24th August, 2021

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Listing Department
The National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
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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 2020-21

We are pleased to enclose a copy of the Sustainability Report 2020-21 - 'Making a Material Difference'. The Report will also be 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

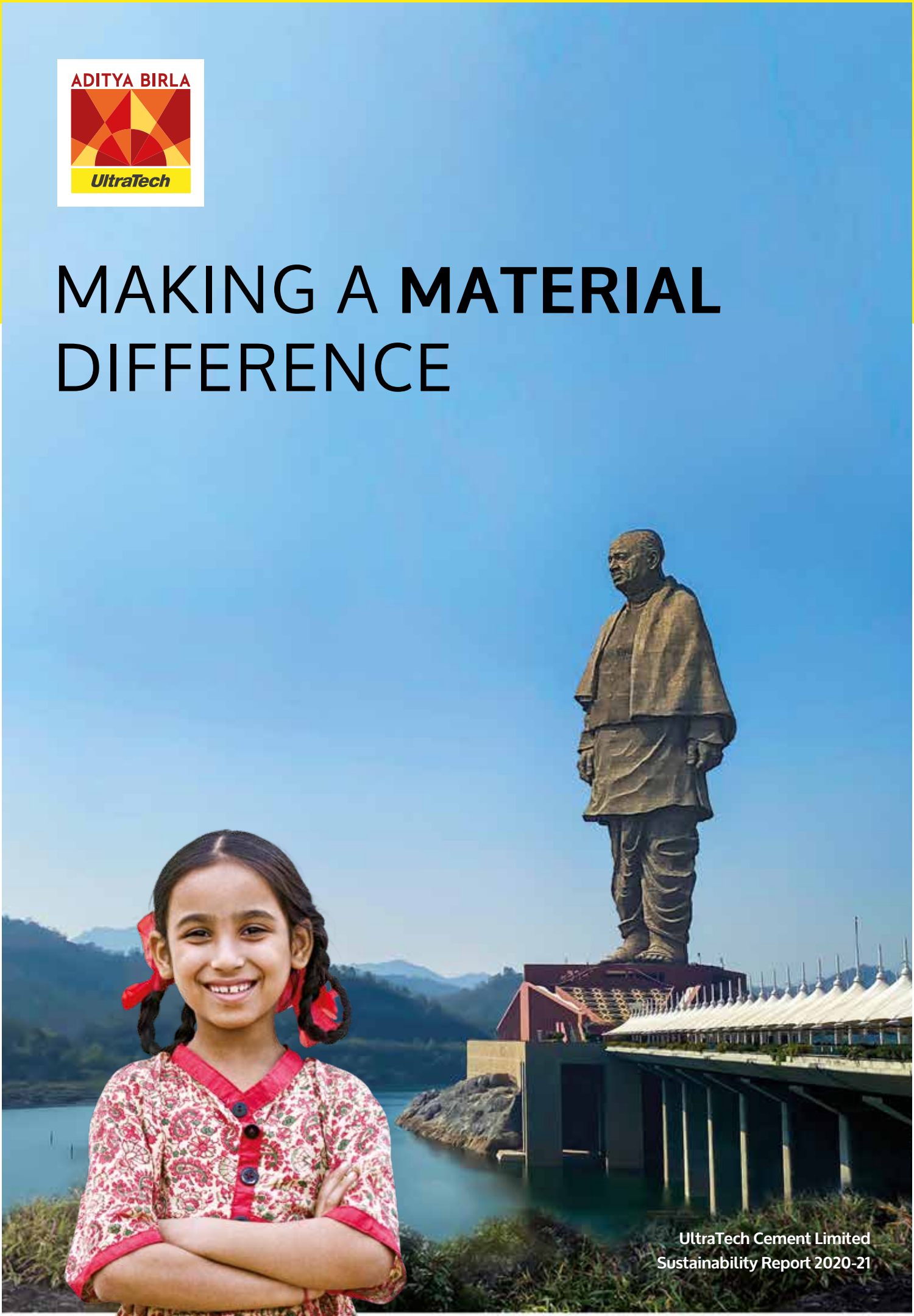
Sanjeeb Kumar Chatterjee
Company Secretary

Encl. a/a.

ADITYA BIRLA

UltraTech

MAKING A **MATERIAL** DIFFERENCE



UltraTech Cement Limited
Sustainability Report 2020-21

Sustainability Snapshot 2020-21

CLIMATE CHANGE

Committed and validated GHG intensity reduction target as per Science-Based Targets initiative (SBTi)

Read more on PG 42

Launched Sustainability linked bonds

The first ever such bonds based on our sustainability targets performance

Read more on PG 23

TCFD Disclosure

Identified climate change transitional and physical risks and impacts on UltraTech's operations, in line with Task Force for Climate Related Disclosure (TCFD) Guidelines.



Read more on PG 44

EP100

Part of the global EP100 initiative committed to double energy productivity

Committed to the '2050 Climate Ambition' announced by GCCA



Read more on PG 42

Life Cycle Assessment conducted for all major products

Read more on PG 17

CIRCULAR ECONOMY

74,187 tonnes

municipal solid waste used as fuel this year

Read more on PG 59

106,000 tonnes

industrial waste used as fuel this year

Read more on PG 58

WATER STEWARDSHIP

3.96 times water positive

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

Read more on PG 46

Zero water discharge

at all plants.

Read more on PG 46

71 million m^3+

Rainwater harvested and used across our manufacturing locations this year



Read more on PG 46

ESG RATING

15% Increase in S&P's Dow Jones Sustainability Index (DJSI) score from last year

COMMUNITY

CSR Efforts in 507 Villages

Actively contributing to the societal benefit through our corporate social responsibility programmes in 16 states

Read more on PG 74

₹120.68 Crores Corporate Social Responsibility investment



Read more on PG 74

2.1 Million beneficiaries

through our community development programmes

Read more on PG 74

Supporting 840 self help groups (SHGs) empowering 8000+ women economically

Read more on PG 77

GREEN PRODUCTS

73 UltraTech products have received GreenPro Certification.

Read more on PG 17

GREEN POWER

273 MW

Green power capacity (WHRS + renewable energy)



Read more on PG 43

PLASTIC WASTE MANAGEMENT

2.2 times plastic positive

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

PEOPLE

Ranked among 'India's 30 Best Workplaces in Manufacturing - 2021' by Great Place To Work® Institute

Read more on PG 68

DIVERSITY AND INCLUSION

Women managing CCR

The Central Control Room (CCR) is the engine driving seamless cement production processes. Proud of our women colleagues who pilot CCR operations at our units.

Read more on PG 69

Including differently-abled people

We have total 44 full time employees who are differently-abled.

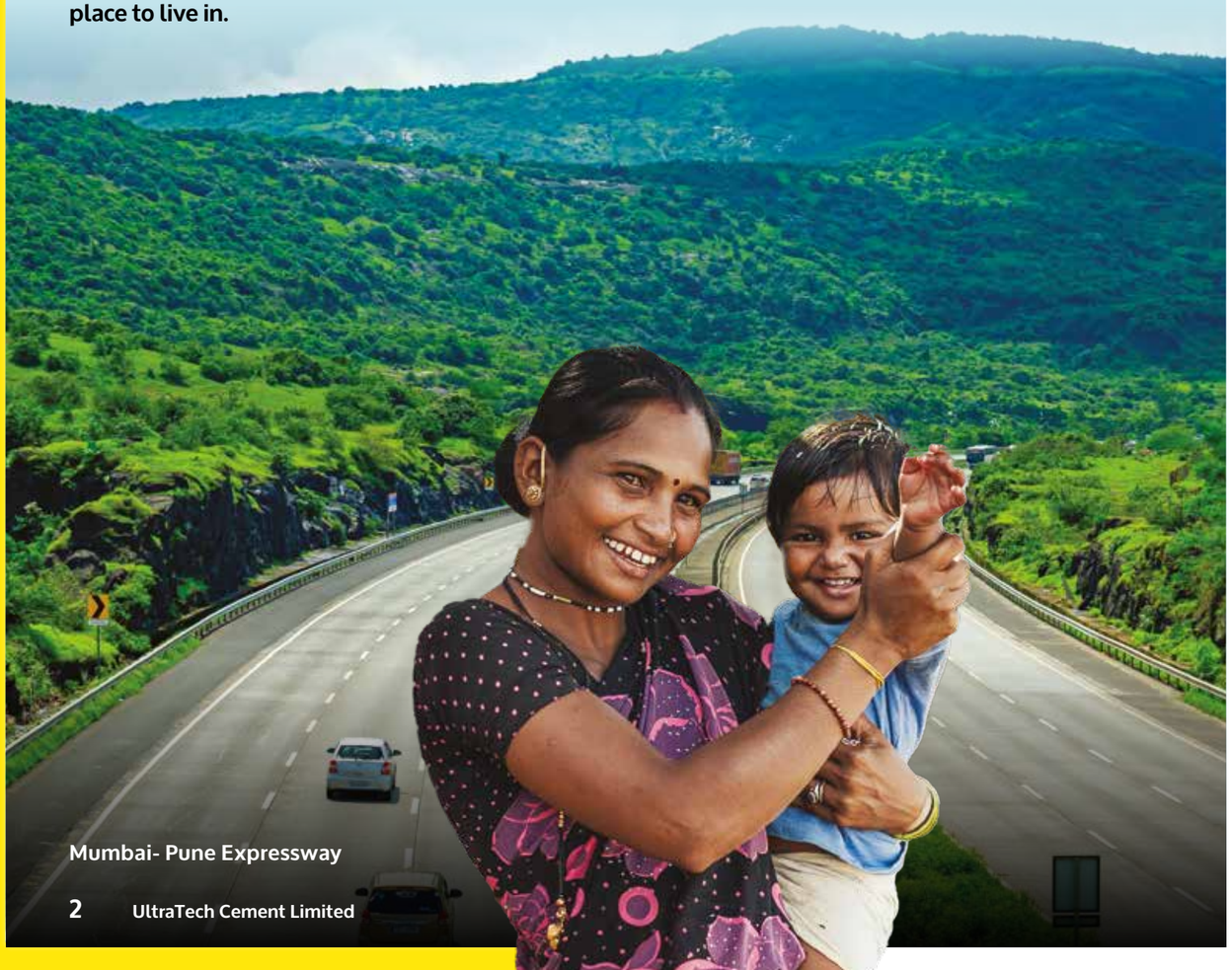
Read more on PG 69

MAKING A **MATERIAL** DIFFERENCE

At UltraTech, we strive to make a material difference to the lives we touch every day. In the process, we create sustainable value for all our stakeholders while participating in global efforts to combat the most pressing challenges of our time. Sustainability is also a business imperative – the building materials we manufacture not only goes into creating strong foundations, but also play a key role in making the future green and habitable for all species on the planet.

Our strong business performance, along with steady progress on our sustainability targets even amid pandemic-induced disruptions worldwide, bears testimony to our deep-rooted sustainability thinking. Our successful fundraise through Sustainability Linked Bonds – the first company in India and the second in Asia – reflects investor confidence in our environmental, social and governance (ESG) credentials.

At UltraTech, we have put in place a clear roadmap to implement low-carbon technologies across our value chain, to reduce our carbon footprint across the lifecycle. Every year we are setting new benchmarks and raising the bar higher for us to achieve while contributing to global sustainable development goals. At UltraTech, we are making the world a better place to live in.



Mumbai- Pune Expressway

Approach to reporting

REPORT CONTENT AND ORGANISATION

This report is in accordance with the requirements of the Global Reporting Initiative, GRI Standard: **Comprehensive**. It covers our performance for the period from 1st April 2020 to 31st March 2021. The last report was released for the period from 1st April 2019 to 31st March 2020, maintaining an annual reporting cycle.

The report presents information organised around our priorities and key areas of interest to our stakeholders. The economic indicators presented in the report are based on the data that forms a part of UltraTech's Annual Report. The climate change section of the report includes an internal mapping based on the recommendations set out by the Task Force on Climate Related Financial Disclosures (TCFD). As founding members of the Indian chapter of the Global Cement and Concrete Association (GCCA), we are also reporting KPIs as per their guidelines.

SCOPE AND BOUNDARY

The report covers all operations of UltraTech Cement Limited including manufacturing locations, subsidiaries, and bulk terminals across India, Sri Lanka, and the Middle East. The ready-mix concrete (RMC) plants operated by the Company for specific customers, on their premises on a temporary basis, have not been included. More than 75% of our operations are covered under environment and social reporting. There are changes in the organisation and its supply chain from the previous year: in 2019, we acquired 4 Century Cement plants, which have been included in our reporting scope this year. We also acquired 2 Binani Cement plants now part of our subsidiary – UltraTech Nathdwara Cement Limited, which are included in the scope this year. There have been no restatement of data.

Subsidiaries covered in the report

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

PRECAUTIONARY APPROACH

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

MATERIALITY

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

INDEPENDENT ASSURANCE

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

Feedback

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

utcl.sustainability@adityabirla.com

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Mumbai, Maharashtra, India

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SUSTAINABILITY TARGETS 2024

We have set long-term sustainability targets and taken considerable efforts to achieve them.

Read more on PG 24

Defining our priorities

Our view of topics that are material to our business continues to expand with our growing stature as an industry leader as well as a sustainability leader. A wide variety of stakeholders depend on us to demonstrate how to do the right things the right way and set benchmarks for the Indian industry and globally.

MATERIALITY ASSESSMENT

Materiality assessment is key to identifying the issues that could potentially impact our value creation abilities over the long term. In FY 2018-19, we carried out a comprehensive materiality assessment exercise involving both internal and external stakeholders (senior management, employees, customers, suppliers, investors, trade bodies, associations). Through the exercise, we identified nine material topics, which were then ranked based on business priorities and stakeholder expectations, and were also mapped with the relevant United Nations Sustainable Development Goals (UN SDGs).

Materiality Matrix



PRIORITISING MATERIAL ISSUES

Economic value and Business performance



Read more on PG 14

Product Stewardship



Read more on PG 16

Water Management



Read more on PG 46

Transparency, Corporate Governance and Ethics in Business



Read more on PG 80

Raw Material Security and Circular Economy



Read more on PG 52

Health and Safety



Read more on PG 62

Climate Change, Energy and Emissions



Read more on PG 40

Employee Wellbeing



Read more on PG 68

Community Engagement



Read more on PG 72

Read inside

08

ABOUT UltraTech

Producing cement and concrete with a difference

08 Message from the Chairman

10 Company portrait

12 Presence and operations

14 Business performance

16 Innovation and product stewardship

18

APPROACH TO SUSTAINABILITY

Scaling up on sustainability, for the future

18 Message from the MD

20 Sustainability strategy

24 Targets and achievements

26 UltraTech's sustainability journey

28

HOW WE CREATE VALUE

Creating lasting value with a difference

29 Highlights

30 Value creation model

32 Risk management

34 Stakeholder engagement

38

ENVIRONMENT PROTECTION

Mitigating Climate change with a difference

39 Highlights

40 Climate change mitigation, adaptation and opportunities

46 Protecting water resources

48 Minimising emissions

49 Supporting biodiversity

50 Responsible mining



Cement plants running on 100% Renewable Energy

Two of our plants have crossed this rare feet and we aim to extend this endeavour further.

Read more on PG 43

Water positive for three years

We are returning ~4 times the water we consume, to the communities around our operations through our water conservation measures, recycling, recharge structures and rainwater harvesting structures.

Read more on PG 46

Carbon footprint of UltraTech Concrete

In the construction sector, the concrete mix design uses high proportion of additives like flyash, slag which ultimately lead to much lower carbon footprint of 210 kg CO_2 /m^3 of concrete at its end use compared to 596.59 kg CO_2 /tonne of cementitious material which is a typical carbon footprint of OPC type of cement.

52

CONTRIBUTING TO CIRCULAR ECONOMY

Driving efforts to close the loop, with a difference

53 Highlights

54 A cradle-to-cradle approach towards low carbon economy

56 Waste management at our industrial plants

57 Best out of industrial waste

60

ENHANCING EMPLOYEE WELLBEING

Safeguarding health and safety, with a difference

61 Highlights

62 Health and Safety

68 Empowering the workforce

69 Diversity and inclusion

71 Respecting Human rights

72

SUSTAINED COMMUNITY IMPACT

Working towards self-reliance, with a difference

73 Highlights

74 Society comes first, always

80

ETHICS & CORPORATE RESPONSIBILITY

Leading the drive for innovation, with a difference

81 Highlights

82 Corporate Governance

83 Responsible Supply Chain

84

GRI CONTENT INDEX

94

SUSTAINABILITY SCORECARD

103

GCCA KPIs

104

INDEPENDENT ASSURANCE



Improving ESG performance

CDP: We have been measuring proactively our carbon footprint as per the GCCA Cement CO_2 protocol and providing disclosure to Carbon Disclosure Project (CDP) since 2013.

DJSI: 15% Increase in S&P's Dow Jones Sustainability Index (DJSI) score



Assessing climate change risks and opportunities on our operations as per TCFD

As a responsible corporate, we have developed our scientific understanding of climate change and the physical and transition risks it entails, aligned with the TCFD Framework. We have mapped our operations using GeoSust, a strategic tool which helped us understand potential scenarios, along with Aqueduct - water risk atlas, World Bank Group - Climate change knowledge portal.

Read more on PG 44

Message from the Chairman



Kumar Mangalam Birla
Chairman, UltraTech Cement Limited

SUPPORTING SOCIETY IN THESE TESTING TIMES

The financial year 2020-21 has been a watershed year. The experience and learnings of the past year reinforce the criticality and importance of sustainable businesses.

The unprecedented disruption caused by COVID-19 has also provided corporations with an opportunity to look at business through a fresh lens. The scale and pace at which organisations had to move to a work-from-home model for their offices, or run their manufacturing and supply chain operations in people and resource limiting circumstances, has thrown up many new learnings and insights. Everything that we have done to adapt to the challenges emanating from the pandemic has led us to a new paradigm for doing business. A paradigm that is more technology-driven and less resource-intensive.

PARTNERING THE ECOSYSTEM

Our approach of integrating sustainability across the value chain of our operations has served us well. In many ways it has contributed to the resilience demonstrated by the business in navigating the challenges posed by the pandemic.



UltraTech is committed to working towards a low carbon future. We have devised a clear roadmap for accelerating the adoption of low-carbon technologies and processes across our value chain and thus reduce carbon footprint over the life-cycle.

We are working with stakeholders across the value chain to de-carbonise operations. UltraTech is partnering with suppliers and other technology partners to develop holistic solutions to make manufacturing operations environment friendly. It is also collaborating with partners and leveraging technology to optimise logistics operations, making them less resource intensive while improving customer service. As a founding member of the Global Cement and Concrete Association, UltraTech has committed to the '2050 Climate Ambition', which is a sectoral aspiration to deliver society with carbon neutral concrete by 2050.

ACCELERATING PROGRESS

UltraTech has made significant progress on its sustainability commitments and targets during the financial year 2020-21. UltraTech successfully raised US$ 400 million in the form of sustainability-linked bonds. The overwhelming investor appetite for this issuance is a ringing endorsement of UltraTech's sustainability credentials.

The Science-Based Target initiative (SBTi) has also validated UltraTech's greenhouse gas (GHG) reduction targets, which covers the target to lower its CO_2 intensity in cement to 462 kg net CO_2 per ton of cementitious material by 2032. SBTi's endorsement of UltraTech's emission targets is consistent with the global effort to limit temperature rise below the '2°C' threshold agreed as part of the Paris Agreement. This is a significant milestone in our sustainability journey.

Our R&D efforts to diversify our portfolio by including products with lower GHG impact have yielded promising results. We have launched low carbon products such as Portland Pozzolona Cement (PPC) Super and Composite Cement which have a lower clinker factor compared to Ordinary Portland Cement (OPC). Today, we have more than 70 sustainable products with GreenPro certification in our portfolio.

We have similarly made good progress in reducing the environmental footprint of our manufacturing operations. We have reduced CO_2 intensity by about 21.39% compared to FY2005-06. Our CO_2 intensity has decreased to 596 kg/tonne from 759 kg/tonne of cementitious products. By using municipal solid waste and industrial waste in our manufacturing process, we are helping to reduce the waste headed for landfills. We currently have tie-ups with 80 municipal corporations across India and are working on expanding this partnership network. We have developed a Sustainable Supply Chain Framework for working with our suppliers as part of our efforts to drive sustainable sourcing. The framework specifies the steps to be taken by the suppliers to ensure sustainable procurement practices. We have also undertaken several digitisation projects in our manufacturing operations, helping us improve efficiencies as well as reduce resource utilisation.

On the social front, we continue to make good progress in our work with rural communities. Our social development programmes have benefited more than two million people in over 500 villages across India. Our teams across our facilities have worked with local government authorities to support the fight against COVID-19. As part of its societal commitment, UltraTech spent over ₹120 Crores towards various initiatives undertaken during the year to join the national fight against the pandemic.

FUTURE-READY

The building material sector is expected to register healthy growth rates going ahead, notwithstanding the disruptions on account of the current circumstances. Over the long term, we expect a distinct shift in the market requirement, moving from cement towards concrete as the end-product. This will lead to improved economic and environmental efficiencies. Sustainable construction and circularity will be the key thrust areas for the sector, and this will provide us with enhanced partnership opportunities across the value chain.

Customers will continue to shift towards more sustainable products, and companies with a diverse product portfolio and a robust innovation pipeline will emerge winners. The push towards innovation and digitisation in the industry will gain momentum. As an integrated building solutions company, UltraTech is well-placed to leverage these new opportunities and navigate the changing market dynamics.

Regards,

Kumar Mangalam Birla
Chairman, UltraTech Cement Limited

Company portrait

UltraTech Cement Limited is the cement flagship Company of the Aditya Birla Group.

A US$ 5.9 billion building solutions powerhouse, UltraTech is the largest manufacturer of grey cement, ready mix concrete (RMC) and white cement in India.

UltraTech is the third largest cement producer in the world, excluding China. UltraTech is the only cement Company globally (outside of China) to have 100+ MTPA of cement manufacturing capacity in a single country. The Company's business operations span UAE, Bahrain, Sri Lanka and India.

In addition to grey cement, white cement and RMC, UltraTech has a slew of speciality concretes that meet specific needs of discerning customers. Our Building Products business is an innovation hub that offers an array of scientifically engineered products to cater to new-age constructions.

As part of the Aditya Birla Group, our business is underpinned by the Group's Sustainability Framework. The Group has been a signatory to the United Nations Global Compact since 2003, driving thought leadership on sustainability at home and overseas.

VISION

To be the leader in Building Solutions

MISSION

Deliver superior value to stakeholders on the four pillars of:



Sustainability



Customer Centricity



Innovation



Team Empowerment

20,670
Global Workforce

100,000+
Distribution partners with a market reach of over 80% in India.

2,375+
Outlets for UltraTech Building Solutions

50
Cement Plants

900+
Warehouses

250+
Railheads in India

OUR PORTFOLIO

Cement

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

Concrete

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

Concrete Building Products

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

Building Solutions

A Range of products and solutions for use during different stages of construction life-cycle through 2,000+ stores across India

Birla White Cement and associated products

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

AWARDS AND ACCOLADES

Apex India Green Leaf Awards

UltraTech bagged two awards at the prestigious 'Apex India Green Leaf Awards 2019' by the Apex India Foundation in New Delhi on 22nd December, 2020. Two of our grinding units, Panipat Cement Works and Jhajjar Cement Works, won 'Platinum' and 'Gold' awards, respectively, for their afforestation initiatives.

These teams have developed green belts within the plant area and in the nearby villages. The Panipat Unit team has planted 15,200 trees while our team at the Jhajjar Unit has planted 12,708 trees so far. They have also undertaken steps for water conservation by developing rainwater discharge pits for water harvesting and led efforts to reduce power consumption.

Indian Content Marketing Awards (ICMA) 2020

UltraTech won four awards at the Indian Content Marketing Awards (ICMA) 2020, for its '#BaatGharKi' media campaign. We won 'Silver' under 'Best Content Marketing - multi year program' category and 'Bronze' under three categories - 'Best Branded Content Marketing on TV', 'Best Integrated Branded Content', and 'Best Marketed Branded Content'.

Best Employers 2019 Award by the Employers Association of Rajasthan

Birla White has been honored with 'Special Jury Trophy' for 'Outstanding Performance in Innovation Initiatives–2019' at 'Best Employers 2019' awards. The awards recognises employee friendly policies, overall practices, governance system, efforts for improving Occupational Health & Safety, innovative initiatives, Corporate Social Responsibility, and overall plant performance. Since past few years Birla White has been a consistent winner of the prestigious Best Employer Awards.

Presence and operations

Our operations span across India, UAE, Bahrain and Sri Lanka. Our focus is on delivering high-quality products and assisting our customers in their construction needs. Our cement manufacturing capacity is 116.8 MTPA.

