessment exercise was carried out to cover larger stakeholder groups and keep pace with rapid changing context of sustainability along with the risk and challenges that our business face. We engaged with our senior management team and multiple internal and external stakeholders (employee, customer, supplier, investor, trade bodies, associations) to identify and prioritize material topics based on their relative importance. These interactions enabled us to capture their forward-looking perspective towards sustainable business scenarios and set the context for relevant sustainability topics for disclosure.

There were 22 topics out of which,9 material topics were identified. In FY 2017-18, we mapped our eight material topics with the SDGs and aligned our corporate priorities with the relevant SDGs to create a positive impact on all our stakeholders. This year we are doing the same exercise with new set of material topics identified as shown in the Materiality Matrix below.

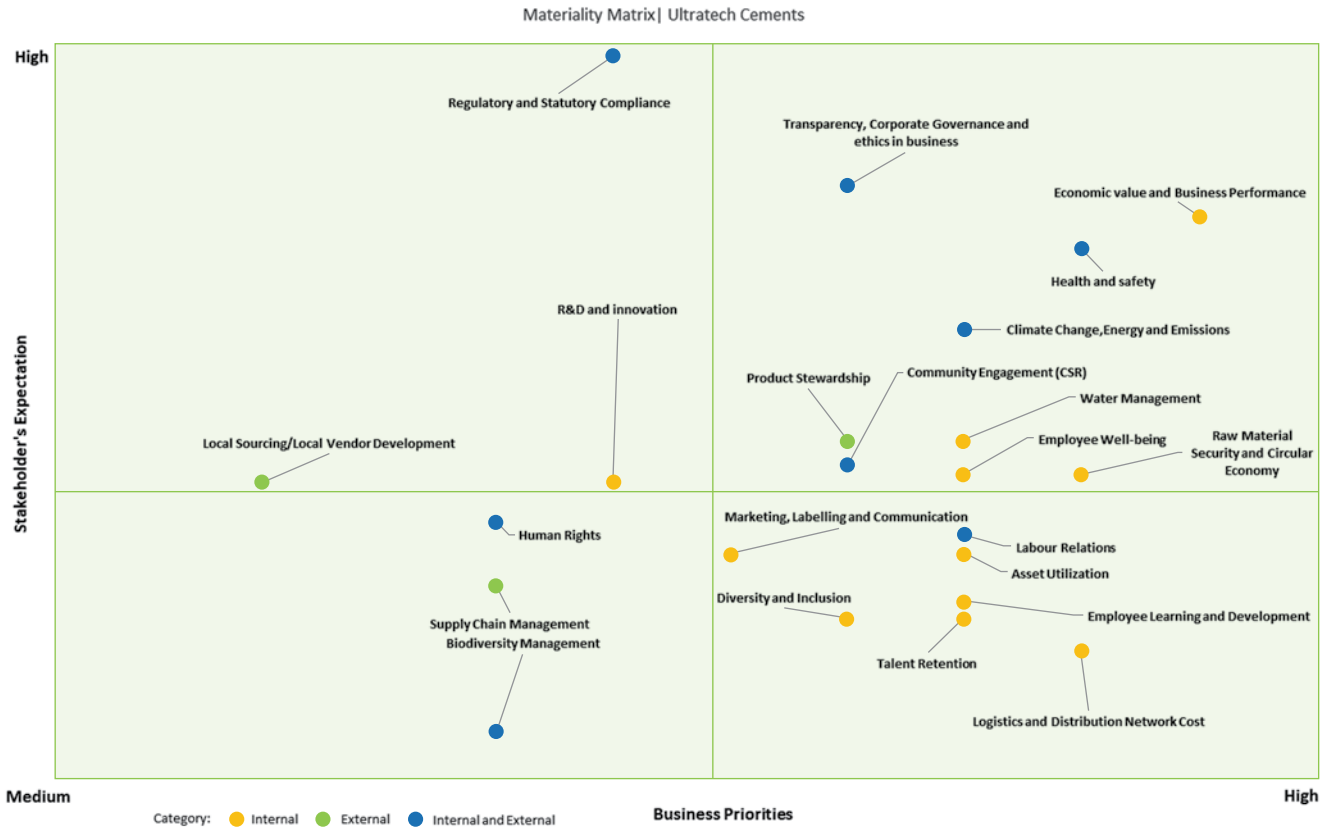


Table below shows how we have mapped each of our material topics to the SDGs and the corresponding initiatives we have taken to contribute to them.

MATERIAL TOPICS MAPPED TO THE SDGs

102-47

UltraTech follows a structured risk management approach, which encompasses identifying potential risks, assessing their potential impact and mitigating them through timely action and continuous monitoring. The risk management strategy and processes; are regularly reviewed by the Risk Management Committees, at the corporate and unit levels. Business risks and climate change risks are also continuously tracked and assessed by the committee, to help timely mitigation and facilitate sustainable growth.

Key Material Issue	SDGs	Action Points
Economic value and Business performance	 **SDG1:** End poverty in all its forms everywhere	○ Sustainable livelihood projects ○ Vocational training and skills development
	 **SDG2:** End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	○ Integrated watershed management programme for generating livelihood ○ Increasing the income of landless labourers/farmers
	 **SDG9:** Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	○ Developing a green product portfolio ○ Driving technological innovation which extends beyond conventional cost management outcomes
Transparency, Corporate Governance and Ethics in Business	 **SDG8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	○ Company strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed
	 **SDG10:** Reduce inequality within and among countries	○ Company has a vigil mechanism, Code of Conduct or ethical policy applicable to all the employees of the company and its subsidiaries.
Product Stewardship	 **SDG11:** Make cities and human settlements inclusive, safe, resilient and sustainable	○ Process optimisation and debottlenecking, natural raw materials conservation and promotion of alternative fuels while complying with the increasingly stringent quality and environmental norms ○ Conducting Life Cycle Assessment (LCA) for products to understand their environmental impact. ○ Our Concrete products are certified to meet the requirements of green building certification ○ Increasing awareness amongst customers for climate friendly and sustainable products. Support the IHB (Individual House Buyers) on green product selection
	 **SDG12:** Ensure sustainable consumption and production patterns	
Raw Material Security and Circular Economy	 **SDG12:** Ensure sustainable consumption and production patterns	○ Enhanced focus on use of alternative fuel and raw materials ○ Development of low carbon products
	 **SDG11:** Make cities and human settlements inclusive, safe, resilient and sustainable	○ Supporting Rapid Monolithic Disaster (RMD) technology in pushing the boundary for affordable housing sector
	 **SDG15:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	○ Biodiversity and ecosystem service management plan implementation underway at one of the sites ○ Tree plantation & green zone development ○ Rehabilitation of exhausted mines and reclamation of land

Key Material Issue	SDGs	Action Points
Climate Change, Energy and Emissions	 **SDG7:** Ensure access to affordable, reliable, sustainable and modern energy for all	○ Scaling up share of renewable energy-based electricity ○ Installed 85 MW of Waste Heat Recovery based power plants
	 **SDG13:** Take urgent action to combat climate change and its impacts	○ Signatory to EP100 with commitment to double our energy productivity in 25 years by 2035 ○ Target to reduce carbon emission intensity ○ Integrated the low carbon strategy into our business roadmap
Health & Safety	 **SDG3:** Ensure healthy lives and promote well-being for all, at all ages	○ Immunisation programme for children ○ Programme on antenatal care, postnatal care, mass immunisation, nutrition ○ Awareness programme on road safety covering employees and their families
Employee Well-being	 **SDG8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	○ Equal opportunity employer ○ Hiring from within the local communities we operate in ○ Sourcing from local suppliers and vendor
	 **SDG10:** Reduce inequality within and among countries	○ Making our workforce more gender diverse
	 **SDG5:** Achieve gender equality and empower all women and girls	○ Women Empowerment & Engagement (WEE) initiative at UltraTech works on the issues of importance for the women employees ○ Springboard, an 18-month programme which is based on the pillars of training, mentorship and gender diversity ○ Comprehensive Maternity Support Programme
Community engagement	 **SDG16:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	○ Engaging with local communities to understand the impact of our operations ○ Empowering the communities through initiatives under healthcare, education, infrastructure, sustainable livelihood and social reform
	 **SDG4:** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	○ School enrolment awareness programmes ○ Preschool education project Balwadis / playschools / crèches ○ Mid-day meal programme at various schools across India
	 **SDG12:** Ensure sustainable consumption and production patterns	○ Utilising waste from other industries and municipalities as alternate fuels and materials ○ Reducing consumption of natural limestone and other raw materials

CSI DASHBOARD

#	KPI	FY 2016-17	FY 2017-18	FY 2018-19
A	**Climate Protection (excludes captive power)**			
i	CO_2 Emissions - Gross (Million Tonnes)	32.95	34.72	45.85
ii	CO_2 Emissions - Net (Million Tonnes)	32.77	34.45	45.41
iii	Specific CO_2 Emissions - Net (kg/tonne of cementitious material)#	632.09	625.7	618.87
iv	Target Reduction for CO_2	Reduction in CO_2 emission intensity by 25% from FY 2005-06 level by FY 2020-21		
v	Independently verified CO_2 data	Externally verified		
B	**Fuels & Raw Materials**			
i	Specific heat consumption of clinker production (MJ/tonne clinker)	2966	2961	2984
ii	Total Alternative Fuel Rate (% of thermal energy consumption)	2.30	3.60	3.90
iii	Alternative Fuel Rate Non Biomass (% of thermal energy consumption)	1.9	2.70	3.20
iv	Biomass Alternative Fuel Rate (% of thermal energy consumption)	0.4	0.9	0.7
Vi	Alternative Raw Materials Rate (% of total raw materials for cement production)	13.58	13.46	16.17
Vi	Clinker/Cement Ratio (%)	76.8	76.5	76.2
C	**Health & Safety**			
i	Number of fatalities (directly employed)	1	0	0
ii	Number of fatalities (indirectly employed)	2	2	4
iii	Number of fatalities (involving 3rd parties)	0	3	0
iv	Number of fatalities per 10,000 directly employed	0.95	0	0
v	Lost Time Injuries (LTIs) per million man-hours (directly employed)	0.38	0.34	0.47
D	**Emissions Reduction**			
i	NOx emissions (tonnes/year)*	67682	59211	89083
ii	SO2 emissions (tonnes/year)*	4316	4026	6926
iii	Dust emissions (tonnes/year)*	1630	1477	2190
iv	Specific NOx emissions (g/tonne clinker)*	1,676.04	1,388.39	1580
v	Specific SO2 emissions (g/tonne clinker)*	106.88	94.40	122.87
vi	Specific Dust emissions (g/tonne clinker)*	40.36	34.63	38.85
vii	Target reduction for NOx	As per the regulatory compliance by the State Pollution Control Board		
viii	Target reduction for SO2			
ix	Target reduction for Dust			
x	% Clinker produced with monitoring of major and minor emissions	Major emissions - as in the next row. Minor emissions - measured only on sample basis if hazardous wastes are used as fuel.		
xi	% Clinker produced with continuous monitoring of major emissions - NOx, SO2, Dust	Dust – 100% NOx, SO2 – 100%	Dust – 100% NOx, SO2 – 100%	Dust – 100% NOx, SO2 – 100%

* The values reported for NOx, So_x and dust are only for Kiln stacks as per CSI Guideline for Emission Monitoring and Reporting.

Direct CO_2 emissions from operations

RESPONSIBLE STEWARDSHIP





OUR VALUE CREATION MODEL

INDICATOR & KEY INPUTS → BUSINESS ACTIVITIES

Human capital

	FY-18	FY-19
Total employee Salaries,Wages and expense(INR Crores)	1,706.24	1,926.01
Total training hours (Hr)	2,25,540	3,56,323
Total employees (Number)	14,176	20,901
Safety Training Hours (Employees and Contractors)	2,61,033	6,32,566

Financial capital

	FY-18	FY-19
Net Capex (INR cr)	1527	1836
Net Fixed Assets(includingCWIP and Capital advances) (INR Cr)	40,782	40,193
Net working Capital (INR Cr)	438	185
Cost of Raw Materials and Fuel (INR Cr)	9,938	12,568

Relationship capital

	FY-18	FY-19
Amount spend on CSR projects (INR Crores)	60.71	74.96
CSR Voluntary Hours	29,615	26,050
Total number of customer complaints resolved	1,823	3,399

Intellectual capital

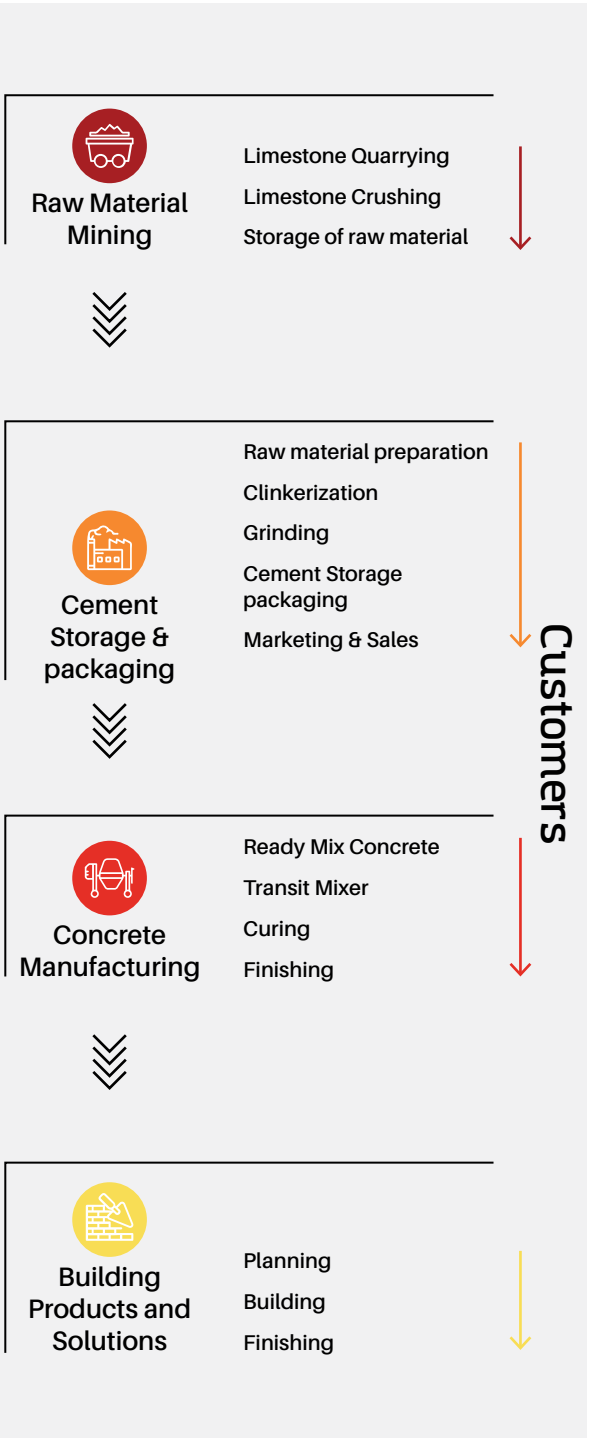
	FY-18	FY-19
Total capital spend on R&D (INR Cr)	29.68	33.38
Product Stewardship and LCA (Number of initiatives)	NIL	2 Ongoing

Manufacturing capital

	FY-18	FY-19
Total production capacity (Million metric tonne per annum of grey cement)	96.5	102.75
Physical Assets (Total number of plant by type)	55	57

Natural capital

	FY-18	FY-19
Energy from WHRS (TJ)	1,205	1,458
Renewable Energy (TJ)	148.43	280.76
Specific Energy consumption (Kcal/Kg of clinker)	707	713
Water Consumption (L/Tonnes of cementitious production) *(excluding colony & horticulture)	175	189
Natural Raw material Procured (Million tonnes)	65	80



KEY OUTPUTS

INDICATOR & KEY OUTCOMES

- UltraTech Cement (Tonnes)
- UltraTech Concrete (Tonnes)
- UltraTech building products and solution (Tonnes or Number of products by type)
- Birla White (Tonnes)

Key Support Function

- Marketing
- Finanace
- Human Resource Management
- Technical Services
- Logistic Department
- Procurement
- Readymix Concrete and key Accounts
- White Cement Divison
- Technical and Performance Monitoring
- Sustainability

Human capital

	FY-18	FY-19
Employee Productivity (Tonnes/FTE)	3,883	3,400
Attrition rate (%)	6.18	5.90
Lost time Injury (per million man hours) (Directly Employed)	0.34	0.47
Number of fatality (direct)	0	0
Number of fatality (indirect)	2	4

Financial capital

	FY-18	FY-19
Earnings per Share(in Rs)	80.94	88.72
Net Revenue (INR Cr)	29,358	35,704
EBDITA (INR Cr)	6,483	6,992
Profit after Tax (INR Cr)	2,231	2,456
Return on Capital Investment (%)	10	10.4

Relationship capital

	FY-18	FY-19
Beneficiaries covered under CSR (Number In millions)	1.6	1.6
Customer Satisfaction Index	64	64

Intellectual capital

	FY-18	FY-19
No. of new products developed	3	3

Manufacturing capital

	FY-18	FY-19
Grey Cement Produced (Million Tonnes)	57.23	71.43
Capacity Utilisation (%) of Installed Capacity	71	76
Clinker Factor improvement (clinker/cement %)	76.5	76.20

Natural capital

	FY-18	FY-19
Specific GHG emission (Kg CO_2 per tonne cementitious material)*	635.7	634.87
Thermal substitution rate (%)	3.60	3.9
Alternative Raw Material Rate (% of total raw material)	14.16	16.27
Water Recycled %	12.98	13.03

** doesn't include captive power plant*

CORPORATE GOVERNANCE

102-16, 102-17

Good corporate governance has been the mainstay of UltraTech in its quest for excellence in sustainable development. Robust management practices have been created and strengthened towards compliance with the laws, adherence to the highest ethical standards and ensuring transparency in business. These practices have facilitated creation of value for all our stakeholders reinforcing our vision of becoming the leading Indian conglomerate in sustainable business practices across all our operations.

