ADITYA BIRLA

UltraTech

DRIVING GROWTH THROUGH SDGs

SUSTAINABILITY REPORT 2017-18

RESPONSIBLE STEWARDSHIP

STAKEHOLDER ENGAGEMENT

117

FUTURE PROOFING

127

MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

The Government's highly ambitious Bharatmala Pariyojana umbrella programme for connecting roads and highways is on track. An all embracive project, it covers economic corridors, inter-corridors, feeder routes, border and global connectivity, port connectivity, as well as roads in the context of greenfield expressways. It is estimated that an investment of about $ 4.5 trillion would be ploughed to meet the infrastructure needs over the next 20 years. With this kind of a push, cement undeniably emerges as a vibrant sector, destined to play a major role.

UltraTech is among the top cement companies in the world and of course, India's number 1 player by a huge margin, in excess of 50 million tons. The company has audacious growth ambitions - we expect to become a 120 million tons player in the near future. To reach our targets, we believe, building a sustainable earth centred business is imperative, because businesses cannot survive on a planet that fails. If we do not pursue responsible growth, we will set the planet, on perhaps, an irreversible course to unsustainability.

So as part of our endeavours to ensure that we are on this sustainability journey, we have chosen a three pronged approach. This comprises responsible stewardship, stakeholder engagement and future proofing, and is inextricably linked to the Aditya Birla Group's sustainability framework.

On a side note, we were the co-chair of the CSI India and aggressively promoted a low carbon roadmap, helping frame its contours in a definite time span. Some of the levers we recoursed for low carbon emissions include:

INTENSIFYING OUR ENVIRONMENTAL INITIATIVES BY SETTING UP WASTE HEAT RECOVERY SYSTEMS (WHRS) AT FIVE OF OUR UNITS

These will be completed over the next two years, with a cumulative capacity to generate 62 MW power. It will more than double the overall WHRS capacity, from 59 MW to 121 MW.

ADVANCING OUR RENEWABLE ENERGY AGENDA THROUGH LARGE SCALE INVESTMENTS IN SOLAR AND WIND PROJECTS

Currently we have an installed capacity of 3.73 MW and Bilateral/Group Captive Capacity at 50 MW. It will be considerably scaled up.

OUR LONG-TERM TARGET IS TO PARE OUR CO_2 EMISSION INTENSITY FROM 2005-06 LEVELS, BY 25% BEFORE 2021

This year, UltraTech has reduced its CO_2 intensity to 625.70 from 632.09 kg/ton of cementitious product.

ADITYA BIRLA GROUP, IS NOT ONLY WELL-POISED, BUT EAGER AND COMMITTED TO CONTRIBUTE TO THE SDGs

We have achieved a water positive status of '2.18' for all of our plants, excluding international units (2016-17). Going forward, we are committed towards increasing this water positive index based on the water conservation and management plans in place. More than 12% of water has been recycled and reused, out of the total water withdrawn. Over 6 million cubic meter of harvested rainwater has been used for consumption.

We are continuously working towards increasing the fly ash utilisation rate in our cement products and achieving a higher thermal substitution rate by using waste from other industries. Currently, the alternate fuel material constitutes 14.16% of our total raw material use.

Under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development, UltraTech contributes significantly to the Group's commitment to inclusive growth.

We reaffirm our pledge to Global Sustainable Goal to end poverty in all its dimensions and help work towards an "equal, just and secure society". Towards this end, the focus of our community projects is education, women empowerment, sustainable livelihood and infrastructure development.

We work in step with the Government on rural infrastructure schemes like the Pradhan Mantri Gram Sadak Yojana, Swachh Bharat Abhiyan and Indira Awaas Yojana, all of which entail use of our cement. Furthermore, we convert municipal waste into alternate fuel (AFR) and use it at our plants. Municipal corporations in Tamil Nadu, Rajasthan, Karnataka, Gujarat and Andhra Pradesh are aligned with us on this energy saving mission.

We work in 502 villages in proximity to our plants, making a game changing difference to over 1.6 million people. For the year 2017-18, our CSR spend was INR 607.1 million. In addition, we mobilised INR 228 million through various schemes of the Government, acting as catalysts for the community. Moving on to our future proofing programme, we have made good headway in ingraining sustainability factors in our business decisions. This will not only minimise the risk of doing business, but will help in exploring new opportunities to make our business even more sustainable and lasting.

Demonstrating our leadership in the area of sustainability, we are giving our businesses the best possible chance of achieving long-term success, not only for ourselves, but also for our value chain partners.

Going forward, our sustainability initiatives, we hope, will reach the next level. Because we believe in doing so, we are rendering our duty to our nation, our people and above all, securing the planet for generations to come.

Kumar Mangalam Birla
Chairman
UltraTech Cement Limited

MESSAGE FROM THE MANAGING DIRECTOR

Concrete is the most consumed 'manufactured substance' on the planet and cement is the key ingredient to make concrete. This simple fact is at the heart of our endeavour to embed sustainability into our business and take responsibility for the entire value chain of our operations.

As the leader of the Indian cement industry, UltraTech Cement is committed to protecting the environment and contributing to the development of communities in which it operates. The key environmental sustainability priorities for UltraTech Cement are to minimise the impact of operations on environment & natural resource conservation by use of renewable energy, energy productivity, waste heat recovery and reduction in consumption of natural resources. This is being driven through innovations in process and technology.

Being a part of Aditya Birla Group, we are committed to contributing to the economic development of the communities in which we operate in. Through our Corporate Social Responsibility initiatives, UltraTech reaches out to more than 1.6 million people in 502 villages across India. Of these 502 villages, we have selected 58 to be transformed into model villages.