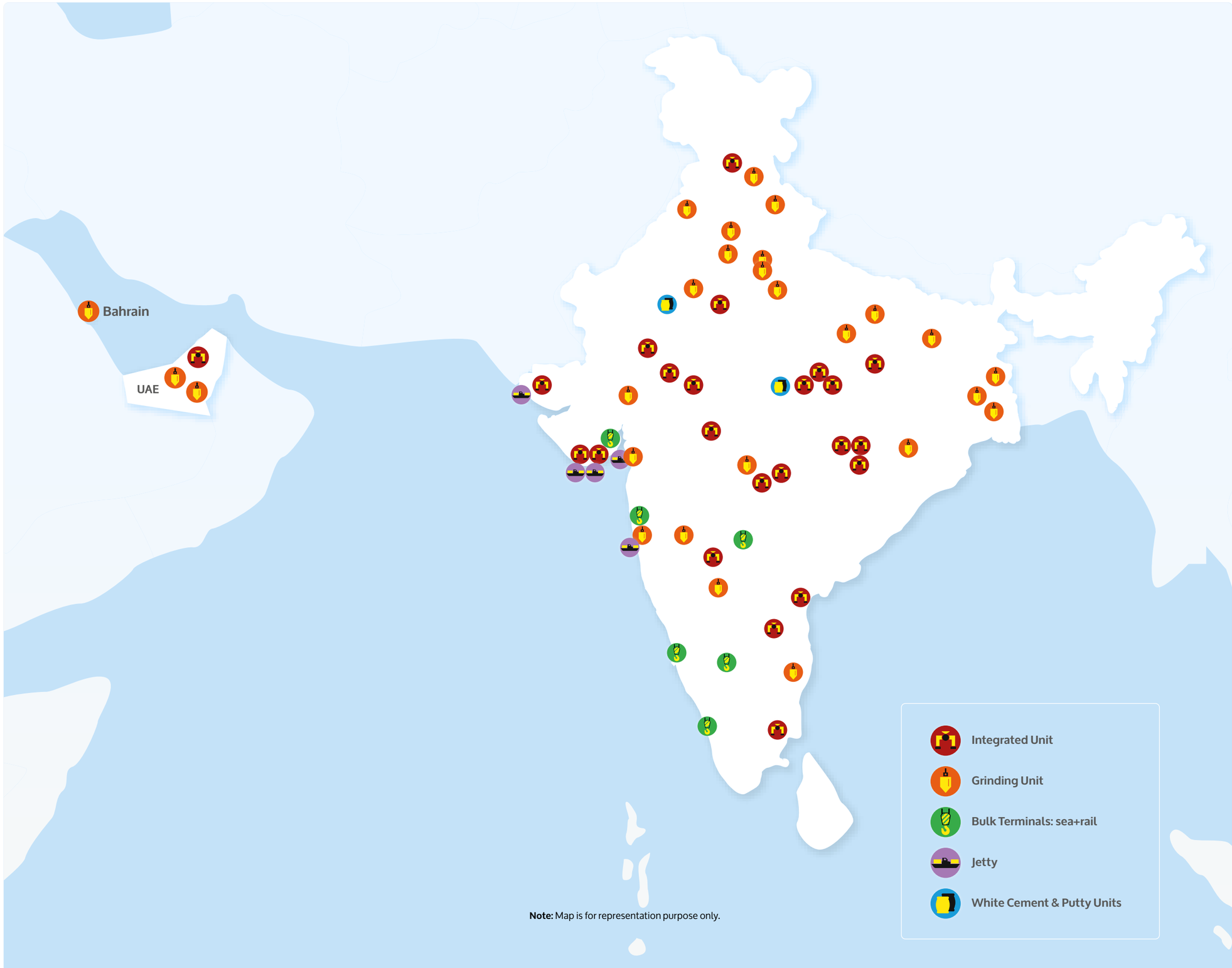
50
Cement plants

130+
RMC plants across 50+ cities

7
Bulk Cement Terminals

5
Jetties

2
Wall care putty plants



Note: Map is for representation purpose only.

Business performance

UltraTech is growing and evolving, being a brand of excellence in the building materials industry. Our sustainable and technologically advanced products reflect our commitment towards the Group's values to build a better and more responsible society.

The major challenge this year for every industry was facing the COVID-19 virus and its challenges. Though COVID-19 resulted in temporary shutdown and slowdown of market, cement consumption remained resilient on the back of strong rural demand and pick-up in infrastructure activities. CPI inflation was at ~6.2% in FY 2020-21; we expect food and fuel inflation to remain elevated in H1 FY22. GDP forecasts are at ~10.5% for FY 2021-22 supported by rural demand and expectation of normal monsoon. The Union Budget for FY 2021-22 has a capital expenditure budgeted at ~26.2% growth. We see a strong upcycle over the next 3-5 years with all the demand drivers coming together -(Infrastructure, Urban, Rural).

FINANCIAL DASHBOARD FOR FY 2020-21

₹44,726 Crores
Revenues, Growth 6%

86.42 MT
Volumes, Growth 4%

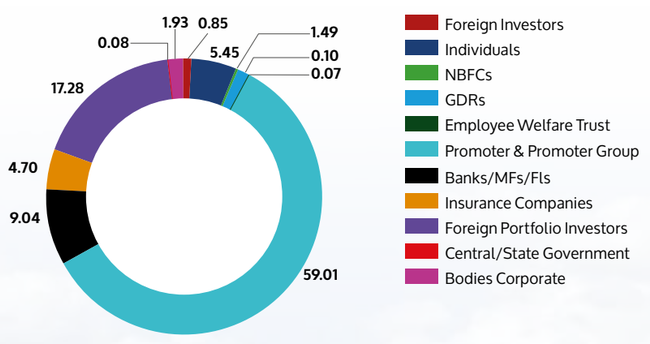
₹12,302 Crores
EBITDA, Growth 24%

₹5,530 Crores
PAT

₹1,94,493 Crores
Market capitalisation

₹189.40
Earnings Per Share (Normalised)

Shareholding Pattern (%)



Capacity expansion

At the meeting held on December 3, 2020, our Board of Directors approved increasing the Company's manufacturing capacity by 12.8 MTPA with a mix of brownfield and greenfield expansions in the fast-growing markets of the east, central and north regions of the country. The Board announced a capex of ₹5,477 crores for the expansions.

The commercial production from the new capacities is expected to begin in a phased manner by Q4 FY 2022-23. This capacity addition will not impact the ongoing deleveraging programme to make the Company debt free. Upon completion of the latest round of expansion, our total installed capacity will grow to 136.25 MTPA.

This expansion includes approval for our existing cement plant at Pali in Rajasthan, in addition to our 6.7 MTPA capacity expansion currently underway in Uttar Pradesh, Odisha, Bihar and West Bengal, which will get commissioned by FY 2021-22, in a phased manner.

Digitalisation

Alongside climate change, globalisation and demographic change, digitalisation is one of the developments that are shaping our world. Decarbonisation and digitalisation are megatrends that are forcing sectors and companies to undergo structural change and fundamentally alter traditional business models. At UltraTech, we are using digitalisation as a driver of sustainability and have taken digital transformation with the potential to decouple emissions and resource use from economic growth as well as making our operations safer and more reliable. We have done successful pilots leveraging Artificial Intelligence (AI) across manufacturing value chain of cement plant, thermal power plant, safety, mines etc.

Key efforts in digitalisation

DEPARTMENT	LEVERS	BUSINESS IMPACT
Energy & Sustainability	• Analytics & AI	• Energy Optimisation • Improved heat recovery • Alternative fuel increase
Central Support Organisation	• AR • Remote Monitoring • Analytics	• Optimise Spend/ Inventory • Maintenance support • Guidance through benchmarking
Safety	• Robotics • AI Vision	• Alerts for asset or human safety • Reduce or better track human intervention

DEPARTMENT	LEVERS	BUSINESS IMPACT
Quality Analytics	• Analytics & AI • Process modelling	• Improved process optimisation • Quality consistency
Maintenance effectiveness	• IIOT • AI / ML modelling • Drones	• OEE improvement • MTBF/MTTR improvement
Operator	• AR remote support • Mobile Apps • Digital Logbooks/ checklist • RPA	• Frequent Safety audits of process/ assets • Operator empowerment • Increased efficiency
New KPI estimation	• IIOT • Process modelling	• Mines fuel & productivity tracking • Improved cement process stability

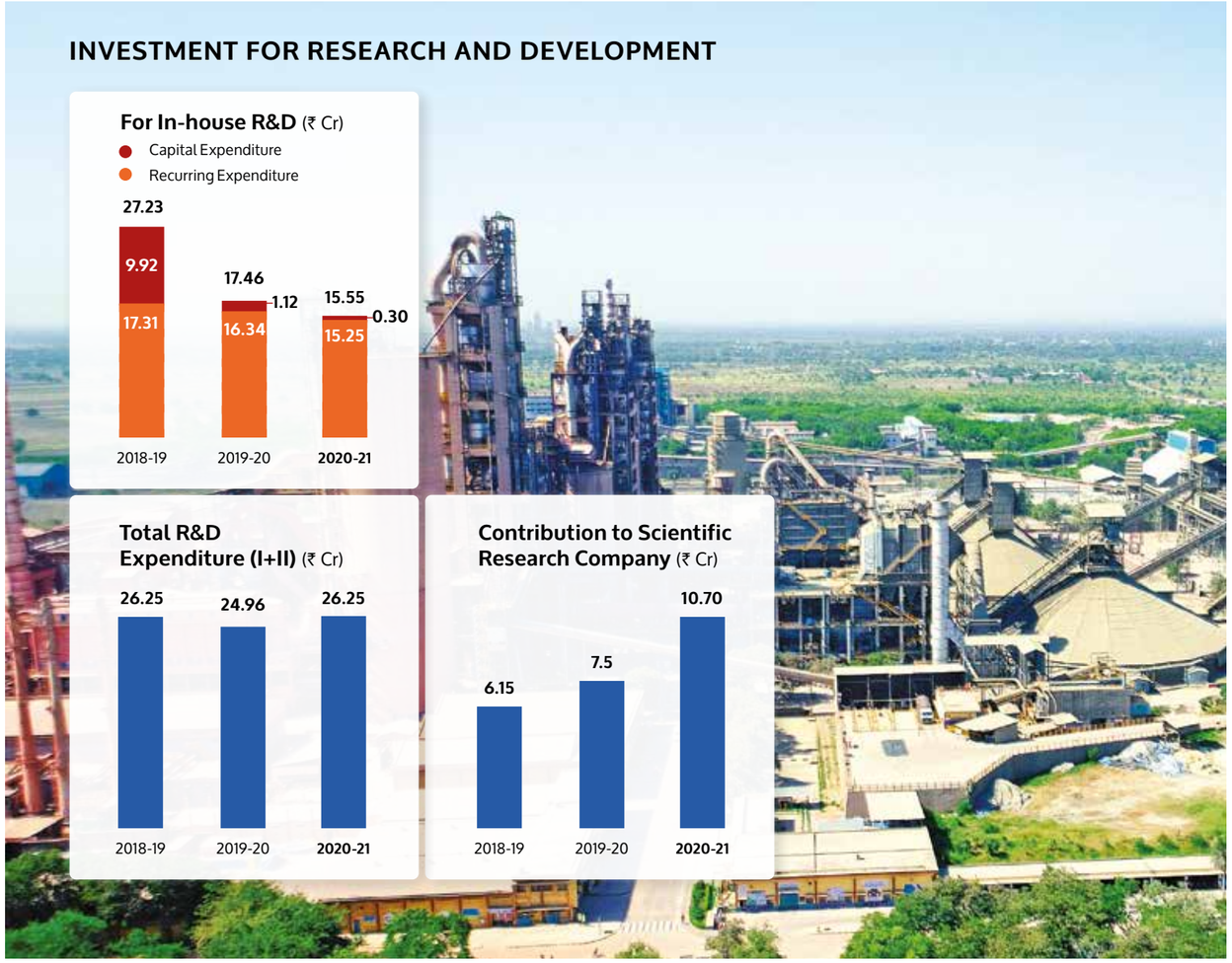
Innovation and product stewardship

Innovation at UltraTech is about creating better products that perform to the highest standards of quality while being increasingly more eco-friendly.

We work closely with the Aditya Birla Science and Technology Company Private Limited (ABSTCPL), the corporate research and development centre for the Group. Through this, we engage with a team of multi-disciplinary experts working on mineral securitisation, process de-bottlenecking and predictive studies, based on natural and non-renewable resource preservation, energy conservation and improved product durability.

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

INVESTMENT FOR RESEARCH AND DEVELOPMENT



READY-MIX CONCRETE APPLICATION-SPECIFIC PRODUCTS

Our product portfolio has evolved to suit specific building requirements.

UltraTech Rapid
with high early strength concrete of up to 25MPa strength in 6 hours, to repair potholes.



UltraTech Duraplus
a multi-featured concrete with dampness protection and long-term durability for residential and building construction.



UltraTech Litecon
An alternative filler material for use instead of sand for tile bedding and sunken slabs.



UltraTech Aquaseal
for waterproofing applications



Ultra-High Performance Concrete (UHPC)
with compressive strength 120-150 MPa and flexural strength 22-25 MPa as first in the country commercial solution for thin structural elements and building facades.



UltraTech Polished Décor concrete
for aesthetic floors



UltraTech Pervious
designed for recharging ground water table – results into prevention of floods and droughts



Expanding portfolio of eco-friendly products

We are focused on enhancing and expanding our portfolio of green products as part of our sustainability journey. During the year, WallCare Rose Putty and Lemon Putty – two more products from our Birla White portfolio – were awarded the GreenPro Certification by the Confederation of Indian Industries (CII). Both these products are manufactured at our plants in Kharia Khangar (Rajasthan) and Katni (Madhya Pradesh).

The products were evaluated on eight credit modules by the CII-Green Products & Services Council – Product Design, Product Performance, Raw Materials, Manufacturing Process, Waste Management, Life Cycle Approach, Product Stewardship and Innovation. They were certified only after a thorough assessment of their lifecycle.

16

UltraTech products have been awarded the CII Green Pro Certification till date

Message from the MD



Kailash Jhanwar
Managing Director, UltraTech Cement Limited

SCALING UP ON SUSTAINABILITY, FOR THE FUTURE

This financial year has been an unprecedented one. The pandemic and our collective response to overcoming it has been the defining feature of the year for the world at large. The battle against the COVID-19 pandemic continues. While we focus our efforts to minimise impact to lives and livelihoods, the lessons that we have learnt in this tumultuous journey have been enriching. It has brought the focus back on what matters most for us as a business and as an organisation: Our commitment to people and planet.

The challenges posed by the pandemic and the resilience demonstrated by our people in overcoming these challenges has only strengthened our commitment.
It has reinforced our approach of integrating sustainability into our business conduct in our efforts to delivers value to all stakeholders in the society.

NICE Road Bengaluru -
Road made by UltraTech Cement

PROGRESS IN FY21

During the year, we made progress on several fronts in our sustainability agenda. We enhanced our disclosures on climate performance by adopting Task Force for Climate Related Disclosure (TCFD) guidelines. We have identified climate change transitional risks and physical risks, and impacts on UltraTech's operations, as per TCFD Guidelines. We are continuously enhancing transparency in our sustainability reporting. This year for the first time we have an integrated TCFD report as part of this report as well as a part of our FY21 annual report in accordance with the recommendations on climate change reporting.

As a founding member of the Global Cement and Concrete Association (GCCA), we have committed to the 'Climate Ambition 2050'. This is a sectoral aspiration to deliver society with carbon-neutral concrete by 2050. In July 2020, we had committed to Science-Based Targets initiative (SBTi) and in March 2021 our GHG emission reduction targets were validated by SBTi. We have taken an ambitious target of reducing Scope-1 GHG intensity by 27% by 2032, taking 2017 as the baseline in line with below 2^{0}C threshold as per the Paris accord.

This year, we successfully raised US$ 400 million in the form of sustainability-linked bonds. UltraTech was the first Company in India and the second Company in Asia to issue dollar-based sustainability linked bonds. The successful listing of the bonds is a reflection of investor confidence in the Company's ESG credentials. As a part of the listing, we have set an emission target of 557 kg of carbon dioxide for every ton of cementitious material produced by 31st March, 2030, a 22.2% reduction from a baseline of March 2017.

The progress we have made during the year on our sustainability commitments has been heartening. UltraTech is now 3.9 times water positive. Essentially, we return to the community almost four times the amount of water consumed by us. We target to be 5x water positive by 2024. We have made good progress in our efforts to increase the use of alternative fuels and raw materials in our manufacturing process. We scaled up our contribution to the circular economy by utilising over 20 million tonnes of Alternative Raw Material (ARM) as part of our production operations till date. Our energy conservation efforts have also gained momentum. We have increased our Waste Heat Recovery System capacity and the share of green power in the total energy consumption for our operations. We have so far achieved 6% reduction in our CO_2 emissions with the baseline of 2017 according to SBTi target.

Committed to restoring eco-systems, we have so far undertaken biodiversity assessment for eight of our integrated units. The aim is to complete biodiversity assessment and develop biodiversity management plans for all integrated plants by 2024. Similarly, we intend to screen all our critical suppliers for the ESG criteria by the year 2025 as part of our commitment to enabling a sustainable supply chain. More than 65 per cent of the Company's procurement at present is through local suppliers. For these and other ongoing efforts, your Company has scored 71% higher than the industry average on the Dow Jones Sustainability Index ("DJSI"). In FY20, it ranked among the top 10 companies on the DJSI Index under the 'Construction Material' category globally.

Our sustainability efforts are complemented by our social outreach programmes. Our commitment to development of communities we operate in is integral to the rich legacy of the Aditya Birla Group. Through the Aditya Birla Centre for Community Initiatives and Rural Development, we reach out to more than 2.1 million people across 507 villages spanning 16 states in India. Our social impact initiatives focus on education and capacity building, healthcare, sustainable livelihoods, infrastructure development and other social causes for empowering rural communities.

WAY FORWARD

The unprecedent situation created by the COVID-19 pandemic has demonstrated that only sustainable businesses have the resilience to overcome such challenges and emerge stronger. As we move forward, building on our learnings, we are committed to accelerate our efforts to decarbonise our operations and work towards delivering our sustainability targets in a holistic circular economy and life cycle context.

It is our firm belief that our commitment to a sustainable business has provided us the tail wind for a strong recovery and will further accelerate our growth in the post-COVID era. UltraTech also endeavours to become a more agile and technology driven organisation that nurtures diverse talent and fosters a culture of sustainability in every aspect of work and life.

Regards,

Kailash Jhanwar
Managing Director, UltraTech Cement Limited

Sustainability strategy

At UltraTech, we are innovating and championing building materials for a tomorrow that is greener and more sustainable, not only for people but also for other species that co-exist with us.

OUR SUSTAINABILITY FRAMEWORK

Sustainability has been intrinsically woven into our strategy and core business operations since more than a decade. Anticipating and managing future risks and opportunities is embedded into our governance structure. This has helped us to shape the sustainability agenda for our Company and emerge as a global leader in sustainability.

Our framework stands tall on the three pillars of Aditya Birla Group's Sustainability Framework - Responsible Stewardship, Stakeholder Engagement, and Future Proofing. It enables us to systematically apply our sustainability thinking to everything from product development and innovation to our internal systems and external relationships, as well as our risk management. This implementation paves way for purpose-driven and meaningful decision-making. We empower and invest in our people to transform our dreams into reality.

PILLARS	POLICIES & STANDARDS	GUIDANCE	VERIFICATION
Responsible Stewardship	17 Policies	70 Guidance Notes	Third Party Assured
Stakeholder Engagement	14 Technical Standards	700 E-learning Courses	
Future Proofing	17 Management Standards		

Sustainability Conclave- Possibilis

The second edition of 'POSSIBILIS 2020', our annual sustainability conclave, was organised virtually on November 5, 2020. The conclave is our key platform to drive sustainability strategy throughout the organisation. It brings together the entire sustainability team along with various employees and external stakeholders. It helps garner opinion, trends and best practices, and develop better ways to collaborate. The theme this year was 'Infinite possibilities for a sustainable future'. The virtual event started with the inaugural address from our MD Mr. Kailash Jhanwar. He emphasised three key steps towards becoming a sustainability leader in the cement industry – adopting new technology and processes, engaging with various stakeholders, and building partnerships to benefit customers and society. Our Chief Sustainability Officer, Mr. Arvind Bodhankar, spoke about the Company's progress in the sustainability journey and road ahead.

Ms. Dinah McLeod, Chief Executive of GCCA, highlighted the global trends in sustainability. Mr. Shivananda Shetty, Partner-ERM, explained the significance of conducting comprehensive risk and opportunity mapping for longer term. Mr. Ulhas Parlikar specified how zero waste should be our next goal. Mr. Raju Goyal shared his views on the need for our business to embrace emerging technologies and innovations to be future-ready. Our Chief Manufacturing Officer, Mr. E. R. Raj Narayanan, spoke about sustainability being a key enabler in recent times to build a viable business and how UltraTech needs to move towards digitisation and adaptation of new technologies.

Further, we discuss the increasing importance of sustainability in the business and ways to innovate. The event focused on bringing technical insights, providing learning opportunities, aligning all the internal stakeholders with best-in-class global good practices, and understanding the future challenges that we may face.

Sustainability campaign

This year, on World Environment Day, we kickstarted a week-long celebration that included multiple awareness campaigns and engagement activities. Based on the idea of 'Securing the future, Think Sustainably and Act Responsibly', the event was conducted virtually between 5th to 10th June. Five different themes were discussed and deliberated - SDGs, Climate Change, Circular Economy, ESG, and Water and Biodiversity.

Our MD, Mr. Kailash Jhanwar, kicked off the event by sharing his views on the importance of a sustainable business and sustainable living habits, especially in a post-COVID19 world. This was followed by the formal launch of the UltraTech Sustainability Awards and a panel discussion between our cluster heads and the leadership team.

On June 8, we organised a session with select customers to showcase our product stewardship strategy, sustainability benefits and sustainability efforts. On June 9, an information session on the 'GreenCo framework to maintain sustainable practices' was organised with IGBC speakers and CII team. Finally, on the last day, we hosted a panel discussion on celebrating biodiversity.

Social media connect

Our Sustainability Campaign Page 2020 on ULink received 3,600 hits from employees, and the Sustainability Campaign Launch and Leadership Panel saw participation from 800+ employees.

9,500 stakeholders were engaged and sensitised on various environmental concerns on 'securing the future, think sustainably and act responsibly' theme during this week-long campaign, internally and externally.



SUSTAINABILITY GOVERNANCE

Our Board and Management Team lead the organisation's actions that drive our sustainability agenda to fruition. We communicate with all our stakeholders while maintaining the highest standards of transparency, inspiring trust, and a recognition of accountability across the board.

Board Level

UltraTech has a Board-level Risk Management and Sustainability Committee, comprising the Vice Chairman, Managing Director, Chief Finance Officer among others. Key responsibilities of the committee include:

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 quarterly to discuss the work done and strategise the way forward.
3. Implementing our strategies and monitoring our progress on sustainability is done by integrating all our functions in the process, right up to our manufacturing units, which have their respective Unit Sustainability Committees. These are led by the respective Unit Heads, to ensure that sustainability thinking permeates throughout.
4. Sustainability performance like Health & Safety, energy performance, alternate fuel and water positivity are also part of our executive compensation targets.

Unit Level

A two-way approach is followed with Goals and Targets flowing between the Corporate and the unit. The Unit Head-led Sustainability Committee implements targets given by the Corporate Sustainability Committee and also identifies areas for improvement specific to the site.

1. It constitutes of all the function heads including Technical, Process, Thermal Power Plant, Mines, Health & Safety, Human Resources (including ER, IR and Admin), Environment, Civil and CSR functions, Sustainability, Self-Assessment Questionnaire (SAQ) coordinators and is chaired by the Site Manager. SAQ Coordinators are the identified executives responsible for implementing Group Sustainability Targets within UltraTech.
2. The committee meets quarterly. The convener of the meeting is the Functional Head (Technical) with support of Sustainability coordinators at the plant.

Dow Jones Sustainability Index

Achieved an overall score of 68

E: 79; S: 61; G: 64

Edelweiss 'ESG Way' series

UltraTech leads the pack, within cement sector, we are the topmost Company, falling in the 1st quartile

UltraTech scored 72.7 out of 100.

Environment: 15.5/ 33; Social: 27.9/ 33; Governance: 29.3/ 34

Crisil ESG Compendium

UltraTech amongst the top quartile in the sector

Achieved an overall score of 61

E: 50; S: 61; G: 72

Goldman Sach's Sustain

UltraTech given Buy rating

Global Governance Rank: 52

Headline E&S Rank: 56

E&S Momentum: 100

E&S Disclosure Rate: 88

Launched India's first sustainability-linked bonds

We successfully raised USD 400 Million in the form of sustainability-linked bonds. Listed on the Singapore Exchange Securities Trading, our bonds were oversubscribed more than seven times, a first for an Indian company. We are also the first Company in India and the second Company in Asia to issue dollar-based sustainability-linked bonds.

Our sustainability linked bonds are the first in Asia's '144A/Reg S' markets category and are due in February 2031. We intend to use the proceeds from these bonds to refinance existing rupee-denominated debt, ongoing capital expenditure requirements and general corporate purposes.

Sustainability-Linked Bonds (SLB) are linked with the Company's sustainability targets performance. Under this target, we aim to reduce 22.2% of carbon emissions for every tonne of cementitious material we produce by March 31, 2030 from the levels of March 2017. The coupon will step up by 75 bps if the Company misses its sustainability target. This places a financial penalty on the sustainability targets. The intent is to set targets and push to achieve these with rigour.

Targets and achievements

Our Roadmap for sustainability clearly defines our targeted aims mapped to our priorities, and the resources available to achieve them.