The three pillars of our Sustainability Framework i.e. Responsible Stewardship, Strategic Stakeholder Engagement and Future Proofing are driven by corporate governance which ensures the delivery of superior value to our stakeholders. Good corporate governance complimented by strategic stakeholder engagement and our core values leads to responsible stewardship which facilitates required actions taken in a timely and proactive manner to achieve future proofing. Our deep sense of responsibility to our stakeholders has led to the alignment with the Sustainable Development Goals (SDG) of United Nations.

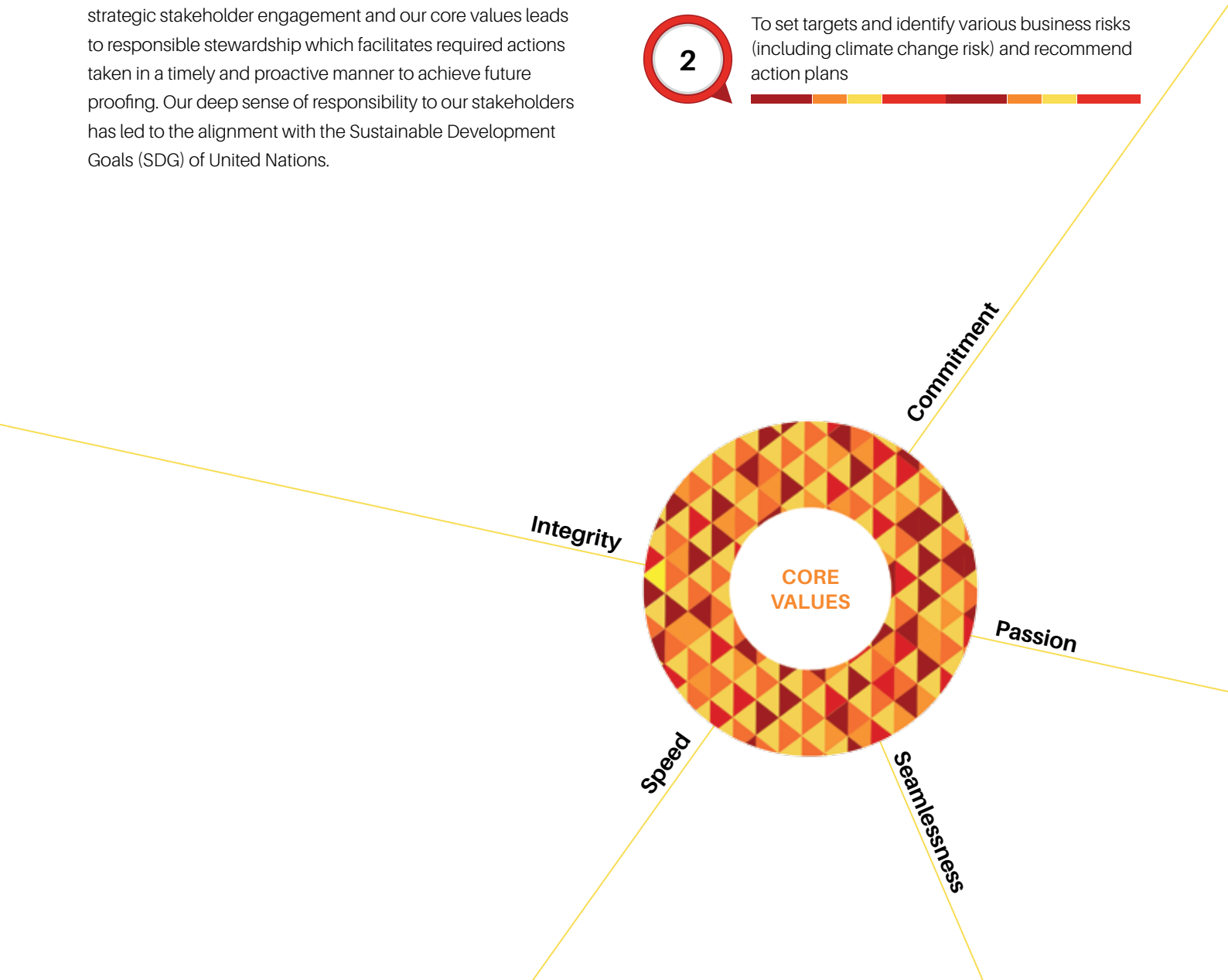
GOVERNANCE STRUCTURE

102-18, 102-19, 102-20, 102-26, 102-27, 102-28

Guided by our core values, our governance structure acts as a overarching mechanism to achieve the organizational goals. The Sustainability Committee is headed by the Managing Director with members being CXOs and Business Heads of Grey Cement, White Cement and RMC business units.

The major responsibilities of the Sustainability Committee are:

1. To drive the implementation of sustainability roadmap across business functions and verticals
2. To set targets and identify various business risks (including climate change risk) and recommend action plans





The committee meets periodically, to discuss the work done and strategize the way forward. Outcomes of the meeting are then circulated to the committee members and a brief is presented to the Managing Director.

The plant level sustainability committee is led by the respective Unit Head and represented by the key functions. The aim is to establish sustainability as an integral part of our work culture. This committee identifies areas for improvement and implements performance enhancement measures.

The Sustainability Cell, a network of coordinators located across our plants and offices, has provided ample on-ground support. The sustainability cell at Aditya Birla Group also supports the corporate team at UltraTech in conducting capability building workshops and implementing various projects under the sustainability framework.

BOARD OF DIRECTORS

102-22, 102-23,102-24, 102-26, 102-33

Our governance system is driven by the Board of Directors whose role is to promote the long-term success of the business for the benefit of its shareholders through sustainable development practices. It reviews and approves corporate strategies, business plans, projects, annual budgets and capital expenditure. Our Board comprises twelve directors, which include the executive directors, non-executive directors and independent directors. The details of the directors are as follows:

1. **Mr. Kumar Mangalam Birla**
   Non-Executive
2. **Mrs. Rajashree Birla**
   Non-Executive
3. **Mr. Arun Adhikari**
   Independent
4. **Mrs. Alka Bharucha**
   Independent
5. **Mr. G.M. Dave**
   Independent
6. **Mrs. Sukanya Kripalu**
   Independent
7. **Mr. S. B. Mathur**
   Independent
8. **Mr. O. P. Puranmalka**
   Non-Executive
9. **Mrs. Renuka Ramnath**
   Independent
10. **Mr. K. K. Maheshwari**
    Managing Director
11. **Mr. K. C. Jhanwar**
    Dy. Managing Director &
    Chief Manufacturing Officer
12. **Mr. Atul Daga**
    Whole-time Director & Chief Financial Officer

BOARD COMMITTEES

102-22, 102-28

The Board Committees, headed by Independent Directors, ensure excellence through continuous supervision, rigorous review, and implementation of policies and procedures. While taking into account the interests of its various stakeholders, the Board delegates certain responsibilities to a number of committees viz. Audit, Nomination, Remuneration, Risk & Sustainability Committee and Compensation Committee among others. The details of various Board Committees are given below:

Audit Committee

Responsibilities

- Overseeing financial reporting process and disclosure of financial information
- Appointment, re-appointment, replacement or removal of the statutory auditor, cost auditor and fixation of audit fees
- Approval of payment to statutory auditors for any services rendered by them
- Review with management, the annual financial statements, before submission to the Board for approval

Members

Mr. S. B. Mathur | Mr. G. M. Dave | Mrs. Renuka Ramnath
Mrs. Alka Bharucha | Mr. K. K. Maheshwari

Permanent Invitees

Mr. Atul Daga

Stakeholder Relationship Committee

Responsibilities

- Issues relating to share and debenture holders including transfer / transmission of shares / debentures
- Issue of duplicate share / debenture certificate
- Non-receipt of dividend
- Non-receipt of annual report
- Non-receipt of share certificate after transfers
- Delay in transfer of shares
- Any other issues of shareholders

Members

Mr. S.B. Mathur | Mr. K. C. Jhanwar | Mrs. Sukanya Kripalu

Risk Management and Sustainability Committee

Responsibilities

- Identification, assessment and classification of risks relating to business including cyber security
- Conceiving mitigation plans to minimise risk
- Monitoring various risks

Members

Mr. K. K. Maheshwari | Mr. K. C. Jhanwar | Mr. Atul Daga

Nomination, Remuneration & Compensation Committee

Responsibilities

- Set the level and composition of remuneration of the Directors and the Senior Management and link it to performance
- Formulate appropriate policies and institute processes in order to identify potential candidates for Directorship and Senior Management
- Review and implement succession and development plans for Directors and Senior Management
- Devise a policy on Board diversity

Members

Mr. Kumar Mangalam Birla | Mr. Arun Adhikari | Mr. G.M. Dave

Corporate Social Responsibility Committee

Responsibilities

- To monitor and implement the Company's CSR policy
- Recommend the activities to be undertaken during the year to the Board and amount to be spent for the same

Members

Mrs. Rajashree Birla | Mr. G. M. Dave | Mr. O. P. Puranmalka
Mr. K. K. Maheshwari

Permanent Invitees

Dr. Pragnya Ram (Group Executive President, CSR)

Finance Committee

Responsibilities

- Exercise all powers and discharge all functions relating to working capital management, foreign currency contracts and operation of bank accounts
- Authorise officers to deal in matters relating to excise, sales tax, income tax, customs and other judicial or quasi-judicial authorities

Members

Mr. Arun Adhikari | Mrs. Alka Bharucha | Mr. Atul Daga

CODE OF CONDUCT

102-17

Formulation and fair implementation of the right processes go a long way in establishing a value based organizational culture. At UltraTech, a comprehensive and uniform Code of Conduct applies to the entire workforce across designations. The Company website hosts a copy of the Code of Conduct, which is regularly updated in view of the changing requirements. We have also defined norms in alignment with the uniform code for various policies and processes in the functions like HR, procurement and investor relations. Together, these measures provide our employees the right direction towards moral conduct and foster an ethical work culture.

RISK MANAGEMENT

102-15, 102-30, 102-33

UltraTech follows a structured risk management approach, which encompasses identifying potential risks, assessing their potential impact and mitigating them through timely action and continuous monitoring. The risk management strategy and processes; are regularly reviewed by the Risk Management Committees, at the corporate and unit levels. Business risks and climate change risks are also continuously tracked and assessed by the committee, to help timely mitigation and facilitate sustainable growth.

Business Risks

- Economic environment
- Market leadership
- Inflation and cost of production
- Legal and compliance with local laws
- Financial and accounting
- Information technology
- Talent management

Sustainability Risks

- GHG Reduction
- Carbon Regulations
- Securing Critical Resources
- Energy Efficiency Regulations
- Water Availability
- Raw Materials and Mineral Components

RISK MANAGEMENT MECHANISM

UltraTech has a comprehensive risk management mechanism both, at corporate and unit levels.

Corporate Level

The corporate risk management follows a similar structure, where the Chief Finance Officer (CFO) is the risk manager who collates the risks from various business heads. The sustainability team supports the Chief Manufacturing Officer (CMO) to identify the climate change risks. The risks are then marked to a ranking matrix based on criticality to the unit/ organization (reputational, regulatory and financial impact) and are noted in the risk register with the recommended mitigations/action plans. This risk register is then presented to the Apex Committee for review. Based on the degree of impact of the risk on the unit/company, the Apex Committee lays down its risk mitigation recommendations every quarter. Risks with the highest level of impacts are directly reported to the Group Apex Committee.

The Apex Committee then prioritizes these risks. Post this, a mitigation strategy is worked out and assigned to the respective business heads.

Unit Level

Key functional heads are appointed members of the risk management committee that has been constituted at each unit. The risks identified from each function are aggregated and categorized by the functional head for Finance. The unit head is in charge of the assessment of risks associated to climate change, while the operational risks are analyzed by different functional heads.

PUBLIC POLICY AND ADVOCACY

102-12, 102-13

We are members of various industrial and commercial organizations such as:

- Global Cement and Concrete Association (GCCA) – one of the founding members
- Cement Manufacturers Association (CMA)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industries (CII)
- Advertising Association of India

In alignment to this vision, we associate with organizations under Task Forces and Committees of Bureau of Indian Standards (BIS) and Bureau of Energy Efficiency (BEE).

> UltraTech constantly endeavors to innovate green products and incorporate green processes to ensure long-term sustainable growth and development.

- Economic Performance
- Environment Performance
- Product Performance
- Occupational Health and Safety
- People Performance
- Social Performance



ECONOMIC PERFORMANCE

102-11, 102-31, 103-1, 103-2, 103-3, 200

At UltraTech, we are driven by a relentless pursuit of excellence and an intent to make a significant contribution in the lives of our stakeholders. This has helped us evolve from a cement manufacturer to a building solutions provider, and from being a commodity selling business to a brand that is synonymous with consumer delight. We measure growth not only by our financial performance, but also through the positive contribution we make to the society.



With this context, we have aligned our business strategy with the sustainable development goals (SDGs). Alignment with SDGs ensures our growth is inclusive and sustainable for all our stakeholders. We see SDG's as a roadmap that enhances business growth and continuity. Quality education (SDG4), clean water & sanitation (SDG7), affordable and clean energy (SDG7), decent work and economic growth (SDG8), responsible consumption and production (SDG12), climate action (SDG13), and life on land (SDG15) are the most relevant and important SDGs for us, and we are contributing to them through sustained business initiatives.



Atul Daga,
Chief Financial Officer

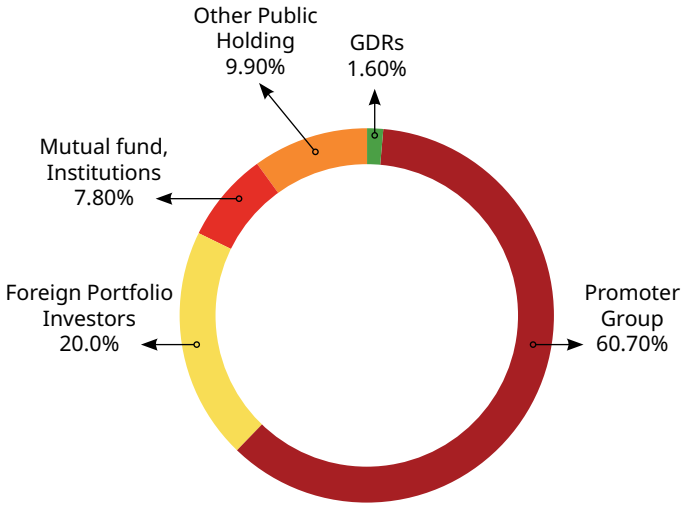
The role of finance & accounts in the changing time has evolved from being a bean counter to that of a Business support and with the framework of sustainable finance, it has transitioned from the narrow shareholder model to a broader stakeholder model. As a business of the Aditya Birla Group, we have a clear focus of having a healthy balance sheet for sustainable growth over the long term with a view of considering the overall ESG performance of the company.

In FY **2018-19**, UltraTech reported a turnover of INR **288** BILLION.

UltraTech fuels the world's fastest growing economy as a cement manufacturer by meeting its huge infrastructure needs. While continuing to deliver products for India's prominent urban landmarks, we also work closely with the government schemes to enhance the rural infrastructure such as affordable homes, roads and schools. Cement demand is seeing an upward trend, continuing from the last fiscal period at 4.5%*.This growth is backed by a series of economic reforms undertaken by the government in the past year as well as its constant thrust on infrastructure development.