A MILESTONE YEAR

The past year has been a year of milestones. We completed the largest cement acquisition in India, and successfully integrated a large capacity into our existing operations, further strengthening UltraTech's leadership position in the market. We strengthened our operations in the newly acquired units by upgrading technology and plant maintenance, resulting in improved efficiencies, enhanced capacity utilisation, and quality standards at par with UltraTech's existing units. Our new greenfield unit in Dhar, Madhya Pradesh, was set up in a world record time of less than a year, at the lowest cost per tonne, and with a 100% safety record.

On the sustainability front too we have made significant progress this year. We have recently launched three new policies in the area of Environment Management. The three policies are Energy & Carbon, Water Stewardship, and Biodiversity. The launch of these policies is a reaffirmation of our commitment to further accelerate our sustainability journey in these critical areas.

CONSERVING NATURAL RESOURCES

We have invested significantly both in terms of capital expenditure and operational expenditure to reduce the environmental footprint of our manufacturing operations. We have committed substantial expenditure to conserve natural resources such as limestone and fossil fuels.

Innovation and technology are the key drivers for us. There is a clear focus on diversifying our portfolio by including products which have lower 'GHG' impact. We are moving towards low carbon growth by investing in products, research and innovation. Recently, UltraTech has filed four patents for products which require less natural resources such as fossil fuels and limestone as compared to conventional products. These products will eventually help to save water and utilise waste from other industries resulting in lower environmental footprint.

We have increased the use of alternative fuels by more than 50% as compared to last year and have achieved a thermal substitution rate of 3.6%. Currently, alternative materials such as fly ash and slag constitute around 14.16% of our total raw material use. Our business is strategically increasing the use of waste as fuel and raw material in the cement manufacturing process, in turn contributing to the circular economy.

TRANSITIONING TO A LOW CARBON MODEL

'Carbon' is at the heart of every conversation, be it in business strategy discussions or in government policy making debates. We have put in place a clear roadmap for reducing our carbon footprint. This year, we have reduced our CO_2 intensity by about 17.56% as compared to 2005-06. Our business has implemented a robust energy

management framework which has helped us in overachieving our 'Perform, Achieve and Trade (PAT)' targets. Our plants are amongst the best in thermal and electrical energy performance.

Our specific thermal energy consumption of around 707.36 kcal/kg of clinker is among the lowest in the industry, not just in India but globally also. We have improved our thermal power plant efficiency by reducing auxiliary consumption of power by 10%. We have increased the share of renewable energy in the overall energy mix of the company's operations by increasing the use of renewable energy.

Our manufacturing plants utilise waste heat generated from process and convert into electricity using waste heat recovery system (WHRS). The WHRS contributed about 8% of our power requirements. We are in the process of installing around 62 MW Waste Heat Recovery Systems (WHRS) over the next two years. This will more than double our WHRS capacity to 121 MW and result in over 15% of our power requirement being met through WHRS alone.

WATER POSITIVE OPERATIONS

We have achieved a water positive status of '2.18' for all our plants, excluding our international units, for our operations in 2016-17. DNV-GL, a global quality assurance and risk management company, has certified UltraTech as being water positive.

The key interventions that have helped us achieve water positive status include rainwater harvesting through mine pits, water reuse and recycle, groundwater recharge inside and outside the plant boundary, water collected in check dams, and increasing water availability through pond desiltation. We are now implementing integrated watershed management projects at our sites on the basis of water positive study outcomes. We are taking an ambitious target to reduce our specific water consumption and will continue our efforts to enhance our water positive status.

COMMUNITY INITIATIVES

Our business objectives are aligned with the Global Sustainable Development Goals which is reflected through our work in areas such as healthcare, safe drinking water and sanitation, education, sustainable livelihood, animal husbandry, infrastructure development and social reform. We have installed reverse osmosis plants which provide safe drinking water to more than 30,000 villagers.

We have worked in collaboration with various state governments for the implementation of projects under Swachh Bharat Abhiyan and created 5,840 individual toilets and sanitation facilities at 126 schools.

WAY FORWARD

Cement and concrete are competing with other building materials in the construction value chain. Therefore, it is important to evaluate and analyse the impact over the lifecycle of these building materials for various environmental parameters.

It is imperative that as a responsible citizen we all move towards the approach of cradle to cradle for use of every product. With this context, it is necessary to evaluate the environmental impact at the end-use stage of products and different methods of product application as well as comparison of overall environmental impact of different products.

This has an important bearing on how cement is used. Customers prefer Ordinary Portland Cement (OPC) cement and blend it with additives at their site before using it as concrete. We are at the forefront of advocating measures that reduce environmental impact of concrete from cradle to cradle using life cycle assessment.

UltraTech has been the preferred partner for infrastructure development in India due to our high quality of OPC. Our lifecycle approach has helped us become best-in-class across environmental parameters.

As an industry, we need to move towards environmental stewardship, embrace new ways of working, and encourage technological innovation to bring in disruptive solutions. It is imperative for us to take a lifecycle approach to sustainability to align with the emerging policy framework.

We believe that we have a great opportunity to reinvent our industry and build a win-win sustainable business model. This will not only help businesses to thrive in the long term but also contribute meaningfully to people and planet.

K. K. Maheshwari
Managing Director
UltraTech Cement Limited

WE ARE ULTRATECH

ADITYA BIRLA GROUP

UltraTech Cement's parent company, the USD 44.3 billion Aditya Birla Group is in the league of Fortune 500 companies. It is anchored by an extraordinary force of 120,000 employees, belonging to 42 nationalities. Over 50% of its revenues flow from overseas operations spanning 35 countries.