OUR LONG-TERM SUSTAINABILITY TARGETS AND ACHIEVEMENTS

Climate Change, Energy and Emissions

TARGETS 2024

- **27% reduction** of CO_2 emissions/tonne cementitious material by 2032 compared to 2017, validated by SBTi.
- **34% electricity** to be met through combination of RE+WHRS

PROGRESS 2020-21

- **Reduced 6%** of our carbon emissions from 2017
- **13% of electrical consumption** met through green energy – a combination of RE and WHR

Water Management

TARGETS 2024

- **5 times** water positive by 2024

PROGRESS 2020-21

- **3.96 times** water positive, this year

Biodiversity

TARGETS 2024

- Completing Biodiversity assessments at all our sites **by 2024.**
- **No Net loss** by 2050

PROGRESS 2020-21

- We have undertaken comprehensive assessments at **8 of our integrated plants.**

Health and Safety

TARGETS 2024

- **Zero Fatality**
- Lost Time Injury Frequency Rate (LTIFR) **<0.25**

PROGRESS 2020-21

- **2 fatalities.** We have made efforts to strengthen safety procedures and practices at the concerned plants
- **LTIFR: 0.30**; **82% reduction** from last year

Transparency, Corporate Governance and Ethics in Business

TARGETS 2024

- New suppliers to be screened for ESG criteria every year*
- Assessment of critical suppliers by 2025
- Coverage of tier 1 suppliers through sustainable supply chain awareness sessions by 2025

* As of now, only new suppliers registered with the corporate procurement cell will be screened

PROGRESS 2020-21

- **100% suppliers** have identified basis critical to business and have conducted the base line sustainability assessment for the same.

Ongoing

40% met

Ongoing

Product Stewardship

TARGETS 2024

- Complete **IGBC Greenpro certification** of all blended cements
- Complete Life Cycle Assessment studies

PROGRESS 2020-21

- Received **GreenPro certification** for five cement products
- Completed Life Cycle Assessment for **four types of cement**

UltraTech's sustainability journey

2005-2009

Awareness

Adoption of Global Reporting Initiative (GRI) framework

Published first GRI Sustainability Report

Registered Carbon credits projects with UNFCCC



2010-2015

Management

Published first Business Responsibility Report (BRR)

First response to Carbon Disclosure Project

Compliance to PAT

Adoption of WHR & RE



2016-2020

Leadership

Adoption of Internal Carbon Price (ICP)

Members to Energy Productivity (#EP100)

Became Water positive at business level

First Biodiversity management plan developed for a site, assessments ongoing for other units

Targets aligned to SBTi validated

Disclosing to TCFD framework



CREATING LASTING VALUE
WITH A DIFFERENCE



With a 'Customer First' approach, we are empowering our Customers, Consumers and Influencers by providing them easy access to high quality and green-pro certified building solutions along with construction tools and information, on the go. Complemented by our last mile reach, this is enabling every IHB to wield the power to build their dream home, every Channel Partner to sustain and grow their business and every Influencer to upgrade their skills and secure their future. Our extensive Consumer Connect with a Solutions Mindset is bringing sustainable building practices to the mainstream which will have a multiplier effect on the circular economy.

Vivek Agrawal,
Business Head and Chief Marketing Officer

Chhatrapati Shivaji
International Airport, T2 Terminal

Inside this section

29 Highlights
30 Value creation model
32 Risk management
34 Stakeholder engagement

HIGHLIGHTS

VALUE CREATED

₹54,598 Crores

VALUE DISTRIBUTED AND RETAINED

₹1,068 Crores
Dividend to shareholders

₹32,147 Crores
Used in operations

₹2,353 Crores
Wages, salaries and welfare for employees

₹4,394 Crores
Retained for investments

₹120.68 Crores
CSR investments

₹1,486 Crores
Paid to lenders



₹13,030 Crores
Paid to exchequer

Value creation model

Societies over the world are transforming towards adopting increasingly sustainable ways of living. This is reflecting in business priorities and strategic decision-making all over the world. At UltraTech, we know we have to act at the forefront of this change and it is our mission, after all, 'To deliver superior value to our customers, shareholders, employees and society at large'.

Capitals

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

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

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

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

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

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

Indicator and key inputs

- Total employee Salaries, Wages and expense **₹2,353 Crores**
- Total training hours **794,612 Hours**
- Total employees **20,670**
- Safety Training **408,242 Hours**

- Net Capex **₹1,839 Crores**
- Net Fixed Assets (including CWIP and Capital advances) **₹51,711 Crores**
- Net working Capital **-₹1,878 Crores**
- Cost of Raw Materials and Fuel **₹14,125 Crores**

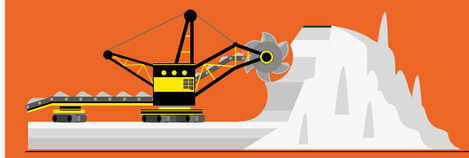
- Amount spend on CSR projects **₹120.68 Crores**
- CSR Voluntary Hours **54,479 Hours**
- Total number of customer complaints resolved **3,213**

- Total capital spend on R&D **₹26.25 Crores**
- **4** Life Cycle assessment conducted

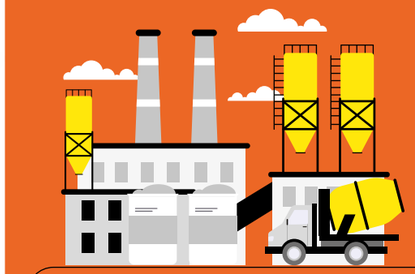
- Total production capacity **116.8** MTPA of grey cement
- Physical Assets **50** plant by type

- **2,157.73 TJ** Energy from WHRS
- **686.47 TJ** Renewable Energy
- **724.80 Kcal/Kg of clinker** Specific Energy consumption
- **91 Million MT** Natural Raw material Procured
- **133.64 L/Tonnes cementitious material** Water Consumption
- **₹228 Crores** Environmental Expenditure

Business Activities



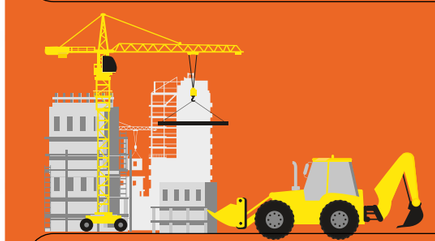
RAW MATERIAL MINING
- Limestone Quarrying
- Limestone Crushing
- Storage of raw material



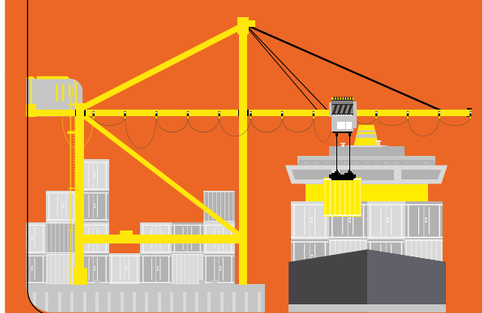
CEMENT PRODUCTION
- Raw material preparation
- Clinkerisation
- Grinding
- Cement Storage packaging
- Marketing



CONCRETE MANUFACTURING
- Ready Mix Concrete
- Transit Mixer
- Curing
- Finishing



BUILDING PRODUCTS AND SOLUTIONS
- Planning
- Building
- Finishing



ASSOCIATE FUNCTIONS
- Marketing
- Finance
- Human Resource Management
- Technical Services
- Logistics
- Procurement
- Readymix Concrete and key Accounts
- Technical and Performance Monitoring

Key value drivers

Innovate and excel
A culture of product and process innovation, reflected in the launch of premium products, improving capacity utilisation, clinker to cement blending ratio and focus on development of new products and processes with a moderated carbon footprint.

Cost advantage
Leveraging procurement and other economies to enhance cost-effectiveness.

Supplier of choice
A value proposition that extends beyond the product. We create our niche with superior product quality, customised grades and application assistance.

Sustainable growth
Leveraging procurement and other economies to enhance cost-effectiveness.

Robust people practices
Our employees are central to our business, driven by passion, commitment innovation, safety and outperformance.

Responsible corporate citizenship
We work in the villages surrounding our manufacturing plants. Needs of the community drive our efforts. We aim to enrich lives we touch.

Focus on value creation
The Company addresses the quality conscious and premium cement consumer. Our innovative products deliver superior value and discover new price points.

Value Created. Value Shared.

HUMAN CAPITAL
- **4060** Tonnes/Full Time Employees (FTE) Employee Productivity
- **5.63%** Attrition rate
- **0.03** per million man hours lost time Injury rate (Directly Employed)

FINANCIAL CAPITAL
- **₹189** Earnings per Share
- **₹44,726 Crores** Net Revenue
- **₹12,302 Crores** EBITDA
- **₹5,463 Crores** Profit after Tax
- **14%** Return on Capital Investment

SOCIAL AND RELATIONSHIP CAPITAL
- **3205** Customer complaints resolved
- **72** Customer Satisfaction Index
- **₹120.68 Crores** spent on CSR projects
- **54,479 hours** of employee volunteering for community development
- **2.1 Million** People benefiting from our community investments

INTELLECTUAL CAPITAL
- **3 new products** introduced in VAC+ portfolio of RMC – UltraTech Firesafe, UHPC (Ultra High Performance Concrete) and UltraTech FAST (High Early Strength Product)

MANUFACTURED CAPITAL
- **71%** Capacity utilisation of installed capacity (excluding Binani and Century Cements)
- **2.53%** reduction in clinker factor than previous year

NATURAL CAPITAL
- **615.82** kg CO_2 per tonne cementitious material Specific GHG emissions (Scope 1 and 2)
- **3.1%** Thermal substitution rate
- **18.36**% Raw Materials used are alternative raw materials
- **12.12%** Water Recycled
- **₹266** Crores Environmental Savings, Cost avoidance, Income Tax incentives

Risk management

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

At UltraTech, risk management is led by our Risk Management and Sustainability Committee of the Board. The Committee defines risk mitigation strategies. The Company Secretary acts as the Secretary to the Committee.

RISK PROCESS AND CULTURE

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

Senior executives work to achieve KPI and targets, to mitigate these risks. Their performance and compensation are evaluated based on these.

RISK IDENTIFICATION AND MITIGATION TRAINING

There are various online and classroom training programmes aimed at creating awareness among employees about risk identification and mitigation. Some of the aspects covered include: Pandemic/Epidemic Linked Disruptions, Economic, Environment and Market Demand Fluctuation, Resource Scarcity, Inflation and cost of production, Climate change and global sustainability standards compliance, Legal Compliance, Accounting and Finance Related Risks, Cyber Security Risks, Health and Safety, Talent Retention.

RISK ANALYSIS

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

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

A one-day workshop was conducted where all the departmental heads deliberated on the impact cards and decided upon the impact on business from each of the risks and the corresponding mitigation plan. The risks were rated by their likelihood of occurrence and consequence on the business, to arrive at a final rating for all the risks. Our way forward is to put in place the processes and plans in mitigating these risks.

KEY BUSINESS-LEVEL RISKS IDENTIFIED

- Pandemic and linked disruptions in Global markets
- Legal and compliance
- Information Technology risks
- Economic environment and market demand fluctuation
- Climate change and global sustainability standards compliance
- Financial and accounting risks
- Talent management
- Inflation and cost of production
- Environment and sustainability
- Resource Scarcity
- Health and Safety

FUTURE SCENARIOS

It is observed that within 3-5 years, fresh risks emerge with changing scenarios have the potential to impact the Company's operations. With this view, we regularly identify the emerging risks for the next 3-5 years and make plans to mitigate these. We have identified two emerging risks including Global regulations on curbing GHG Emissions and Pandemic/ Epidemic-linked disruptions.

1. Global regulations on curbing GHG Emissions

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

In the coming years, the cost of conventional source of energy critical to our industry, like coal and the associated emissions linked to our production process, will escalate due to the increase in production capacity. In such a scenario, we anticipate that the risks arising from carbon limiting regulations such as introduction of Carbon tax and/or Emission Trading Scheme in the Indian Market, and the global urge to comply to below 1.5 degree scenario, will lead to higher production cost of cement, higher compliance costs and need for an optimised fuel mix, to ensure both, transition to a low carbon technology and manufacturing low carbon products in the coming 3-5+ years.

EFFORTS TO MITIGATE OUR IMPACT

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

2. Pandemic Epidemic-linked disruptions

The COVID-19 outbreak has presented different threats. This has impacted the organisation in numerous concurrent ways, including logistical constraints, people health and safety, fluctuating market scenarios etc. Management of these factors are a priority in our organisation's agenda.

Changes in working pattern, sudden, intermittent and continued disruptions in manufacturing, logistics and market fluctuations due to pandemic-related restrictions, workforce health and safety, are some of the impacts that the recent pandemic has had on our operations. Cement manufacturing is a continuous process; so following a "stop, start, rebound" system because of frequent lockdowns due to pandemics/ epidemics can lead to technical problems and consequently employee safety issues. With mutations of this virus, the potential impact on our operations can be significant in the coming 3-5 years.

EFFORTS TO MITIGATE OUR IMPACT

In order to counter the consequences of pandemic or epidemic related disruptions, we have prepared a robust company level Emergency Preparedness and Response Plan which details our Standard Operating Procedures in case such pandemics strike. Some changes made during this pandemic, like hygiene and sanitisation good practices, are there to remain as part of our permanent SOPs. Employee and dependent health benefits scope have been expanded to include COVID-19 illness and we have supported their vaccination, hospitalisation, doctor consultation etc. We had proactively, swiftly and seamlessly shifted to a virtual mode of working in whichever functions it was possible, even before any Government regulation came into effect. Most of these steps taken are there to remain permanently as part of our organisation. We have also adopted latest technology and market tools which would help us in forecasting market demand amidst such volatile environment and aligning our manufacturing operations to maintain the inventory-production balance.

Stakeholder engagement

Stakeholder engagement forms a key pillar of Aditya Birla Group's Sustainability Framework. We continuously engage with our network partners, employees, international organisations customers, regulators, investors and the communities we serve. We connect, we listen, and we work address their concerns and meet their expectations. It is a continuous process that is part of conduct in business.

OUR EXPANDING HORIZON

Our stakeholder prioritisation is defined by the impact our stakeholders have on our business directly or indirectly and vice versa.

UltraTech is a founding member of Global Cement and Concrete Association (GCCA) Globally and India chapter

GCCA India focuses on driving cement sector's sustainability efforts in India. GCCA India takes over the work of the Cement Sustainable Initiative (CSI) India which formerly served as the sector's sustainability alliance, under World Business Council for Sustainable Development (WBCSD). UltraTech is a founding member of GCCA since 2018.

UltraTech Chief Sustainability Officer (CSO) is Co-Chair for the GCCA global working group - Good Practices and Benchmarking and chairing its India Working Group - Water Biodiversity and SDGs.

FUNDAMENTAL ELEMENTS OF OUR STAKEHOLDER ENGAGEMENT APPROACH

Six fundamental elements of our approach to stakeholder engagement:

Informative
Disclose key information honestly and in a timely manner

Descriptive
Communicate comprehensively to provide a holistic picture

Interactive
Identify stakeholder concerns through regular feedback to get multi-lateral viewpoints

Collaborative
Encourage active collaborations with stakeholders and set the priorities accordingly

Proactive
Identify and address concerns before they escalate

Inclusive
Ensure that every stakeholder considers themselves to be a part of the Company's progress





STAKEHOLDER ENGAGEMENT

Stakeholder groups	Description	Key engagements during the year	Engagement platforms
INDUSTRY ASSOCIATIONS, CEO-LED ORGANISATIONS, INTERNATIONAL COMMITMENTS	Our long-standing relationships with industry associations and CXO-led organisations enable us to participate in cutting-edge research, adopt and share best practices, and participate in advocacy for sustainability-led thinking. It is in this spirit that we commit to international targets for sustainability. This year, our annual total monetary contributions and spending towards Industry Associations, CEO-led Organisations and International Commitments was to the amount of ₹3,82,85,076, of which our largest contribution was to Cement Manufacturers Association (CMA) of ₹2,10,20,000	- GCCA global and GCCA India conference - CMA - CII - Indian Green Building Council - Bureau of Energy Efficiency	- Meetings - Participation in governance bodies - Website - Sustainability Report
SHAREHOLDERS, LENDERS AND INVESTORS	We engage closely and regularly with our shareholders, lenders, and investors to evolve a mutual understanding. It helps us to enrich our business conduct by understanding their priorities and addressing their queries and concerns.	- Investors Roadshow on ESG - Investors presentations - few investor led ESG summit or conferences	- Annual report and regulatory filings - Annual General Meeting - Shareholder meetings and presentations - Carbon Disclosure Project Report - Sustainability Report - Business Responsibility Report - Dow Jones Sustainability Index (DJSI) disclosure - Grievance redressal - One-on-one meetings, investor conferences, investor calls
GOVERNMENT AND REGULATORY AUTHORITIES	As responsible citizens, good governance is of paramount importance to us. We emphasise on remaining fully compliant to all the applicable laws of the land, wherever we are present. Our commitment to transparency drives our stakeholder engagement efforts across the board, both internally and externally, generating trust in brand UltraTech.	- UltraTech is fully compliant with applicable laws and regulations. - and strives to take proactive initiatives in its operations.	- Annual report and regulatory filings - Meetings on government directives and policy development - Facility inspections - Regular meetings
EMPLOYEES	Our employee engagement is a continuous, expansive global exercise and that is conducted throughout the year, with different areas in focus. We have also set up a formal mechanism for this – the Vibes employee survey, which includes all our employees from around the world 98% people were covered by the Vibes survey; the score was 89%.	- Ping Me - DISHA, CXO connect, I Love My UltraTech	- Organisational health survey - Employee health check-ups - Employee volunteering activities - Intranet, Annual Report, Sustainability Report - Employee Reward & Recognition schemes - Employee satisfaction survey - DISHA -Quarterly CXO Dialogue - Grievance redressal

Stakeholder groups	Description	Key engagements during the year	Engagement platforms
CUSTOMERS	We take great care to ensure that brand UltraTech spells quality, for our consumers/ customers. We have various modes and channels of engaging with them to fulfill our key motivation of educating them on how to get the best out of our products and availing best-in-class solutions suited for their needs. We evaluate the satisfaction level of our customers using net promoter score (NPS) methodology. The score seeks perception of customers for promoting the UltraTech Brand. We keep a threshold of 72 for our NPS.	- Dealer meet, customer engagement	- Company website - Product campaigns - Satisfaction surveys - Grievance redressal - Customer oriented initiatives - Feedback surveys
SUPPLIERS AND CONTRACTORS	Our engagement with our suppliers and contractors is based on one key pillar: responsibility. We adhere to our supply chain code of conduct in all aspects and make sure our associates do so too. This is our condition to developing long-term business relationships.	- Supplier and vendor meet	- Contract procedures and project timelines - Facility inspections - Review meetings - Vendor interaction meets - Feedback forms - Annual performance report - Annual stakeholder meets - Supplier grievance mechanism
COMMUNITY	Local communities around our manufacturing facilities are an important stakeholder group for us. Our aim is to help benefit these people both directly – through livelihood opportunities at our facilities, and indirectly – through various CSR initiatives at UltraTech. For the latter, we work in partnerships with the local communities, leading with need assessments and following up with development and finally, a handover of the projects.	- Community need assessments - Community development interventions - Disaster management workshops - Mason trainings	- Community need assessments - Disaster management workshops - Community visits - Satisfaction surveys - Meetings with community representatives - Impact Assessment studies - Grievance redressal
MEDIA AND NGOS	Media and NGOs are key influencer categories for us. We engage with them frequently to understand their perspective on various aspects of the business as well as industry performance and priorities. We also highlight key issues of discussion to them, putting forth our management's perspectives to guide healthy dialogue.	- WRI - CDP - SBTi	- One-on-one interactions - Direct contact during activities - Social surveys

MITIGATING CLIMATE CHANGE **WITH A DIFFERENCE**

Durgam Cheruvu Cable Bridge in Hyderabad is a critical infrastructure built by UltraTech Cement that will help reduce ~4.38 million tonnes of CO_2 emissions over its life by easing congestion.



We adopted high fuel efficient processes to produce our products and reduce carbon emissions. We are continuously optimising our operations for lowering our environmental footprint. Life cycle assessment of product has also led to optimisation of processes in the entire value chain.

E. R. Raj Narayanan,
Business Head and Chief Manufacturing Officer

Disclaimer: UltraTech Cement is one of the key building material suppliers and the savings estimated are for the project as a whole over its life. Best estimates based on fuel savings projected from the project.

Inside this section

39 Highlights
40 Climate change mitigation, adaption, and opportunities
46 Protecting water resources
48 Minimising emissions
49 Supporting biodiversity
50 Responsible mining

HIGHLIGHTS

210 kg CO_2/m^3
GHG emissions for concrete production

TARGET: 27%
reduction of CO_2 emissions/tonne cementitious material by 2032 compared to 2017, validated by SBTi.

124
biogas-based cooking plants in neighbouring communities (Carbon offset projects) saving close to 2,400 tCO_2e per annum in past four years.

2.2
times
Plastic Positive

3.96
times
Water Positive



Climate change mitigation, adaptation and opportunities

Climate Change is one of the most critical issues we face today. We all have a crucial role to play in fighting climate change at various levels. At UltraTech, we are constantly looking to reduce our carbon footprint. During the year under reporting, we have set ambitious targets approved by SBTi. We have also mapped climate change risks and opportunities in line with TCFD.

Climate change mitigation forms a vital part of our Energy and Carbon Policy. We are committed to reducing our energy consumption and carbon footprint. As one of the leaders in our industry, we are devoted to limiting the temperature rise to 2°C in accordance with the Paris Agreement goals. We have further developed a strategic roadmap to reduce GHG emissions linked to achieving sustainable business growth. The Board-level Sustainability Committee is in charge of taking our agenda for climate change mitigation forward and the Managing Director is responsible for driving its implementation.

We have set up internal carbon price – a cost to support reduction of carbon emissions. Internal carbon price is a monetary value we assign to each tonne of CO_2 emissions. While weighing business decisions, its impact on the environment is captured in terms of monetary value through this procedure. It is a tool to measure carbon emissions associated with our business investments including all capital expenditures. It directly integrates climate change mitigation within business decisions. The Company has commenced valuation of carbon emissions with the introduction of shadow price of US$ 10 /tonne CO_2.

Nagpur Metro built by UltraTech Cement is a is likely to reduce ~1.1 million tonnes of CO_2 emissions over its life, by reducing on-road congestion and emissions.



Disclaimer: UltraTech Cement is one of the key building material suppliers and the savings estimated are for the project as a whole over its life. Best estimates based on fuel savings projected from the project.

CLIMATE CHANGE MITIGATION STRATEGY

Reducing operational GHG footprint

STRATEGY

- Internal Carbon Price
- Energy efficiency
- Alternate Fuel Resources
- Renewable energy
- Waste Heat Recovery

IMPACT

- **10 US$** adopted as Internal Carbon Price (ICP)
- **3 Lakhs MT** Hazardous and non-hazardous wastes from other industries are utilised in kilns thus substituting the use of fossil fuels
- **273 MW** Green power capacity (WHRS + renewable energy)

Reducing GHG emissions with our products

STRATEGY

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

IMPACT

- **Four** UltraTech products completed Life Cycle Assessment
- **Focused R&D efforts** to diversify our portfolio with low carbon products.
- **Enhanced local supply** of raw materials for reducing lead distance for procurement.
- **Xtralite-AAC blocks, Readiplast** are some of the new products developed with a lower carbon footprint
- **204,45,760** Tonnes Recycled materials used in cement production
- **2,80,714** Tonnes Recycled materials utilised in RMC

Carbon offset and Carbon Capture

STRATEGY

- Carbon offset projects in community
- Evaluate Carbon Capture through Industry partnerships

IMPACT

132 biogas-based cooking plants in neighbouring communities saving close to **2,400** tCO_2e per annum in past four years.

Founding members of GCCA, conducting industry-wide carbon capture discussions.

UltraTech GHG EMISSIONS

Scope 1*

5,65,85,915 tCO_2

Scope 2

14,05,920 tCO_2

Scope 3

52,57,232 tCO_2

* Includes captive power plant

Towards carbon neutrality by joining the '2050 Climate Ambition'

As a founding member of the Global Cement and Concrete Association (GCCA), we have committed to the '2050 Climate Ambition'. It is our goal to reduce the CO_2 footprint of our operations and products and develop carbon-neutral concrete by 2050.

Reducing and eliminating energy related emissions

Reducing process emissions through new technologies

Deployment of carbon capture

Efficient use of concrete

Reuse and recycle of concrete and buildings

Harnessing concrete's ability to absorb and store carbon from the atmosphere

We have successfully substituted a part of clinker in cement manufacture with fly ash, GGBS and we also plan to increase the share of blended cement, alternate fuels and raw material, waste heat recovery systems, and renewable energy.

We became the first commercial ready mix concrete (RMC) manufacturer in India to adopt concrete recycling technology and create the first 'zero discharge' concrete plant. More than 50% of raw material from unused concrete is recycled for making fresh concrete and used back in the process. We are India's first concrete Company to meet the requirement of Leadership in Energy and Environmental Design (LEED) and other green building rating systems as recognised by the Indian Green Building Council.

73 UltraTech products have received GreenPro Certification.

SBTi validates UltraTech's CO_2 emissions reduction targets'

The CO_2 emission reduction targets, which we committed to in July 2020, have been validated by the Science Based Targets Initiative (SBTi). We have committed to reducing our Scope 1 GHG intensity by 27% and Scope 2 GHG intensity by 69% by 2032 from the base year of 2017.