** https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/cement-demand-to-see-4-5-growth-in-fy19/articleshow/63094576.cms?from=mdr*

Shareholding Pattern



CAPACITY EXPANSION

India is expected to be the world's fastest growing economy in the coming years., To meet the needs that are expected to emerge with this growth, we must grow faster. For the past few years we have been investing ahead of the industry curve. **Through strategic acquisitions, greenfield projects and brownfield expansions, we have reached a consolidated capacity* of 102.75 Million Tonnes Per Annum (MTPA) of grey cement.**

In the manufacturing sector, expansion in production capacity needs to be fueled and supported by sufficient quantity of power generation. As the largest player in the cement industry in India, we are committed to invest in non-fossil fuel based resources as a sustainable alternative to power generation. **Currently, our installed WHRS capacity stands at around 85 MW, one of the highest in the Indian cement sector. Our WHRS capacity met 8% of our total power requirement during FY 2018-19.**

Additionally, **we have 62 MW of effective renewable energy from solar and wind mills. All this, combined with our 717 MW thermal power capacity, ensure that majority of our total power requirement gets met through internal means.**

FINANCIAL IMPLICATIONS OF CLIMATE CHANGE

103-1, 103-2, 103-3, 102-31, 201-2

We understand our dual responsibility towards the environment and to the nation's progress. Hence, we have a strategic long-term plan for GHG emissions reduction and mitigation linked to planned business growth. As part of this plan, we have identified key priorities to mitigate climate change, which includes improving share of blended cement, energy efficiency, waste heat recovery, use of alternative materials & fuel, and generation of renewable energy.

Being part of Aditya Birla Group, we have adopted ABG Sustainable Business Framework with three core pillars – Responsible Stewardship, Strategic Stakeholder Engagement and Future Proofing. The framework, in turn, is aligned with the international standards.

We have been the member of Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development (WBCSD), since 2006. Cement Sustainability Initiative (CSI) now is officially transferred from the World Business Council for Sustainable Development (WBCSD) to the Global Cement & Concrete Association (GCCA) as of 1 January 2019, of which UltraTech is a founding member.

Including 4 MTPA commissioning in June 2019



LOCAL SUPPLY

204-1

Local support and capabilities are essential for the Organization to thrive in the geography it operates. To achieve sustainable growth with positive impact on local communities, we procure majority of our raw materials and other essentials locally. It is our continuing endeavour even when we operate in some of the remotest corners of India. We leverage local suppliers and labour workforce to do more while doing better for everyone.

Purchase from locally-based suppliers*

FY 2016-17	71.25%
FY 2017-18	68.51 %
FY 2018-19	57.55%

Includes only purchase at unit level

ENVIRONMENT PERFORMANCE

103-1, 103-2, 103-3, 102-31, 300

UltraTech is aware of environmental risks and is proactively addressing the environmental challenges such as climate change, resource depletion, water scarcity, biodiversity, air pollution, and waste management. As our operations are resource intensive, we are taking proactive measures to address these challenges and wherever possible, converting these challenges into economic opportunities. We have aligned our actions to the relevant Sustainable Development Goals to sharpen our strategies and in turn contribute to the bigger goal of a sustainable world.



Arvind Bodhankar,
Chief Sustainability Officer

At UltraTech we strongly believe in principles of Circular Economy, an economy which is a close loop and regenerative in nature, providing a new life to the product after its' end. Last year we have repurposed about 16 Million tonnes of waste from industries/municipalities and reduced substantial pressure on natural resources.

Best Practices Adopted for Mitigating Environmental Risks

Climate Change – Lower clinker factor, energy efficiency, waste heat recovery and generation of renewable energy are our key priorities

Resource Management - Efficient use of natural resources and reducing dependence on it by using alternative fuels and materials

Water Management – Our water management best practices consist of water recycling and reuse, rainwater harvesting and artificial aquifer recharge, and source vulnerability assessment

Waste Management - Reducing use of natural raw materials, utilization of waste from other industries for blended cements and using industrial waste as alternative fuel

Biodiversity Management - Working on tree plantation, green zone development, rehabilitation of exhausted mines and reclamation of land



HIGHLIGHTS

We have adopted an internal carbon price of USD 10/ton of CO_2 emission

Reduced CO_2 intensity by 18.46% compared to Base Year 2005-06 against the target of 25% reduction by 2020-21

Committed to EP 100

Scored "B" in CDP 2018 Climate Change Disclosure

Certified as 2.18 times water positive

One of the founding members of GCCA

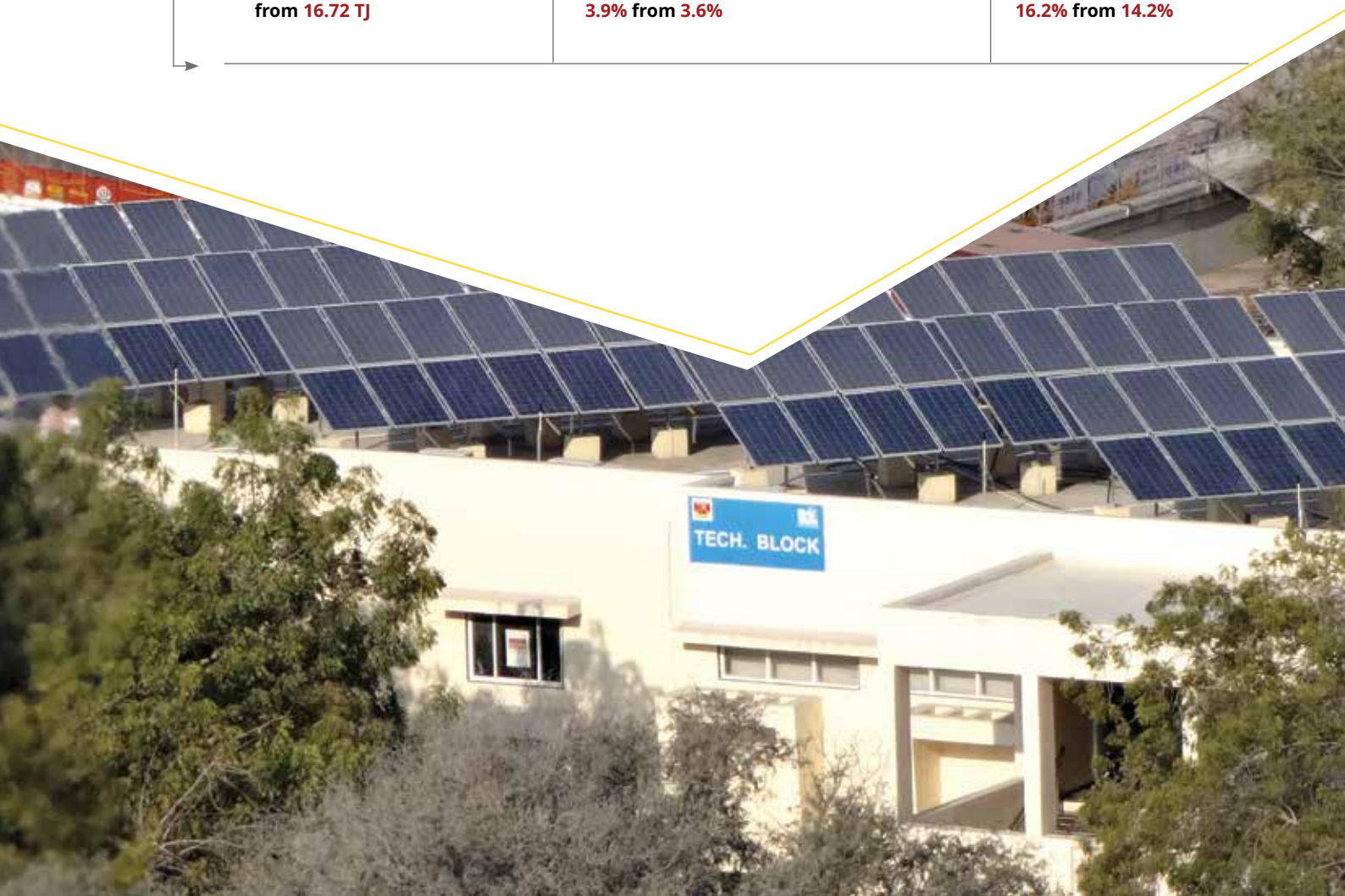
WHRS installed capacity increased to 85 MW from 59MW

Implementation of biodiversity management plan at Sewagram Cement Works (Gujarat) and assessment at Aditya Cement Works (Rajasthan) and Rajashree Cement Works (Karnataka)

Solar energy generation increased to 54.65 TJ from 16.72 TJ

Thermal substitution rate increased to 3.9% from 3.6%

Recycled material used increased to 16.2% from 14.2%



CLIMATE CHANGE

302-4

Take urgent action to combat climate change and its impacts

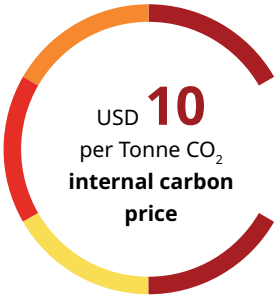
Actions

- Launched Energy and Carbon Policy
- Integrated the low carbon strategy into our business roadmap
- Achieved a 3.90% thermal substitution rate by using waste materials in kiln
- Joined EP100, a global leadership initiative to double energy productivity

Contributing to mitigate climate change impacts

We acknowledge the climate risk challenge and contribute to the goal by integrating low carbon strategy and scaling up investments in the development of innovative products and services. We have formulated strategic action plans in line with sectoral low carbon roadmap. The key priorities are energy efficiency, waste heat recovery, use of alternative materials & fuel, generation of renewable energy and development of low carbon products. It also provides a strategic boost to our low carbon growth target of reducing carbon intensity by 25% by 2020-2021 (2005-06 baseline). We annually report on our emissions performance through sustainability reports, Cement Sustainability Initiative (CSI) dashboard and the Climate Disclosure Project (CDP).

In our cement operations, specific direct GHG emissions witnessed a decrease of over 1.1% in FY 2018-19, as compared to the previous year. This reduction is primarily attributed to decrease in clinker factor. Our specific direct and indirect GHG of the concrete business registered a reduction of 6% and 18.62% respectively compared to the previous year The total scope 3 emissions stood 5.88 million tonnes in FY 2018-19.



Internal carbon price assigns a monetary value to each ton of CO_2 emitted. While weighing business decisions the impact of the decision on environment is captured in terms of monetary value through ICP. This reveals hidden risks and opportunities and supports strategic decision making related to future investments. The company has commenced valuation of carbon emissions with the introduction of shadow price of USD 10 per Tonne CO_2 which will enable it to consider the environmental aspects of projects before it decides to pursue them. This is being used for appraisal of all capital expenditures proposals including growth plans

Managing Air Emissions

103-1,103-2,103-3, 102-31,305-7

UltraTech continues to implement various initiatives for improving environmental performance related to NOx, SOx and dust emissions and continuously monitors the same.

No_x Emission Reduction Strategy

Initiatives in place to reduce NOx emission include:

- Raw mix, coal residue and process optimization
- Burner management - conversion of old burner with low NO_x burner Low NO_x calciner selection for new plant and modification in old calciner for incorporation of low NOx feature

Dust Emission Reduction Strategy

- UltraTech has undertaken upgradation of existing electrostatic precipitator with bag house for particulate matter emission reduction at most of its plants.

ENERGY MANAGEMENT

103-1, 103-2, 103-3, 102-31

Ensure access to affordable, sustainable and reliable modern energy

Actions

- Launched Energy and Carbon Policy
- Utilised 78 million units from renewable electricity.
- Total installed capacity of WHRS is 85 MW which is expected to increase to 131 MW
- Signatory to EP100 with a commitment to double energy productivity by 2035.

Besides being intricately linked to other SDGs such as climate change, energy is a key enabler for wider economic development, higher social equity, and better environmental sustainability.

UltraTech has committed to double its energy productivity by becoming a member of EP100. A global leadership initiative, EP 100 is founded by The Climate Group and brings together a growing group of energy-smart companies. It constitutes organizations that commit to energy productivity, which is a way of measuring energy efficiency that aligns directly with business growth and sustainable development goals.

Improvement of energy performance is one of those critical levers that help us reduce the carbon intensity of our operations. This pledge reaffirms our commitment to driving sustainability across our value chain.

A majority share of our power requirement is met through internal means - captive power plants and waste heat recovery.

Our energy management approach at UltraTech is driven in three areas:



Energy Efficiency

103-1, 103-2, 103-3, 102-31, 302-4

UltraTech continually works on various energy efficiency initiatives such as technological upgradation, process optimization, and productivity improvement.

We have taken up several operational control measures across stages of production and across our plants to ensure energy savings. Some of the levers adopted by UltraTech is provided below:

- Improvement in Clinker Factor
- Use of Alternative Fuel Resource (AFR)
- Power Generation through Waste Heat Recovery System (WHRS)
- Improvement in Electrical Efficiency
- Improvement in Thermal / Operational Efficiency
- Technological Upgradation

CASE STUDY:

Adopting digital solutions to improve energy productivity

Our Company has always been a pioneer in adopting the latest technologies to improve efficiency and set a benchmark for the industry. Adoption of digital technologies has become imperative to achieve optimal energy efficiency. UltraTech entered into a contract with a technology provider for supply and implementation of latest digital solutions at Rajashree Cement Works.

Expert optimizer, a computer-based system for controlling, stabilizing, and optimizing industrial processes has been installed.

An Expert Optimizer enables the systems to function with a 'best operator' performing at its optimum for 24 hours a day, every day. The potential benefits include:

1. Increased output
2. Lower fuel consumption on kilns and furnaces
3. Better and more consistent quality in general
4. Reduced grinding costs due to energy savings
5. Reduced standard deviation of key variables

The project will result in 1.5-2% savings of electrical consumption, approximately 1% savings in heat, and 0.6% heat rate improvement in captive power plant.

Energy Conservation

Parameter	Units	2016-17	2017-18	**2018-19**
Energy conserved (GJ)	GJ	674834	608974	449882

UltraTech has gradually increased the use of hazardous and non-hazardous wastes from other industries to address energy requirements. **Thermal substitution rate through alternative fuels has considerably increased to 3.9% witnessing a growth of 8.3% compared to previous year.**

Waste Heat Recovery Systems

Energy constitutes 20% to 40% of the total cost of cement production, making a significant dent on the economic bottom line. With high input costs and the growing emphasis of the stakeholders on adopting eco-friendly manufacturing processes, the significance of waste heat recovery systems is growing. UltraTech has been amongst the forefront in the industry in WHRS and continues to enhance its capacity. Our waste heat recovery capacity has moved up to 1458.46 TJ from 1,205.06 TJ an increase of over 21% compared to previous year.

UltraTech has been one of the first in the Indian cement industry to embrace the technology of WHRS. The initiative was taken to secure our energy requirements. Subsequently, it turned out to be an inexpensive energy source for moderating our carbon footprint, besides providing enhanced energy security. It accounts for 8% of our power needs. **With an aggregate capacity of about 85 MW, we have emerged as one of the leaders in waste heat recovery systems in India's cement sector. This is expected to double to 131 MW.**

Energy Generated through WHRS

Parameter	Units	2016-17	2017-18	**2018-19**
Waste Heat Recovery System	TJ	984.53	1,205.06	1458.46

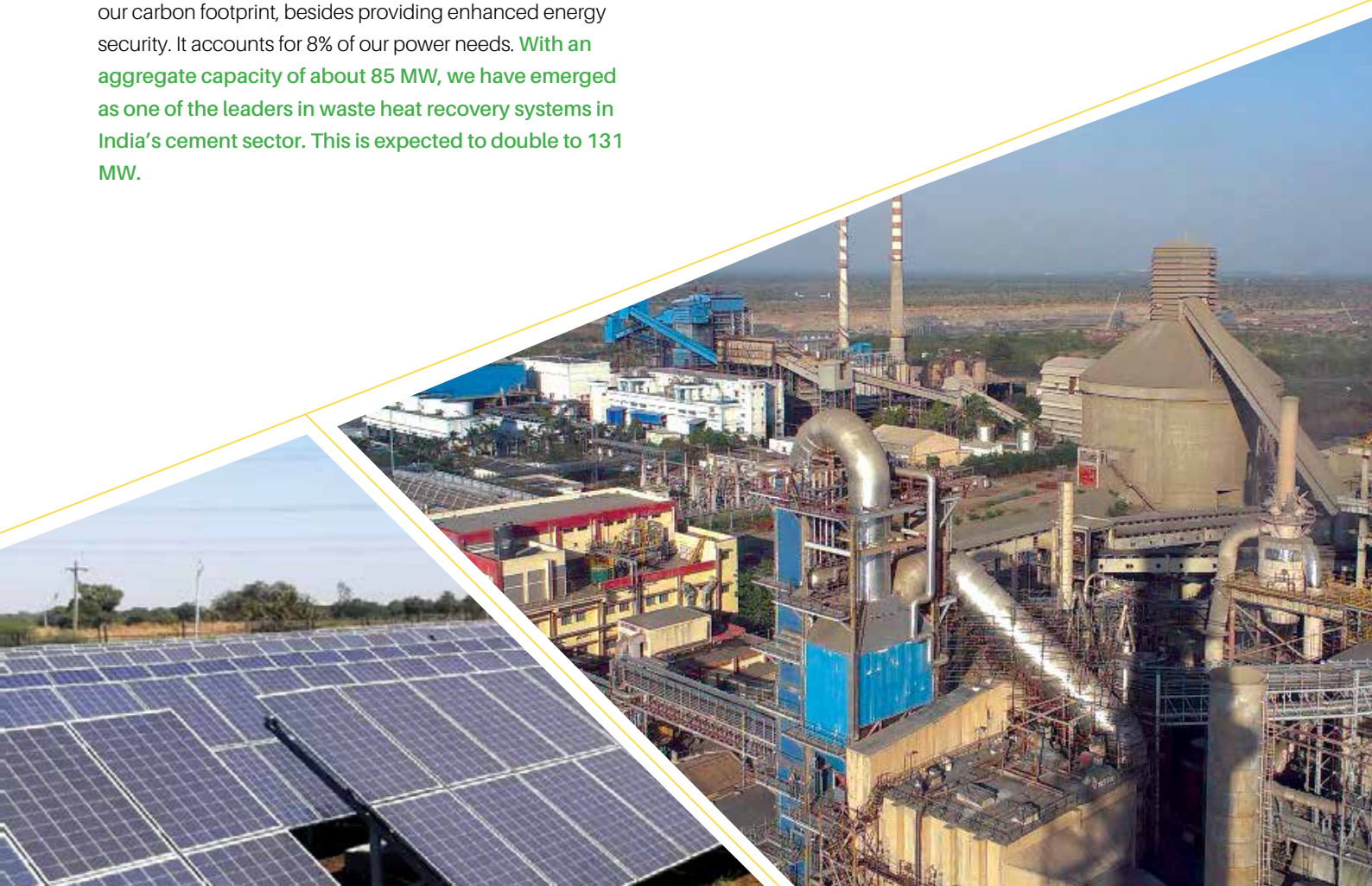
Renewable Energy

Replacing fossil fuels in the global energy system and bringing modern, affordable and renewable energy is critical to progress towards global targets. At UltraTech, we continue to advance on our renewable energy agenda through large-scale investments in solar and wind projects. We are also entering into solar power purchase agreements to cut power costs at grinding units and to meet renewable energy obligations. Our effective renewable energy capacity is 62 MW.