The Aditya Birla Group was named the AON best employer in India for 2018 - the third time over the last 7 years. The Group was earlier ranked fourth in the world and first in Asia Pacific in the 'Top Companies for Leaders' study 2011, conducted by Aon Hewitt, Fortune Magazine and RBL (a strategic HR and leadership advisory firm). The Group has also topped the Nielsen's Corporate Image Monitor 2014-15 and emerged as the 'No.1 Corporate', the 'Best in Class', for the third consecutive year.

For additional information refer http://www.adityabirla.com

ULTRATECH AT A GLANCE

- UltraTech Cement Ltd. is the largest manufacturer of grey cement, Ready Mix Concrete (RMC) and white cement in India, and is one of the leading cement producers globally.
- Consolidated* capacity of 93 Million Tonnes Per Annum (MTPA), including commissioning of 4MTPA by June 2019
- Operations spanning across India, UAE, Bahrain, Bangladesh and Sri Lanka
- Member of World Business Council for Sustainable Development's Cement Sustainability Initiative (CSI)
- Embodiment of strength, reliability and innovation
- UltraTech is one of the founding member of GCCA

As on 31st March 2018

PHYSICAL FOOTPRINT

- 19 Integrated Plants
- 1 Clinkerisation Plant
- 25 Grinding Units
- 7 Bulk Terminals
- 100+ Ready Mix Concrete Plants
- 2 Wallcare Putty Plants
- 1 White Cement Plant
- 5 Jetties
- 1,000+ Retail Format Stores

OUR SUBSIDIARIES

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

PRODUCTS & SERVICES

UltraTech provides a range of products catering to the various aspects of construction, with end-to-end solutions from foundation to finishing products. An array of scientifically engineered products catering to new-age construction and consistent focus on cutting edge technology, research and technical services, have enabled UltraTech's meteoric rise in the Indian construction industry. We also offer the ultimate 360 degree building solutions, making UltraTech Cement the one-stop shop for every construction need. The brand that is an embodiment of strength and reliability serves as an innovation hub, inspiring engineers to stretch the limits of their imagination to focus on development of products and services and creation of homes, which are more resource efficient, cost-effective and conducive to human lifestyle.

ULTRATECH CEMENT

Ordinary Portland Cement, Portland Blast Furnace Slag Cement, Portland Pozzolona Cement, complying with European and Sri Lankan standard specifications

UltraTech CEMENT
The Engineer's Choice

ULTRATECH CONCRETE

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

UltraTech CONCRETE
WE MAKE GOOD CONCRETE BETTER

ULTRATECH BUILDING PRODUCTS

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

UltraTech BUILDING PRODUCTS

BIRLA WHITE

White cement, Wallcare Putty and white cement based products

ULTRATECH BUILDING SOLUTIONS

Offering a wide range of construction products to meet all the primary construction needs with more than 1,000+ outlets across India

KEY ACCOUNT MANAGEMENT

The key account management cell, formed in 2002, was a first for the industry. The structure of the key accounts team is developed based on the construction industry's needs and is focused towards developing successful business-to-business relationships. Our key accounts are provided with a unique product-service offering, increased profitability and ensured customer convenience.

TECHNICAL SERVICES

Technical assistance for architects, masons, contractors and home builders.

We are not restricted by industry sectors or type of customers while providing products and services. For additional information please refer our Annual Report FY 2017-18.

AWARDS & ACCOLADES

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

Aditya Cement Works bagged **Golden Peacock National Quality Award**

Andhra Pradesh Cement Works bagged **National Energy Conservation Awards 2017** (TPP-Certificate of Merit)

Dalla Cement Works bagged **14th National Award** for Excellence in Energy Management conducted by Confederation of Indian Industry

Kotputli Cement Works (thermal power plant) bagged **National Energy Conservation Award**

Birla White, Rajasthan, bagged the **Ministry of Industries & Labour, Govt. of Rajasthan's CSR Award** for significant contribution in education and Aditya Cement Rajasthan for outstanding work in sustainability & livelihood and education

Gujarat Cement Works bagged the **Gujarat State CSR Award** for sustainable and impactful CSR projects

Rawan Cement Works, Chhattisgarh bagged **CSR Excellence Award** at 2nd CSR India International Conclave

Vikram Cement Works, Madhya Pradesh bagged **3rd CII Water Innovation Award**

UltraTech Cement received **5 star rating for sustainable management** of its 11 limestone mines from the Ministry of Mines and Indian Bureau of Mines

SUSTAINABILITY TARGETS & PROGRESS

ENVIRONMENT

GOAL	PROGRESS
CARBON EMISSION REDUCTION **Reduce CO_2 emission intensity by 25% from 2005-06 level** TARGET YEAR FY 2020-21	During the reporting period the CO_2 intensity decreased to 625.7 from 632 kg/tonne of cementitious product. When compared to FY 2005-06 we have reduced CO_2 intensity by about 17.56% **This is for the year 2017-18*

EMPLOYEE HEALTH & SAFETY

LTIFR to be less than 0.5 TARGET YEAR FY 2020-21	We have achieved LTIFR of 0.34 during the reporting period **For direct employees*

OUR APPROACH TO REPORTING

This sustainability report is a testimony of our unwavering commitment to the UN Sustainable Development Goals (SDGs) and how we are driving our triple bottom line performance through these SDGs. For our various stakeholders, it showcases the efforts and initiatives we undertook for creating a better world for all of us. We follow an annual cycle of reporting. The last report released was for FY 16-17.

REPORT BOUNDARY

This report covers our performance* for the period 1st April 2017 to 31st March 2018 and spans across operations of UltraTech Cement Limited including manufacturing locations, subsidiaries and bulk terminals in India, Sri Lanka and the Middle East.