INCREASING USE OF GREEN POWER

We at UltraTech believe in integrating green energy (RE+WHRS) into our operations. We utilise power from renewable energy (RE) and aim to add more capacity to the already installed RE capacity of 148 MW. Additionally, we are investing into generating energy through waste heat recovery systems (WHRS). Our WHRS capacity stands at 125 MW taking up the total energy from RE + WHRS to 13% of total power consumption.

OPTIMISING ENERGY EFFICIENCY

Energy management forms one of the key aspects of running and governing a business. We are increasingly conscious of the need to improve our energy productivity and are continuously upgrading our energy management systems is of utmost priority. We are a part of EP100, a global leadership initiative bringing together a growing group of energy-smart companies devoted to doubling its energy productivity since 2018. Innovation and emerging technology pave our energy utility roadmap and enables us to achieve our targets.

Cement plants running on 100% Renewable Energy

Our commitment is to contribute to mitigating climate change with lowering our emissions, and adding to the nation's efforts. Cement is a carbon-intensive industry, and our efforts ingrain the approach to carbon reduction. In one such effort that we have made two of our units run successfully on 100% Renewable Energy.

These manufacturing plants continued to operate utilising only renewable energy from Wind and Solar energy sources. We are working to make these plants run on 100% renewable energy throughout the year.



Arrakonam Cement Works

GRINDING PLANT, TAMIL NADU

100%

Renewable energy for 6 months in FY 2020-21

Wind

187 Lakhs Kwh

consumed



Ginigera Cement Works

GRINDING PLANT, KARNATAKA

100%

Renewable energy for 2 months in FY 2020-21

Wind and Solar energy

281 Lakhs Kwh

consumed

Climate change risks and opportunities aligned with TCFD guidelines

We have implemented a risk management strategy to identify our exposure to risks and opportunities. An elaborate financial risk management mechanism has been put in place, which works through adoption of tools like sensitivity analysis and stress testing. These tools are used to measure the impact of various risks on the financial health of the Company along with presenting global and domestic economic trends and policies.

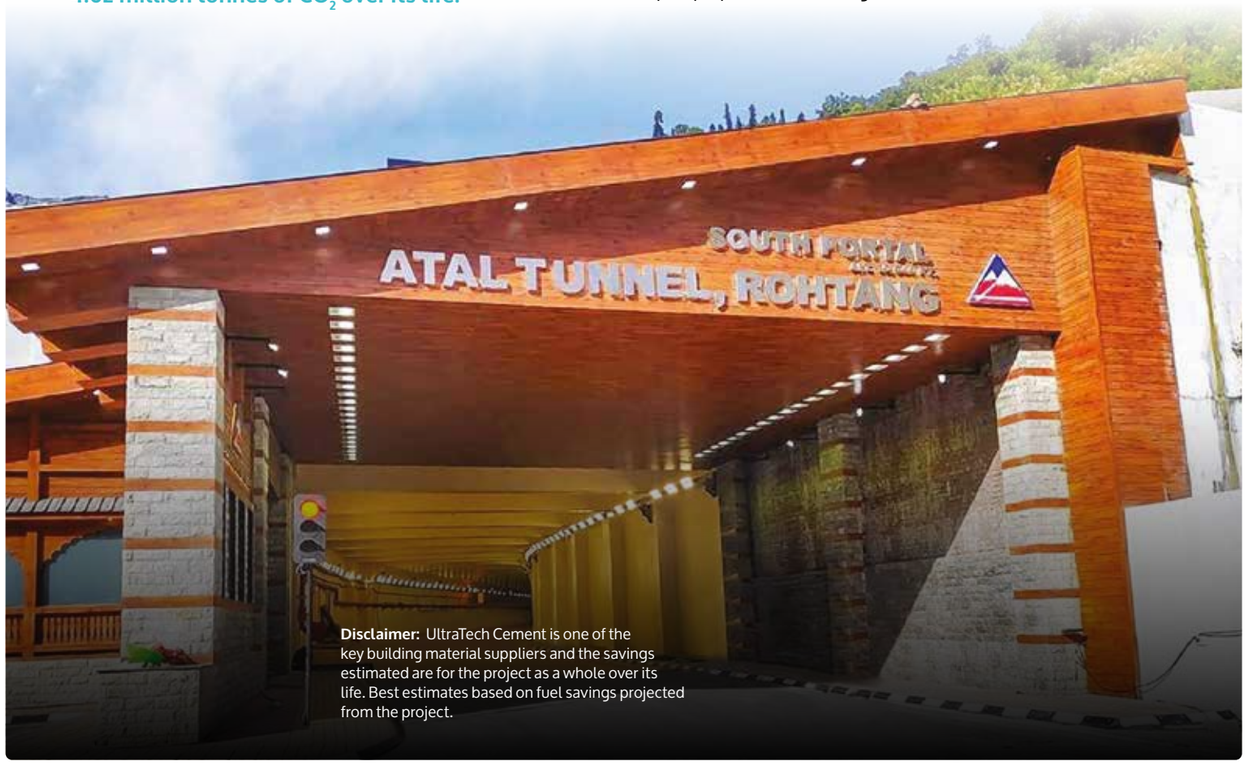
SCENARIO ANALYSIS FOR CLIMATE CHANGE AND WATER RISKS

This system helped the Company map the impact of climate change on itself and the associated risks and opportunities. We have mapped our operations using GeoSust, a strategic tool which provided insights to us on potential scenarios, along with Aqueduct - water risk atlas, World Bank Group - Climate change knowledge portal.

We have evaluated risks applicable to all our manufacturing locations using this tool. The future scenarios arising from climate change were evaluated to assess risks from climate and water changes. The tool provides useful data-sets to understand the physical and transition risk related to climate change. We also monitor long-term water risks which may arise by 2030 and 2050. These inputs are used for the sensitivity analysis and stress testing.

The results present the Company with the potential risks related to climate change. Accordingly, robust mitigation and monitoring plans are prepared for all our manufacturing plants to help us prepare for this change.

Atal Tunnel, Rohtang is another important infrastructure that reduces environmental impact and helps protect the endemic ecology of the valley. The project will help avoid approximately 4.02 million tonnes of CO_2 over its life.



Disclaimer: UltraTech Cement is one of the key building material suppliers and the savings estimated are for the project as a whole over its life. Best estimates based on fuel savings projected from the project.

CORE ELEMENTS OF RECOMMENDED CLIMATE-RELATED FINANCIAL DISCLOSURES

Governance

At UltraTech, we have established a robust governance framework to oversee strategies for driving climate change related actions, addressing risks and opportunities and ensuring accountability. This framework consists of Risk Management and Sustainability Committee at the Board, Corporate and Unit- level committees to drive sustainability performance across business functions and verticals. The Board- level committee comprises of the Vice Chairman, Managing Director, and Chief Finance Officer.
The committee meets quarterly to oversee progress against climate change related targets and commitments, and to review developments in external environment and climate-related risks and opportunities.

Strategy

Your Company is committed to transitioning to a low-carbon business and is actively factoring climate-related risks and opportunities in the Company's business strategy. This is reflected from the strategic long-term plan which integrates GHG emissions reduction to planned business growth. The Company is banking on a multi-pronged strategy encompassing decarbonising of energy mix, focusing on low-carbon products and diversification of the business across the value chain of the building and construction sector.

Strategic focus areas:

- Increasing share of green power
- Product innovation
- Circular economy initiatives
- Value chain initiatives
- Operationalising Internal Carbon Pricing

We conduct sensitivity analysis and stress testing for evaluating and mitigating financial risks

Risks management

Climate change risk and opportunities identification and assessment
Climate risks are assessed in line with the risk management policy and have been integrated in the enterprise risk management framework of the Company. Sectoral review and relevant stakeholder interactions are done regularly to develop a laundry list of climate-related risks specific to business and location. Identified risks are then mapped to the Company's risk matrix which classifies the risk according to impact and likelihood. Prioritised risks are then consolidated at corporate level and presented to the Board level committee for review. Long-term impacts of risks are assessed using scenario analysis, and we are working on integrating this analysis to the risk register and risk management framework. Functional and Unit heads are responsible to identify risks, develop mitigation plans, and update and review their respective risk registers as per the defined process. Online and in-person training programmes are conducted to map emerging climate change risks and opportunities, and create awareness and share best practices.

Scenario analysis:
Scenario analysis has been conducted for physical as well as transition risks. For physical risks four scenarios have been considered. This includes RCP 8.5, RCP 6, RCP 4.5 and RCP 2.6 scenarios. All four scenarios have been considered to assess impact of temperature and precipitation changes in areas where your Company operates. Maximum possible impact has been considered based on projections up to 2100.

In case of assessing the impact of transition risks, scenario analysis has been conducted in alignment with ETP B2DS and IPCC 1.5-degree scenarios. The potential impact of evolution of climate policies has been considered under both scenarios to assess the resilience of the Company as well as the potential pathways for decarbonisation to comply with policy mechanisms such as emission trading schemes.

Risks management
(A) Enhancing resilience of the building sector:
Extreme weather events due to climate change, such as floods, cyclones and heat waves may impact the building sector considerably. To mitigate the impacts of physical risks on the building sector and society at large, your Company is working with the construction sector to make buildings more resilient to climate change effects.

(B) Low-carbon products:
Your Company has developed a blended cement product, namely UltraTech Super Cement, which has strength equivalent to OPC but with a lower clinker ratio and GHG intensity. It is a finely blended cement that produces concrete resistant to wet cracking and thermal cracking. UltraTech Premium composite cement consists of high-quality clinker blended with judicious amounts of superior blast furnace slag with high glass content.

METRICS AND TARGETS

The Company's Sustainability and Climate Change roadmap clearly defines the targets aligned with the prioritised strategic areas to build a low-carbon future and high resiliency to climate change.

Read more on PG 24

GRI 201-2

Protecting water resources

Managing water is an indispensable part of our business. We aim to minimise our fresh water intake and maximise water availability for the neighbouring communities.

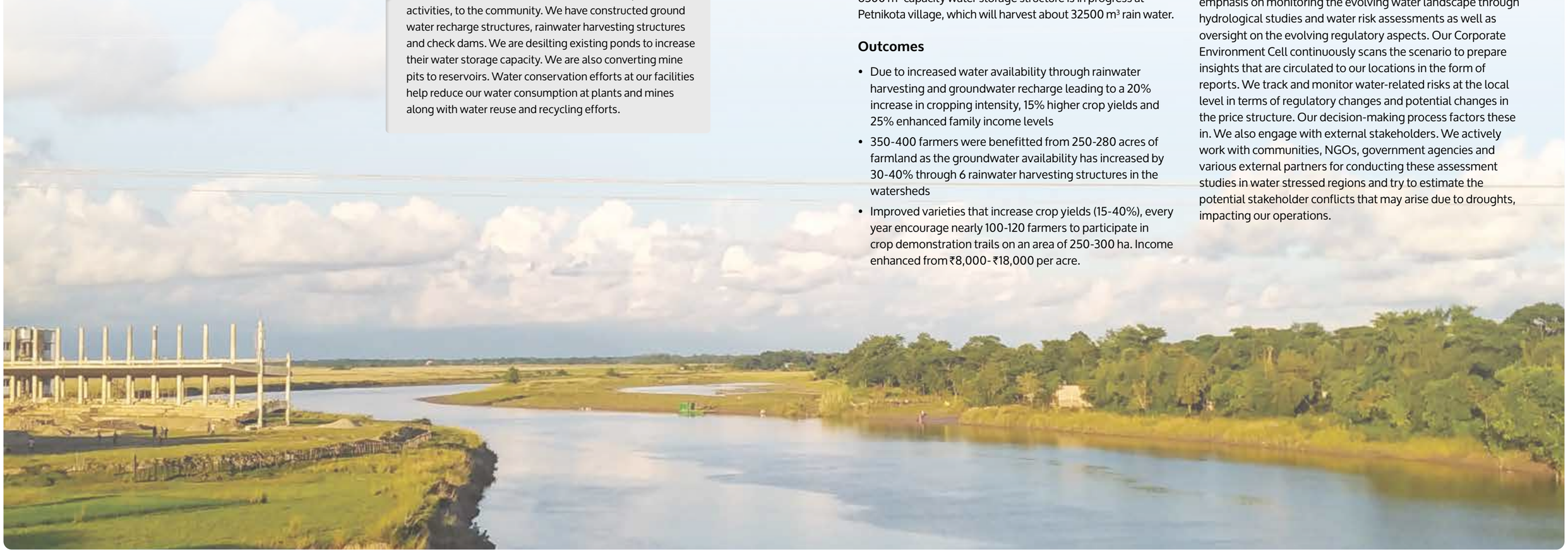
We have integrated recycling of water, rainwater harvesting, recharging of groundwater, and employing water efficient technology as mainstream practices. Some of our facilities are located in water stressed regions, hence it is our primal duty to give back enough water to the community than we extract. We are 3.96 times water positive, which means that we are replenishing 3.96 times the water we are using for our production activities. We are now chasing an ambitious target to raise this to being 5 times positive by 2024.

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

All our facilities are adhering to zero water discharge. We are also exploring the possibilities of conducting rigorous independent studies on watershed mapping, aquifer quality, and impacts of groundwater recharge in and around our plants. Integrated watershed management projects around few of our facilities are underway.

Water positive means

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



Enhancing water availability in Andhra Pradesh

UltraTech Cement Andhra Pradesh Cement Works adopted Ayyavaripalli (Anantapur district) and Petnikota (Kurnool district) villages and their surrounding areas in Andhra Pradesh for implementing integrated watershed projects in collaboration with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT). The objective was to address the twin issues of water scarcity and land degradation and extend support to nearby villages for better livelihood opportunities.

We have constructed six rainwater harvesting structures on streams to harvest rainwater 14,690 m^3 storage capacity helping in groundwater recharge, during monsoon season. In 2020, the rainfall exceeded the annual average rainfall and these structures harvested 1,12,273 m^3 of rainwater.

There is an increase of 2 metres in Ground water Levels in the watershed areas after our interventions. Construction of 6500 m^3 capacity water storage structure is in progress at Petnikota village, which will harvest about 32500 m^3 rain water.

Outcomes

- Due to increased water availability through rainwater harvesting and groundwater recharge leading to a 20% increase in cropping intensity, 15% higher crop yields and 25% enhanced family income levels
- 350-400 farmers were benefitted from 250-280 acres of farmland as the groundwater availability has increased by 30-40% through 6 rainwater harvesting structures in the watersheds
- Improved varieties that increase crop yields (15-40%), every year encourage nearly 100-120 farmers to participate in crop demonstration trails on an area of 250-300 ha. Income enhanced from ₹8,000- ₹18,000 per acre.

We follow a structured risk management approach to identify and manage risks related to water availability and quantity. We have adopted tools such as GeoSust, Aqueduct etc. to analyse the risks related to water availability for each of our locations We prepare Water Risk Mitigation Plan (WRMP) for all our sites.

The key steps of evaluation process are

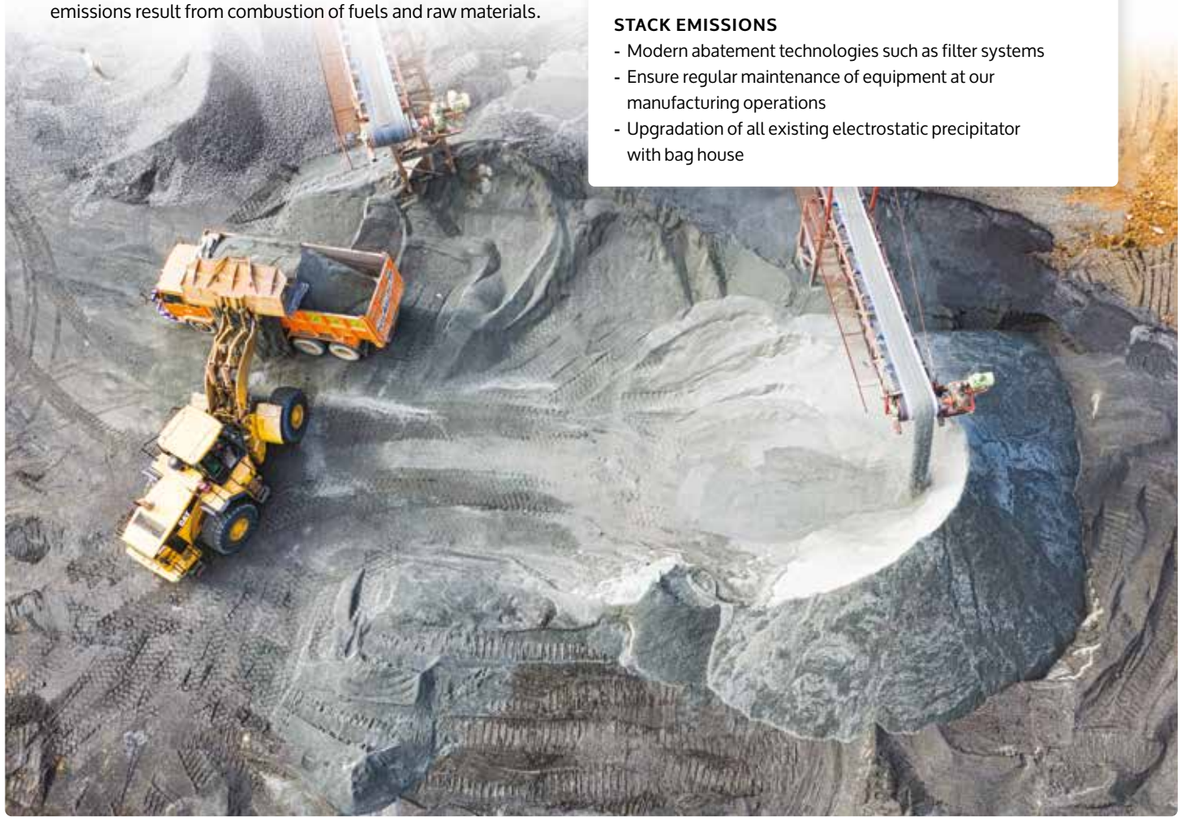
- **Generic Water Situation Assessment**
- **Local source Vulnerability Assessment**

Thus, we track and monitor groundwater levels and water quality around our plants. We employ methods such as groundwater recharge, rainwater harvesting, converting of mine pits into reservoirs, construction of check dams and desilting of ponds for storage of water. We lay great emphasis on monitoring the evolving water landscape through hydrological studies and water risk assessments as well as oversight on the evolving regulatory aspects. Our Corporate Environment Cell continuously scans the scenario to prepare insights that are circulated to our locations in the form of reports. We track and monitor water-related risks at the local level in terms of regulatory changes and potential changes in the price structure. Our decision-making process factors these in. We also engage with external stakeholders. We actively work with communities, NGOs, government agencies and various external partners for conducting these assessment studies in water stressed regions and try to estimate the potential stakeholder conflicts that may arise due to droughts, impacting our operations.

Minimising emissions

We remain compliant to regulations in place both locally and at the national level in monitoring these emissions to ensure that they are well within the acceptable range. We have continuous emissions monitoring systems and ambient air quality monitoring systems installed at all our cement manufacturing facilities for the measurement of dust, NOx, and SOx. We are constantly setting targets to improve our standards of performance and management and achieving these.

Preserving the air quality in and around our facilities and mines is a priority for us. The key emissions from our operations are dust, nitrogen oxide (NOx) and sulphur oxides (SOx), and their maintenance within permissible limits.
The main sources of dust emissions are cement production stacks, along with fugitive emissions arising from quarrying, transfer, loading-unloading of materials, and open storage of materials at a few manufacturing facilities. NOx and SOx emissions result from combustion of fuels and raw materials.



EMISSION REDUCTION STRATEGY

NOx

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

SOx

Installation of Flue-gas desulphurisation technology to manage the SOx emissions.

Dust

FUGITIVE EMISSIONS

- Increasingly building covered sheds for material storage
- Installing closed conveyor belts for transfer
- Paved roads inside facility

STACK EMISSIONS

- Modern abatement technologies such as filter systems
- Ensure regular maintenance of equipment at our manufacturing operations
- Upgradation of all existing electrostatic precipitator with bag house

Supporting biodiversity

We are contributing towards preserving the natural environment and ensuring minimum disturbance to biodiversity in and around our mines and operations. We have a proactive approach towards conserving natural habitats.

We have biodiversity management plans in place at our units and have taken a target of achieving No Net Loss by 2050.



We conduct extensive biodiversity assessments across our integrated plants to assess the presence of flora, fauna, Ecologically Sensitive Areas (ESAs) and animal corridors, along with ecosystem service review, and community/stakeholder's conservation efforts review. We have created biodiversity maps, biodiversity index and ecosystem services in the area. Based on these assessments, we implement biodiversity management plans across our facilities and mines. These Biodiversity assessments, in the past five years, have helped us identify and analyse the existing biodiversity and devise the course of action for management, protection, and sustenance of the same. 100% of our sites have been assessed via the GeoSust and IBAT tool. All 23 of our integrated sites have undergone primary biodiversity assessment as part of EIA. These tools help in evaluating the overall biodiversity suitability of a defined site having different habitat types. It considers the number of habitat types on a site, the ecological condition of these habitats, and the uniqueness and ecological importance of species in those habitats. None of our units are in close proximity to any critical ecological zones.

SUPPORTING DELICATE ECOSYSTEMS

Conserving flora and fauna is essential for us and it is our priority as we operate in varied landscapes. Environmental impact assessments (EIAs) are conducted for all new projects and expansions.

Biodiversity assessment at Balaji Cement Works

At Balaji Cement Works, our cement plant in Andhra Pradesh, we conducted a biodiversity assessment study covering ecological assessment, biodiversity impact assessment, and Ecosystem Services Review (ESR). During the initial review it was learnt that there are no protected forests within the 10 km radius (buffer area) around the mine lease area and the extant diversity resides in tropical thorn (scrubland and grassland) type of habitat.

4 major habitats were identified as

- Scrublands and Grasslands
- Agricultural lands
- Green zone plantations and
- Riparian habitats (Riversides)

Socioecological surveys were conducted, with the primary aim of understanding the presence of wildlife (nocturnal/cryptic/rare) species and their interaction with the locals.

Species richness map was prepared based on the number of species recorded.

Biodiversity impact assessment and Ecosystem services review were carried out. Based on the results 'Biodiversity Management Plan' has also been developed for the site. A Biodiversity Management Committee has been constituted to implement and supervise all the management plans and conservation efforts.

Biodiversity management plans

1. Help in assessing and monitoring biodiversity and habitats conservation
2. Create awareness about existing biodiversity and required conservation actions
3. Improve existing terrestrial habitats and waterholes and create new waterholes to support biodiversity conservation

Responsible mining

Mining being a key source of raw material, it is a core focus area for us from the point of view of resource optimisation. As a sustainability leader, we ensure careful and optimal extraction, aimed at minimising waste and prolonging the mineral life of the mines.

MAXIMUM CARE, MAXIMUM LIFE

We follow responsible mining practices aimed at making the mineral deposit sustain over a longer period of time. We take care to explore the entire deposit both laterally as well as vertically till the end of mineralisation. We use advanced technology to assess and store data regarding the mineral availability of the mine. We carry out sensitivity analysis of the deposit to design the raw mix as per the required composition without compromising the quality of the end product.

MINE LIFECYCLE MANAGEMENT

Effective and efficient lifecycle management of a mine is key to its longevity. The mining plan details the mineralisation and the constraints the mine poses, as well as the planning for the end of life of the mine. Water is never wasted by pumping it out to keep the mining benches and faces dry. Instead, a sump is created lower than the lowest bench, where all the water gets collected. This water is then pumped out for use either at the plant or around the neighbouring villages.

Every effort is made to bring the ground back to its original shape. Such backfilled portions are converted into green belts. However, some part of the excavated portion will remain devoid of backfilling at the end and will get converted to reservoir of water. Such reservoirs are properly fenced off and a thick green belt is developed around it to prevent any inadvertent entry into the area. Thus, far three small quarries have been rehabilitated - one in Madhya Pradesh and two in Tamil Nadu.

DIGITISATION AT DALLA CEMENT WORKS

We are using MachineMax technology at our plant - Dalla Cement works, Uttar Pradesh. It is based on Artificial Intelligence and uses Activity Wireless sensors and GPS for Heavy Earth Moving Machinery (HEMM) like excavators, drill machines, dozers, tippers, and breakers. We have significant use of HEMM as part of our limestone mining operations.

This technology has enabled us to conduct real-time monitoring of these mines' material handling equipment's for getting asset utilisation along with operational insights like routes, distance travelled in kilometers, and fuel consumption trends which are essential to monitor the efficiency of HEMMs. We made use of the utilised the technology, to understand the average vehicle idling time and used it for saving fuel and associated carbon emissions.



OUR EFFORTS

MINE DIGITISATION

We are digitising our mines, across the various processes starting from the day the land is granted under the mining lease to its purchase and acquisition targets. We prepare a 3-D block model that provides us with a precise estimate of the quantity and quality of the reserves. Based on this commences mine planning, which involves defining the qualitative requirements for the plant. Accordingly, blocks are selected, extracted, and transported to the crusher for sizing and dispatch to the plant.

BIODIVERSITY

At UltraTech, we are aware of our responsibility to natural environment especially Biodiversity at our mines. We aim to mitigate our mining impact on Biodiversity and support simultaneous ecological development. We conduct extensive biodiversity assessments as part of our Environmental Impact Assessment (EIA) at our mining sites, led by a team of experts in collaboration with the local forest department. Based on the findings, we prepare a baseline of the existing biodiversity and plan the requisite steps for maintaining the same in collaboration with local NGOs and communities.