There has been a significant jump in renewable energy generation by 123% compared to previous year.

Total Renewable Energy Produced

Parameter	Units	2016-17	2017-18	**2018-19**
Wind Energy	TJ	6.78	6.37	6.16
Solar Energy	TJ	10.27	16.72	54.65



RESOURCE MANAGEMENT

103-1, 103-2, 103-3, 102-31

Promote sustainable consumption and production patterns

Actions

- Co-processing of waste materials for reducing emissions and cleaner society
- Using waste materials as raw materials and fuel to substitute natural resources

CASE STUDY:

Sustainable usage of natural resources at Awarpur Cement Works

Our team at Awarpur Cement Works, in Chandrapur district in Maharashtra, has taken a unique initiative by utilizing lime sludge, a by-product of a nearby paper mill, as a raw material. The objective of the team was to optimize the conservation of the limestone reserves at the mines by using alternative additives.

The Awarpur team started analyzing the usage of Lime Sludge (300 LSF - lime saturation factor) as a sweetener to the raw meal, thereby maintaining the quality of (<130 LSF) required at the plant. There were several challenges to feed this material; certain modifications had to be carried out at the plant, and it required continuous monitoring of blast wise quality to get the desired feed of limestone having 128 LSF, to which the lime sludge can be added.

The successful trails for this innovative initiative began in 2014 and since then the plant has been able to consume around 96,000 MT of lime sludge resulting in an increase of limestone reserve by 0.8% annually.

At UltraTech, we have always been at the forefront in leveraging latest technologies and principles to achieve sustainable business development. Adopting the principles of circular economy is also a move in-line with this objective. Circular economy is a system of resource utilization where reduction, re-use, and recycling of elements/natural resources is a constant endeavor. Many of our units have been working towards increasing the circular usage of the natural resources; for example using pond ash from captive power plant for blending, utilization of waste gases for generating electricity, etc.

Cement, being a natural resource intensive sector, can play a significant role in supporting a low-carbon economy where raw materials are consumed judiciously, and products produced sustainably. UltraTech has been focusing on doing more and better using fewer natural resources and has promoted the same in the industry. This has helped us in strengthening our financial performance, reducing resource use, and curbing degradation and pollution.

We follow a dual approach for efficient waste management:

- Judicious use of raw material
- Constructive use of alternative material

First, we generate less waste judicious use of raw materials so that it can be managed easily. Second, we substitute fossil fuels and raw materials with waste material generated not only from our plants, but also from other industries., We continue to innovate to explore ways to reduce our reliance through utilisation of low grade limestone, use of Alternative sources and productive use of waste.

Out of the total raw material used for production, 16.2% recycled material comprising fly ash, slag, and waste gypsum, has been used with increase of 14.2% compared to the previous year's utilization.

While we focus on reducing waste at source, we ensure its responsible disposal. Waste inventory gets mapped on a regular basis and it is sent to authorised recyclers for recovery and disposal.

We are responding to the resource challenge through the following initiatives:

- Innovations for 'closing the loop'
- Technical upgradation to enhance mine life
- Increasing use of low-grade limestone
- Concrete mix which is more energy efficient and conserves water
- Increasing the share of green energy

Utilization of alternative material

Use of industrial waste as alternative fuel and material in cement manufacturing serves two purposes. It reduces the need for natural raw materials without compromising on the product quality, and helps moderate carbon footprint. Fly ash, chemical gypsum and slag are some of the alternative materials being used in cement production at UltraTech for conserving natural raw materials.

CEMENT -
Total Recycled Material Used: 15,516 (thousand tonnes)

CONCRETE -
Total Recycled Material Used: 354 (thousand tonnes)

WATER MANAGEMENT

103-1, 103-2, 103-3, 102-31, 303-1

Secure water and sanitation for a sustainable world

Actions

- Launched Water Stewardship Policy
- Water harvesting structures available at all integrated units
- Implemented WASH pledge at all units and scored more than 1.86 which is the benchmark score
- As part of CSR, we have implemented various projects for the community to ensure availability of safe drinking water, sanitation and hygiene facilities e.g., installation of RO plants, construction of toilets, etc.
- Target to become 4 times water positive in 3 years

The need for robust water management systems in an increasingly water scarce world cannot be underestimated. Understanding, managing and mitigating our water consumption and creating water management practices aligned with international standards is crucial for an organization of our scale. Developing new techniques for conservation, efficiency, reuse, capture and storage of water is critical for us to sustain the changing trends in water management.

Our approach to water management

- Reduction of water demand: To decrease the stress on fresh water sources
- Water Recycling and Reuse: To identify opportunities for designing and implementing steps towards integrated water management.
- Rainwater Harvesting and Artificial Aquifer Recharge: To identify opportunities for designing and implementing harvesting systems.
- Source Vulnerability Assessment: To present a step-wise approach to assessing vulnerability of a site's water source and to help identify actions for water source protection planning.

In April 2018, UltraTech was certified as a water positive company. We have taken up a target to be 4 times water positive in 3 years by implementing the above approach which involves activities both inside and outside plant boundaries to help minimize fresh water consumption, increase rainwater harvesting potential, increase ground water recharge rate, identify alternative source of water, construction of check dams, pond desiltation etc.

UltraTech Cement fulfils WASH pledge compliance

UltraTech's journey for WASH pledge started in 2015, when the pledge was signed by Aditya Birla Group. We are committed to provide for the basic needs of safe water, sanitation and hygiene, not only to all our employees but also to the villagers & communities living around our plants.

Over a period of three years, our teams conducted around 200 awareness campaigns and acted upon 300 plans to deliver the results. With the help of continuous monitoring and efforts of our several teams, UltraTech managed to build more than 400 new facilities for sanitation & hygiene. This included special access facilities for physically challenged workers, improved existing facilities and access to safe drinking water at workplace for all employees.



BIODIVERSITY MANAGEMENT

103-1, 103-2, 103-3, 102-31, 304-1

Protect and restore terrestrial ecosystems and halt all biodiversity loss

Actions

- Launched Biodiversity policy
- Creating awareness at units by conducting capacity building on the importance of biodiversity and ecosystem services
- Developed biodiversity and ecosystem services management plan for one of our units, Sewagram Cement Works in Gujarat and initiated the implementation work.
- All our sites have been assessed for potential biodiversity related features through Integrated Biodiversity Assessment Tool (IBAT). There is no site which has any key biodiversity area within 10 km radius
- Target to complete biodiversity assessment for all sites by 2024.

We recognize that our businesses can influence the local ecology of the areas where we operate and that we have an important role to play in protecting the fragile ecosystems around us. Effective biodiversity management means protecting our future capacity to operate in the most basic ways. **Massive plantation drive has been launched across various sites resulting in afforestation of more than 314,208 saplings with survival rate over 84%.**

UltraTech has worked with the IUCN to create a scientific and systematic approach towards biodiversity management for its operations. The organisation has carried out a comprehensive baseline assessment of biodiversity and ecosystem services in and around Sewagram Cement Work's area of operations, including the quarries. This included defining habitats inside and outside the quarried and operational areas. The results from the biodiversity assessment were used to develop a robust Biodiversity Management Plan (BMP) for Sewagram. The BMP includes a suite of measures designed to avoid, minimise, rectify, and/or compensate for impacts to biodiversity resulting from the development and operations of the cement unit and mines area. SCW has already completed Phase-1 of the implementation of management plan. UTCL has also initiated biodiversity assessment at two of its units Rajashree Cement Works and Aditya Cement Works.



PRODUCT PERFORMANCE

The cement industry in India constitutes one of the core sectors and its products and services play a vital role in the growth and development of the nation. The challenge for cement companies is to balance the growing demand for its products with its effect on the society and the environment, by developing sustainable solutions for the industry.

Being the largest manufacturer of grey cement, Ready Mix Concrete (RMC) and white cement in India and one of the leading cement producers globally, we are driving thought and practice leadership in the sustainability space. The SDGs provide a structured framework to further enhance the good work that we are doing in that space. So, while driving growth, we are contributing in a meaningful manner to the SDGs - some directly, while others are addressed in some way as the goals are interconnected



Vivek Agrawal,
Chief Marketing Officer

We take pride in servicing our Customers & Consumers by reaching the last mile & providing them with a bouquet of best-in-class products, services & solutions. We actively engage with multiple stakeholders in our eco-system in the quest to co-create sustainable building solutions. With the onset of the Industry 4.0 era, we are focusing on leveraging digitization, analytics & automation across the value chain with a sharper eye on lowering carbon footprint.

Sustainable thinking and Life cycle approach comes as standard feature to each of the products as hallmark of brand UltraTech.

We have a consolidated capacity of 102.75 Million Tonnes Per Annum(MTPA) of grey cement. This capacity not only helps manufacture more products to build infrastructure and sustainable cities (SDG 9 and 11), but also catalyses the development and employment in rural India where the cement plants are primarily located (SDG 1, 2, 8 and 10). By developing a green product portfolio, innovating on our industrial by-product recycling measures and introducing sustainable technologies in our processes, we are also contributing towards lowering the carbon footprint of our products (SDG 12 and 13).

As we grow, it is imperative for us to accelerate the implementation of our sustainability commitments to contribute in a meaningful manner to the SDGs. We have adopted four mechanisms which help us accelerate.

Regular Customer Engagement

Through our multi-channel stakeholder engagements, we understand the expectations of our customers, professionals, retailers and distributors and build a long-term relationship

Continuous Innovation

Offering a diversified range of products and services with the approach of continuous innovation for improved process parameters, offers top-notch quality and lower environmental impacts.

Responsible Value Chain

UltraTech is committed to driving sustainability across its entire value chain. We subscribe to the belief that this will add to profitability and prosperity both for us and for our stakeholders.

Benchmarking and Beyond

All our products comply to national and international standards and are benchmarked to the best practices to evolve and adapt to the ever-changing environment

** Includes 4 MTPA commissioning in June 2019*

REGULAR CUSTOMER ENGAGEMENT

UltraTech upholds "customer satisfaction" as a significant element of company business activities and a catalyst to enhance overall performance.

We are focused on development of customer engagement programmes that help us to identify the needs and expectations of our customer and to incorporate them accordingly in our products and services. We are investing time in reaching out to our customers, building strong relationships and actively listening to ensure that we create value for them. We systematically measure customer satisfaction through well-established channels and continuously innovate in our services to help customers build structures that are more durable, resource-efficient and cost-effective. Our customer engagement programme focuses on following aspects:

Products

We believe our products are our continuous touchpoints with our customers. They reiterate, reflect and reinforce our response to them. We manufacture a range of products that cater to construction needs from foundation to finish. These include OPC, PSC, PPC, UltraTech Super, white cement and white cement-based products, composite cement, ready mix concrete including specialty concrete, and building products like AAC blocks and jointing mortars. We display all the product information as per the Bureau of Indian Standards.

Services

In building better and sustainable structures, we help our customers with a gamut of services, some of which are:

Providing the 'expert' factor

Our team of dedicated civil engineers and construction experts share their collective experience with customers to help them meet their specific requirements. This helps in enhancing customer delight with our products and services.

Demystifying the complex

Our interaction programmes focus on simplifying the complexities involved in construction and improve the overall understanding of the customer.

Sharing knowledge- building expertise

We organize technical seminars and exhaustive training programmes specifically designed to address the concerns of individual home builders, architects, engineers and our channel partners on a regular basis.

These services also act as touchpoints, where we can understand customer issues and provide innovative solutions.

Other Touchpoints

- Initiatives for educating our customers on the product sustainability aspects. Our technical services team educates masons (who are influencers in buying of cement) and the Individual Home Builder (IHB) on using cement optimally and reducing wastage.
- Regularly inform government agencies about the advantages of using cement for mass housing and roads and the benefits of using blended cement.
- Several seminars have been conducted on concrete roads and white topping to impress upon the environmental benefits of replacing bitumen roads.
- We conduct an extensive Customer Loyalty / Net Promoter Score (NPS) study with an external research agency once in 2 years. The most recent NPS study was done in FY 2018-19.
- We support rapid monolithic disaster management technology for mass housing, which helps in pushing the boundary for affordable housing sector in India.
- We are working closely with the government on rural infrastructure schemes like the Pradhan Mantri Gram Sadak Yojana, Swachh Bharat Abhiyan and Indira Awaas Yojana.

For more information about our engagement initiatives, please refer to the Stakeholder Engagement section on page no. XX.



UltraTech Super - an outcome of our endeavour to fulfil customer needs

UltraTech Super is an outcome of our continual and consistent endeavour to fulfil customer demands. The idea for the product emanated from a survey conducted by our team, which covered several customer segments.

Based on these insights, our manufacturing team developed a hybrid product, which had an initial strength of ordinary portland cement (OPC) and long-term strength and durability of portland pozzolana cement (PPC).

Gaining the competitive edge

One of the major challenges was to disrupt the already established OPC cement market with PPC cement. UltraTech Super provides several benefits to customers; strong initial and ultimate strength, superior performance regarding workability and cohesiveness, and improved packaging and eco-friendliness; making it an ideal cement for 'safe and sustainable construction.

Extensive field trials were carried out at customer sites to understand the cement performance of our existing products versus competition in the end-product market before launch.

CONTINUOUS INNOVATION

Research & development (R&D) and innovation have been the prime focus areas for UltraTech ever since its inception. Our strong history of research and development has led to development of products and services that surpass the expectations and needs of our customers. We have improved the sustainability portfolio of our company by developing environment friendly and sustainable solutions that facilitate sustained growth of our business and also create value for our customers over time.

Our innovation strategy pivots around product quality improvement, cost-effectiveness, customisation, responsible use of resources, usage of alternative fuels, sustainable technologies, waste heat recovery, improving energy efficiency and enhancing cement plant productivity. These innovations are aimed at lowering carbon footprint of our products.

Institutes and Initiatives

Our R&D centre concentrates on the development of new products and processes with a significantly moderate environmental footprint. It has a clear mission of integrating the latest scientific and technological developments in the field of cement and concrete. With this objective, our R&D centre provides comprehensive technical and analytical support to the business.

The Technology Innovation & Knowledge Management Centre drives technological innovation that extends beyond conventional cost management concepts. With a team of more than 50 scientists and engineers, it focuses on raw mix, process improvements (clinker-cement conversion ratio) and use of hard-to-burn but cost-effective fuels. The activities and initiatives include basic as well as applied research for:

- Fostering a better understanding of advanced cement-based building materials
- Providing a forum for closer customer-manufacturer interaction
- Increased customer delight
- Demonstrating and encouraging development of low-cost energy-saving materials

UltraTech Concrete wins ET 'Innovation for Sustainability' Award



Our ready-mix concrete business emerged a winner at the Economic Times Innovation Awards under the 'Innovation for Sustainability' category. The ET Innovation Awards seeks to identify and reward out-of-the-box thinking and innovation in corporate India.

The innovative product, UltraTech Litecon, is a useful lightweight construction material with both non-structural as well as structural versions. It is used as a smart filler material for sunken and roof slabs. It provides the structural designer with an ability to design the structural elements with lesser dead loads, eventually saving costs and improving the feasibility of the structure. Buildings using Litecon are much greener as it enables superior energy conservation and fire safety.