It encompasses energy, materials and GHG data from the entire operations of UltraTech. The Ready-Mix Concrete (RMC) plants operated by the Company for specific customers, within their premises on a temporary basis, have not been included. There have been no restatements of data for any of the previous year's reports.

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

INDEPENDENT ASSURANCE

The veracity and credibility of this report is assured by KPMG, our external auditor, after proper due diligence. The assurance statement can be viewed on page no. 131 of the report.

COMPLIANCE WITH GLOBAL REPORTING NORMS

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

- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India, issued by the Ministry of Corporate Affairs, Government of India.**
- Suggested Framework on Business Responsibility Reports, by Securities and Exchange Board of India circular dated August 13, 2012.
- Cement Sustainability Initiative (CSI) on key performance indicators in the cement industry. For detailed index, refer to page no.11.

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

SUGGESTIONS & FEEDBACK

This report encompasses all aspects of our sustainability performance and has been prepared following standard benchmarks and processes. Your feedback, enquiries, suggestions or information are welcome, as they would enhance our reportage in future. You can reach us at:

sustainability.ultratech@adityabirla.com

www.ultratechcement.com

UltraTech Cement Limited
B Wing, Second Floor, Ahura Centre, Mahakali Caves Road, Andheri (E), Mumbai, Maharashtra, India.

+91 22 669 17800 +91 22 669 28109

CSI DASHBOARD

UltraTech has been a proud signatory of the Cement Sustainability Initiative (CSI), part of the World Business Council for Sustainable Development (WBCSD), since FY 2006. Along with 23 other major cement producers spread globally in more than 100 nations, who share the same belief of sustainable growth, we are a voluntary member of CSI. Our association with CSI has helped us gain access to the best practices in the industry and benchmark our own sustainability practices with global players.

CSI helps member companies develop a shared understanding of sustainable development and recommends best practices that enhance performance across wide-ranging parameters. Disclosure on the guideline parameters of CSI helps us compare our performance vis-à-vis industry benchmarks.

KPI	FY 2015-16		FY 2016-17		FY 2017-18	
Climate Protection (excludes captive power)	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Co_2 Emissions - Gross (Million Tonnes)	30.79	33.00	30.72	32.95	32.53	34.72
CO_2 Emissions - Net (Million Tonnes)	30.68	32.89	30.56	32.77	32.29	34.45
Specific CO_2 Emissions - Net (kg/tonne of cementitious material)	627.37	633.3	627.52	632.09	622.91	625.7
Target Reduction for CO_2	Reduction in CO_2 emission intensity by 25% from FY 2005-06 level by FY 2020-21					
Independently verified CO_2 data	Externally verified					
Fuels & Raw Materials	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Specific heat consumption of clinker production (MJ/tonne clinker)	2,986	2,987	2,965	2,966	2,964	2,961
Total Alternative Fuel Rate (% of thermal energy consumption)	1.60	1.60	2.20	2.30	3.30	3.60
Alternative Fuel Rate Non Biomass (% of thermal energy consumption)	1.2	1.1	1.8	1.9	2.50	2.70
Biomass Alternative Fuel Rate (% of thermal energy consumption)	0.4	0.5	0.4	0.4	0.80	0.9
Alternative Raw Materials Rate (% of total raw materials for cement production)	14.61	13.86	16.58	13.58	16.27	13.46
Clinker/Cement Ratio (%)	76.6	77.3	76.2	76.8	75.8	76.5

KPI	2015-16		2016-17		2017-18	
Health & Safety	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Number of fatalities (directly employed)	1*	1*	1	1	0	0
Number of fatalities (indirectly employed)	3	3	2	2	2	2
Number of fatalities (involving 3rd parties)	0	0	0	0	3	3
Number of fatalities per 10,000 directly employed	0	0	0.99	0.95	0	0
Lost Time Injuries (LTIs) per million man-hours (directly employed)	0.35	0.37	0.40	0.38	0.36	0.34
Emissions Reduction	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
NOx emissions (tonnes/year)**	71,458	74,316	64,642	67,682	56,349	59,211
SO_2 emissions (tonnes/year)**	4,509	4,814	4,275	4,316	3,963	4,026
Dust emissions (tonnes/year)**	2,104	2,175	1,544	1,630	1,385	1,477
Specific NOx emissions (g/tonne clinker)	1,896.65	1,841.78	1,715.32	1,676.04	1,410.58	1,388.39
Specific SO_2 emissions (g/tonne clinker)	119.68	119.31	113.44	106.88	99.21	94.40
Specific Dust emissions (g/tonne clinker)	55.84	53.90	40.97	40.36	34.67	34.63
Target reduction for Nox	As per the regulatory compliance by the State Pollution Control Board					
Target reduction for So_2						
Target reduction for Dust						
% Clinker produced with monitoring of major & minor emissions	Major emissions are provided in the next row. Minor emissions are measured only on sample basis, if hazardous wastes are used as fuel.					
% Clinker produced with continuous monitoring of major emissions - Dust, NOx, So_2	Dust 99.83%	Dust 99.84%	Dust 100%	Dust 100%	Dust 100%	Dust 100%
	NO_x, SO_2 94.8%	NO_x, SO_2 94.45%	NO_x, SO_2 100%	No_x, SO_2 100%	No_x, SO_2 100%	No_x, SO_2 100%
Local Impact (plants reported)	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
% of sites with quarry rehabilitation plans in place	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites
% of sites with community engagement plans in place	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites
Number of active sites where biodiversity issues are addressed	13	13	13	13	13	13
No. of active quarries within, containing or adjacent to areas designated for their high biodiversity value	NIL	NIL	NIL	NIL	NIL	NIL

**This is off-site related fatality*
***The values reported for NOx, SOx and dust emission are only for kiln stacks as per the CSI Guideline for emission monitoring and reporting*

SUSTAINABILITY APPROACH

UltraTech is committed to making a meaningful impact for all its stakeholders. To realise this, we have aligned our sustainability strategy to the United Nations Sustainable Development Goals (SDGs). The 17 SDGs are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity in inclusive societies. As a global citizen in a global industry, we are committed to abide by and deliver on the SDGs. They serve as a guide in our efforts to leave a healthier planet for our future generations, in partnership with our employees, customers, suppliers, government and society.