USE OF DRONES FOR TOPOGRAPHIC SURVEY

Our aim is to increase operational efficiencies and safety in our mining operations. Drones have proved highly useful to conduct topographic surveys of our mines, earlier done manually. Drones speed up the process immensely and the output is highly accurate in many cases.

UTILISING OVERBURDEN AND INTERBURDEN MINERAL WASTE

We are working on strategies and methodologies that allow us to implement alternate use of the overburden and interburden materials. Traditionally, these have been extracted and dumped, causing the blockage of land. We are in the process of seeking government's permission for the use of these materials after the pilot scale tests came positive for the potential for alternate use. We are also exploring the possibility of using the mineral waste to promote productive use of resources. We are constantly upgrading our equipment with increasingly more fuel-efficient technology that is in compliance with the latest emission standards and safety norms.

SAFETY AT MINES

Safety of our people working at the mines is our topmost priority. Each mine is bound by the guidelines of the Directorate General of Mines Safety (DGMS); at UltraTech we have devised safety norms that go above and beyond.

Our safety planning begins with taking care to execute a layout that is as spacious as possible to provide unhindered access and egress for the equipment. We also ensure the gradient of the haul roads and the ramps connecting one bench to the other is as required.

The mine faces and roads are kept clean, helping to prevent any accidental fly rock from the rotating equipment wheels. We run most of our mines in a double shift, avoiding night shifts for enhanced safety and performance. We carry out blasting only during the daytime and under adequate precautions for safety. Only highly trained manpower is in charge of handling and use of the explosives utilised for blasting. Also, all equipment is adequately tested before deployment. Standard PPE kits are mandatory inside the mine.

Through regularly sprinkling water on the haul roads, the blasted muck and at the loading points, we prevent dust, which might pose a safety risk. Green belts further help to keep the dust in control.

For each mine, a disaster management plan has been put in place. As part of this, regular internal safety audits are undertaken and recommendations for improvement are proactively implemented. A medical centre exists in the colony of each of the plant. The plan also ensures continuous training of operations and maintenance teams and improvement in safety standards.

LABOUR AND HUMAN RIGHTS IN MINE PRACTICES

UltraTech's compensation policy and employee welfare schemes are aimed at treating every individual with dignity and ensuring fair treatment and protection of the rights of all our people.

MINES WERE AWARDED THE 5 STAR CERTIFICATION

1. **Babarkot Limestone Mine**
   Narmada Cement
2. **Tummalapenta Limestone Mine**
   Andhra Pradesh Cement Works
3. **Rajashree Limestone Mine**
   Rajashree Cement Works
4. **Century Limestone Mine**
   Baikunth Cement Works
5. **Kovaya Limestone Mine**
   Gujarat Cement Works
6. **Mohanpura Jodhpura Limestone Mine**
   Kotputli Cement Works
7. **Harudi-Kharai Limestone Mine**
   Sewagram Cement Works
8. **Manikgarh Cement Limestone Mine**
   Manikgarh Cement Works
9. **Bhadanpur Limestone Mine**
   Maihar Cement Works
10. **Vikram Limestone Mine – I & II**
    Vikram Cement Works

CONTRIBUTING TO
CIRCULAR ECONOMY

DRIVING EFFORTS TO CLOSE THE LOOP, **WITH A DIFFERENCE**



We can proudly say that UltraTech is a sustainability-led business, recognised as industry leader with the commitment to trace the new path and it is only going to strengthen with time. We take pride in making a material difference – to all those whose lives we touch. This year, we took a unique step in aligning our climate change targets to Paris agreement which are validated by SBTi. We floated the first ever Sustainability-Linked Bonds (SLB) from India that showcased investors trust in our sustainability performance. We have made a significant difference to the society and nation by recycling almost 20 MT of waste into our manufacturing, thus conserving valuable natural resources.

Arvind Bodhankar,
Chief Sustainability Officer

Baga Cement Works

Inside this section

53 Highlights
54 A cradle-to-cradle approach towards low carbon economy
56 Waste management at our industrial plants
57 Best out of industrial waste

HIGHLIGHTS

18.36%
recycled material used for production, out of our total raw material

29.9%
increase in recycled materials, compared to the previous year

106,000 Tonnes
industrial waste utilised as fuel this year

74,187 Tonnes
municipal solid waste has been utilised as fuel this year



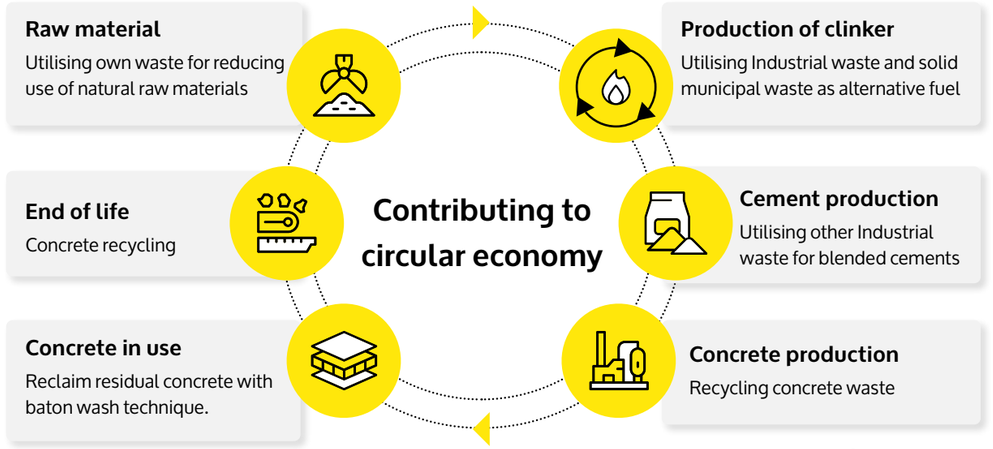
A cradle-to-cradle approach towards low carbon economy

We are contributing towards achieving a zero carbon economy by increasingly repurposing waste from industrial and municipal sectors. We convert waste to resources, thus enhancing the life of natural materials within the system and closing the loop for circular economy.

Our circular economy model has continued to evolve through the years. Technological advances and innovation define our processes. We are consistently reducing our raw material intake by repurposing waste from different sources, and utilising it as alternative fuel, thus bringing down the amount of emissions generated.

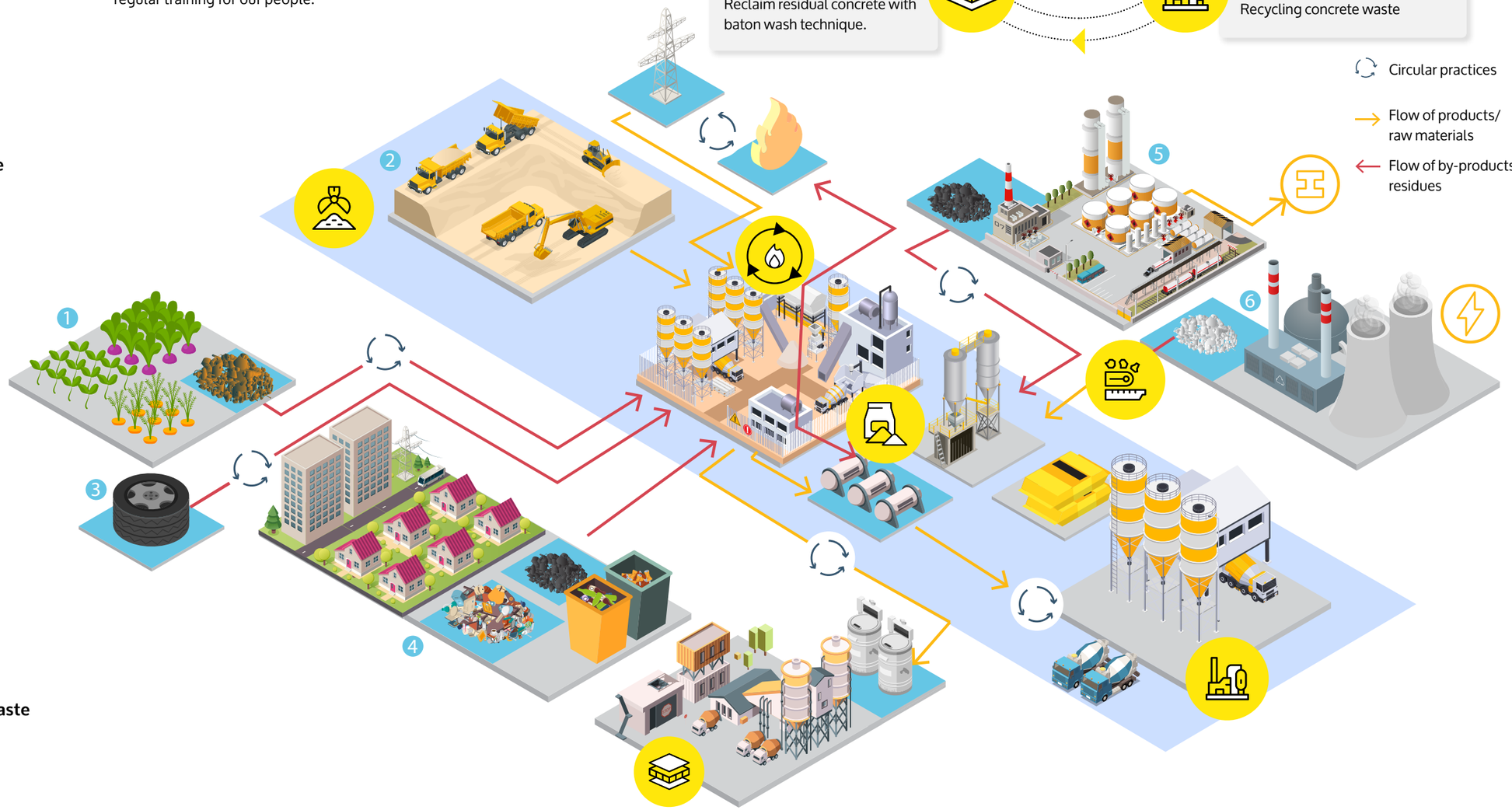
As a founding member of the Global Cement and Concrete Association (GCCA), we promote principles of circular economy across the industry. We explore fresh waste streams each year and prepare our plants with best-in-class technology for its utilisation along with regular training for our people.

WE HELP IN CLOSING THE LOOP



TYPES OF WASTES

1. Agricultural wastes, biomass, sewage sludge
2. Mining waste
3. Used tyres
4. Municipal solid waste including plastics
5. Industrial wastes
6. Ready mix concrete waste



Waste management at our manufacturing plants

We aim to reduce the waste we generate and dispose the same responsibly. The waste generated at our operations include, flyash, hazardous waste and non-hazardous waste. We are utilising fly ash, a by-product of the energy production process at our captive power plants, to blend with cement. With this redirecting, we reduce our environmental footprint, as we are using lesser amount of natural resources and curtailing emissions. Small quantities of hazardous and non-hazardous waste are sent to authorised recyclers.

100%

Fly ash generated at the power plants at our manufacturing facilities is utilised for manufacturing cement

Utilising alternative raw material at Hotgi Cement plant

One of our grinding units in the Solapur district of Maharashtra, Hotgi Cement Works, faced the lack of dry ash availability for PPC production after the nation-wide lockdown was lifted in May 2020.

After a thorough techno-commercial analysis, our team observed that the conditioned wet ash available in Vidarbha can be used as a replacement. The unit bought a rake of conditioned wet ash from an Adani Power plant 800 km away from the site. The existing infrastructure was used for unloading wet ash, handling storage and utilising it. The impact on quality, energy and environment was kept in mind while handling wet ash.

The unit achieved the milestone of 10-12% consistent wet ash addition within a span of three weeks and succeeded in fulfilling the market requirement for PPC. This has inspired us to conduct studies to further enhance the use of conditioned wet ash.

We are amongst the first cement companies in India to have adopted 'baton wash' technology to reclaim residual concrete during cleaning of transit mixers and plant mixers. It helps in concrete recycling. The technology helps us separate solid materials from water. Slurry water is partially reused in concrete production. We have 62 such recycling plants across India.



Best out of industrial waste

We are using industrial waste to produce blended cements. The blended cements we produce include PPC (Portland Pozzolana Cement), PSC (Portland Blast Furnace Slag Cement), PPC Super and Composite cement. We use waste materials including fly ash, slag, gypsum to replace the naturally occurring limestone.

18.36%

recycled material used, of our total raw material used

29.9%

increase in recycled materials, compared to the previous year

RECYCLED MATERIAL USED



Using chemical sludge to replace gypsum

Vikram Cement Works, our integrated unit based in Neemuch district of Madhya Pradesh, has successfully used chemical sludge from Aditya Birla Group's Grasim for partial replacement of gypsum. Our group unit Grasim - Staple Fibre Division, Nagda generates this waste during the waste-water treatment process.

The unit team conducted a thorough technical analysis and observed that the chemical sludge has characteristics similar to gypsum. After obtaining regulatory approvals, the unit team was able to use chemical sludge to replace 15% gypsum without impacting our product quality. Similarly, the unit has also identified jerosite, a waste material generated at Hindustan Zinc Limited. The laboratory study of the material concluded that the waste material has calcium sulphate just like gypsum. The unit team has now begun replacing 5% gypsum with jerosite. Our team at Vikram unit (location) is conducting further studies to enhance the use of jerosite.

Co-processing by using industrial waste as alternative fuel

We utilise waste as fuel alternative through co-processing. It helps in reducing waste load and associated concerns. We deal with waste materials that cannot be reused and are destined for landfill. This helps in thermal substitution in kiln, which is the most energy-consuming stage of cement production.

We have been an early proponent of co-processing in India, developing support infrastructure since 2005. All our processes are in line with regulatory norms for co-processing. We have a strong team of qualified professionals and state-of-the-art laboratories, responsible for waste analysis and handling of waste at our manufacturing sites. We have also installed extensive shredding systems to help utilise varieties of industrial waste. Careful monitoring of emissions along with latest technology pollution abatement technologies complement the process.

533,867 MT

industrial waste utilised as raw material over the decade

Reddipalayam Cement Works achieves 25% AFR utilisation

At our integrated unit of Reddipalayam Cement Works (RDCW), AFR has been in use since 2003. Our team at RDCW achieved alternate fuel consumption of up to 20% by implementing various in-house initiatives. However, this performance was not consistent. To address this issue, it was decided to enhance alternate fuel consumption to above 25% in a phased manner with CAPEX addition.

Despite facing several operational challenges, our team put in place a plan to utilise several in-house resources. We achieved operational objectives like increase in air velocity in Kiln Riser Duct and elimination of Kiln inlet CO formation due to the use of AFR.

The RDCW team is now able to achieve consistent TSR% of up to 25%, and the Unit is 16.25 times plastic positive due to the use of plastic waste in AFR. The overall operations have also helped in reduction of 2,250 tonne CO_2/annum, thus helping to reduce UltraTech's overall carbon footprint.



Rajashree increases its AFR utilisation through Real Time Optimisation (RTO)

Use of waste materials to reduce the dependency on fossil fuel and natural raw materials is becoming a primary focus for the cement industry. Different types of waste materials are available across the country from which energy or raw material or both can be derived for use in cement manufacturing process.

These waste materials pose co-processing challenges in view of their toxicity and hazards associated with such materials. However, if properly handled and processed, cement kilns offer a unique opportunity of safely disposing such materials.

Our team at Rajashree Cement Works (RCW) has done Real Time Optimisation analysis (RTO) to improve the AFR feeding Circuit and increase their AFR (Alternate Fuel Rate) utilisation. RTO analysis helps in increasing the potential of optimisation and provides base for conversion of traditional process to an optimised one.

In RC#3 production line it was difficult to use the system 100% due to variation in manual feeding circuit which was leading to operational disturbance in kiln system and lower percentage of TSR. However, with the help of RTO philosophy, our team at the Unit tracked the loopholes in the system.

The RCW team developed a focused strategy to identify the root causes of this problem and put in place an action plan to resolve the same. The cross-functional team managed and executed the enhanced processes on a regular basis which led to increased to the level of more than 7% of TSR in RC#3 production line operational efficiency and stable parameters of kiln. Increase in TSR helped in reducing dependence on fossil fuels and accelerated the adoption of circular economy principles in our operations.

Use of municipal solid waste (MSW) as alternative fuel

UltraTech is supporting municipal corporations of the country by helping in the reduction of waste headed for landfills. For emerging countries like India, municipal solid waste poses a major challenge not only of resources required for processing it, including the space it occupies, but also that of hygienic disposal.

Our first initiative in municipal solid waste processing began in 2007 at our first dedicated processing facility in Jaipur. The facility converts the waste into refuse derived fuel pallets, which are compressed, clean and free of odour. These pallets are fed into cement kilns for fuel recovery.

We are carrying out similar operations across Tamil Nadu, Rajasthan, Karnataka, Gujarat, and Andhra Pradesh. We have tie-ups with 80 municipal corporations in India and are in discussion with several others. Currently, we process municipal solid waste, annually. This initiative also complements the 'Swachh Bharat' campaign by the Government of India.

74,187 Tonnes

of MSW for FY 2020-21

Utilising municipal solid waste as fuel

Municipal solid waste management (MSWM) is a major point of concern for a rapidly urbanising India. Co-processing is one of the key steps in reducing the demand on natural resources, pollution, and waste materials landing up in a landfill.

As a part of 'Swachh Bharat Abhiyan' to create a clean India, District and Municipal Administration of Tamil Nadu along with the Tamil Nadu Pollution Control Board conducted various awareness meetings at different locations in the state and invited UltraTech Reddipalayam Cement Works for evaluating the possibility of utilising the municipal wastes like plastic waste, tires, paper waste and cloth waste which is generated for co-processing.

- Reddipalayam plant evaluated the same and took relevant permissions. We started using municipal solid waste as alternate fuel from various municipalities in and around the plant from October 2017. An MoU and Agreement were signed with the nearby municipalities for collecting the plastic wastes.
- We were called by the Commissioner of Municipal Administration, Chennai, in March 2018 to share this experience. Here it was directed to all Municipal Commissioners to enter an agreement with UltraTech, Reddipalayam, to process the Municipal Waste.
- Mass Campaign of signing agreements with more than 25 municipalities was done in 2018.



Reddipalayam plant is currently utilising the segregated municipal solid waste from 79 municipalities in Tamil Nadu and using it as alternate fuel. 29,688 MT of MSW has been used from all the nearby municipalities till present.

ENHANCING
EMPLOYEE WELLBEING

SAFEGUARDING HEALTH AND SAFETY, **WITH A DIFFERENCE**



We believe that our people make the organisation and "care" has been at the foundation. In the challenging times that the world has been experiencing, we stood strong with our people. Safety, health, and wellbeing of people is high on our focus. Our people work with passion and commitment both as individuals and in teams and drive relentlessly in the achievement of UltraTech's vision. The organisation is enabled to empower our people to make a significant impact to business and the society. Our business governance boosts fairness, transparency, and diversity. With these fundamentals, we have been recognised amongst 'India's 30 Best Workplaces in Manufacturing - 2021' by Great Place To Work® Institute.

Ramesh Mitragotri,
Chief Human Resource Officer

Inside this section

61 Highlights
62 Health and Safety
68 Empowering the workforce
69 Diversity and inclusion
71 Respecting Human rights

HIGHLIGHTS

408,242
person hours Safety Trainings Imparted

96.07%
of our manufacturing units
are certified to OHSAS 18001/ISO 45001.

0.03
LTIFR for FY2020-21

Amongst 'India's 30 Best Workplaces in Manufacturing'

USHA Chatbot
AI-based platform
for Safety training



Health and Safety

For us, the health and safety of our people is non-negotiable. Our safety motto is Zero Harm, Zero Injuries, and Zero Excuses. We endeavour to abide by it through our robust safety governance system.



MAINTAINING A SAFETY CULTURE

Inculcating a safety culture requires regular impetus carried out on a daily basis. For this, we have established a comprehensive governance structure along with a strong management system - procedures, standards and guidelines for everything we do. Its effectiveness is evaluated through observations and audits which feed into the system for improvement.

Overall effectiveness of safety management system is reviewed by the Apex Governance body, i.e., OHS board chaired by Managing Director once in every two months. Moreover, following important elements of safety are closely looked after by eight subcommittees headed by Manufacturing cluster Heads and Corporate Function Heads at board-level. Additionally, six subcommittees at unit level, headed by Unit Head function to ensure employee safety in a sustained manner. Health and Safety KRAs form a part of evaluation process for executive committee members. We drive safety as everyone's responsibility.

We have implemented International Safety Standards OHSAS 18001 and now ISO 45001 and are certified by recognised certification bodies. Right from hazard identification and risk assessment, compliance with applicable legal requirements, plants' safety management system encompasses effective implementation of risk control measures following hierarchy of control, ensuring adequate competence of people, periodic checking through inspection and audit, and taking appropriate corrective and preventive action. We have evolved a comprehensive safety management system consisting of 26 critical standards, 20 procedures, and 12 guidelines for all our facilities.



Eight sub-committees headed by manufacturing cluster and corporate function heads

Digital technologies for safety during the pandemic

Various innovative technology-enabled solutions have been adopted during the scenario, so that employee safety at plants is not compromised.

1. Use of wearables integrated with IT-enabled system for conducting safety audit from remote location
2. Digitisation in safety: Application for video analytics and data analytics
3. Safety training through AI-based platform (USHA Chatbot)

We follow a 'Zero Tolerance' policy for safety breaches. We conduct business with only those vendors who qualify across all of our stringent safety parameters.

<0.25

Target LTIFR by 2024

We choose 'Zero Harm'

At UltraTech, our interventions to ensure 'Zero Harm' are bucketed under three different types of measures categorised as follows: LEADING, PROACTIVE AND CORRECTIVE.

LEADING INTERVENTIONS

These efforts help in identification of areas of concern, and to build capability for continuous enhancement of systems that help to reduce incidents at facilities.

Virtual safety audits

In order to overcome the hurdle of travel restrictions across the country, 'third – party virtual audits', were conducted from remote locations. We are using a head-mounted device called 'Realwear HMT-1', that optionally snaps into safety helmets and can be connected through MS Teams. It's an industrial dashboard with high-resolution micro display views like a 7" tablet and works with powerful software applications optimised for hands-free voice control. It can be used for remote mentor video calling. This helps us in conducting virtual safety audits at our plants.

After having excellent outcome during POC (Proof Of Concept) at two of our units, we got virtual safety audit conducted at 10 more units (two at each cluster) by teams comprising the safety professionals and line managers who spent 5 days for 17 safety standards (basis applicability) at each unit. The result was as good as physical safety audit, and we came up with ~1,250 findings of opportunities for improvement . Audit findings were shared with units to close out.

Training by means of Safety FAQs (Frequently asked questions) by using Chatbot

A set of frequently asked questions (FAQ) on 27 safety standards, 11 procedures, and 5 guidelines were prepared and made available on USHA chatbot connected with the organisation's portal ABG U-link. Questions have been framed keeping in view all probable ways an employee can ask a question about requirement of any of these safety standards. Through the use of AI (artificial intelligence), USHA chatbot can compare words of asked questions with answers available in the system and employees get clarification about queries online. Available 24 X 7, FAQ (around 7,000 questions) covers all standards, procedures and guidelines laid down by UltraTech and the answers are aligned with standard requirements, hence there is no ambiguity.

Monthly safety campaigns

Monthly safety campaigns on identified themes have been helping in sensitising people across plants. Numerous activities / events have been organised supported by variety of mediums (audio message, 3D animation video, creative posters, training through virtual platform etc.) to reach out to all working for and on behalf of us.

Walkthrough inspection

Based on Near miss analysis, it was found that most of the near misses are due to unsafe conditions within certain sections of our units. Hence, walkthrough inspection has been institutionalised through development of standard inspection checklists for 36 sections and integrating those with organisational safety management system portal for ease of reporting and analysis. Digitisation project of this exercise is under progress to facilitate with 'Speech to Text' feature.

HAZOP study

To avoid any undesired outcome, Hazard and Operability (HAZOP) studies have been conducted by outside expert agency at units using hazardous AFR (Alternate fuel and raw materials) and their recommended actions are being implemented. Progress on implementation is reviewed by OHS board once in every two months.

Advantages

AFR operation related incidents have reduced substantially.

Bowties prepared for critical risks associated with various hazardous activities at units to :

i. Identify top events based on hazards

ii. Identify threats for those top events to happen and consequences

iii. Formulate barriers – both at the threat side (to prevent top event to happen) as well as the consequence side (to mitigate / control severity)

iv. Use metadata to add job title (for fixing responsibility to ensure functioning of barriers), type and effectiveness of barrier, deciding on criticality of barrier

v. Pinpoint after completion of bowtie preparation- (through application of filter)- what are the significant barriers to emphasise/ have focus on

PROACTIVE INTERVENTIONS

We pro-actively identify and eliminate any probable risks of accidents at our manufacturing facilities by engaging with employees and contract workmen through various interventions.

Incident investigation through TapRoot

To ensure quality investigation of lost time injury incidents and high potential near misses, a couple of Safety professionals have been made trainers and they have trained employees across units on TtT (Train the trainer) model about 'TapRoot' – an effective tool for incident investigation. All significant incidents have been investigated through application of this tool yielding good results in terms of unearthing real root causes, thereby formulating effective corrective/ preventive actions.