NEW PRODUCT DEVELOPMENT

We have developed premium products that aid in limestone deposits and clinker conservation, energy savings, ensuring enhanced concrete durability and maintaining top product attributes and functionality. This includes:

- Developed and patented a new variant of green and low-temperature clinker
- A new type of high-early and long-term strength cement
- Three types of high-early strength water-saving cement

We are future ready by creating totally new capabilities in the area of pollution abatement, nanotechnology of cement and concrete, concrete durability, concrete rheology, 3d printable concrete, geopolymer concrete, modelling cement & concrete hydration and chemical admixtures for cement and concrete.

Our Central R&D Laboratories are NABL (National Accreditation Board for Testing and Calibration Laboratories) accredited.

Responsible Use of Resources

We offer a range of blended cements (PPC, PSC and PPCS) that use fly ash and slag as part materials for substitution. Our Building Products Division (BPD) manufactures several environment friendly products that help in saving natural resources as given below:

1. **Super Stucco**
   (a self-curing, no-water curing plaster)
2. **Power Grout**
   (a self-curing industrial grout for anchoring / grouting applications)
3. **Seal & Dry** - water proofing systems which help in water conservation (arresting leakages) in water storage tanks and canals, thus preserving water.

Our green concrete product such as UltraTech Pervious is a special concrete, with a high porosity used for concrete flatwork application that allows water from precipitation or other sources to pass through, thereby reducing the runoff and ensuring recharge of ground water.

Some of our BPD products are listed in the Indian Green Building Council Directory of green products under the category of energy efficiency and low emitting materials. White Cement, Wall Care Putty, Textura and Level Plast have also been recognised by Indian Green Building Council (IGBC) for use in Green Building.

UltraTech is India's first concrete company to meet the requirement of LEED (Leadership in Energy and Environmental Design) and other green building rating systems as recognised by the Indian Green Building Council

UltraTech launches India's first mix-in-the-bag concrete

UltraTech is the first company to launch a do-it-yourself concrete product, UMix in India. This unique product enables customers to get minor repairs done quickly without creating a mess in their homes.

The process of making concrete-mix from the basic ingredients of cement and sand involves elaborate arrangements. Both of these being bulk materials, their availability in small quantities is a challenge and mostly result in a large quantity remaining unused in maintenance and repair works. The left-over mixed concrete is an environment hazard as it quickly settles as a hard-solid mass at the site of mixing or disposal due to its basic nature of solidification.

This unique product reduces consumption of cement, sand and water and also virtually eliminates wastage of mixed concrete. The cumulative effect of small savings of these natural resources achieved in the frequent and prevalent domestic repair works has a potential to result in substantial impact on environment conservation.

RESPONSIBLE VALUE CHAIN

102-9, 102-10

UltraTech is committed to driving sustainability across the value chain of its operations i.e. from mines to the end user. **To drive our sustainability vision, we need to look beyond our own operations and consider opportunities to reduce environmental footprint, increase resource efficiency and negate the impact on communities across the entire value chain.** Efforts in this direction will help us build a robust and sustainable supply chain that is able to mitigate risk from externalities and adapt to changes quickly. Taking our business forward in the most efficient and sustainable way possible, we have institutionalized a methodology to evaluate and engage with such vendors who align with our sustainability paradigms.

Procurement Management

103-1, 103-2, 103-3, 102-31, 204-1

Procurement practices aim at meeting the business needs for materials, goods, utilities and services by focusing on aspects like societal interest, environment protection, resource optimization, and quality control that eventually lead to optimization of product cost.

While procuring equipment, we give due importance to factors like energy efficiency, fuel efficiency, and emission control. We consider the impacts of equipment purchased over the entire life cycle including its disposal phase.

We have a well-established vendor onboarding process. It involves third party screening of all new suppliers on aspects like financial risks, legal risks, quality systems, technical capabilities, and adherence to social and environmental norms.

We ensure that emphasis is made on ethical issues at the time of vendor evaluation stage itself. Our vendor registration form requires commitment from vendors on following societal aspects:

- Child Labour
- Forced & Compulsory Labour
- Health & Society
- Working Hours
- Statutory compliances

Once cleared, we have a long-term relationship with the vendors with annual rate contracts, periodical feedback and fair approach.

Sourcing through e-procurement

E-procurement has made our sourcing process more transparent and efficient. It includes a web-based supplier portal with features like Request for Quote (RFQ), submission of offers by the suppliers, generation of comparative charts and release of orders. The module is integrated with our SAP system.

A reverse auction process of real time competitive bidding for buying and transportation of material adds to efficacy of the process. E-procurement has resulted in more effective communication with our vendors and enabled significant reduction in paper work as well as travel hours.

Giving preference to local vendors

We have always given preference to local vendors when it comes to sourcing materials. In case of PP bags vendors, we have optimised the vendors located near our cement plants, based on their capability and capacity. This has resulted in lower fuel consumption and has aided in bringing prosperity to the society around our works.

While encouraging indigenous suppliers, we do not compromise on quality. We have a zero-tolerance policy on safety and we work only with those vendors who adhere to our stringent safety and quality parameters.



Logistics Management

103-1,103-2,103-3, 102-31,204-1

With increasing demand and expanding capacities, our challenge is to manage our logistics such that it reduces not only the cost, but also the carbon footprint. We effectively and efficiently plan, implement, and control the forward and reverse flow of goods, services, and related information between the point of origin and the point of consumption.

Some of the best-in-class supply chain management processes adopted by UltraTech include:

- Network optimisation
- Computer-based order management system with real-time visibility of order status
- Customer service level measurement on real-time basis
- GPS-based vehicle tracking system for dedicated fleet
- Automation at secondary service points like railheads and warehouses

Reducing carbon footprint by adopting reverse logistics at Awarpur Cement Works

Awarpur Cements embarked on an innovative solution of "Reverse Logistics" to reduce its logistics related carbon emission i.e. Scope 3. The plant used to source flyash from various power plants located within the radius of 50 to 200 Km. In the similar way, the logistics team also used to hire bulkers for cement dispatch.

With the help of logistics team, the routes of cement outgoing which were in line with the flyash incoming was identified and the potential for two-way integration was established. This two-way transportation of Fly Ash Vs Cement proved to be a win-win situation for both i.e Materials and Logistics team. It resulted in reduction of CO_2 emission by around 2,000 tons and cost saving of around INR 56.46 Lacs over the year.

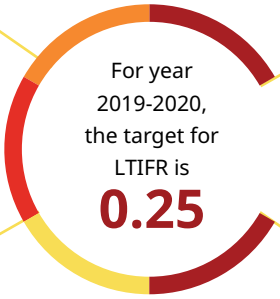


OCCUPATIONAL HEALTH AND SAFETY

103-1, 103-2, 103-3, 102-31, 403-3

Health and Safety at UltraTech is given utmost importance covering all the people working for and on behalf of our Company. Our Safety Goals are Zero Harm, Zero Injuries and Zero Excuses which drive us to set a world class safety culture.

UltraTech has instituted a robust safety governance system to strive towards Zero Harm. The highest governance body is the OH&S Board, chaired by the Managing Director, which reviews the organisation's safety performance and provides guidance on a regular basis. To further strengthen the governance structure, there are apex committees at each Unit headed by respective unit heads. Apex committees are duly supported by 7 sub-committees, each chaired by Functional Heads and/or senior Department Heads. In addition to the existing 7 sub-committees, 2 more sub-committees (Project Safety and Mines Safety) were formed.



The Role of the Sub Committees:

The creation of sub-committees has helped drive consistency across the business and strengthen major elements of our OHS management system. In order to ensure active involvement and instill a sense of ownership, these sub-committees comprise of people from across line functions.

Sub-Committee Title	Roles of the Sub-Committee
Standards, Rules and Procedures	○ Developing, reviewing, implementing and communicating the safety standards, rules and procedures. ○ Identifying areas where standards and procedures need to be evolved and inform the Board-level sub-committee about the same. ○ The sub- committee implements audit protocols for all standards at each line function
Training and Capability Building	○ Conduct Training Need Identification initiatives, ○ Sourcing capable internal trainers to impart knowledge to future trainers. ○ All gaps discovered in the training need identification processes are a 100% addressed.
Contractor Safety Management	○ Ensure safety capability building of our contractors and conduct Contractor Field Safety Audits (CFSA). ○ Red notices are issued for high severity violations, ○ All contractors go through mandatory pre-medical examinations, trade tests and safety induction, before issuance of gate pass. ○ 100% of workers are represented in formal joint management and all Health & Safety topics are covered in formal agreements with trade unions.
Safety Observation and Audit	○ Ensure effective implementation of Safety Observation (SO) and First Party Safety Audit (FPSA) ○ Review, and monitor compliance of observations/findings raised through the processes of SO and FPSA periodically
Incident Investigation	○ Ensures the reporting of all incidents including near misses. ○ Line managers are trained in quality incident investigation and active communication of significant incidents. ○ Identifying and analysing incident trends, briefing the site apex committee and monitoring to ensure timely closure of recommended actions

Sub-Committee Title	Roles of the Sub-Committee
Logistics/Transport Safety	○ Ensure all vehicles engaged for business are equipped with mandatory gadgets and have statutory documents ○ In charge of taking declarations from transporters and commitment from drivers for safe driving ○ Defensive driving training programmes are a regular feature that the committee takes care of.
Occupational Health	○ Ensures provision of adequate resources for occupational health ○ Identify occupational health hazards and manage associated risks to be contained to 'As Low as Reasonably Practicable' (ALARP) levels ○ Health surveillance, sickness, absenteeism, rehabilitation and recovery programmes all fall under the purview of the committee

The Safety Governance Structure has resulted in an increased involvement, ownership and buy-in from sub-committee members and an understanding that safety is everyone's responsibility where Line Function is the cutting edge of the safety management system. The mechanism of senior leadership being heads of the groups has helped address two critical issues within safety management; inter departmental or inter functional conflicts and resource allocation issues. There is a marked improvement in the ownership and accountability by teams.

The comprehensive safety management system consists of 26 critical standards, 20 procedures and 12 guidelines which are in place and are mandatory at all our facilities.

CASE STUDY:

Establishing a culture of ownership by Line Management

It is always a challenge to integrate safety thought processes in leadership decisions and aligning with our goal of ZERO harm. Our actions resulting from OH&S board decisions are owned by senior leadership team from line functions and duly guided by Corporate Safety. Line function takes lead in implementing these decisions. Following are some of the illustrative examples where senior line management teams own the initiatives and drive safety cultural transformation;

a. Surprise cross cluster safety audits by Cluster Heads.
b. Linkage of annual performance management system (PMS) of employees with safety lagging indicators
c. Cluster heads responsible for the smooth functioning of various subcommittees across business.
d. Senior line management team including Unit Heads to be available at shop floor during 9-11 everyday focusing on safety aspects and counselling workmen towards safe work practices.
e. Project safety team owning and driving improvements in the areas of structural stability and leading the efforts of ensuring safe workplace at units.





CASE STUDY:

Progressive consequence management (PCM)

UltraTech has articulated its safety belief as "Life is Precious, We care for it." We need to ensure that each and every person working for or on behalf of UltraTech is safe from any harm or injury. To enhance awareness and accountability of the role towards OH&S and to bring uniformity in management credibility, a progressive consequence management procedure was developed and implemented across UltraTech after adequate communication to all concerned teams and employees.

The applied disciplinary actions included: coaching and training, counselling, verbal warning, issuance of warning letter, stopping annual increment, suspension under enquiry and Termination based on the guidelines of the organizational progressive consequence management procedure.

CASE STUDY:

Safety Standard Champions as our change agents and role models

Our business has grown in terms of capacity and scale, and a number of new manufacturing units have come under the UltraTech gamut through either greenfield expansions or acquisitions. As we grow in size and scale, the need to have an inclusive journey with our stakeholders to imbibe the culture of safety and promote it across the organization becomes increasingly important.

It was decided to identify safety standard champions at each unit so that the identified champions can replicate the same process and ensure all the employees at respective units are trained using the following approach;

Approach to develop Safety Standard Champion

Education

First, we got their attention. Education helps to understand the expectations and what role they need to play in safe execution

Involvement

Second, they must be actively involved in creating a proactive process to help prevent injuries.

Support

Finally, when employees manage the process and coordinate management support, everyone wins through a safer workplace

To support this, a third party team has been engaged to deliver safety standards training across units at UltraTech Cement. From this exercise, it is expected that employees will become familiar with UltraTech's safety standards and ensure 100% adherence to the standards to avoid occurrences/incidents.

The Safety Standard Champion Training programme has been organized at six units (in 2-phases) and consists of both theory and practical sessions:

- Training followed by an assessment to be considered as Train the Trainer (TtT).
- Selected employees are taken through an exclusive one day session on TtT (including soft skills)

During 2018-19, total six sessions were organized at various units and Standard Champions were developed as under;

The Standards & Procedure Subcommittees at respective units take the help of these safety standard champions to evaluate and gauge the implementation of UltraTech safety standards across units. The safety standard champions are assisting units to identify gaps and devising methods to comply with UltraTech Safety standards as well.

No of Standard Champions developed	No of Units benefited	No of person trained by these Standard Champions (Oct 2018-Mar 2019) at units
173	**29**	**3373**

PEOPLE PERFORMANCE

103-1, 103-2, 103-3, 102-31, 400, 401

Being part of the Aditya Birla Group, one of the best employers in the country, we attract the best talent and provide them a stimulating and rewarding work environment and experience across locations through our Group-wide 'One HR' policy. The HR function covers multiple dimensions like employee engagement, employee health and wellness, talent management, change management, organization effectiveness.

Employee Engagement

Effective engagement acts as a bridge between employee needs and organizational goals. While it drives job satisfaction, high productivity and low attrition, soliciting feedback from employees also develops in them a sense of belonging towards the organization. At UltraTech, we rely on our people's feedback to develop robust processes, policies and initiatives. Some of our new and ongoing engagement initiatives that give us a perspective on where we stand on the employee satisfaction index are given below.

INITIATIVE

Employee Engagement Survey

UltraTech conducts Vibes survey biennially which is a platform that provides an opportunity to every employee to participate and share their workplace experiences. Employee satisfaction survey in the manufacturing division was conducted to understand what energizes them to deliver their best and sought their opinion on the work culture and environment.

Due diligence was carried out on the survey findings, especially in the areas identified as requiring improvement. Action plans were drawn and monitoring mechanisms were set up along with roles and responsibilities towards the plans. Some of the major actions taken included inclusion of staff cadre in employee health check-up, first time half yearly appraisal for staff cadre and inclusion of staff cadre in centralized wellness calendar.

Ensuring Employee Growth

We encourage and facilitate our employees at UltraTech to grow in the organization based on their aspirations and competencies. Employees achieve growth through a spectrum of opportunities on offer which include learning & development, leadership platforms, competitive remuneration, fair appraisals and stimulating career development options. All our employees are eligible for, and receive regular performance and career development reviews which pave the way for future growth and development. Building leadership capabilities and meritocracy based appraisal creates a talent pipeline to take up challenging job roles and drive employee growth.

Internal Recruitment System

Our employees are encouraged to pursue career moves that are mutually beneficial to them and the organization. True to our 'Employee First' philosophy, internal talent is provided; the first right to apply for any open position over external candidates and vacancies across locations are first posted on the internal portal. During the last three years, there has been a significant number of inter-business and intra-business movements of employees across levels.

Nurturing Leadership

Empowering our best talent with stimuli to climb the leadership ladder is a continuing process. Building a leadership pipeline is a part of our talent identification process wherein candidates with high potential are spotted, and then exposed to challenging projects and stimulating roles. We follow a unique '2x2x2 Philosophy', which implies that every employee must work across two businesses, two functions (or sub-functions) and two geographies for a broader understanding of the business and the Company. This enables one to become a well-groomed leader ready for future challenges.



Ramesh Mitragotri,
Chief Human Resource Officer

At UltraTech, we are committed to integrate sustainability into our business conduct as part of our efforts to build a sustainable business. Our employees have a critical role in enabling this. During the year, we have taken up specific programmes to increase awareness among our employees on our sustainability agenda which has resulted in bringing sharper focus on our SDG commitments within the organization.

Equally, as part of our sustainability agenda, it is our endeavor to constantly enhance our human capital in the organization. This includes strengthening our values-driven work culture as well as people capabilities. Learning and Development and employee well-being have been a key focus during the year. These efforts have helped to not only enhance employee morale and talent retention but also helped to improve organizational performance with engaged employees.

INITIATIVE

Welcoming Mothers Back to The Workplace

We have a comprehensive Maternity Support Program which provides options and choices to women employees, so that they can effectively manage the maternity phase and return to work in a seamless manner. A bouquet of benefits, the maternity program is available to our full-time women employees belonging to the management cadre, and who have completed a service period of a minimum of 18-months within the organization. The benefits offered includes maternity leave of up to 26 weeks, Mediclaim coverage, prenatal support through 'Healthy Pregnancy Programme', phase-back programme to support the returning mothers and emotional assistance support through the 'World of Women Network'.