Aligning with the SDGs inculcates greater responsibility and enables us to build trust among our stakeholders given their growing concern over issues such as climate change. Through our corporate engagement, we also aim to drive increased awareness and support of the goals, while contributing towards creating measurable progress.

Apart from aligning our business to the SDGs, UltraTech has also evolved in its sustainability journey by recording a number of milestones, and ushered in a sustainability evolution in the processes, policies and practices by:

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

SUSTAINABILITY FRAMEWORK

The Aditya Birla Group has institutionalised a sustainability framework that defines three strategic pillars which should be embraced by the Group businesses to achieve a common sustainability vision. The three strategic pillars are: Responsible Stewardship, Stakeholder Engagement and Future Proofing.

RESPONSIBLE STEWARDSHIP

focusses on how we perform in the present on all key sustainability aspects, thus, setting the foundation for growth in the future. Our ongoing pursuit is to build a framework of policies, and technical and management standards which are aligned to international standards as defined by the UN SDGs, IFC, OECD, UNGC, ISO and OHSAS. Introducing these standards into our systems is enabling us to excel across the major triple bottom line parameters of our operations.

STAKEHOLDER ENGAGEMENT

enables us to capture a broader and more forward-looking perspective of macro scenarios through interactions with stakeholder groups. In today's scenario where change happens at an accelerated speed, businesses that fail to stay abreast with developing trends lose leadership position in the industry. Hence, we have institutionalised various thought exchange platforms with key technical experts and strategic stakeholders to gain knowledge on critical parameters and stay in step with evolving industry paradigms. By doing so, we expect to learn the trends that will most likely affect our business in the future.

FUTURE PROOFING

is embedding sustainability trends into our strategic business plans to minimise the risks and find new opportunities to remain ready for what the world will potentially look like in 2030 and 2050. Anticipating the future and developing capabilities to leverage the opportunities is what makes a business future ready. Aligning with the SDGs will help us meet these ever-changing expectations and stay ahead of the curve.

MATERIALITY

OUR APPROACH

We believe material issues are those which have a direct or indirect impact on our ability to create, preserve and enhance economic, environmental and social value for ourselves, our stakeholders and the society at large.

In FY 2017-18, we mapped our eight most material issues with the SDGs and aligned our corporate priorities with the relevant SDGs to have a positive impact on all our stakeholders.

These material issues were identified on the basis of information garnered from our varied stakeholder groups through ongoing engagements. Through interactions with specialists, who may have a significant point of view on our business, we were able to capture a broader, forward looking perspective. This ensured a full and fair view of best practices and trends of sustainability in defining our materiality.

In the year 2015-16 we conducted our materiality assessment process in accordance with our sustainability framework. Accordingly, we carried out a detailed and structured materiality assessment to identify, prioritise and validate aspects considering our Group sustainability framework.

There are 18 broad aspects, of which the following eight are the most material issues for our business. The table below shows how we have mapped each of our material issue to the SDGs and the corresponding initiatives we have taken to contribute to them.

MATERIAL ISSUES MAPPED TO THE SDGs

SDGs	Key Material Issue	Action Points
	ECONOMIC PERFORMANCE	
	**SDG1:** End poverty in all its forms everywhere	• Sustainable livelihood projects • Vocational training and skills development
	**SDG2:** End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	• Integrated watershed management programme for generating livelihood • Increasing the income of landless labourers/farmers
	**SDG9:** Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	• Developing a green product portfolio • Driving technological innovation which extends beyond conventional cost management outcomes

SDGs	Key Material Issue	Action Points

WATER AVAILABILITY & WATER USE

SDG6: Ensure availability and sustainable management of water and sanitation for all

- Certified to be 2.18 times Water Positive
- Installation of 22 RO plants
- Sanitation project under Nirmal Gram Yojana
- Rainwater harvesting structures and groundwater recharge measures in place within the mines and plants

CLIMATE CHANGE, ENERGY AND EMISSIONS

SDG7: Ensure access to affordable, reliable, sustainable and modern energy for all

- Scaling up share of renewable energy-based electricity
- Installed 59 MW of Waste Heat Recovery based power plants

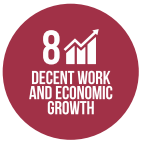
SDG13: Take urgent action to combat climate change and its impacts

- Signatory to EP100 with a commitment to double our energy productivity in the next 25 years
- Target to reduce carbon emission intensity
- Integrated the low carbon strategy into our business roadmap

EMPLOYEE WELL-BEING

SDG5: Achieve gender equality and empower all women and girls

- Women Empowerment & Engagement (WEE) initiative at UltraTech works on the issues of importance for the women employees
- Springboard, an 18-month programme which is based on the pillars of training, mentorship and gender diversity
- Comprehensive Maternity Support Programme



SDG8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, and foster innovation

- Equal opportunity employer
- Hiring from within the local communities we operate in
- Sourcing from local suppliers and vendors
- Child labour or forced labour are strictly prohibited at our operations