Digitisation

Detailed analysis of various safety indicators of units done through application of data analytics (using Tableau) to pin-point specific areas to strengthen control systems so as to avoid recurrence.

Video analytics applied on specific high-risk areas (having potential exposure to hot material, electrical arc flash) for real time intervention through integration of camera and alert system.

Truck yard management plan

Worked with Logistics to develop and implement truck yard management plan along with initiatives to enhance drivers' awareness on road safety. In view of COVID-19 situation, Romberg test facility created to test whether drivers are under influence of alcohol.

Circulation of RCN and compliance tracking

For prevention of recurrence through learning, serious incidents along with recommended actions have been shared across all plants through circulation of RCN (Red Corner Notice). Unit incident investigation subcommittee has been made accountable to ensure compliance and the status of compliance is obtained through monthly safety reports from each unit.

Continuous evaluation of PPE and upgradation

Based on inputs received from units, various PPE (personal protective equipment) have been evaluated with respect to quality/ protection factor/ suitability and some of them have been upgraded after close coordination with vendors.

CORRECTIVE ACTIONS

These efforts help in continuous evaluation of our systems and processes to reduce recurrence of incidents.

Structural stability assessment

We are conducting structural stability assessment at all our facilities, and to do this, a core team has been trained. This team not only conducts the assessment but also takes corrective actions. The team's work is monitored and reviewed by the OHS Board once every two months. During FY 2020-21, all of the highest priority recommendations raised by the team have been completed across all units to ensure that all structures remain safe.

Prevention of incident recurrence and compliance tracking

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

Consequence management

We follow a policy of Zero Tolerance towards individuals or groups which choose unsafe behaviour. If at-risk behaviour or reckless decision-making chosen consciously is identified as the root cause of an incident during investigation, we apply the consequence management approach to it. Disciplinary actions are taken, which are directly linked with their performance appraisals through our Enterprise Resource Planning (ERP) software. There is also a system of rewards linked to safety performance, which recognises the efforts that people make to enhance safety.

Application of data analytics

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

We use drones for safety surveillance

We have deployed drones for safety surveillance at two of our plants. As a first for the cement industry in India, we planned and executed drone flights with the help of service providers, while all the activities were monitored by our safety department at the ground level on a computer screen. It proved to be an effective new tool for safety surveillance.

Behaviour based safety

At UltraTech Cement, we believe in empowering all of the people working with us, be they our employees or professionals engaged with us on contractual terms. Following are some of the initiatives we have integrated along with the existing SBO (Safety Behaviour Observation) process. Participation from wage board employees is made mandatory in SBO process.

Through SBO, we have implemented Green Circle concept across locations so that there is centre of excellence in term of ZERO unsafe behaviours/unsafe conditions at locations and the same are validated through constant review of senior team members. Any person can take an SBO at any moment and report for any unsafe behaviours and conditions.

We work closely with our contract workmen and transport employees to develop the mindset of positive behaviour. This helps our partners to ensure people with safety mindset are part of the overall UltraTech safety resource allocation. SBO reports are analysed through Tableau and specific improvement areas are shared with units so that they can have a focused approach to set things right. Behaviour-based safety training programmes organised for our employees throughout the year.

Focus on occupational health

As occupational health of employees is one of the focus areas of our organisation, a separate Board-level Occupational Health (OH) sub-committee headed by a Unit Head and representation of Doctors from Units, Group Sustainability Cell, and Corporate Safety has been in place.

This sub-committee members decide actions for further improvement of occupational health management through periodic review meetings. We have implemented three occupational health procedures along with a Health Index. We run campaigns to sensitise our employees on various occupational health aspects. Self-assessment is a part of the process, which is conducted annually. It is based on the Group questionnaire to evaluate facilities on occupational health management, first aid and emergency medical care, and management of HIV/TB/ Malaria at workplace.

We are conducting qualitative and quantitative exposure assessments (QLEA & QNEA respectively) regularly and aligning medical examinations accordingly. The recommendations are then implemented across facilities. Apart from these, we are offering Hepatitis B vaccination to the medical staff and first aiders and conducting Ergonomic assessments too.

The following initiatives have been completed at manufacturing units:

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

The subcommittee is monitoring the following on a regular basis:

- Availability of doctors and AFIH Doctor at units
- Typhoid vaccination for food handlers
- Utilisation and up keeping of HMS system at units
- At least one AED (Automated External Defibrillator) made available
- Qualitative and quantitative exposure assessment (QLEA & QNEA respectively) carried out. Medical examinations have been aligned with the reports of these analysis
- Tracking of implementation of recommendation of QLEA and QNEA
- Availability of type C or type D ambulances
- Compliance to PME and if any occupational illness found.
- Offering of Hepatitis B vaccination to medical staff and first aiders
- Availability of MSDS at health centers
- Ergonomic assessment conducted
- Self-assessment against questionnaire of ABG (Group) sustainability cell done for Occupational Health Management, First aid and Emergency medical care, Management of HIV/TB/Malaria at workplace

Caring for employees' health

Keeping the COVID-19 pandemic in mind, we have ensured that operations run seamlessly without ignoring any precautions through the following activities:

- Monitoring of body temperature
- Alternative arrangement (Romberg Method) of alcohol testing
- Facilitating Doctors on Call service across all locations
- Development of SOP with timely amendment based on Govt. guidelines and communicating across locations for strict adherence
- Making all attempt to hold meetings and trainings in virtual mode so that cross infections never happen

Health check-ups for drivers

We also extended support to our drivers in the form of health check-ups and consultations at our Occupational Health Centres set up across all of our facilities. We also encourage transporters to ensure that all of their dedicated fleet drivers are provided annual health check-ups in FY21 we have covered around 7428 drivers through Health camps. The number of drivers covered through Medical camps is a bit less as compared to FY20 due to COVID-19 impact.

Promoting safety at Ready Mix Concrete plants

We are India's largest producer of concrete, with 108 Ready-Mix Concrete (RMC) plants located strategically across the country and presence in 36 cities. We engage nearly 6,000 people (directly and indirectly) for manufacturing and delivery at site.

The RMC industry faces high attrition levels of skilled workforce due to laborious nature of work, dynamic conditions at the worksites, and its fragmented nature resulting in low safety awareness. These are intrinsic challenges that we are addressing proactively by inculcating UltraTech's culture of safety and awareness. All our RMC sites are covered under UltraTech Safety Standards for management of safety. As a part of this, we train our people regularly in established safety protocols.

We apply our Train the Trainer module for our workforce here; defensive driving training for drivers of the Transit Mixers; an animated training module is used to help our concrete workers at the pour site safely use concrete pump. Use of arc flash suits is mandated too. Our senior leadership members conduct surprise audits at the RMC plants with regularity.



RMC TEAM SAFELY RESUMES OPERATIONS AND KEEPS THE BUSINESS RUNNING

We continue to face one of the toughest phases in our lives as individuals and as a business; yet, our colleagues at Ready-Mix-Concrete (RMC) team continue to display strong resolve to maintain business continuity. Our RMC team has not only resumed operations at 99 out of our 103 plants but have also gone ahead and started a new plant in Hubli. This success can be attributed to our colleagues' bold decision making, frugal innovations, teamwork, establishing a strong bond with stakeholders, and challenging the status quo.

We saw many new innovations happening at our RMC Plants during this challenging phase. To ensure safety of our colleagues, as we resumed operations, our plants fabricated pedal dispensers and door openers on their own. These innovations will stay with us forever leading to enhanced safety and hygiene.

One of the biggest challenges during the lockdown was the non-availability of labour at the sites. Therefore, our colleagues took up additional roles to ensure business continuity.

Our teams across locations put technology to best use to ensure consistent customer satisfaction. For instance, we convinced our customers to monitor activities like laboratory trials and cube testing virtually. Even during the lockdown, our sales and operations teams were in the markets while ensuring adherence to all safety precautions and SOPs. Due to the restrictions on movement, employees formed dedicated teams and even stayed in plants in a staggered manner to keep the plants operational. Our colleagues across locations constantly remained in touch with each other to keep the morale and confidence high.

Empowering the workforce

We value talent and encourage the drive to achieve among our employees, while facilitating their growth through well-defined career pathways. We constantly motivate, nurture and safeguard our people to help them function at their best.

We have implemented the Aditya Birla Group-wide 'One HR' policy. It encompasses employee engagement, employee health and wellness, talent management, change management, organisation effectiveness, among other aspects. A structured labour management system is in place to ensure fairness and propriety. Our approach contributes to the principles laid down by the United Nations Global Compact.

OUR CULTURE

UltraTech's culture can be defined as free, fair, open, inclusive, performance driven, and collaborative. The five Core ABG values forms the backbone of our culture. These values are **integrity, commitment, passion, seamlessness,** and **speed**. Our strength lies in the diversity of our people, their thoughts and their experiences.

To build employee experience, we make a conscious effort to implement the highest standards of professionalism and are recognised for doing so. We encourage our employees to be accountable for their actions and decisions. Our culture inspires each one to give his or her best; thinking and working together across functional groups, hierarchies, businesses and geographies.

SUCCESSION PLANNING

Succession planning is done for all key positions in the organisation and these are reviewed regularly by the talent council comprising of the top leadership team. Movements into the key positions are also prioritised basis the finalised succession plan. Ongoing development support like special projects, critical exposures and coaching by external coaches are provided to employees in the succession pipeline.

PERFORMANCE EVALUATION

The Performance Management in any organisation needs to continuously evolve and align with the current and future needs of the business. PerformNEXT, performance management at UTCL aims to build and institutionalise the key ethos of reflection, stretch, ownership, development and feedback to drive high performance. It focusses on building performance and development habits that help managers and employees inculcate reflection as a mode of learning in a fast-changing environment.

EMPLOYEE ENGAGEMENT SURVEY

'Vibes' is our employee engagement survey conducted on a biennial basis to gather employee feedback and views. The last survey was rolled out in 2019, and action plans identified are under implementation and review.

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

UltraTech has been recognised as amongst 'India's 30 Best Workplaces in Manufacturing - 2021' by Great Place To Work® Institute. UltraTech has been conferred this recognition in the very first year of its participation. UltraTech was also recognised among the Top 100 'India's Best Companies to Work For 2020' by the institute.

The recognition endorses UltraTech's 'High-Trust, High-Performance' organisational culture. The Great Place To Work Institute arrived at the ranking through an exhaustive questionnaire covering all elements of human resources and through a survey of employees in each company, chosen through random selection.

Employee support during the COVID-19 pandemic

We reached out to every employee in the organisation to check on the safety of them and their families. Digital platforms were utilised for various engagement programmes to make employees feel connected. We also conducted activities like cooking, healthcare, photography, entertainment, reading books, learning new language, and stress busters. We ensured employee safety, close connect and creating positive platform for learning through these activities.

Diversity and inclusion

All our processes at UltraTech are robust, professional, and free from bias of any sort whatsoever. Our recruitment process is based purely on merit and skills of the candidate. We employ a diverse group of talent from all sections of society based on their keenness and potential to learn and deliver. Our employees receive periodical training and are upskilled based on the nature of their work. We prefer to hire locally, based on the location of our facilities.



ENHANCING DIVERSITY AND INCLUSION

Inclusion

We have a total of

44

full time employees who are differently-abled.

6 - Management cadre
7 - Staff cadre
29 - Wage board
2 - Trust employees

Gender intelligence

Employees and manager sensitisation on their roles

50%

Employees covered

2.1%

Our share of women employees in Science, Technology, Engineering and Mathematics (STEM) related roles

Safe environment

Prevention of Sexual Harassment (POSH) e-learning and face to face awareness

98%

E-learning coverage

62%

Face to face coverage

Women friendly policies

Regular sessions are conducted to raise awareness on these policies and implement the same

Infrastructural support

Comprehensive infrastructure guidelines for uniform experience

93%

Infrastructure implementation score

AN INCLUSIVE AND SAFE WORK CULTURE

At UltraTech we believe gender diversity adds value to the Company and we support women to take charge at our manufacturing facilities. We have been taking several steps to create an inclusive work environment. As a result, the representation of women has been increasing across businesses. We have a policy of Zero Tolerance towards any form of sexual harassment and conform to the Group policy on prevention of sexual harassment at workplaces. During the year, there have been four grievances, as per our special Complaints Committee that has been set up at our Unit, Business and Group Levels which have been acted upon.

WOMEN COLLEAGUES IN OUR SALES FORCE

We make efforts to provide opportunities for women to be leaders in sales and marketing of our products in rural areas. Our women colleagues are at the forefront, ensuring best services for retailers, customers, and the local communities. Females in the sales and marketing team maintain the required service levels and customer relationships. During the outbreak of COVID 19, our female doctors have been at the frontline, providing timely medical care to employees and their families as well as the local community to help combat the pandemic.

COMMANDING CONTROL, ENSURING SMOOTH OPERATIONS

From ensuring seamless cement production to building a circular economy, our women colleagues are leading the way. The Central Control Room (CCR), for instance, monitors the manufacturing processes in a plant. CCR operations demand discipline, alertness, and leadership, to ensure seamless cement production. Women employees at our Company are piloting CCR operations at several units ensuring seamless and smooth production at all times.

WOMEN AS FUTURE LEADERS

Strong leadership and a diverse human resource pipeline are critical for our success. Low retention of female talent is a major impediment to ensuring gender diversity. To create a balance, we focus on diversity through women employee hires and regular career development trainings.

Women centred programmes

Our 'Springboard' programme is creating a diverse leadership pipeline for us, since 2016. It is a learning intervention conceptualised exclusively for women leaders in middle management and facilitates retention of 'high potential' female employees.

Our management trainee programme 'Ulchemies', is designed to recruit women and train them during a year-long learning programme. This helps create a pool of resources to meet the needs at front line critical roles. The Summer internship batch of 2020 saw 50% women representation in the 'Ulchemies' hired.

'UltraTechies' is another entry level hiring programme for manufacturing focused on hiring female talent.

EMPOWERING WOMEN IN THE NEIGHBOURING COMMUNITIES

Our efforts encompass our stakeholders across our value chain of operations. Women are active beneficiaries of our social initiatives aimed at upskilling, including tailoring, and masonry. We support women led Self-Help Groups(SHGs) across the country and help their business build scale. These SHGs enhance financial independence of women.

Self Help Group for women at Khor, Madhya Pradesh



FAIR COMPENSATION

All our processes at UltraTech are robust, professional, and free from bias of any sort whatsoever. Our recruitment process is based purely on merit and skills of the candidate. We employ a diverse group of talent from all sections society based on their keenness and potential to learn and deliver. Our employees receive periodical training and are upskilled based on the nature of their work. We prefer to hire locally, based on the location of our facilities.

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

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

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

These initiatives foster our aim to drive a performance-based culture.

Valuing talent

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

EMPLOYEE LEARNING AND DEVELOPMENT

The Talent Management process focuses on identified talent. These individuals are closely supported in their development journey through interventions like Development assessment centers followed by focused My Development plans (MDPs). These MDPs are driven using the 70-20-10 philosophy of development. Progress of these employees are reviewed regularly by the Manager, Human Resources team, and the Talent Council. Identified employees are also nominated for accelerated development programmes to fast forward development journeys.

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

Respecting human rights

UltraTech believes that protection of human rights is essential. We follow UltraTech Human Rights Policy based on the Aditya Birla Group's directive on Human Rights, and we are committed to respect the human rights of our workforce, communities, and all those lives we touch, directly or indirectly.

Our commitment entails respecting human rights and seeking to avoid involvement in human rights abuses of any kind. We identify, assess, and minimise potential adverse impacts through due diligence and management of issues, and resolve grievances for concerned stakeholders effectively.

We have established a Human Rights policy in accordance with United Nations Global Compact (UNGC) and International Labour Organisation (ILO). No employee is discriminated based on their ethnicity, gender, age, political orientation, religious belief, or physical disability. UltraTech follows the local laws and regulations regarding legal working age while recruiting staff. The clauses of our Human Rights Policy are to be followed by our employees while working at our operations and with all people whose lives we touch, directly or indirectly, by our operations. All manufacturing sites of Grey Cement, White Cement, RMC, BPD, subsidiaries, and new projects and product and services, including our contractors, supplier, customers, dealers and logistics partner have to follow the same.

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

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



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

An in-house Human Rights Due Diligence (HRDD) Tool, with a list of 78 possible potential abuses corresponding to 36 Human Rights in a business setup, is being used to identify the probability of occurrence and the possible consequence due to risks leading to potential human rights abuse on employees, suppliers and contractor personnel. Our aim is to provide a conducive environment for an employee/individual to enjoy his or her human rights by incorporating broader enterprise risk management system.

HUMAN RIGHTS MITIGATION AND REMEDIATION

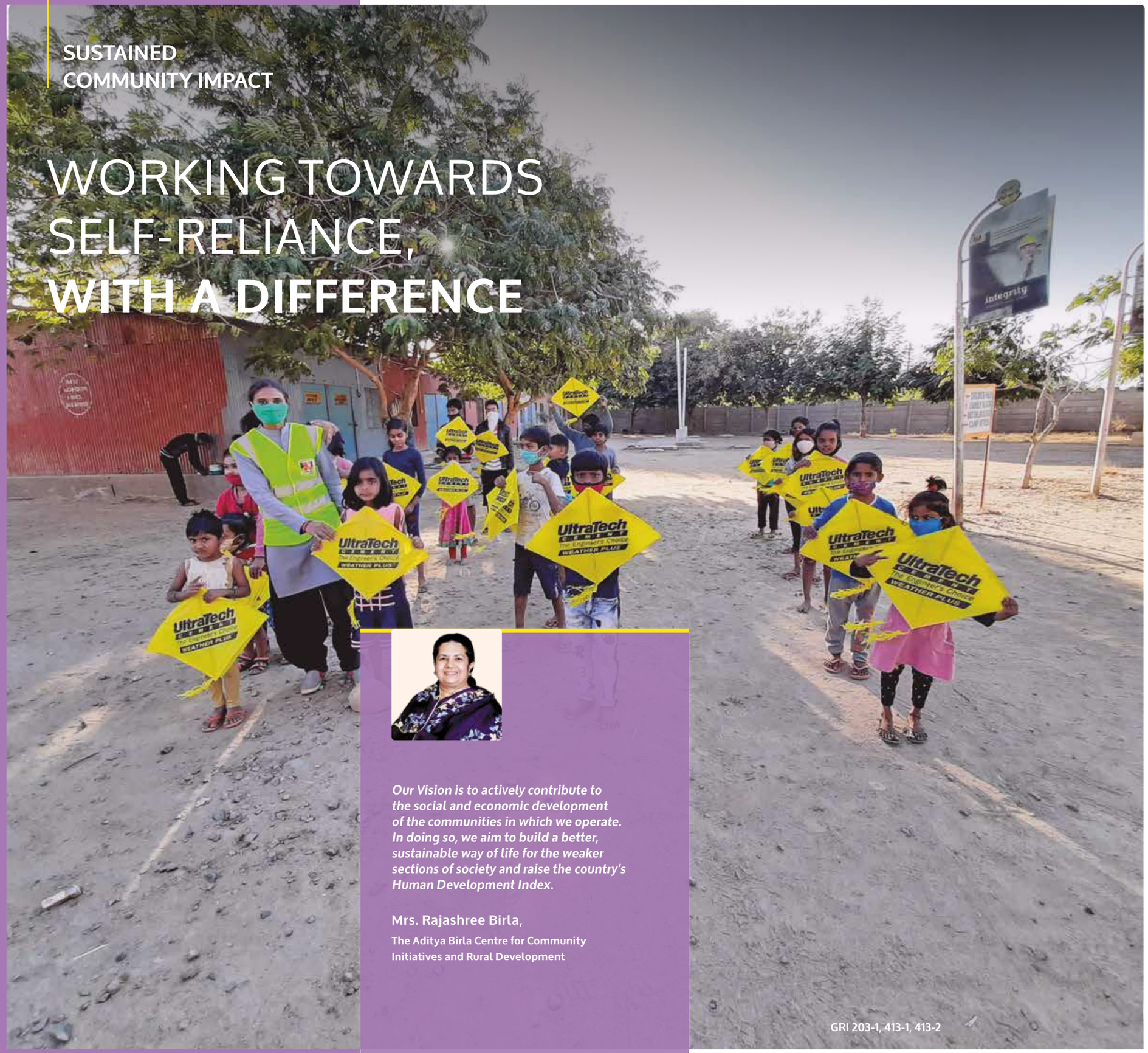
Based on our HRDD tool we have assessed most of our operating across India for potential human rights abuse. Critical potential risks were found in few of our sites and were found mainly at supplier and contractor side, due to initial lack of monitoring of these value chain members by us.

To counter all the observed risks, action plans are put in place at 100% of our operating units, where risks have been identified to minimise the human rights abuse whether it be at company level or supplier/contractor side. Processes put in place to mitigate human rights risks mainly comprised setting up of a robust Governance structure and training and capacity building of all value chain members for spreading awareness regarding respecting human rights. Committees are set up to take up the issues of the vulnerable groups and work towards solving it. Teams review rules and regulations governing Human Rights. Also, a quarterly review is conducted by a senior person at the Company level and contractor and supplier end.

UltraTech works towards reducing the likelihood of any negative impacts related to human rights and is concerned about the actions taken in case of an impact. We strive to work towards preventing or mitigating the potential impacts through the horizontal integration of findings across the business enterprise. The remediation actions are taken as per our Human Rights Policy.

SUSTAINED
COMMUNITY IMPACT

WORKING TOWARDS SELF-RELIANCE, **WITH A DIFFERENCE**



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

Mrs. Rajashree Birla,
The Aditya Birla Centre for Community Initiatives and Rural Development

GRI 203-1, 413-1, 413-2

Inside this section

73 Highlights

74 Society comes first, always

HIGHLIGHTS

₹120.68 Crores
CSR Spent during 2020-21

Running community development activities in 507 villages around our facilities

Reaching out to more than
2.1 Million
beneficiaries

CSR Focus areas:
Education and Capacity Building, Healthcare, Sustainable Livelihoods, Infrastructure Development, Social Reform



Society comes first, always

We care, and so we transcend the conventional boundaries of business. We try to change the face of villages from dependency to freedom and push them on the path to progress. It is our goal, to make our communities #Aatmanirbhar, by helping them grow and sustain a quality life. Our CSR activities reach out to more than sixteen lakh beneficiaries in 507 villages around our facilities ensuring upliftment of the communities we operate in.

Our initiatives span from the remotest corner of the country with ethnic majority to the urban slums of some of the busiest towns and metropolitan cities. We strive to serve underserved communities and work towards making a meaningful difference to them. All projects are identified in consultation with the community in a participatory manner based on a consensus and in discussion with the village panchayats, and other stakeholders.

Our projects are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development, in line with the Schedule VII of Companies Act, 2013. We follow a need-based approach, in which, priorities are set in consultation with the villages and we drive their implementation.

FOCUS AREAS

Education and Capacity Building



Healthcare



Sustainable Livelihoods



Infrastructure Development

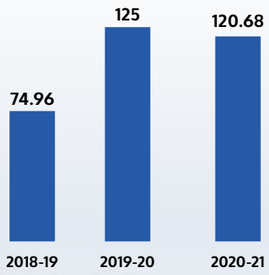


Social Reform



OUR COMMUNITY INVESTMENT

CSR SPEND (₹ Cr)





GRI 203-1, 413-1, 413-2

Education and capacity building

Education is a tool to empower a disempowered community bail out of vicious cycle of poverty. At UltraTech our endeavor is to spark the desire for learning and knowledge at every stage of growth and development of children through anganwadis, formal schools and colleges to informal vocational training centers. It is a means of improving the future of these communities themselves, and making them self-reliant as well as future-ready.

Thus, we provide students from within these communities tools for quality elementary education along with scholarships to encourage meritorious students. We support education for the girl child through facilities targeted at helping them stay in school. We support in providing mid-day meals and transport facilities to ensure that parents continue to send their children to schools.

Team Awarpur provides 60 computers to Zilla Parishad schools

Awarpur Cement Works, our integrated unit in Chandrapur District, Maharashtra, has provided 60 computers to 15 Zilla Parishad (ZPs) schools in the nearby villages. With most of the schools being shut due to the pandemic in 2020, these new computers will assist more than 1,700 students in their studies. The CSR team at Awarpur Cement Works finalised the number of computers required after conducting a detailed study of the needs and requirements of these schools.

Our IT team at the unit configured and setup the computers, speakers and web cameras in the schools. This initiative will strengthen our relations with the Gram Panchayats, schools, and the overall communities in the vicinity of the unit.

Affordable higher education

UltraTech Sidhi Cement Works, Madhya Pradesh runs Aditya Birla Higher Secondary School (ABHSS), where 93% children come from underprivileged sections of the society. Most of the students are first generation learners and their parents have a meagre source of income. School charges a nominal fee of Rupees Five Per Day (24.64 USD per annum) and remaining fee is complemented by the Company. This school has been instrumental in bridging the gaps between quality education, accessibility and affordability.

It is a preferred centre of learning for the poor with a focus on formal education and all-round development of the children. We also prepare these children as change agents for their family and community. The school has invested thoughtfully in school furniture, improved toilets, renovation of classrooms, construction of buildings, provision of computers, science lab equipment, teaching volunteers, teacher's training, awareness among the children to prevent drop outs.