As of April 2018, we have introduced Paternity Leave as well, for new fathers to enjoy this exciting phase and to play an active role in welcoming the change in their lives.

Meritocracy-Based Appraisal

UltraTech's Annual Compensation Review is a comprehensive and transparent appraisal process. A true growth compass, it factors in parameters like self-assessment, supervisor assessment, business performance, employee performance, market information and variable pay.

Training & Development

404-2

We have consistently fostered a culture that rewards continuous learning, collaboration and talent for the organization to be future-ready and to meet the challenges posed by ever- changing market realities. Combining formal learning with vigorous on-the-job development, coaching and feedback, the competencies and skills of executives and workmen are enhanced to result in improved performance. The training programs are custom designed to meet the desired objective in an effective manner.

Orientation Process

UltraTech's comprehensive induction programme lays a firm foundation for a lasting relationship with new employees. Conducted by senior professionals across functions, all new hires undergo this programme on their different roles, responsibilities, goals, systems and processes, in turn aligning them with the vision, mission, values and code of conduct of the organisation.

The details of various training imparted to employees are given below:

Training Title	Brief Description
Technical Training	Our state-of-the-art training centre at UltraTech, is supported by more than 40 subject matter experts. This unique, forward-thinking initiative is dedicated extensively to train graduate engineer trainees and make them job-ready. For building Technical Expertise, Margdarshan initiative has been launched. Margdarshan is a multipronged capability building intervention and is directed towards achieving technical excellence along with learning.
Technology Leaders	We select high performers who are experts in functional areas to work on process improvement projects like mining, coolers and thermal power plants. This approach creates a pool of subject matter experts.
Executive Education	We have an ongoing relationship with the Birla Institute of Technology and Science (BITS), and our employees are encouraged to pursue a degree in subjects such as Power and Process Engineering, for which we have introduced two such courses.
Non-executive Education	Nothing Stops Me" is a Continuous Education Program for "B Tech." in Process & Power Engineering. The program is designed for Diploma engineers whose career comes to a plateau stage at Jr. Management level, The B. Tech degree opens the avenue for senior positions and facilitates growth
Online MBA	Having initiated e-learning modules, our employees have the opportunity to upgrade their skills on the job. Several of our management cadre employees have seized the opportunity and completed their online MBA course from U21, Singapore
E-learning:	Various Modules in Multiple Languages

INITIATIVE

UltraTech launches Ulchemies to nurture leadership talent

UltraTech has launched Ulchemies, a strategic campus recruitment programme, to attract and nurture future leadership talent for the organization. Over 1300 students from top 10 business schools and top scoring Chartered Accountancy students from across India were evaluated through a rigorous four-step selection process that lasted for over two months.

45 young talented professionals were selected as part of the first batch of Ulchemies to nurture them into future business leaders for UltraTech. A special induction programme was organized for them in June 2018.

INITIATIVE

Margdarshan II – Capability Building in Technical Expertise

Margdarshan is a multipronged capability building intervention in the area of technical learning. Phase-I of Margdarshan focused on building a culture of technical learning and there has been a great success in this endeavor as the base has been set for technical learning culture. After creating a favorable culture of technical learning, Phase II is directed towards capability building and technical excellence. This will lead to creating a pool of technically sound professionals which in turn will contribute towards operational excellence.

Outcome

- 528 Arjuns
- 239 Dronas
- 15750 Learning Hours
- 378 Topics Completed
- 376 Business Improvement Projects

Equal Opportunity Employer

At UltraTech, merit is the only parameter for recruitment and growth, and this approach has led us to build teams with an array of experience, demographics and skill sets. By being an equal opportunity employer, we are actively aligned with two critical SDGs – Gender Equality and Reduced Inequalities.

Local Employment

While we continue to hire people based on their potential and train them on knowledge and skills, we also give preference to hiring from within the local communities where we operate. This not only cascades prosperity across the neighboring villages and towns, but also reinforces our social license to operate. Furthermore, the company has multiple capital investments through a combination of greenfield and brownfield expansions facilitating development of the local economy and job creation.

Gender Diversity

Embracing and encouraging all types of diversity adds significant value to any organization. In the cement industry, female employees are conventionally fewer in numbers and represent a small percentage of the total workforce. In order to change this representation and make our workforce more gender diverse, we have developed several women-friendly initiatives. The Women Empowerment & Engagement (WEE) initiative at UltraTech deals with issues of importance for women employees. It includes a WEE community - an intranet-based forum for them. We also have Springboard, an 18-month programme with emphasis on training, mentorship and gender diversity, focused on high caliber women leaders.

We have a zero-tolerance policy towards any form of sexual harassment and conform to the Group policy on prevention of sexual harassment at the workplace. We have received zero grievances this financial year as per our special Complaints Committee that has been set up at Unit, Business and Group Levels.

Labor Management

102-41

A structured labour management system is in place to ensure fair and proper management of labour. We adhere in intent and action to the Group policy on Human Rights, in line with principles ascribed in the UN Global Compact:

- Support and respect the protection of internationally proclaimed Human Rights
- Make sure that we are not complicit in Human Rights abuses
- Elimination of all forms of forced and compulsory labor
- Uphold the freedom of association and the effective recognition of the right to collective bargaining
- Effective abolition of child labour
- Elimination of discrimination in respect of employment and occupation

SOCIAL PERFORMANCE

103-1, 103-2, 103-3, 102-31, 400

UltraTech Cement is proud to be part of a legacy of the Aditya Birla Group, where caring for the underserved is an unwritten edict that has been followed for generations. We believe that performance of any business organization is truly measured by the value it creates for the society.

Our focus is on education, healthcare, sustainable livelihood, infrastructure and social reform.

We steer our social projects with the same acumen as our business projects. These projects are based on the needs of the communities in the neighbourhood of our plants. Our work rests on four pillars:

- Embedding our social vision in the business vision
- Having a well-crafted strategy, for execution, factoring milestones, targets, performance management, and accountability
- Obtaining the impact assessment of our work by reputed agencies in the CSR domain, to ascertain the value we have created
- Working in tandem with Government agencies, and re-coursing to their various development schemes, which foster inclusive growth, thus extending our reach

The leadership, management, employees and a strong CSR team are committed to make a difference to the underprivileged and make our work count. The projects arising from our focus areas directly or indirectly contribute to various SDGs.

We have selected 300 villages that we hope to turn into model villages. Over a period, we expect to see a major transformation of these villages. More than 80 villages in the hinterlands have already transformed into model villages.



CORPORATE SOCIAL RESPONSIBILITY (CSR)

413-1

Reaching out to underserved communities is part of our DNA. Pursuant to the provisions of Section 135 of the Companies Act, a CSR Policy is in place which is available on the Company's website viz. www.UltraTechcement.com.

All our community projects/programmes are identified and carried out in consultation with the community under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development., under the leadership of the Chairperson, Mrs. Rajashree Birla. The activities are in line with Schedule VII of the Companies Act, 2013.

Our CSR Vision

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

Focus Areas

- Education and Capacity Building - our endeavor is to spark the desire for learning and knowledge at every stage through Balwadies, Formal Schools, Quality elementary education, Aditya Bal Vidya Mandirs, Girl child education and non-formal education.
- Healthcare - our goal is to render quality healthcare facilities to people living in the villages and elsewhere through our hospitals, primary healthcare centers, mother and child care projects, immunization program, adolescent health, preventive healthcare through awareness programs.
- Sustainable Livelihood - our programs aim at providing livelihood in a locally appropriate and environmentally sustainable manner through formation of Self-Help groups for women empowerment, skill enhancement and vocational training, partnership with industrial training institutes, agriculture development and better farmer focus, animal husbandry, soil and water conservation, watershed development and agro-forestry.

- Infrastructure Development - we endeavor to set up essential services that form the foundation of sustainable development through basic infrastructure facilities, housing facilities, safe drinking water, health and hygiene and renewable source energy.
- Social Reform - we advocate and support dowry less marriages, widow remarriages, awareness program on anti-social issue, de-addiction campaigns, espousing basic moral values and gender quality.

For the year 2018-19, our CSR spend was INR 749.6 million as compared to INR 607.1 million in the previous year and was well above the 2% of the average net profits of the last three financial years.

EDUCATION



Education not only equips with knowledge, it also empowers everyone to lead a decent life as it helps in a holistic development of an individual in terms of social, economic and hence developing the nation. Aligned with **SDG 4 – 'Providing inclusive and equitable quality education and promote lifelong learning opportunities to all',** we run our initiatives that support education from the pre-school in the form of Balwadies and elementary schools. Some of the key areas under education are:

Pre School Education Projects

Strengthening Anganwadi centres/Balwadis/Playschools/Creches

School Education Programme

- Education material (study material, uniform, books, etc.)
- Scholarships (merit and need-based assistance)
- School competitions
- Quality of education

Vocational and Technical education/Taining

- Strengthening ITIs
- Skill-based individual training programme

Education support Programmes

- Village knowledge centre and library, adult and non-formal education, celebration of national days/ international days, computer education, reducing dropout and continuing education
- Career counselling and orientation
- Value education programmes
- Support to Mid Day Meal project

INITIATIVE

Pre-School Education

Strengthening 310 aanganwadis and balwadies in terms of facilities as well as infrastructure, benefiting more than 6759 children.

School Education

We reached out to 14300 students through our enrollment campaign- Shala Praveshotsav.

We supported below poverty line children with quality education and over 40200 students have received support in the form of education material such as notebooks, school bags and uniforms. Support is also provided through coaching classes and counseling sessions at (Malkhed, Kovaya, Jafrabad, Kotputli, Kharia Khangar, Reddipalayam, Shambhupura and Awarpur covering 35612 students and special coaching classes to children for Government's Navodaya program.

Technology supported education such as smart class computer project - 'Utkarsh' has been implemented in collaboration with Government of Rajasthan in Kharia Khangar, supporting 22745 children.

Our programmes to support the visually challenged at two residential schools at Kovaya and Malkhed are gaining traction, as is the child centre for special children at Reddipalayam.

HEALTHCARE

Our goal is to render quality healthcare facilities. The activities that are carried out in the villages are aligned with **SDG – 3 and SDG -6 of 'Ensuring healthy lives and promoting well- being for all at all ages' and 'Availability and sustainable management of water and sanitation for all' respectively.**

A total of 3,93,367 people have been benefitted from the various activities carried out.

INITIATIVE

Regular preventive healthcare facilities are provided through general health check- up camps involving 69,432 people. 261 rural camps and 56 specialized health camps were conducted. The health camp are set up to check for the ailments such as malaria, anemia, diabetes, skin diseases or any other disease that needs to be referred for further treatment.

Mega eye camps treated 11,092 people and the teams also distributed 4,122 spectacles.

The practice of good hygiene starts from an early age. To imbibe these practices, dental check-up camps and health check- up camps are carried out regularly in schools at various locations benefitting 5,192 students.

Furthermore, we treated 3,133 people through alternate therapies i.e. Yoga, Homeopathy and Ayurveda at Hirmi, Kovaya and Jafrabad.

Mother and Child Healthcare

We serve over 12,000 women through our mother and child healthcare programs. Awareness programs are organized to disseminate information about the healthy practices and hygiene, nutritional programs for mother and child.

Over 1,22,204 children are immunized against Pulse Polio, BCG, DPT and Hepatitis-B.

Adolescent period is believed to be difficult period and very critical stage of transition because of various qualitative shifts that they pass through at that moment of life. We organize various awareness programs for the adolescent about improved personal hygiene and changes that take place during this phase, thus, supporting 2,685 girls.

Safe Drinking Water and Sanitation

Water is a fundamental human need and accessibility to safe drinking water has now become a necessity in rural India. We have installed Reverse Osmosis 23 at Tadipatri, Awarpur, Kotputli and Birla White covering 26,000 villagers. We have also installed pipelines, bore well supporting 82,000 villagers with access to drinking water facility.

Water is important for humans but so is sanitation as lack of proper sanitation facility can be the cause for diseases. Thus, 442 individual toilets and sanitation facilities were set-up at school. In total 38 villages have been declared ODF.

Preventive Healthcare

- Immunisation (Pulse-polio, neonatal) health check-up camps
- Ambulance Mobile Dispensary Programme
- Safe & hygienic drinking water
- Sanitation blocks

Quality/Support Programme

- Referral services
- Treatment of BPL, elderly or needy patient
- HIV-AIDS Awareness Programme
- RTI/STD Awareness Programme

Curative Healthcare

- General health camps
- Specialised health camps
- Eye camps
- Treatment camps(skin, cleft)
- Reproductive and child health
- Mother and child healthcare (antenatal care, prenatal care and neonatal care)
- Adolescent healthcare
- Healthy baby competition
- Support to family planning activities

SUSTAINABLE LIVELIHOOD



Activities are carried out to support both agriculture needs such as improved productivity and crops, vocational skills for youths as well as supporting animal Husbandry. The activities are aligned to SDG 1 of 'No poverty', SDG 2 of 'Zero Hunger, achieve food security and improved nutrition, and promote sustainable agriculture', and SDG 8 of 'decent work and economic growth'. Some of the key areas are:

Agriculture and Farm Based

We promote Farmers meeting as they can become self – reliant and discuss their problems with respect to farming and come up with a possible/ feasible solution. 12349 people were benefitted from our farm related activities, support and guidance.

To boost agricultural and horticultural activities and help farmers reap a rich harvest, we reached out to 8,000 farmers across UltraTech's operations. Farmer training programmes to enable them to be in sync with the most modern agricultural practices, demonstration plots, soil testing, providing quality seeds, tutoring them in intercropping, forms the spectrum of our work

Over 217 farmers from Reddipalyam and Hirmi were taken for field visits to the Krishi Vigyan Kendras in Tamil Nadu and Chhattisgarh. We wanted to familiarise them with contemporary cropping pattern and techniques, which could be transferred to their field

Furthermore, in solidarity with the green energy movement, we continue to maintain 121 biogas plants at Jafrabad, Kovaya and Neemuch.

Under the social forestry programme, we continue to sponsor plantations beside the roads, wastelands and farm boundaries through distributing saplings and tree plantation

Animal husbandry

To support the people in this venture, we organize vaccination camp and also carry out the process of artificial insemination to improve the breed, which improves the productivity and which in turn improves the income of the people does making them self-sustainable. 49,650 animals were immunised in veterinary camps held at our units.

At the Navjeevan Gaushala set up by us at Kharia Khangar, we continue to look after 810 stray cows and oxen

We work with BAIF for integrated breed programme at our Kovaya, Jafrabad, Wanakbori locations in Gujarat and Khor in Madhya Pradesh. These programmes have reached out to 8,052 milch cattle. The resultant increased output of milk has led to a significant rise in the income of the cattle owners

Our fodder support programme in collaboration with the Panchayat implemented in the drought prone areas of Sewagram caters to the entire populace in 14 villages alleviating their distress to an extent

Supporting livelihood initiative in cattle breeding

In 2008, the CSR team at Gujarat Amreli started a unique CSR initiative in cattle breeding. A dedicated Cattle Breeding Centre (CBC) was established to improve the breed of cattle through artificial insemination (AI) and steadily convert the progeny to high breed cows like GIR, Holstein Friesian and Jersey. This project was initiated to develop the small farming systems and help the farmers to increase their income.

From the initiation of the project, it has matured to the current state where more than 7,500 cattle owners are associated with this project. Till date, the centre has performed artificial insemination on approx. 22,002 cattle and 11,576 calves were born with the help of the Cattle Breeding Centre. The Cattle Breeding Centre improved breed of cattle, produce more milk than the traditional cattle. Total milk production has reached 3080 liters per day.

Agricultural Productivity

- Agriculture & horticulture training programmes
- Transfer of technology - demonstration plots (support for horticulture plots)
- Seeds improvement programmes
- Support for improved agriculture equipment

Non-Farm & Skills-Based Income Generation Programme

- Skills-based training programmes
- Rural enterprise development
- Self-help groups

Animal Husbandry

- Treatment and vaccination
- Breed improvement
- Productivity improvement programmes and training

Natural Resource Conservation Programmes

- Watershed management programmes
- Biogas support programmes
- Solar energy support
- Other energy support programmes - low smoke wood stocks/sky light
- Plantation/Green belt development/land improvement/ water conservation (small structures)

Self-Help Groups (SHGs)

The 840 SHGs set- up empower 7,987 households economically and socially. Most of the SHGs have been linked with economic centres. Women are engaged in a varied number of economic activities through tailoring, masala making, creating traditional things for the purpose of marriage or for decoration. ;

The carpet centre which was set up at Khor, a decade ago, is now an independent high quality carpet making centre. All of its carpets are exported to the developed countries.

Watershed Management Projects beyond the fence.