HEALTH & SAFETY

SDG3: Ensure healthy lives and promote well-being for all, at all ages

- Immunisation programme for children
- Programme on antenatal care, postnatal care, mass immunisation, nutrition
- Awareness programme on road safety covering employees and their families

SDGs	Key Material Issue	Action Points

COMMUNITY RELATIONSHIP MANAGEMENT

SDG4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- School enrolment awareness programmes
- Preschool education projects - balwadis / playschools / crèches
- Mid-day meal programme at various schools across India

SDG16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- Engaging with local communities to understand the impact of our operations
- Empowering the communities through initiatives under healthcare, education, infrastructure, sustainable livelihood and social reform

RESOURCE MANAGEMENT

SDG11: Make cities and human settlements inclusive, safe, resilient and sustainable

- Supporting Rapid Monolithic Disaster (RMD) technology in pushing the boundary for affordable housing sector

SDG12: Ensure sustainable consumption and production patterns

- Utilising waste from other industries and municipalities as alternate fuels and materials
- Reducing consumption of natural limestone and other raw materials

SDG15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

- Biodiversity and ecosystem service management plan implementation underway at one of the sites
- Tree plantation & green zone development
- Rehabilitation of exhausted mines and reclamation of land

LABOUR MANAGEMENT

SDG16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- A structured labour management system is in place to ensure fair and proper labour management

DISCLOSURE ON MANAGEMENT APPROACH

ECONOMIC PERFORMANCE

At UltraTech, our approach to growth and profitability is rooted in the ethos of creating shared value for all our stakeholders.

In keeping with our commitment, we have aligned our sustainability strategy to the United Nations Sustainable Development Goals. (SDGs)

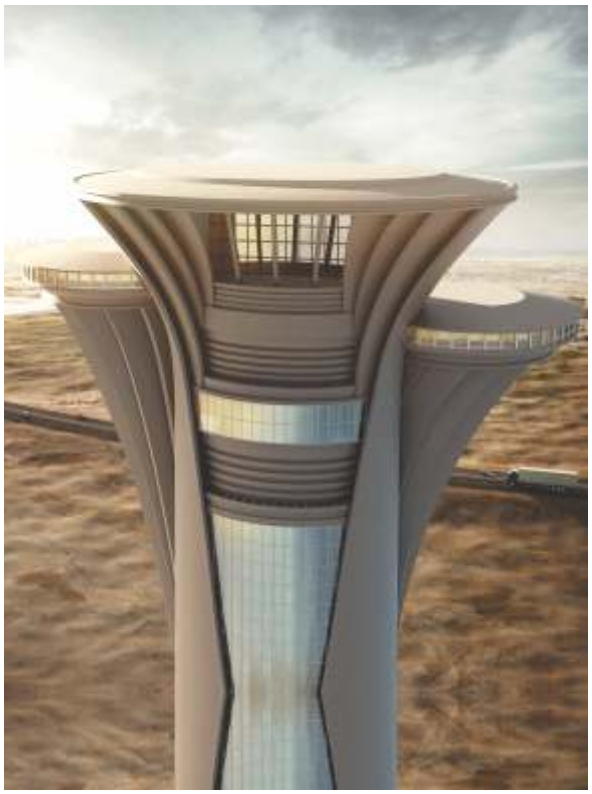
They act as the guiding force in our efforts to create an enabling environment, put our customer needs squarely in the centre of all our research efforts and future plans, mitigate our environmental impacts and contribute to the development of our local communities.

This year with the global economy on a rebound, the Indian economy emerging strongly and the rise in India's cement demand after a seven-year lull, the cement sector saw an impressive growth at 7.5%. Staying ahead of the industry curve, we successfully strength ened our capacity in response to the growing demand for building materials through the addition of various assets and capacities. The major development of the year was the successful completion of acquisition of the 21.2 mtpa capacity plants of Jaiprakash Associates Limited.

We continued to deliver products for many of India's prominent landmarks this year and worked closely with various government schemes to enhance rural infrastructure such as affordable homes, roads and schools. Our innovative products help improve the quality of Indian roads and overcome the challenges faced in transporting ready-mix concrete in congested areas.

By contributing to the local growth, we are contributing to global development as we have mapped our business goals with sustainable development goals. Quality education (SDG4), clean water & sanitation (SDG7), affordable and clean energy (SDG7), decent work and economic growth (SDG8), responsible consumption and production (SDG12), climate action (SDG13), and life on land (SDG15) are important SDGs for us, and we are contributing to them through sustained initiatives.

These SDGs enable us to turn societal challenges into opportunities that enhance our business growth and long-term competitiveness. We continuously take feedback from various stakeholders to evaluate our performance and also verify our economic performance through external auditors.



WATER AVAILABILITY AND WATER USE

Water is at the core of sustained economic growth. At UltraTech, we ensure availability and sustainable management of water and sanitation for our business and for the progress of the neighbouring communities.

Our efforts over the years are yielding results.
We achieved a water positive status of '2.18' for all our plants excluding international units. This certification was provided by DNV-GL, a global quality assurance and risk management company. All our units are zero water discharge plants as we continue to save water by constructing water harvesting structures and employing water-efficient techniques.

Most of our cement plants are located in water-stressed regions of the country and we consistently work towards rejuvenating resources through our 3R approach – reduce, recycle and reuse. We optimise water consumption, recycle it as much as possible and capture it through rainwater harvesting. In fact, these initiatives are standard operating procedures at all of our manufacturing plants.

As a responsible corporate, 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. We also benchmark our specific water consumption internally amongst our units and also with our peers to understand the improvement areas.