GRI 203-1, 413-1, 413-2

Kagina Private Industrial Training Institute (KPITI) helping offering career opportunities to local youth

For communities residing around Rajshree Cement Works (RCW), our plant in Karnataka's Gulbarga district, the institute has been a boon in a region with limited income options. A majority of those living in the district hail from the local nomadic community. Literacy levels in Gulbarga were low with a significant school dropout rate with limited avenues for higher studies.

Over the years, the lack of adequate technical skilling held back economic development and opportunities for growth for local people. KPITI helped change all this.

Since its launch in 1996, the institute, has emerged as a trusted name in technical skilling and employability in the 21 'adopted' villages around the unit.

Skilling for life

During the initial days, it was particularly challenging to convince families to send their children to the institute. We went door to door to create awareness in the local villages. Certification for the courses is government approved. Upon completion, trainees undergo apprenticeship training in their relevant trades at the UltraTech Rajshree cement plant with a monthly stipend. The fee structure at the institute has been framed in a manner so as to ensure minimal financial burden.

1256 students

passed till 2020

The institute has helped power the economic engine in and around the plant's adopted areas in Sedam. Around 40% of KPITI trained youth are absorbed at the plant every year and the rest find employment in other industrial units in Gulbarga or the country.

Skill training and development

We have setup vocational training centers around our campuses and extend vocational training for empowering youth. At UltraTech Sidhi Cement Works, Madhya Pradesh, vocational training center runs two-year programmes including Diesel Mechanic, Electrical and Fitter trades. We also run Industrial Training Institute, where students are provided skill training in Fitter, Electrician, and Diesel Mechanic Trades.

We are also supporting women with skill trainings for preparation of handicrafts, Uniforms, School Dresses, Nose Mask Making, Jam, Jelly, Papad, bamboo crafts, white phenyl, mushroom cultivation, and similar marketable trades.

Healthcare

We provide a diverse range of healthcare facilities and hospitals along with healthcare centres comprise our channel partners. Several healthcare projects are spread across our manufacturing facilities and communities. We hold medical camps and immunisation programmes regularly, as well as help immunise children against polio.

We provide support in treatment of disabilities such as cleft lip surgery and cochlear implant surgery for children, which have a life-changing impact. We also help provide artificial limbs for the physically challenged. We are working with the Vision Foundation of India to provide medical help to the nearly blind, also extending support for carrying out cataract surgeries. We conduct preventive healthcare programmes for awareness about HIV / AIDS. We are also working to make villages open defecation-free by joining hands with the local governments to set up toilet facilities.

Project Udaan- Nurturing the future

Studies have shown that malnutrition is one of the main causes of death and disability in India. The impact of malnutrition has worsened due to the ongoing pandemic. Expectant mothers and children from economically weaker sections of the society do not have access to proper nutrition. To mitigate this situation, we launched 'Project Udaan'.

Our CSR teams across several units distributed nutrition kits to more than 1,400 women, which included expectant mothers, lactating mothers, women from other vulnerable groups, and covered more than 70 anganwadis.

The teams have decided to increase the implementation of projects that will focus on the health of women and children by partnering with several government agencies, strengthening the existing kitchen gardens, implementing water and sanitation facilities, and providing support to improve the existing infrastructure facilities.





Infrastructure development

Infrastructure is a key enabler for provision of essential services in any society. Therefore, we support communities with housing facilities, safe drinking water, health and hygiene, and renewable source energy. Across the country, we have helped build community halls, school blocks, playgrounds, approach roads, installed solar lights, water harvesting structures, hand pumps, facilitated village drainage systems; deeply impacting society.

Repair and renovation of community water tank, in Sonebhadra District, Uttar Pradesh

In the region, the main source of income is agriculture along with daily wage/mining labour. Agriculture based development faces challenges like insufficient land for agriculture and lack of irrigation facilities etc. There is unemployment prevalent. The project covers 5000+ families approx. from the deprived communities in the region.

In order to support these poor families with better health conditions and provide safe drinking water, UltraTech Dalla Cement works undertook the task of repairing a Community Water Supply System in Kota village. This included cleaning of wells, repairing of old hand pumps and installation of new hand pumps wherever necessary in selected villages. This Tank is catering to safe drinking water need of about 5000+ households of the village. During the Village Development Committee meetings, the disrupted community water tank was identified with a capacity of 0.75 MLD of water.

Now communities have ready access to safe drinking water at their door step and the incidences of water borne diseases have reduced.



Social empowerment reform

We engage with communities to help enhance social cohesion and well-being. We recognise this as the cornerstone of our development as a nation. We run awareness programmes to advocate and support dowry-less marriages and widow remarriages. We also run de-addiction campaigns espousing basic moral values and gender quality.

Social empowerment through economic self-reliance

We consider women as agents of social change and work to develop an enabling environment, ensuring removal of disparities for social inclusions. UltraTech Bela Cement Works, Madhya Pradesh planned a livelihood intervention along with NABARD. 45 Days training to stitch 'uniform dresses' was conducted in Bajnath Village.

90 women from economically deprived families participated in Livelihood Entrepreneurship Development Programme (LEDP). NABARD organised exposure visit to Delhi.

Sustainable livelihoods

A palpable difference has been observed over the course of time. Tens of thousands of villagers now seem self-assured, confident and happy at being able to move towards a sustainable livelihood. There is new found dignity among them. We have formulated Self-Help groups (SHGs) across villages to encourage livelihoods in the communities. These SHGs transform lives by running small scale businesses, providing employment to the villages people. These businesses are set up by consulting the locals based on their needs. Our programmes cover women empowerment, skill enhancement and vocational training, agriculture development, animal husbandry, soil and water conservation, watershed development and agro-forestry.

Apart from this, we focus on skill development for urban youth. Through our setup of Multi Skill Multi Sector Training Centers, we provide short-term training programmes in hospitality, computers, electronics, electrical repair, cosmetology, etc. We also run an Applicators Training Programme in Rajasthan, which provides special training to masons and others in the construction sector.

In a collaborative project with the Confederation of Indian Industries and Sector Skills Council – Pradhan Mantri Kaushal Vikas Yojana (PMKVY), we run skills centres to provide training in automobile repairing, electrical services, IT enabled services, beauty and wellness, BPO, retail sales, garment designing, courier services and logistics.





Dhan Laxmi – women livelihood development efforts

During the COVID-19 pandemic, when migrant labourers could not find suitable jobs, the responsibility of women as the earning members of the family gained importance. UltraTech Hirmi and Bela Cement Works launched "Dhaan Laxhmi" Project, where women were given livelihood training in various vocations, so that they could help their families. Efforts were being made to train them as sustainable women entrepreneurs. Currently this programme is benefitting more than 100 Self Help Group Members.

Mask stitching:

Neeta aged 26, had been newly married. Her husband Ramesh was a construction worker in Mumbai. But owing to pandemic situation Ramesh was forced to return back to his native village. The lockdown had opened up a new battle in life of Ramesh, the question of survival for subsistence and sustenance. As Ramesh became jobless, Neeta was the sole bread earner. Neeta worked as a domestic help in nearby town. She needed a strong source of income to support her family. She attended free tailoring training camp with 22 other Self Help Group (SHG) members at UltraTech vocational training centre, where she was trained to make masks.

Gradually the SHG members started to stitch double layers pure cotton nose masks and converted emergent market need into an employment opportunity for women.

Within a span of 15 Days 23 women had stitched around 17000 nose masks, which were readily procured by UltraTech Hirmi Cement Plant. Today, Neeta has a fixed monthly income and the masks produced by the SHG members are supplied to open market.





Establishing Self Help Groups for women empowerment

At Baga Cement Works, Himachal Pradesh we have established 31 Self Help Groups (SHGs) for women empowerment in the nearby villages. These SHGs assist women to the path of financial independence and provides skill development training with a focus on local market demand. It helped equip women as local entrepreneurs improving family income.

Skill development training was taken up to add value and enhance earnings. Due to local cultural limitations, it was challenging to engage women and their families for fostering sustainable livelihood skills in them. Sangini Ladies Club of Baga Cement Works played an instrumental role in overcoming this challenge by organising series of programmes to enhance rapport with women of surrounding areas, specially their community lady representatives. We conducted series of programmes with families and women to percolate the concept of viable source of income through individual skill development.

We were successful in establishing Women Skills Development Center for imparting 3-months systematic training on Tailoring and household manufacturing of different types of detergents and face masks. Till date, 64 women have been trained at our skill development center and they are now independently generating income for their families.

Required resources were provided to make women Self Help Groups successful. The CSR team at Baga Cement Works facilitated these Groups with technical inputs in term of linking with banks/ loans, arrangement to buy cloth and other material from whole sellers and tie-up to sell the finished products. In the year 2020, material supplied by these women led SHGs - masks, detergent and soaps in nearby community was appreciated.

GRI 203-1, 413-1, 413-2

Model villages

At UltraTech, we recognise the village economy as vital to the stability and growth of the Indian economy. Encouraging development of these areas ensures lower rates of migration, thus containing a growing problem of overpopulation in cities and exploitation resulting from it. We help create model villages in rural India. For such a transformative project, we have chosen 300 villages with which we are associated. We aim to help the villages become self-reliant in every aspect over a five-year timeframe. We help them move out of the 'below poverty line' status. So far, more than 80 villages in India's hinterland have already achieved this milestone. These are located in Tamil Nadu, Karnataka, Chhattisgarh, Maharashtra, Gujarat, Madhya Pradesh, and Rajasthan.







Digital Village Project

Rawan Cement Works conceptualised and implemented Digital Village Project for e-governance to transform villages with the use of technology. We are helping Panchayats with a digital platform to easily access information, services and schemes for integrated development of the community.

Under this initiative, every Panchayat can have a government accredited digital outlet called Common Service Centre (CSC) to provide government to consumer (G2C) services like registrations on government schemes, land records, PAN Card, Passport, Aadhar Card, etc., and business to customer (B2C) services like e-commerce, insurance services, recharge wallet, financial products etc. The initiative also envisages to connect the rural businesses with large dealers under its Business to Business (B2B) services. We created the infrastructure along with its implementation and training of Panchayat nominated youth.

Objectives

To strengthen the Panchayati Raj Institution (PRI) for effective service delivery to its community dweller through digitisation,

- To deliver variety of Government to Citizen (G2C) Schemes and services through Common Service Centre digital platform
- To introduce rural e-commerce through Gramin E-Store under Business to Consumer (B2C) and Business to Business (B2B) initiatives
- To promote digital literacy among the Youth under Pradhan Mantri Gramin Digital Saksharata Abhiyan (PMGDISHA)
- To facilitate Government and beneficiary virtual interaction through Wi-Fi chaupal

11 Panchayats

are now fully connected with online Common Service portal and started G2C and B2C services to its people in 11 villages.

11 Youths

are engaged as Village Level Entrepreneur (VLE) out of which 3 are Women in this initiative and earning their livelihood on entrepreneurship mode.

26 Youths

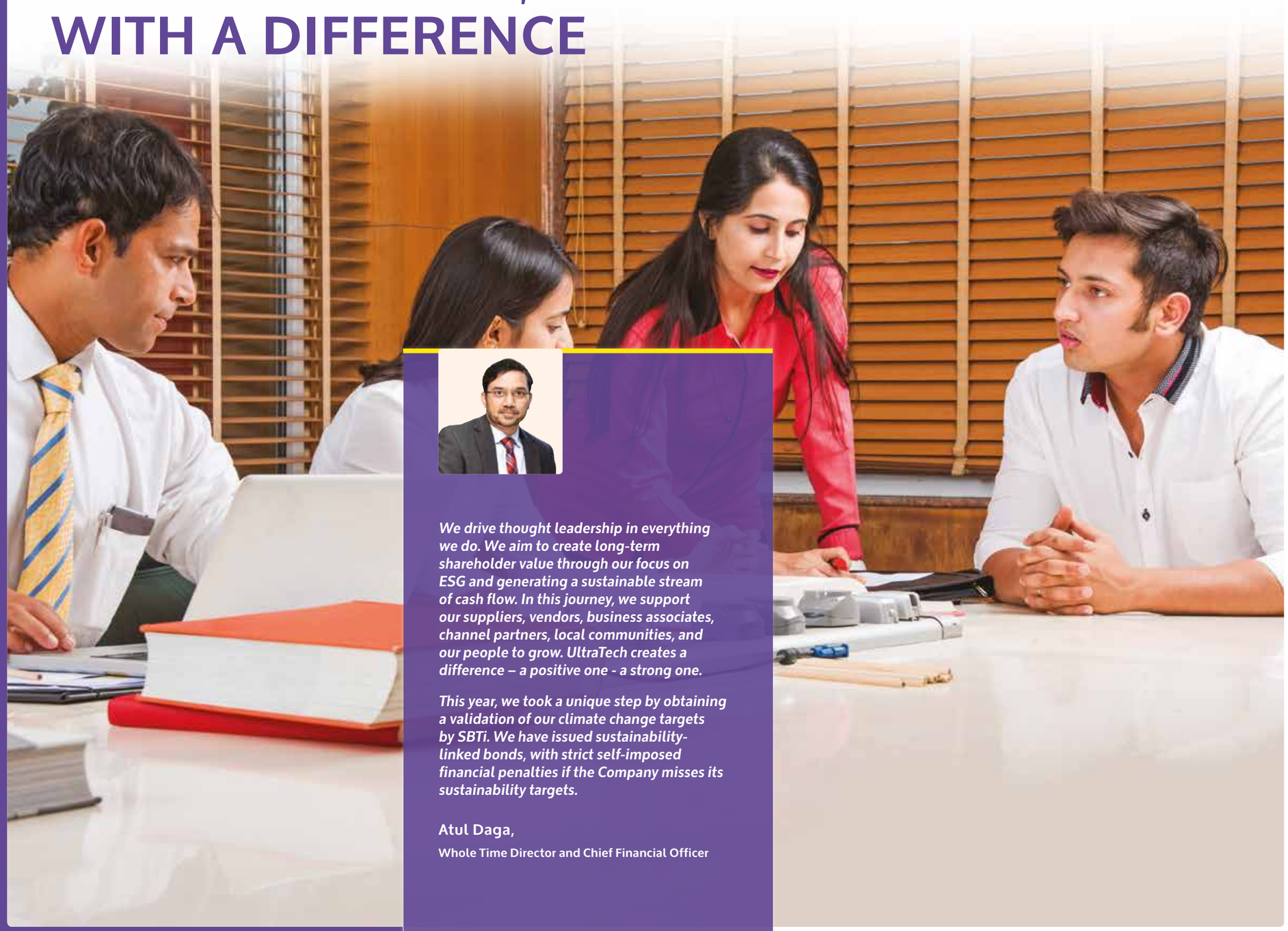
are so far trained and certified under PMGDISHA digital literacy programme.

1850 registrations

so far made under Ayushman Bharat Insurance scheme.

GRI 203-1, 413-1, 413-2, 419-1

LEADING THE DRIVE FOR INNOVATION, **WITH A DIFFERENCE**



We drive thought leadership in everything we do. We aim to create long-term shareholder value through our focus on ESG and generating a sustainable stream of cash flow. In this journey, we support our suppliers, vendors, business associates, channel partners, local communities, and our people to grow. UltraTech creates a difference – a positive one - a strong one.

This year, we took a unique step by obtaining a validation of our climate change targets by SBTi. We have issued sustainability-linked bonds, with strict self-imposed financial penalties if the Company misses its sustainability targets.

Atul Daga,
Whole Time Director and Chief Financial Officer

Inside this section

81 Highlights
82 Corporate Governance
83 Responsible Supply Chain

HIGHLIGHTS

50%
Independent Directors on the Board

~8 years
Average tenure of Directors

30%
Women Directors

>90%
Board Attendance

>90%
Committee Attendance

Corporate governance

We drive sound and proactive corporate governance practices through our decision-making across the board. Ours is a focussed approach driven by strategic foresight and planning that encompasses implementation. We actively contribute to the development of communities around our operations and the country as a whole. Corporate governance at UltraTech ensures the three pillars of the ABG Sustainability Framework - Responsible Stewardship, Strategic Stakeholder Engagement, and Future Proofing are implemented effectively and efficiently.



Information security

With the increasing importance of data and information, it is becoming one of most critical asset most businesses are heavily dependent on. The world is moving towards digitisation and so are we. While, digitisation helps in removing redundancy and making our lives simpler in many different ways, it also brings with itself the different ways of risk of loss, theft, or data breach. This can potentially lead to cutdown of processes, loss of working hours and loss of customer and supplier databases, and various intellectual properties of the Company, to name a few. To address this situation, Information security/ Cyber security committee is being formed comprising senior leadership team, headed by our Managing Director.

Cyber security policy aims to

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

Key Responsibilities of this Committee

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

CODE OF CONDUCT

To ensure fairness, transparency, and uniformity within the organisation, we follow a comprehensive Code of Conduct, to which all our organisational policies are also aligned. The Company website hosts a copy of the Code of Conduct, which is updated regularly. These measures provide our employees the right direction towards healthy conduct and help foster an ethical work culture and make us a conducive place to work. No breach has occurred against our code of conduct/ethics in the current financial year.

BOARD RESPONSIBILITY

The governance system at UltraTech derives its strength from our 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 which are reflected in UltraTech's business plans, projects, annual budgets and capital expenditure. Our Board comprises 11 directors, including three women directors.

Under the Board are formed various sub-committees to implement the Board's decisions as per its strategic priorities aimed at protecting and furthering the interests of the Company's key stakeholders. Headed by Independent Directors, these sub-committees maintain continuous oversight of key business functions through rigorous reviews of the implementation of policies and procedures.

UltraTech BOARD COMMITTEES

- **Audit Committee**
- **Stakeholder Relationship Committee**
- **Risk Management and Sustainability Committee**
- **Nomination, Remuneration & Compensation Committee**
- **Finance Committee**

Responsible supply chain

We engage regularly with our supply chain partners for developing a responsible and sustainable supply chain. We value the suppliers and contractors who carry out their operations in alignment with our vision on Sustainability. Aditya Birla Group's Supply Chain and Procurement Policy is the guide for building a supply chain that sustains the business and is a resilient one.

While choosing our vendors, we follow a robust criteria to ensure ethical, healthy work practices, no - Child Labour, no - Forced & Compulsory Labour, maintaining health & safety, abiding by statutory compliances among others. The process of monitoring and evaluation is carried out regularly even after the vendors are onboarded. Further, we prefer to prioritise local vendors over others to encourage responsible sourcing.

We have developed a Sustainable Supply Chain Framework uses an ESG criteria for vendor assessment and prefer those with better scores. ESG Criteria under which the suppliers are assessed are: Governance, HR Management, Environment Health and Safety (EHS), Social. These criteria encompass availability of robust policies, compliance certifications like ISO 14001, OHSAS 18001, etc., performance on emissions, water use, staff training percentage, etc.

As a part of supply chain spend analysis,100% of our suppliers have been analysed and checked on the defined ESG parameters, where minimum thresholds for alignment to ESG objectives are defined. Out of these, 40% of our suppliers that have been assessed and analysed for risks and were provided with feedback and corrective actions. Out of which, 13% of them have already incorporated these feedbacks and have taken corrective actions as a part of their risk assessment. We hold regular sustainability related awareness and training session for all our suppliers to keep them abreast of all the latest developments.

SUSTAINABLE SUPPLY CHAIN TARGETS.

KPIs	Target	PROGRESS 2020-21
New suppliers to be screened for ESG criteria*	100% Continuous	Ongoing
Assessement of critical suppliers	100% by 2025	40%
Coverage of Tier I suppliers through sustainable supply chain awareness sessions	25% by 2025	Ongoing

* As of now, only new suppliers registered with the corporate procurement cell will be screened

Project Sahyog – Achieving sustainability across our supply chain

We have recently commenced a supply chain sustainability initiative named Project Sahyog, to achieve environmental and social sustainability across our supply chain through a collaborative and consultative approach. The project is in line with the Aditya Birla Group Sustainability Framework for future-proofing the business. As part of this project, we have developed an Environmental, Social and Corporate Governance (ESG) framework to guide the activities for accomplishing the desired objectives of Project Sahyog.

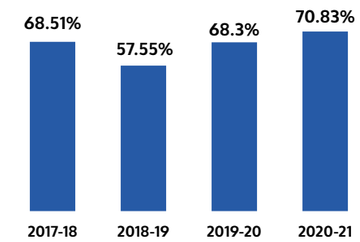
A virtual supplier summit was organised on November 26, 2020 by our central procurement and sustainability teams to apprise selected critical suppliers about Project Sahyog and to inform them about the planned changes in procurement practices, supplier code of conduct, and to outline the expectations from the suppliers for successful implementation of this initiative. The summit was attended by the representatives of 20 critical supplier organisations spread across all categories of supplies.

During the summit, we presented the salient features of Project Sahyog. Appropriate clarifications were provided for the queries raised by the suppliers. Their feedback on Project Sahyog was collected for further considerations. Additionally, good sustainability practices from the industry were shared by three of our suppliers. All attendees of the summit in principle agreed to adopt the sustainability practices through a collaborative approach and support Project Sahyog in accomplishing the desired objectives. Suppliers reacted positively to Project Sahyog.

DEVELOPING A TRULY LOCAL SUPPLY CHAIN

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

Procurement from local suppliers



Annexure - 1

GRI Content Index

This report is in accordance with the requirements of the Global Reporting Initiative, GRI Standard: Comprehensive. It covers our sustainability performance for the period from 1st April 2020 to 31st March 2021.