Collaborative funded projects

Vikram Cement

The Public Private Partnership (PPP) watershed management project in the Neemuch district of Madhya Pradesh worked closely with the National Watershed Program for conceptualization and implementation of the project. The project has been consolidated and continues to impact the socio-economic and cultural development of the village by increased man-days at agriculture to more than 60000 days, intensified crop production increased income of up to 30%, INR 20000 per acre per year, the total irrigated area increased by 804 ha per year with the total water holding capacity increased.

Rajashree Cement to work with NABARD and MYRADA for Udgi Watershed Project

Rajashree Cement Works, located in Gulbarga district, Karnataka, has collaborated with NABARD (National Bank for Agriculture and Rural Development) and signed a MoU (Memorandum of Understanding), in association with, for part funding for execution of a watershed project in Udgi Gram Panchayat, Sedam Taluka.The Udgi Watershed Project will cover an area of 1149 hectare, encompassing five villages under the Udgi Gram Panchayat. The Mysore Resettlement and Development Agency (MYRADA), is implementing the project.

SELF FUNDED PROJECTS

Andhra Pradesh Cement to work with ICRISAT for watershed project

Andhra Pradesh Cement Works (APCW), at Anantapuramu district, has signed a Memorandum of Understanding (MoU) in association with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT). A completely self-funded project by UltraTech Cement. ICRISAT will be responsible ;for execution of a watershed project in Petnikota and Ayyavaripalli villages of Kolimigundla and Tadipatri Taluks, respectively in an area of 1750 hectares. The project seeks to increase water availability, improve agricultural productivity, and ensure efficient & sustainable usage of water and will bring an overall impact on rural livelihood development

Water harvesting initiatives in Gujarat

Our multidisciplinary teams at Kovaya, Jafrabad and Sewagram have helped survey, design and create water harvesting structures supporting the sustenance needs of a population of more than 6,500 in the coastal districts of Amreli and Bhuj. The structures will support water recharge in wells, drinking water for cattle and other animals, reduce salt ingress through ground water recharge.





INFRASTRUCTURE DEVELOPMENT

Infrastructure plays an important role in the progress of human development. Infrastructure development will benefit the agriculture as the farmers would be able to sell their produces elsewhere as well and they can have better access to education and healthcare facilities which will improve the quality of life of the people we serve. We support communities through the construction or repairing of roads, community halls and assets, rest places, installation of solar lights, construction of water tanks and installation of pipe water supply. The activities carried out across the units have benefitted 8,23,461 people.

SOCIAL REFORM

We advocate and support the community through a varied number of initiatives apart from those in the area of Education, Healthcare and Sustainable Livelihood. The initiatives include awareness programs about Government schemes, digitization and anti- social issues, de-addiction campaigns and other programs. Blanket distribution and mass marriage are few of the other initiatives. Our cultural programs along with community support program touched 3,38,075 people.





LIST OF BENEFICIARIES

	Activities		FY 18-19
Healthcare	Medical Camp	No. of Rural camp	261
		No. of Speciality camp	56
	Necessary medical attention	No. of hospitals	8
		No. of patients	70,093
	Eye camp	Person treated	11,092
		Distribution of spectacles	4,122
	Dental camp	Person treated	5,192
	Blood donation camp	no. of donors	1,776
	Alternate Therapy	Number	3,133
Mother and Child Health Care	Immunization	Number	1,22,204
	Coverage in adolescent healthcare	Number	2,685
Safe drinking water and sanitation	Access to safe drinking water	Number	82,000
	Construction of toilets	Number	442
Education	Aanganwadi		310 and 6,759 enrolled
	Sarva Siksha Abhiyan		40,200
	Scholarship		1,247
	Coaching classes and counselling		35,612
	Computer Literacy program		3,866
	Smart Class project		22,745
	Enrolment Campaign		14,300
	Extended facility		50,345
Sustainable Livelihood	Farmers involved	Number	8,000
	Installation of biogas plant	Number	121
	Water availability through watershed		24,000
Animal Husbandry	Immunization	Number	49,650
	Navjeevan Gaushala		810
Vocational Training	Skill Training provided		5,000
Self-Help Groups	SHGs set-up		840
	SHGs empowerment		7,987

STAKEHOLDER ENGAGEMENT





STAKEHOLDER ENGAGEMENT

103-1, 103-2, 103-3, 102-31, 400

UltraTech believes that sustainability can be fully cascaded and integrated into the core business model of the organisation, through collaboration with the stakeholders. Being one of the three pillars of our Group Sustainability Framework, stakeholder engagement occupies centre-stage in our sustainability journey. **Our approach and aim is to keep our stakeholders well informed about our policies, programmes, performance and concerns. Active engagement with global associations that share the same belief of sustainable development in cement sector gives us strength to scale-up the sustainability agenda.** Our engagement with Cement Sustainability Initiative (CSI*), since 2006, has helped us to gain access to best practices in the sector and benchmark our sustainability performance. We actively partner with government bodies and NGOs, in the areas of education, skill, and watershed development projects contributing to SDG17.

*CSI has now officially transferred from the World Business Council for Sustainable Development (WBCSD) to the Global Cement & Concrete Association (GCCA) since 1 January 2019. UltraTech Cement is one of the founding members of GCCA.

Continuous consultation, holistic and transparent disclosure of vital company information and regular engagement with our stakeholders, form the robust foundation of our business value system.

OUR ENGAGEMENT APPROACH

102-43

Our engagement approach follows the following fundamentals:

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

Our Stakeholder Circle

102-40, 102-42

Stakeholder Engagement Circle

- Employees
- Customers
- Government & Regulatory bodies
- Shareholders, Lenders & Investors
- Suppliers & Contractors
- Local communities
- Media & NGOs

Our business is intricately linked to our stakeholders. The stakeholder engagement circle is a 360-degree inclusive approach to involve all stakeholders that can influence our business or be influenced/impacted by the way we operate.. This also helps us in mapping our external, as well as internal stakeholders.

OUR ENGAGEMENT PLATFORMS

102-21, 102-40, 102-43, 102-44

Effective engagement with stakeholders include active sharing of the business objectives, that form the foundation of successful collaborations. We have devised a combination of platforms, both formal and informal, to disseminate desired information to all the stakeholders as well as to receive candid feedback.

Stakeholders	Engagement platforms	Engagement topics
Shareholders, Lenders and Investors	Annual report and regulatory filings Annual General Meeting Shareholder meetings and presentations Carbon Disclosure Project Report Sustainability Report Grievance redressal One-on-one meetings, investor conferences, investor calls	Financial performance Annual performance, Progress Plans and New Projects Change in governance structure Disclosure on our carbon performance Triple bottom line performance Addressing concerns Clarity on business direction
Government and Regulatory Authorities	Annual report and regulatory filings Meetings on government directives and policy development Facility inspections Regular meetings	Ethical business conduct Regulatory Compliance Environmental stewardship Safety Project Approvals Adherence to Statutory Norms
Employees	Organisational health survey Annual Performance review Employee health check-ups Employee volunteering in engagement activities Intranet, Annual Report, Sustainability Report Employee Reward & Recognition schemes Employee satisfaction survey	Health and safety Career growth and progression, Competitive Salary Work-life balance Building camaraderie Regular sharing of company information Employee motivation Employee Involvement
Customers	Company website Product campaigns Satisfaction surveys Grievance redressal Customer oriented initiatives Feedback surveys	Product information Product benefits and features Product quality and feedback Timely availability and Customer Satisfaction Building relationships and Trust Product and service innovations
Suppliers and Contractors	Contract procedures and project timelines Facility inspections Review meetings Vendor interaction meets Feedback forms Annual performance report Annual stakeholder meets	Product quality and pricing Supply quality Organisational performance Timely payments Containing Cost overrun Compliance with company laws Unbiased treatment Adherence to SLA (Service Level Agreement) Business security and growth

Stakeholders	Engagement platforms	Engagement topics
Local Community	Community need assessments Disaster management workshops Community visits Satisfaction surveys Meetings with community Representatives	Identification of Focus areas Mitigation of Emergencies Building relationships Improving Living standards Direction and Deployment of resources
Media and NGOs	Published articles One-on-one interactions Direct contact during activities Social surveys	Transparency Timely information on future plans Support to social causes Identification of areas of collaboration Disclosure on compliance

Listed below are a few key engagement activities that were conducted with some of our stakeholders.

CUSTOMERS

Customer centricity brings in new insights that help create better products and deliver better services. At UltraTech, we engage with our customers regularly to communicate with them on products, services and solutions that we are offering. Their feedback helps us align our sustainability agenda with their requirements, concerns and issues. This year, our efforts to engage with multiple customer groups continued through various platforms.

INITIATIVE

Individual Home Builder (IHB) Meet

These meets cater to a larger group of customers who have started building their own house or intend to start doing so. The objective is to enlighten the IHBs on the complexities involved in construction, effective planning to achieve economy and finally constructing a strong and durable house with superior quality materials without any time overrun through presentations and one-on-one interactions.

Technical assistance to customers on their doorstep- Expert Testing Van

The Expert Testing Van is a value-added service to the customers, at no extra cost, aimed at providing technical assistance during concreting, to ensure quality and consistency in concrete. This service is provided at the site, through a van manned by a qualified and trained civil engineer.

Building the communication bridge

The Construction Digest is a one-stop shop for professionals who are in the field of building and architecture, where they get regular updates on the latest developments in their field.

EMPLOYEES

Employee satisfaction survey is conducted on a biennial basis to gather employee feedback and views.

INITIATIVE

Staff Cadre Employee Mid Year Appraisal Feedback through Ping Me

Employee Engagement Program

To mark the occasion of World Environment Day, UTCL organised a week long campaign to increase awareness on sustainability and environment across units and corporate office. The main theme of the campaign was "Zero and the Guardians of the Earth" which had four sub- themes such as Energy, Carbon, Water and Waste. Employees and their families were engaged through various activities such as drawing competition in school, adopting sustainable living habit, personal carbon footprint calculator, ideas for improving sustainability and selfie contest for showcasing sustainability practices.

The outcome was a success with the involvement of employees across integrated units, grinding units, bulk terminal. RMC locations and international units.



FIRST TIME EVER – Staff Cadre Employee Mid Year Appraisal Feedback through



30% staff cadre employees covered in PING ME for Mid Year Appraisal Review out of total 2161 staff employees

Few snapshots of Feedback

Manager for Emp – You did a proper planning and provided proper man power installation of humidity sensor, also with your continuous supervision of job we made it in one day.

Manager for Emp – Your efforts to maintain the Stores yard and storage of items is appreciable. More efforts require to listing the items which are lying in yard without showing in stock and preservation of items. Also, complete reconciliation of cylinders as per party as well as with departments.

Manager for Emp – Prepare the plan to save the cost of HEMM-Excavator and loader. Maintained the safety and WCM culture in mines workshop

Manager for Emp – Good team player. Managed and coordinated site NDT requirements satisfactorily.

CONTRACTORS

Supply chains are the lifelines of any organisation and at UltraTech, selection of suppliers and contractors is done with an eye on sustainability agenda.

Enhancing the knowledge of Contractors - Construction Manual

With an objective to ensure that a project undertaken not only meets the quality norms, but is also finished on time and in a set budget by a contractor, we have a comprehensive construction manual which compiles the various steps in construction that will help plan better and deliver a quality project.

Educating Stakeholders to be More Efficient

This program is targeted for engineers, channel partners (dealers and retailers), builders and contractors, including masons. This is aimed at providing knowledge on the cement manufacturing process - from raw material selection to packing, to the visitors. This helps them understand and appreciate the quality of cement as they see various quality control measures and quality assurance systems which are in place at the plant.

EMPOWERING MASONS

Mason Meet

This program is aimed at presenting to a group of masons, the technical inputs from foundation to finishing, which enables them maintain quality in construction and improves their productivity. The properties of various types of cement and its suitability to different types of work are explained to them in simple language. The interaction that follows the presentation clarifies the doubts on day-to-day problems faced by masons.

Masons Training Program

This seven-day skill building workshop is conducted for masons where the teaching methodology is a combination of theory and practice. This program is jointly organized by UltraTech Cement and a reputed professional institution. Individual attention is given to each mason during practical training to upgrade his skills and thereby improve the quality of construction and productivity. A proficiency test is conducted at the end of the workshop and certificates are awarded to those who pass the test.

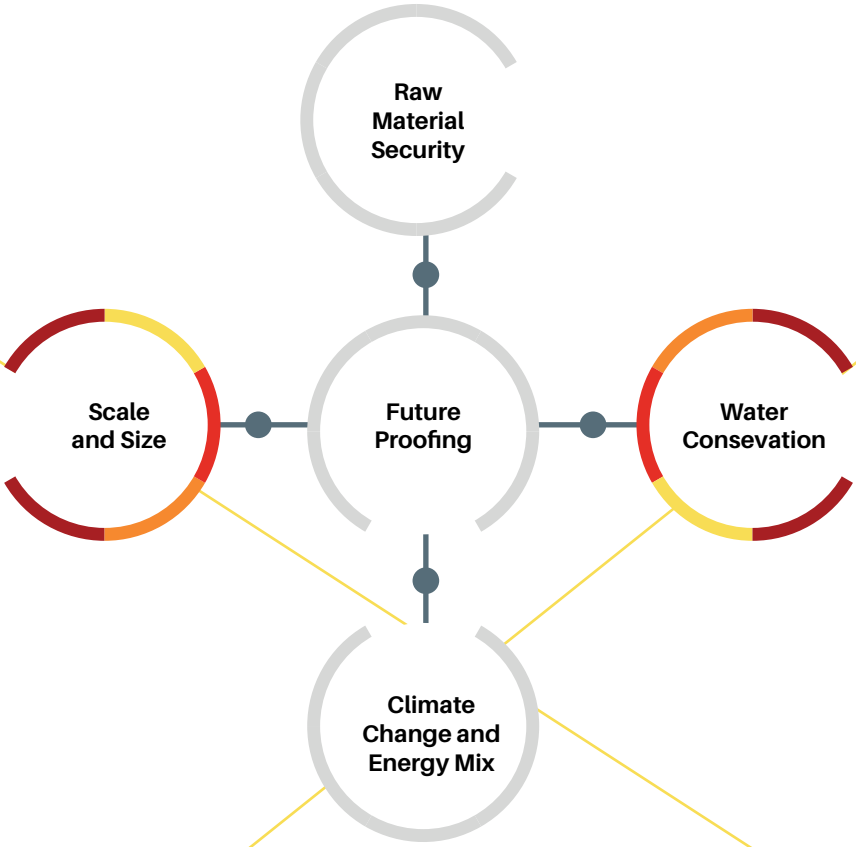
FUTURE PROOFING





FUTURE PROOFING

Sustainability is the ability to satisfy needs of the present without adversely affecting the ability to satisfy the needs of future. **At UltraTech we believe in getting prepared in advance for different externalities that have the potential to disrupt our growth. Aligning our sustainability strategy with SDG framework has helped us to identify the external risks that poses threat to our business and the society.** Identification of such factors, developing appropriate mitigation plans and taking timely actions to safeguard our future in a sustainable world would place us a step ahead of our competitors.
Some of the major external factors that may impact our business in the long term have been identified and are mapped as below:



Raw Material Security:

We are aware of the fact that availability of the two basic natural resources for our industry i.e. Coal and Limestone is quite limited in India. Moreover, the ever-constraining statutory obligations and government regulations will make access to them much more difficult. Thus, conservation of existing reserves and ensuring longer durability of these reserves is critical to the sustainability of our company.

SDG 12:
Ensure Sustainable Consumption and Production patterns

SDG 8:
Decent work and economic growth

Action Plan

- **Use of alternative materials and fuels and resource circularity:** Fly ash, chemical gypsum and slag are some of the alternative raw materials being used in cement production. Blending alternative materials with the conventional raw materials in our products has helped us conserve limestone, thereby ensuring longevity of our mines. We are also using waste from other industries as alternative fuel in our kiln. This is not only helping in resource conservation but also in reducing our carbon emissions. Currently, recycled percentage amounts to 16.2% of total raw materials and thermal substitution rate of 3.9%
- **Responsible Mining:** To make the best use of our resources, we have also started using low grade limestone in our operations. This has resulted in utilising the material which would otherwise have been disposed of.

Climate Change and Energy Mix

Cement as a material is key to economic and sustainable development and at the same time contributes to 5-6% of global emissions and 7% of the global industrial energy use. We realise this impact and are committed to driving sustainability across the value chain of our operations. Our strategy involves moving towards low carbon products, enhancing renewable energy share, improving energy efficiency etc. This is being driven through innovations in process and technology while keeping in mind compliance to various international and national regulations such as PAT, Paris Agreement etc.