CLIMATE CHANGE, ENERGY AND AIR EMISSIONS

Combating climate change while driving sustainable growth and prosperity for all, is what UltraTech is focussing on. UltraTech has joined the EP100 initiative which brings together a growing group of energy-smart companies committed to using energy more productively, to lower greenhouse gas emissions and accelerate a clean economy.

This initiative will give a strategic boost to our low carbon growth target of reducing carbon intensity by 25% by 2021 (2005 baseline), besides enabling UltraTech to benchmark itself with global companies on energy productivity.

We continue our initiatives to reduce carbon intensity. We have committed to more than double our installed WHRS capacity from an existing 59 MW to 121 MW. It will accelerate our journey to low carbon transformation and provide energy security for the business.

We are also investing increasingly in solar power generation for captive usage. This is in addition to our existing contract capacity of 50 MW solar power plants. We have invested in energy efficiency technologies like cooler upgradation, calciner modification, voltage variable frequency drive (VVFD) installation and burner modification across our manufacturing plants to improve energy productivity.

Going forward, UltraTech will be focusing on using globally emerging technologies, change in product mix and energy mix, and digitisation to take energy productivity to the next level. We are in the process of undertaking internal carbon pricing which will help facilitate investment decisions related to low carbon growth initiatives and prepare for future regulatory changes. We perceive carbon pricing as an effective tool to manage carbon risks and opportunities.

Our specific thermal energy consumption at 707.36 kcal/kg of clinker, is the best as compared to peers.

(World Average Thermal = 845.6 kcal/kg of clinker*, India Average Thermal = 738 kcal/kg of clinker)**

UltraTech annually reports its emission performance through sustainability reports, CSI dashboard and the Climate Disclosure Project (CDP). A focused drive on improving energy consumption footprint was done through the continual deployment of state-of-the-art energy efficient equipment. Over time, robust monitoring and management systems have been developed to measure air emissions. This year, we reduced our CO_2 intensity by about 17.56% compared to 2005-06. We have implemented various initiatives to improve our performance in relation to NOx, SOx and dust emissions. New technology low NOx burners have been commissioned at nine of our units along with other initiatives to reduce NOx emissions. Data on specific emissions are reported as per the Cement Sustainability Initiative (CSI), which guides us in designing our strategy and policies to reduce emissions in our production process.

*http://wbcsdcement.org/GNR-2016/world/GNR-Indicator_93AG-world.html
**http://wbcsdcement.org/GNR-2016/India/GNR-Indicator_93AG-India.html

RESOURCE MANAGEMENT

Manufacturing of cement is inherently dependent on natural resources. Going forward, there will be constraints on the quantity and quality of naturally available material as well as the prospect of stringent regulations surrounding their extraction and use. It is therefore prudent for us to ensure efficient use of natural resources.

As part of our environmental responsibility, we continue to explore ways to reduce dependence on natural resources through utilisation of low-grade limestone, use of alternative sources of fuels and materials as well as the productive use of waste and also continuously measure, monitor and benchmark our consumption to identify opportunities for minimising resource consumption.

We use waste materials such as chemical and marine gypsum as additives, and fly ash and slag from thermal power plants and steel plants for blending. Currently, such alternative material constitutes 14.16% of our total raw material use. There is a continued focus on devising strategies to enhance the effective lives of our mines through the two levers of process optimisation and efficiency improvement.

COMMUNITY RELATIONSHIP MANAGEMENT

We have a long-standing history of carrying out community service, long before it became mandatory to invest in community engagement. We believe that a continuous, long-term and need-based CSR approach enhances the quality of life of the country, ensures a social license to operate, reduces the risk of community disruptions and aids in predicting and mitigating social issues.

Our implementation approach is centred around two enablers: engagement and empowerment. We regularly engage with local communities to understand the impact of our operations, as well as identification & mitigation of grievances. Based on the insights, we conduct CSR initiatives to empower the communities with holistic growth opportunities. The initiatives are undertaken in focus areas such as healthcare, education, infrastructure, sustainable livelihood and social reform.

Our Corporate Social Responsibility (CSR) Vision:

'TO ACTIVELY CONTRIBUTE TO THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE COMMUNITIES IN WHICH WE OPERATE. IN DOING SO, BUILD A BETTER, SUSTAINABLE WAY OF LIFE FOR THE WEAKER SECTIONS OF SOCIETY AND RAISE THE COUNTRY'S HUMAN DEVELOPMENTAL INDEX.'

We work for the communities surrounding our factories and follow a partnership model, where we operate in alliance with social institutions, to ensure wider reach and long-lasting impact. These organisations include the district rural development authorities, local hospitals, healthcare institutions and district panchayat institutions. We have also established various monitoring mechanisms and continuously enhance their efficiencies. These include a periodic community needs assessment to better align our programmes with the needs of the community, and a periodic impacts assessment and social satisfaction survey to discern effectiveness. This not only strengthens the impact of our CSR programmes, but also fortifies our relationship with the community. Going forward, we aim to further strengthen and harmonise our processes to better track progress against the objectives.

OCCUPATIONAL HEALTH AND SAFETY

Safety is an indelible part of UltraTech's core values and a business imperative. As of 2017, we have successfully completed a seven year-long safety excellence drive, by instilling and embedding safety culture within the organisation.

Safety of the people working for and on behalf of UltraTech is integral to us. Our safety mission includes all our stakeholders, i.e. employees, contractors, suppliers and communities. We follow a 'zero tolerance' policy for safety breaches and conduct business with only those vendors who are approved on stringent safety parameters.