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
GRI 102: GENERAL DISCLOSURES 2016			
ORGANISATIONAL PROFILE			
102-1	Name of the organisation	Cover	
102-2	Activities, brands, products, and services	10-11	
102-3	Location of headquarters	Back Cover	
102-4	Location of operations	12-13	
102-5	Ownership and legal form	10	
102-6	Markets served	12-13	
102-7	Scale of the organisation	10-11	
102-8	Information on employees and other workers	10	
102-9	Supply chain	83	
102-10	Significant changes to the organisation and its supply chain	3	
102-11	Precautionary Principle or approach	3	
102-12	External initiatives	5	
102-13	Membership of associations	Annual Report 2020-21	
STRATEGY			
102-14	Statement from senior decision-maker	8-9, 18-19	
102-15	Key impacts, risks, and opportunities	32-33	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	10, 82	
102-17	Mechanisms for advice and concerns about ethics	82, Annual Report 2020-21	
GOVERNANCE			
102-18	Governance structure	Annual Report 2020-21	
102-19	Delegating authority	Annual Report 2020-21	
102-20	Executive-level responsibility for economic, environmental, and social topics	22	
102-21	Consulting stakeholders on economic, environmental, and social topics	34-37	
102-22	Composition of the highest governance body and its committees	Annual Report 2020-21	
102-23	Chair of the highest governance body	Annual Report 2020-21	
102-24	Nominating and selecting the highest governance body	Annual Report 2020-21	
102-25	Conflicts of interest	Annual Report 2020-21	
102-26	Role of highest governance body in setting purpose, values, and strategy	The Risk and Sustainability committee of the Board of Directors has the highest role in giving purpose, values and strategy. It also approves the long term ESG goals.	
102-27	Collective knowledge of highest governance body	Annual Report 2020-21	
102-28	Evaluating the highest governance body's performance	Annual Report 2020-21	
102-29	Identifying and managing economic, environmental, and social impacts	The Board Risk and Sustainability Committee reviews impacts and gives inputs identifying both risks and opportunities on sustainability aspects, as part of the quarterly review. They also review progress on the targets quarterly.	
102-30	Effectiveness of risk management processes	32-33, Annual Report 2020-21	
102-31	Review of economic, environmental, and social topics	The Board Risk and Sustainability Committee reviews impacts and gives inputs identifying both risks and opportunities on sustainability aspects, as part of the quarterly review. They also review progress on the targets quarterly.	
102-32	Highest governance body's role in sustainability reporting	The Board Risk and Sustainability committee approves the Sustainability Report.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
102-33	Communicating critical concerns	During quarterly reviews, critical concerns are presented and resolved. Read more in AR.	
102-34	Nature and total number of critical concerns	Annual Report 2020-21	
102-35	Remuneration policies	Annual Report 2020-21	
102-36	Process for determining remuneration	The remuneration is determined based on the remuneration policy of the Company. Read more in AR.	
102-37	Stakeholders' involvement in remuneration	Annual Report 2020-21	
102-38	Annual total compensation ratio	-	The compensation data is classified as business sensitive and cannot be disclosed due to confidentiality constraints.
102-39	Percentage increase in annual total compensation ratio	-	The compensation data is classified as business sensitive and cannot be disclosed due to confidentiality constraints.
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	34-37	
102-41	Collective bargaining agreements	70-71	
102-42	Identifying and selecting stakeholders	34-37	
102-43	Approach to stakeholder engagement	34-37	
102-44	Key topics and concerns raised	34-37	
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	Annual Report 2020-21	
102-46	Defining report content and topic Boundaries	3	
102-47	List of material topics	4-5	
102-48	Restatements of information	3	
102-49	Changes in reporting	3	
102-50	Reporting period	3	
102-51	Date of most recent report	3	
102-52	Reporting cycle	3	
102-53	Contact point for questions regarding the report	3	
102-54	Claims of reporting in accordance with the GRI Standards	3	
102-55	GRI content index	84	
102-56	External assurance	104-105	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
GRI 200: ECONOMIC PERFORMANCE			
GRI 201: ECONOMIC			
103-1	Explanation of the material topic and its Boundary	14	
103-2	The management approach and its components	14	
103-3	Evaluation of the management approach	14	
201-1	Direct economic value generated and distributed	94	
201-2	Financial implications and other risks and opportunities due to climate change	45	
201-3	Defined benefit plan obligations and other retirement plans	94	
201-4	Financial assistance received from government	94	
GRI 202: MARKET PRESENCE			
103-1	Explanation of the material topic and its Boundary	69	
103-2	The management approach and its components	69	
103-3	Evaluation of the management approach	69	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	69	
202-2	Proportion of senior management hired from the local community	69	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
103-1	Explanation of the material topic and its Boundary	73-79	
103-2	The management approach and its components	73-79	
103-3	Evaluation of the management approach	73-79	
203-1	Infrastructure investments and services supported	30-31, 73-79	
GRI 204: PROCUREMENT PRACTICES			
103-1	Explanation of the material topic and its Boundary	83	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
103-2	The management approach and its components	83	
103-3	Evaluation of the management approach	83	
204-1	Proportion of spending on local suppliers	83	
GRI 205: ANTI-CORRUPTION			
103-1	Explanation of the material topic and its Boundary	Annual Report 2020-21	
103-2	The management approach and its components	Annual Report 2020-21	
103-3	Evaluation of the management approach	Annual Report 2020-21	
205-1	Operations assessed for risks related to corruption	Annual Report 2020-21	
205-2	Communication and training about anti-corruption policies and procedures	Annual Report 2020-21	
205-3	Confirmed incidents of corruption and actions taken	Annual Report 2020-21	
GRI 206: ANTI-COMPETITIVE BEHAVIOR			
103-1	Explanation of the material topic and its Boundary	Annual Report 2020-21	
103-2	The management approach and its components	Annual Report 2020-21	
103-3	Evaluation of the management approach	Annual Report 2020-21	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report 2020-21	
GRI 300: ENVIRONMENT PERFORMANCE			
GRI 301: MATERIAL 2016			
103-1	Explanation of the material topic and its Boundary	56	
103-2	The management approach and its components	56	
103-3	Evaluation of the management approach	56	
301-1	Materials used by weight or volume	98, 101	
301-2	Recycled input materials	98, 101	
301-3	Percentage of reclaimed products and their packaging materials for each product category	98, 101	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
GRI 302: ENERGY			
103-1	Explanation of the material topic and its Boundary	40-43	
103-2	The management approach and its components	40-43	
103-3	Evaluation of the management approach	40-43	
302-1	Energy consumption within the organisation	98, 99, 102	
302-2	Energy consumption outside of the organisation	98, 99, 102	
302-3	Energy intensity	98, 99, 102	
302-4	Reduction of energy consumption	98, 99, 102	
302-5	Reductions in energy requirements of products and services	Not applicable	
GRI 303: WATER AND EFFLUENTS			
103-1	Explanation of the material topic and its Boundary	46-47	
103-2	The management approach and its components	46-47	
103-3	Evaluation of the management approach	46-47	
303-1	Interactions with water as a shared resource	46-47	
303-2	Management of water discharge-related impacts	46-47	
303-3	Water withdrawal	99, 102	
303-4	Water discharge	99, 102	
303-5	Water consumption	99, 102	
GRI 304: BIODIVERSITY 2016			
103-1	Explanation of the material topic and its Boundary	49	
103-2	The management approach and its components	49	
103-3	Evaluation of the management approach	49	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	49	
304-2	Significant impacts of activities, products, and services on biodiversity	49	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
304-3	Habitats protected or restored	49	
304-4	IUCN Red List species and national conservation list	49	
GRI 305: EMISSIONS			
103-1	Explanation of the material topic and its Boundary	48	
103-2	The management approach and its components	48	
103-3	Evaluation of the management approach	48	
305-1	Direct (Scope 1) GHG emissions	98, 100	
305-2	Energy indirect (Scope 2) GHG emissions	98, 100	
305-3	Other indirect (Scope 3) GHG emissions	98, 100	
305-4	GHG emissions intensity	98, 100	
305-5	Reduction of GHG emissions	98, 100	
305-6	Emissions of ozone-depleting substances (ODS)	100, 102	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	100, 102	
GRI 306: EFFLUENTS AND WASTE			
103-1	Explanation of the material topic and its Boundary	56	
103-2	The management approach and its components	56	
103-3	Evaluation of the management approach	56	
306-1		56	
306-2	Waste by type and disposal method	100, 102	
306-3	Significant spills	100, 102	
306-4	Transport of hazardous waste	100, 102	
GRI 307: ENVIRONMENTAL COMPLIANCE			
103-1	Explanation of the material topic and its Boundary	32	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
307-1	Non-compliance with environmental laws and regulations	32	
GRI 400: SOCIAL DIMENSION			
GRI 401: EMPLOYMENT			
103-1	Explanation of the material topic and its Boundary	68	
103-2	The management approach and its components	68	
103-3	Evaluation of the management approach	68	
401-1	New employee hires and employee turnover	94-95	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	68-70	
401-3	Parental leave	97	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
103-1	Explanation of the material topic and its Boundary	62	
103-2	The management approach and its components	62	
103-3	Evaluation of the management approach	62	
403-1	Occupational health and safety management system	62-63	
403-2	Hazard identification, risk assessment, and incident investigation	62-63	
403-3	Occupational health services	66	
403-4	Worker participation, consultation, and communication on occupational health and safety	62-63	
403-5	Worker training on occupational health and safety	62-63	
403-6	Promotion of worker health	62-63	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62-63	
403-8	Workers covered by an occupational health and safety management system	62-63	

GRI STANDARD	DISCLOSURE	PAGE NUMBER / RESPONSE	OMISSION AND REASON FOR OMISSION
403-9	Work-related injuries	96	
403-10	Work-related ill health	96	
GRI 404: TRAINING AND EDUCATION			
103-1	Explanation of the material topic and its Boundary	70	
103-2	The management approach and its components	70	
103-3	Evaluation of the management approach	70	
404-1	Average hours of training per year per employee	96	
404-2	Programs for upgrading employee skills and transition assistance programs	70	
404-3	Percentage of employees receiving regular performance and career development reviews	68	
GRI 404: TRAINING AND EDUCATION			
103-1	Explanation of the material topic and its Boundary	69	
103-2	The management approach and its components	69	
103-3	Evaluation of the management approach	69	
405-1	Diversity of governance bodies and employees	94-95	
405-2	Ratio of basic salary and remuneration of women to men	94-95	
GRI 412: HUMAN RIGHTS ASSESSMENT			
103-1	Explanation of the material topic and its Boundary	71	
103-2	The management approach and its components	71	
103-3	Evaluation of the management approach	71	
412-1	Operations that have been subject to human rights reviews or impact assessments	71	
412-2	Employee training on human rights policies or procedures	71	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	71	
GRI 413: Local Communities 2016			
103-1	Explanation of the material topic and its Boundary	74-79	
103-2	The management approach and its components	74-79	
103-3	Evaluation of the management approach	74-79	
413-1	Operations with local community engagement, impact assessments, and development programmes	74-79	
413-2	Operations with significant potential or actual negative impacts on local communities.	74-79	
GRI 419: SOCIO-ECONOMIC COMPLIANCE			
103-1	Explanation of the material topic and its Boundary	32	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
419-1	Non-compliance with laws and regulations in the social and economic area	32	

Annexure - 2

Sustainability scorecard

This chapter provides our sustainability performance over time.

BUSINESS

Stakeholders	UltraTech FY 2020-21			UltraTech Consolidated FY 2020-21		
	Value in ₹ Billion	Value in ₹ per Bag	Share of Total Value	Value in ₹ Billion	Value in ₹ per Bag	Share of Total Value
Economic Value Generated						
Revenues	527.73	320	100.0%	545.98	316	100.0%
Economic Value distributed						
Operating Costs	290.96	176	55.1%	295.67	171	54.2%
Govt Taxes including Excise /VAT/ Income Tax/ Other Levies	124.59	75	23.6%	130.30	75	23.9%
Depreciation	24.34	15	4.6%	27.00	16	4.9%
Employees, Welfare and Community Development	21.82	13	4.1%	23.53	14	4.3%
Payment to Lenders	12.59	8	2.4%	14.86	9	2.7%
Proportionate Dividend to Shareholders	10.68	6	2.0%	10.68	6	2.0%
Economic value retained						
Retained Earnings for Reinvestment / Modernisation	42.74	26	8.1%	43.94	25	8.0%
Significant financial assistance received from Government				₹ lacs	395.56	
Benefits received under State Investment Promotion Schemes				₹ lacs	29,399.00	

PEOPLE

Employee Details

	2018-19	2019-20	2020-21
No. of Employees	19646	19205	20670
Attrition	6.2%	6.27%	5.64%
Training hours per employee	18.1	20.47	18.69

Employee distribution by role, age and gender

	2018-19						
	Gender		Age			Region	
Permanent employees	M	F	<30	30-50	>50	Within country	Outside country
Leaders	34	0	1941	13679	4026	19108	538
Managers	925	21					
Executives	12266	271					
Workers	6112	17					
Non - Permanent							
Trainees	95	27				122	0
Retainers	121	2				122	1
Fixed term employees	56	11				67	0
Contract Labour	30976	615				31292	299

Employee distribution by role, age and gender

	2019-20							2020-21						
	Gender		Age			Region		Gender		Age			Region	
Permanent employees	M	F	<30	30-50	>50	Within country	Outside country	M	F	<30	30-50	>50	Within country	Outside country
Leaders	38	0	1681	13424	4100	18846	359	40	0	1599	14336	4735	20155	515
Managers	963	27						1048	29					
Executives	11749	302						12687	358					
Workers	6099	27						6491	17					
Non - Permanent														
Trainees	196	61				257	0	96	23				119	0
Retainers	120	3				122	1	120	1				117	2
Fixed term employees	84	15				99	0	118	15				129	4
Contract Labour	30168	698				30687	179	35495	856				36120	231

Employee turnover by role, age and gender

	2018-19						
	Age			Gender		Region	
Employee Turnover	<30	30-50	>50	M	F	Within country	Outside country
	177	700	283	1133	27	1129	31

	2019-20							2020-21						
	Age			Gender		Region		Age			Gender		Region	
Employee Turnover	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country
	196	672	337	1161	44	1184	21	218	641	306	1103	62	1129	36

New employees hired by age, gender and region

	2018-19						
	Age			Gender		Region	
New Employees Hired	<30	30-50	>50	M	F	Within country	Outside country
	515	767	53	1290	45	1307	24

	2019-20							2020-21						
	Age			Gender		Region		Age			Gender		Region	
New Employees Hired	<30	30-50	>50	M	F	Within country	Outside country	<30	30-50	>50	M	F	Within country	Outside country
	424	546	34	922	82	993	11	194	281	36	471	40	484	27

Average training hours per person per year

	2018-19			2019-20			2020-21		
Category	M	F	Total	M	F	Total	M	F	Total
Leaders	8	0	8	12	0	12	25	0	25
Managers	20	25	45	19	12	31	32	23	55
Executives	37	25	62	23	11	34	42	37	79
Workers	16	48	64	16	4	19	10	2	12

	2018-19	2019-20	20-21
Total Training hours	356322.55	393096	386422
Training hours per employee	18.13	20.47	18.69

Safety Performance

Health & Safety	2018-19	2019-20	2020-21
Number of fatalities directly employed	0	1	1
Number of fatalities per 10,000 directly employed	0	0.68	0.63
Number of Fatalities, Indirectly Employed	4	0	1
Lost Time Injuries (LTIs) per million man-hours (directly employed) (LTI Frequency Rate Directly Employed (per million manhours)	0.47	0.17	0.03
Lost Time Injuries (LTIs) per million man-hours (indirectly employed) (LTI Frequency Rate Indirectly Employed (per million manhours)	0.18	0.21	0.18
Number of Fatalities (Involving Third Parties)	0	0	0

Maternity Leave

	2018-19			
Description	Number of female employees who took maternal leave (in FY 2018-19)	Number of female employees who returned to work after maternal leave ended (in FY 2018-19)	Total number of employees returning from maternal leave in the prior returning period (FY 2017-18)	Number of female employees who took maternal leave in FY 2017-18, who returned to work and were employed for 12 months after return
Number of employees	8	11	15	12
Rate				80

	2019-20				2020-21			
Description	Number of female employees who took maternal leave (in FY 2018-19)	Number of female employees who returned to work after maternal leave ended (in FY 2018-19)	Total number of employees returning from maternal leave in the prior returning period (FY 2017-18)	Number of female employees who took maternal leave in FY 2017-18, who returned to work and were employed for 12 months after return	Number of female employees who took maternal leave (in FY 20-21)	Number of female employees who returned to work after maternal leave ended (in FY 2020-21)	Total number of employees returning from maternal leave in the prior returning period (FY 2019-20)	Number of female employees who took maternal leave in FY 2019-20, who returned to work and were employed for 12 months after return
Number of employees	11	10	8	6	13	12	6	5
Rate				75				83

Benefits provided to full-time employees, which are not provided to temporary or part - time employees.

Benefits	Unit	FY 2020-21
Leave Encashment	₹ lacs	2,105.59
HRA	₹ lacs	16,509.27

ENVIRONMENT

ENVIRONMENT PERFORMANCE - CEMENT

Material Consumption

Parameter	Units	2018-19	2019-20	2020-21
Natural raw materials	Million Tonnes	80.42	75.77	90.94
Associated materials	Tonnes	68451.77	85739.79	103153.84
Semi manufactured goods	Tonnes	7284.81	8447.00	8750.87
Packaging materials (Plastic and paper bags)	Tonnes	77870.71	76474.00	100336.51

Recycled materials used by weight

Parameter	Units	2018-19	2019-20	2020-21
Fly ash	Tonnes	13363165.40	12939464.00	16505011.88
Slag	Tonnes	727257.49	582590.95	1141321.12
Waste Materials as gypsum (Also includes Chemical and Marine Gypsum)	Tonnes	1245487.49	1069508.45	1231956.44
Silica Fume	Tonnes			
Other industrial wastes	Tonnes	179622.73	1143691.57	1567470.58
Recycled material used	Tonnes	15515533.11	15735254.96	20445760.02
Percentage of Recycled Materials used		16.2%	17.2%	18.36%

Direct energy consumption - for production

Parameter	Units	2018-19	2019-20	2020-21
Coal and Lignite	PJ	35.18	44.62	81.46
Petcoke	PJ	111.64	106.89	98.82
Waste Fuel	PJ	6.36	5.80	5.85
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.30	0.16	0.25
Mining and Transportation	PJ	1.65	1.96	2.20

Direct energy consumption - for captive power plant

Parameter	Units	2018-19	2019-20	2020-21
Coal and lignite	PJ	43.58	52.02	61.53
Pet coke	PJ	7.95	2.97	1.68
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.42	0.28	0.34

Renewable energy produced

Parameter	Units	2018-19	2019-20	2020-21
Waste Heat Recovery System	TJ	1458.46	1764.67	2157.73
Wind Energy	TJ	6.11	5.81	4.89
Solar Energy	TJ	54.65	41.13	49.58

Indirect energy consumption

Parameter	Units	2018-19	2019-20	2020-21
Electricity purchased	TJ	4042	3744	4377
Electricity Purchased -Renewables	TJ	220	381	632

Alternate Fuel Rate

	2018-19	2019-20	2020-21
Total Alternative Fuel Rate (% of thermal energy consumption)	3.90	3.7%	3.1%

Energy Intensity

		2018-19	2019-20	2020-21
Specific Thermal Energy	kcal/kg of clinker	712.85	718.42	724.80
Specific Electrical Energy	kWh/ ton of cement	78.9	79.8	78.5

Total water withdrawal

Parameter	Units	2018-19	2019-20	2020-21
Surface water	Million m^3	7.38	5.44	4.76
Ground water	Million m^3	4.23	3.80	4.47
Rainwater	Million m^3	8.80	9.45	13.89
Water from municipality	Million m^3	0.34	0.33	0.19
Water recycled and reused	% of water withdrawn	13.03	14.06	12.12

Biodiversity

Parameter	Units	2018-19	2019-20	2020-21
Total number of saplings planted	Number	314208	256495	244748
Saplings survival rate	%	84.75	85.55	84.27

GHG & ODS Emissions

Parameter	Units	2018-19	2019-20	2020-21
Direct CO_2 (Includes CPP)	Thousand tCO_2/year	51268	47952	56586
Indirect CO_2 (External power)	Thousand tCO_2/year	1208.76	1314.58	1405.92
Scope 3 emissions	tCO_2/year	5879313	5376354.00	5257232.44
Total use of ODS	Equivalent tonnes	0.317	0.292	0.501

Specific GHG Emissions - Cement

		2018-19	2019-20	2020-21
Specific Direct GHG Emissions	kg CO_2 per tonne of cementitious material produced	618.87	613.76	596.59
Specific Indirect GHG emission	kg CO_2 per tonne of cementitious material produced	16.00	19.00	16.75

Specific GHG Emissions - RMC

		2018-19	2019-20	2020-21
Specific Direct GHG Emissions	kg CO_2 per m^3 of concrete produced	0.76	0.64	0.73
Specific Indirect GHG emission	kg CO_2 per m^3 of concrete produced	2.01	2.01	1.92

Other Air Emissions

Parameter	Units	2018-19	2019-20	2020-21
SPM	Tonnes/year	5547.78	4282.64	5804.46
SOx	Tonnes/year	26020.79	18771.88	23069.85
NOx	Tonnes/year	96904.03	71517.20	93814.85

Waste Management and Recycling

Parameter	Units	2018-19	2019-20	2020-21
Hazardous waste (solid)	Tonnes	872.39	714.53	624.96
Hazardous waste (liquid)	Tonnes	930.45	928.19	608.43
Non-hazardous waste (solid)	Tonnes	706178.97	554459.72	680376.86
Total Hazardous Waste	Tonnes	1802.84	1642.72	1233.39
Waste reused/recycle/sold	Tonnes	707981.81	556102.44	681610.25
Waste Management system Data Coverage	%	100.00	100.00	100.00
Co-processed Waste (AF Used)	Tonnes	328313.36	323322.09	346615.87
Plastic Waste Co-processed(AFR Plastic)	Tonnes	125338.32	201630.00	246567.24
PP bags	Tonnes	77870.71	76474.00	100336.51
Total Waste Derived Resource Consumed (AFR+ARM)	million tonnes	15.84	16.06	20.79

ENVIRONMENT PERFORMANCE - RMC

Material Consumption

Parameter	Units	2018-19	2019-20	2020-21
Natural raw materials	Million Tonnes	7.29	6.91	6.08
Associated materials	Tonnes	25.91890593	22.88	24.00
Semi manufactured goods	Tonnes	1092036.71	1063000	956392.57

Recycled materials used by weight

Parameter	Units	2018-19	2019-20	2020-21
Fly ash	Tonnes	248164.9746	246439.12	198943.91
Slag	Tonnes	101143.4086	92691.15	78976.02
Silica Fume	Tonnes	1000.00	1391.77	1292.29
Other Industrial Wastes(recycled material from Baton Wash)	Tonnes	3360.00	2510.00	1501.88
Recycled material used	Tonnes	353668.38	343032.04	280714.10

Direct Energy Consumption for Concrete Production

Parameter	Units	2018-19	2019-20	2020-21
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.022	0.019	0.017

Energy Consumed in DG set

Parameter	Units	2018-19	2019-20	2020-21
Others (Includes Diesel oil, furnace oil, LDO and other fuel)	PJ	0.015	0.013	0.015

Indirect energy consumption

Parameter	Units	2018-19	2019-20	2020-21
Electricity purchased	TJ	33.52524723	32.66	27.43

Energy Intensity

	Units	2018-19	2019-20	2020-21
Specific Thermal Energy	GJ/100 m^3 concrete produced	1.85	1.76	1.86

Total water withdrawal

Parameter	Units	2018-19	2019-20	2020-21
Surface water	Million m^3	0	0	0
Ground water	Million m^3	0.45	0.43	0.42
Rainwater	Million m^3	0.01	0.01	0.01
Water from municipality	Million m^3	0.73	0.69	0.56
Water recycled and reused	% of water withdrawn	1.89	2.60	2.07

Biodiversity

Parameter	Units	2018-19	2019-20	2020-21
Total number of saplings planted	Number	1437	2284	1465
Saplings survival rate	%	82%	85%	82%

GHG Emissions

Parameter	Units	2018-19	2019-20	2020-21
Direct CO_2 (Includes CPP)	Thousand tCO_2/year	2.88	2.35	2.33
Indirect CO_2 (External power)	Thousand tCO_2/year	7.64	7.31	6.13

Waste Management and Recycling

Parameter	Units	2018-19	2019-20	2020-21
Hazardous waste (solid)	Tonnes	5.22	1.71	1.11
Hazardous waste (liquid)	Tonnes	0.82	1.27	1.90
Non-hazardous waste (solid)	Tonnes	63800	64490	48412

Annexure - 3

GCCA KPIs

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

Basic Parameters	Units	UltraTech + Star Cement
CO_2 emissions		
Total direct CO_2 emissions – gross	million tCO_2/year	56.59
Total direct CO_2 emissions – net	million tCO_2/year	50.07
Specific CO_2 emissions – net	kg/t of cementitious material	596.59
Target Reduction for CO_2	Science Based Target: Reduction in CO_2 emission intensity by 27% from FY 2017 level by FY 2032	
Independently Verified CO_2 data	Externally Verified	
Emissions		
Overall coverage rate	%	100%
Coverage rate continuous measurement	%	100%
PM Emission Absolute*	Tons/year	2386
PM Emission Specific*	g/tonne clinker	28
NOx Emission Absolute*	Tons/year	87980
NOx Emission Specific*	g/tonne clinker	1048
SOx Emission Absolute*	Tons/year	7135
SOx Emission Specific*	g/tonne clinker	85
Fuels and Raw Material		
Alternative fuel rate (kiln fuels)	%	2.63%
Biomass fuel rate (kiln fuels)	%	0.50%
Alternative Raw Materials rate (% ARM)	%	18%
Specific heat consumption for clinker production	MJ/tonne	3034.38
Safety		
Number of fatalities, directly employed	Number	1
Number of fatalities, contractors and sub-contractors	Number	1
Number of fatalities, third parties	Number	0
Number of lost time injuries (LTI), directly employed	Number(per million man-hours)	0.03
Number of lost time injuries (LTI), contractors and sub-contractors	Number(per million man-hours)	0.18
Water		
Water Consumption (Total Water withdrawal – Water Discharge)	million m^3/year	11.21
Number of sites	Number	57
Number of sites with a water recycling system	Number	41
Quarry rehabilitation and biodiversity management		
Quarries with high biodiversity value where biodiversity management plan is implemented	Percentage (%)	25
Quarries where rehabilitation plan is implemented	Percentage (%)	92.86

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

Annexure - 4

Independent Assurance Statement

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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 2020-21.

The development of the Report is based on the Global Reporting Initiative (GRI) Standards, and its subsequent updates in 2018 and 2020; 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 in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000). 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. The assurance statement 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 2020 to 31st March 2021;
- The Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data;
- Remote Verification of data and related information through consultations at the Company's Head Office in Mumbai and desktop review of the following units:
  - Integrated Units
    - Sidhi Cement Works
    - Gujarat Cement Works
    - Kotputli Cement Works
  - Grinding Units
    - Dankuni Cement Works
    - Wanakbori Cement Works
    - Patliputra Cement Work
  - Bulk Terminal - BSBT- Dodballapur
  - Ready Mix Concrete (RMC) Units
    - Coimbatore RMC Plant
    - Hyderabad RMC Plant
    - Naurangpur RMC Plant
    - Rabale RMC Plant
    - Sanathal RMC Plant
    - Vapi RMC Plant
- Review of data on a sample basis, at the above-mentioned units, pertaining to the following General Disclosures and Specific Disclosures of the GRI Standards:

1. General Disclosures: Organizational Profile (102-1 to 102-13), Strategy (102-14, 102-15), Ethics and Integrity (102-16, 102-17), Governance (102-18 to 102-39), Stakeholder Engagement (102-40 to 102-44) and Reporting Practice (102-45 to 102-56);

2. Specific Disclosures:

- Environmental Topics: Materials (301-1, 301-2), Energy (302-1, 302-2, 302-3, 302-4), Water (303-3, 303-4, 303-5), Emissions (305-1, 305-2, 305-3, 305-4, 305-6, 305-7), Waste (306-2).
- Social Topics: Employment (401-1, 401-3), Occupational Health and Safety (403-5, 403-9), Training and Education (404-1), Local Communities (413-1).

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- Key performance indicator "Carbon emission per ton of concrete" as per 'GHG Protocol and GCCA Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing'.

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 2020 to 31st March 2021;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- 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 units listed above to understand and review the current processes in place for capturing sustainability performance data;
- Desk reviews at the Company's corporate office and units 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;
- Review of select qualitative statements 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 in the Sustainability Report. The Report has been developed as per the GRI Standards - Comprehensive 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.

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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. The gross CO_2 from concrete as per GHG Protocol and GCCA Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing for the reporting year FY 2020-21 is as follows:

	$kgCo_2/m^3$ of concrete
Gross CO_2 from Concrete Mix Design Category per cubic metre concrete production	210.51

NOTE: This includes CO_2 emission from Water, Coarse aggregate, Fine aggregate, Admixture, Electricity and Cement

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
30.07.2021
Mumbai

[1] International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This *Code* establishes ethical requirements for professional accountants.

NOTES

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GRI 102-3

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