SDG 7:
Affordable and Clean Energy



SDG 8:
Decent work and economic growth



SDG 12:
Responsible consumption and production



SDG 13:
Climate Action

Action Plan

- **Optimising Energy Mix and Use of Renewable Fuel:** We are focused on optimizing the energy mix using alternative fuels and renewable power. Switching to alternative fuels like refuse derived fuel and bio-based fuels that are less carbon intensive helps us in dual ways. At one end, it decreases coal consumption and at the other, it brings down our carbon footprint.
- **Commitment to EP 100:** UltraTech is a proud signatory to EP 100 with the commitment to double its energy productivity over a period of 25 years. We plan to achieve this by deploying state-of-the-art technologies in new cement plants as well as retrofitting existing facilities to improve their energy performance levels.
- Development of new products that promote energy conservation throughout their life cycle and support the infrastructure of future.
- Use of waste heat energy recovery systems to generate power.

Water Availability

Water is at the core of sustained economic growth. At UltraTech, we ensure availability and sustainable management of water and sanitation for our business and for the progress of the neighbouring communities. Most of our cement plants are located in water-stressed regions of the country and we consistently work towards rejuvenating resources through our 3R approach - reduce, recycle and reuse.



SDG 6:
Clean water and Sanitation



SDG 12:
Responsible consumption and production



SDG 15:
Life on Land

Action Plan

- Reduce freshwater withdrawal across all plants
- Conducting source water vulnerability assessments
- Achieve water positive status for all plants.
- Promoting responsible water management in partnership with government and other key stakeholders.
- Community level integrated watershed development projects.

Long term water security study

A detailed Source Water Vulnerability Assessment (SVA) and Alternative Water Source Evaluation (AWS) was commissioned at Birla White, Kharia, Rajasthan. The study was undertaken with an objective to find a long-term solution on water security. With other parameters, it also included a perception survey which was conducted in villages included in the core zone (within 2 Km), buffer zone (within 5 km) and beyond buffer zone. Various stakeholder categories including local community, village gram panchayat, municipal corporations, and technology suppliers were interviewed as part of the project. The study covered the following broad scope:

a. Source water vulnerability
b. Demand reduction in plant and colony
c. Alternative water source assessment

The study has helped in identifying the risks related to climate change and its associated impact on water availability. It helped in formulation of short- and medium-term action plans for water conservation:

Short term:

- Pilot project for construction of water harvesting pond in mines area
- Increase recovery of grey water from housing colony & reduce domestic usage of water

Medium term:

Evaluate options of alternate water source and study its feasibility

Scale & Size

UltraTech Cement understands the strategic importance of cement in the process of economic development. Acknowledging the global nature of this critical industry and the impending increase in its demand with the increase in ongoing urbanisation, the company has upscaled its capacities from 61 Million tonnes to its current consolidated** capacity of 102.75 Million tonnes. With manufacturing plants and units spread across all the regions of the country, a need was felt to redesign our business processes.

Action Plan

- To cater to the diversified nature of business in each geography, we decided to regroup our business in 5 zones across India.
- Further corporate roles will bring in functional expertise and will help in capacity building of respective Zonal teams. Corporate teams will also work on improving synergies of tasks among the zonal teams to reduce overall costs of operations.

** Include 4 MTPA commissioning in June 2019*



ANNEXURES

PERFORMANCE TABLES WITH CONTENT INDEX

Economic Performance

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Net Sales	INR Billion	201-1	238.91	293.58	357.04
Net Profit			26.28	22.31	24.56
Economic Value Generated					
Gross Value of Operations		201-1	329.35	388.86	451.17
Economic Value Distributed					
Operating Costs		201-1	178.32	227.73	271.2
Govt. Taxes including Excise / VAT / Income Tax / Other Levies			89.25	90.41	99.49
Depreciation			13.48	18.47	20.96
Payment to Lenders			6.4	12.33	14.64
Proportionate Dividend to Shareholders			2.92	3.05	3.16
Total Economic Value Distributed			305.59	370.1	429.86
Employees Welfare and Community Development		413-1	15.22	18.1	20.41
Economic Value Retained					
Retained Earnings for Reinvestment / Modernization		201-1	23.76	18.76	21.34
Financial Assistance Received from the Government		201-4	NIL	NIL	NIL
Benefits received under state investment promotion schemes	INR Million		1,711	3,112	4,454

Environment Performance

Environment Performance – Cement

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Emissions to air					
GHG Emissions					
Direct CO_2 (Includes CPP)	Thousand tCO_2/ year	305-1	37,135.52	39,295.72	51,267.80
Indirect CO_2 (External power)		305-2	710.51	625.59	1,208.76
Total use of ODS	Equivalent tonnes/year	305-6	0.27	0.29	0.32
Scope 3 Emissions	Million tCO_2/year	305-3	4.35	4.79	5.88
Specific GHG Emissions					
Specific Direct GHG emissions*	kg CO_2 per tonne of cementitious material produced	305-4	632.09	625.70	618.87
Specific Indirect GHG emissions			14.00	11.00	16.00

*Excluding captive power

PERFORMANCE TABLES WITH CONTENT INDEX (Contd)

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Other atmospheric emissions					
SPM*	Tonnes/year	305-7	4,558.16	3,835.00	5,547.78
SOx*			19,595.36	17,725.00	26,020.79
NOx*			74,593.92	64,007.17	96,904.03
Energy					
Direct Energy Consumption - Production					
Coal and Lignite	PJ	302-1	34.44	36.95	35.18
Pet coke			88.66	85.13	111.64
Waste Fuel			2.76	4.57	6.36
Others (Includes Diesel oil, furnace oil, LDO and other fuel)			0.20	0.20	0.30
Mining and Transportation			0.80	0.96	1.65
Direct Energy Consumption - for Captive Power Plant					
Coal and lignite	PJ	302-1	19.73	23.70	43.58
Pet coke			30.26	21.79	7.95
Others (Includes Diesel oil, furnace oil, LDO and other fuel)			0.36	0.66	0.42
Indirect Energy Consumption					
Electricity - Purchased	TJ	302-1	2,492.96	2,223.11	4,042.14
Electricity Purchased - Renewables			42.58	125.34	220
Renewable Energy - Produced					
Solar Energy	TJ	302-1	10.27	16.72	54.65
Wind Energy			6.78	6.37	6.11
Waste heat recovery system			984.53	1,205.06	1,458.46
Specific Energy Consumption					
Specific Thermal Energy	kcal/kg of clinker	302-3	708.55	707.36	712.85
Specific Electrical Energy	kWh/t of cement		78.70	76.90	78.90
Waste					
Hazardous Waste Details					
Hazardous Waste (Solid)	Tonnes	306-2	326.90	475.83	872.39
Hazardous Waste (Liquid)			709.30	738.65	930.45
Non-Hazardous Waste Details					
Non-Hazardous Waste (Solid)	Thousand Tonnes	306-2	1,023.88	1,101.45	706.18
Material					
Total Material Consumption					
Natural raw materials	Million Tonnes	301-1	65.19	65.47	80.42
Associated materials	Thousand Tonnes		60.48	55.92	68.45
Semi manufactured goods			7.91	9.10	7.28
Packaging materials (Plastic and paper bags)		301-3	67.83	65.98	77.87

PERFORMANCE TABLES WITH CONTENT INDEX (Contd)

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Recycled Materials used by Weight					
Fly ash	Thousand Tonnes	301-2	8,754.38	9,021.77	13,363.17
Slag			605.10	767.14	727.26
Waste materials such as gypsum (also includes Chemical and Marine Gypsum)			805.77	914.39	1,245.49
Other industrial wastes			79.83	95.59	179.62
Water					
Surface water	Million m3	303-1	5.18	5.40	7.38
Ground water			2.90	2.84	4.23
Rainwater			6.47	6.28	8.80
Water from municipality			0.30	0.27	0.34
Water recycled and reused	% of water withdrawn	303-3	13.10	12.98	13.03
Biodiversity					
Total number of saplings planted- Cement	Number	304-1	2,83,873	2,02,027	3,14,208
Saplings survival rate- Cement	%		78.15	82.76	84.75

Environment Performance – RMC

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Emissions to air					
GHG Emissions					
Direct CO_2 (Includes CPP)	Thousand tCO_2/ year	305-1	3.11	2.91	2.88
Indirect CO_2 (External power)		305-2	7.50	7.53	7.64
Specific GHG Emissions					
Specific Direct GHG emissions	kg CO_2 per m3 of concrete produced	305-4	0.83	0.81	0.76
Specific Indirect GHG emissions			2.01	2.47	2.01
Energy					
Direct Energy Consumption – Production					
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	302-1	0.03	0.02	0.02
Direct Energy Consumption – Captive Power Plant					
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	302-1	0.017	0.016	0.015
Indirect Energy Consumption					
Electricity - Purchased	TJ	302-1	32.97	32.97	33.52
Specific Energy Consumption					
Specific thermal energy	GJ/100 m3 of Concrete	302-3	2.02	2.01	1.85

PERFORMANCE TABLES WITH CONTENT INDEX (Contd)

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Waste					
Hazardous Waste Details					
Hazardous Waste (Solid)	Tonnes	306-2	10.42	8.73	5.22
Hazardous Waste (Liquid)			1.14	0.46	0.82
Non-Hazardous Waste Details					
Non-Hazardous Waste (Solid)	Thousand Tonnes	306-2	72.94	64.54	118.89
Material					
Total Material Consumption					
Natural raw materials	Million Tonnes	301-1	7.16	6.86	7.29
Associated materials	Thousand Tonnes		0.03	0.03	0.03
Semi manufactured goods			1080.93	1053.88	1092.04
Recycled Materials used by Weight					
Fly ash	Thousand Tonnes	301-2	256.31	247.42	248.16
Slag			100.10	98.13	101.14
Silica Fume			0.89	0.69	1.00
Other industrial wastes			0.07	4.45	3.36
Water					
Ground Water	Million m3	303-1	0.43	0.41	0.45
Rainwater			0.01	0.01	0.01
Water from municipality			0.72	0.70	0.73
Water recycled and reused	% of water withdrawn	303-3	3.23	3.14	1.89
Biodiversity					
Total number of saplings planted- Cement	Number	304-1	2,967	2,630	1,437
Saplings survival rate- Cement	%		84	81	82

Safety Performance

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Number of fatalities (Directly Employed)	Number	403-2	1	0	0
Number of fatalities per 10,000 (Directly Employed)			1	0	0
Number of fatalities (Indirectly Employed)			2	2	4
Number of fatalities (Involving third party)			0	3	0
Lost Time Injuries (LTIs) per million man-hours (Directly Employed)			0.38	0.34	0.47
Lost Time Injuries (LTIs) per million man-hours (Indirectly Employed)			0.32	0.31	0.18

People Performance

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Total Workforce: Gender and Category Wise Breakup					
Permanent Employees - Male	Number of Employees	102-8	**13,951**	**13,957**	**19,337**
Leaders			29	28	34
Managers			695	620	925
Executives			9,636	9,579	12,266
Workers			3,591	3,730	61,12
Permanent Employees - Female			**248**	**219**	**309**
Leaders			0	0	0
Managers			15	12	21
Executives			227	201	271
Workers			6	6	17
Contractors - Male			**23,703**	**22,387**	**30,976**
Contractors - Female			**451**	**658**	**615**
Others - Male			**132**	**182**	**272**
Others - Female			**0**	**4**	**40**
Total Workforce – Region Wise Breakup					
Permanent Employees - Within India			13,757	13,718	19,108
Permanent Employees - Outside India			442	458	538
Others - Within India			23,931	22,736	31,603
Others - Outside India			265	351	300
Employees hired by Age, Gender and Region					
Hiring by Age					
Age <30	Number of Employees	401-1		395	515
Age 30-50				441	767
Age >50				17	53
Hiring by Gender					
No. of Male	Number of Employees	401-1		835	1,290
No. of Female				18	45
Hiring by Region					
Within India	Number of Employees	401-1		838	1,307
Outside India				15	24

PERFORMANCE TABLES WITH CONTENT INDEX (Contd)

Indicator	Unit	GRI	2016-17	2017-18	2018-19
Turnover - Gender, Region and Age					
Turnover by Age					
Age <30	Number of Employees	401-1	174	173	177
Age 30-50			370	266	700
Age >50			153	437	283
Turnover by Gender					
No. of Male	Number of Employees	401-1	672	848	1,133
No. of Female			25	28	27
Turnover by Region					
Within India	Number of Employees	401-1	674	864	1,129
Outside India			23	12	31
Maternity Leave Statistics					
Employees who took Maternity leave	Number of Employees	401-3	12	15	8
Employees who returned to work after Maternity leave ended			8	14	11
Employees returning from maternity leave (FY2017-18)			3	10	15
Employee who took maternity leave in FY 2017-18 and were employed for 12 Months after return			3	6	12
Training					
Training Performance					
Total training hours	Hours	404-1	2,97,209.7	2,25,539.8	3,56,322.6
Training hours per employee	Hours/employee		20.93	15.91	18.13
Average training hours per person per Year					
Leaders					
Male	Hours	404-1	16	9	8
Female			0	0	0
Managers					
Male	Hours		29	24	20
Female			36	40	25
Executives					
Male	Hours		21	18	37
Female			10	17	25
Workers					
Male	Hours		16	10	16
Female			5	0	48

Social Performance

Indicator	Unit	GRI	2016-17	2017-18	2018-19
CSR Spend	Million INR	413-1	54.15	607.1	749.6

INDEPENDENT ASSURANCE STATEMENT

Building a better working world

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INDEPENDENT ASSURANCE STATEMENT

The Board of Directors and Management
UltraTech Cement Limited
Mumbai, India

Ernst & Young Associates LLP (EY) was engaged by UltraTech Cement Limited (the 'Company') to provide independent assurance on its annual Sustainability Report (the 'Report') for the Financial Year 2018-19.

The development of the Report is based on the Global Reporting Initiative (GRI) Sustainability Reporting Standards ('GRI Standards'); its content and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Scope of assurance

The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance for the period 1st April 2018 to 31st March 2019;
- The Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data;
- Verification of sample data and related information through consultations at the Company's Head Office in Mumbai and site visits to the following manufacturing locations:
  - Integrated Units:
    - Dalla Cement Works
    - Hirmi Cement Works
    - Awarpur Cement Works
  - Grinding Units:
    - Tanda Cement Works
    - Hotgi Cement Works
    - Arabian Cement Works
  - Bulk Terminal:
    - Mangalore Bulk Terminal
  - Ready Mix Concrete (RMC) Units:
    - Gurgaon - Khandsa Road
    - Gurgaon - Navrangpur
    - Ahmedabad - Vatva
    - Vadodara -Gorwa
    - Hyderabad - Miyapur
    - Hyderabad - Medchal
    - Chennai - Ponnamalai
    - Chennai - OMR
- Verification of data from April 2018 to November 2018 through site visits and remaining data from December 2018 to March 2019 through desktop review.
- Review of data on a sample basis, at the above-mentioned manufacturing locations, pertaining to the following General Disclosures and Specific Disclosures of the GRI Standards:
  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)
  - Reporting Practice (102-45 to 102-56)

Ernst & Young Associates LLP, a limited liability partnership with LLP identity No. AAB - 4321
Regd. Office : 6th Floor, Worldmark - 1, Asset Area 11, Hospitality District, Indira Gandhi International Airport, New Delhi - 110037, India.

Building a better working world

Specific Disclosures:

- Environmental Topics:
  - Materials (301-1, 301-2), Energy (302-1, 302-2, 302-3, 302-4), Water (303-1, 303-3), Emissions (305-1, 305-2, 305-3, 305-4, 305-6, 305-7), Effluents and Waste (306-2).
- Social Topics:
  - Employment (401-1, 401-3), Occupational Health and Safety (403-1, 403-2), Training and Education (404-1), Local Communities (413-1).

Limitations of our review

The assurance scope excludes:

- Operations of the Company other than those mentioned in the 'Scope of Assurance';
- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the defined reporting period i.e. 1st April 2018 to 31st March 2019;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Data and information on economic and financial performance of the Company.

Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as conformance of sustainability performance disclosures as per GRI Standards.

What we did to form our conclusions

In order to form our conclusions we undertook the following key steps:

- Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of sustainability issues and engagement with key stakeholders;
- Interactions with the key personnel at the Company's manufacturing plants to understand and review the current processes in place for capturing sustainability performance data;
- Physical audits at the Company's corporate office and manufacturing locations as mentioned in the 'Scope of Assurance' above;
- Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period;
- In desktop review, samples for verification were selected based on observations noted during site visits;
- Review of selected qualitative statements and sample case studies in various sections of the Report.

Our Observations

The Company has demonstrated its commitment to sustainable development by reporting its performance on economic, environmental and social aspects for FY 2018-19. The Report has been developed as per the GRI Standards and includes a description of the stakeholder engagement process, materiality analysis and the key material topics. Data reported for some indicators under review underwent change as part of our assurance process. There is scope for improving the internal data controls, documentation management and method of calculation and/or estimation for the said indicators.

Building a better working world

Our Conclusion

On the basis of our reviews carried out as per 'Limited Assurance Engagement of ISAE 3000', nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Companies reporting principles and criteria's.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics[1] for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,

Chaitanya Kalia
Partner
01 July 2019
Mumbai

[1] International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This *Code* establishes ethical requirements for professional accountants. The guidance related to network firms was updated in July 2006.

NOTES

REGISTERED OFFICE

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