Eight safety sub-committees headed by senior leaders closely monitor various key performance indicators of safety. More than 600,000 safety observations were carried out during the year. 95% of the high-priority points identified during audit carried out by cross-functional teams and structural stability assessment by third parties, have been completed to ensure that the structures across our units are safe. Occupational Health and Safety (OHS) impacts are identified, assessed and addressed through our integrated HSE management system. Our 29 critical standards for safety are mandatory at all our facilities.

LABOUR MANAGEMENT

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

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

We have established processes for grievance redressal for all our employees.

We respect an employee's freedom to opt for a union. However, we do not support any bias or discrimination towards any specific group. We also ensure that all our formal agreements with trade unions cover health and safety aspects.

EMPLOYEE WELL-BEING

Our employees are one of our core strengths, and we strive hard to provide them with a supportive environment through various structured processes. UltraTech's 'Employee Value Proposition' (EVP) is a promise we make to each of our employees with an aim to foster a better and more secure work environment. It is based on the four pillars of opportunity:

Career enhancement | Growth & development | Enriched life | Recognition

We deliver on our EVP through five tenets:

1	2	3	4	5
A CULTURE OF MERITOCRACY	TRANSPARENCY AND RESPONSIVENESS	EXCELLENCE THROUGH LEARNING	CULTURAL DIVERSITY	FUN AT WORK

Our Group-wide 'One HR' strategy provides a uniform working environment and experience to all employees across units, verticals, businesses, and companies. 'One HR' envisions the Aditya Birla Group as a preferred global employer, a valuable brand, and a great place to work. During the year, we added greater employee talent through seamless integration of acquired assets, while the rapid ramp-up of manufacturing units and markets marked the highlight of our people effort.

We adhere to our Group's policy on Human Rights, through which we support the principles ascribed in the UN Global Compact, and this is binding on all employees. Our comprehensive grievance management system encourages employees to proactively report on human rights violations, sexual harassment and discrimination. We benchmark ourselves with our peers and adopt some of the best practices that can be implemented for employee well-being.

RESPONSIBLE STEWARDSHIP

Governments across the world have agreed to the SDGs and are rolling out policies to facilitate and accelerate their realisation. As a responsible business, our pro-active alignment to the SDGs not only helps us contribute to their achievement, it also ensures that we are in-step with emerging regulations and ahead of the curve in harnessing the plethora of new opportunities.

ECONOMIC PERFORMANCE

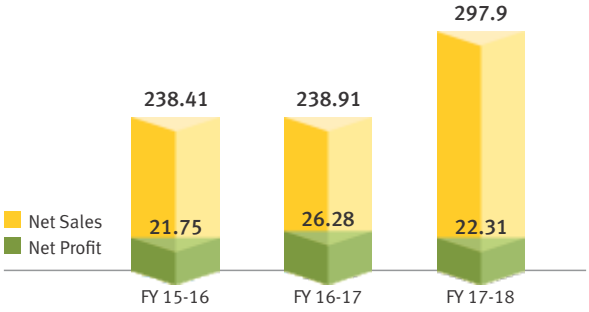
Growth at UltraTech is measured not just through financial numbers, but also through positive contributions made to society. We have aligned our business strategy to the relevant Sustainable Development Goals (SDGs) to create value for our stakeholders. We see SDGs as a roadmap for opportunities in the future to enhance business growth and long-term competitiveness.

As a cement manufacturer, UltraTech fuels the world's fastest-growing economy and meets its huge infrastructure needs. This year, with the global economy on a rebound and the rise in India's cement demand after a seven-year lull, the cement sector saw an impressive growth at 7.5%. This growth was backed by a series of economic reforms undertaken by the government in the past year as well as its constant thrust on infrastructure development. The outlook for the sector seems bright with growth expected to be around 8% in FY 2018-19.

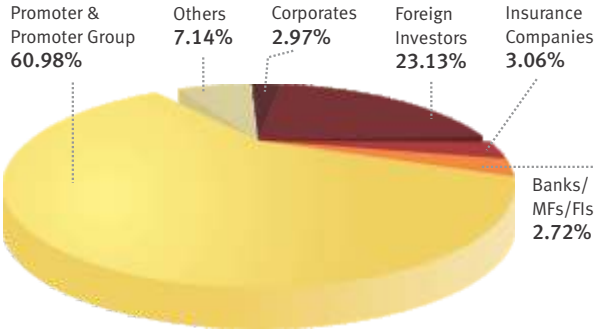
FINANCIAL DASHBOARD

SALES & PROFIT

In INR billion



SHAREHOLDING PATTERN



ECONOMIC VALUE GENERATED & DISTRIBUTED (INR)

UltraTech & Star Cement and Sri Lanka	FY 2015-16		FY 2016-17		FY 2017-18	
	Value in INR billion	Value in INR per bag	Value in INR billion	Value in INR per bag	Value in INR billion	Value in INR per bag
Economic Value Generated						
Gross Value of Operations	325.34	317.36	329.35	314.56	388.86	307.64
Economic Value Distributed						
Operating Costs	184.50	179.98	178.32	170	227.73	180
Govt. Taxes including Excise / VAT / Income Tax / Other Levies	84.56	82.49	89.25	85	90.41	71.53
Depreciation	13.68	13.34	13.48	13	18.47	14.62
Employees Welfare and Community Development	14.43	14.08	15.22	15	18.10	14.32
Payment to Lenders	5.60	5.46	6.40	6	12.33	9.75
Proportionate Dividend to Shareholders	2.84	2.77	2.84	2.77	3.05	2.41
Total Economic Value Distributed	**305.62**	**298.12**	**305.59**	**291.86**	**370.10**	**292.80**
Economic Value Retained						
Retained Earnings for Reinvestment / Modernisation	**19.72**	**19.23**	**23.76**	**23**	**18.76**	**14.74**

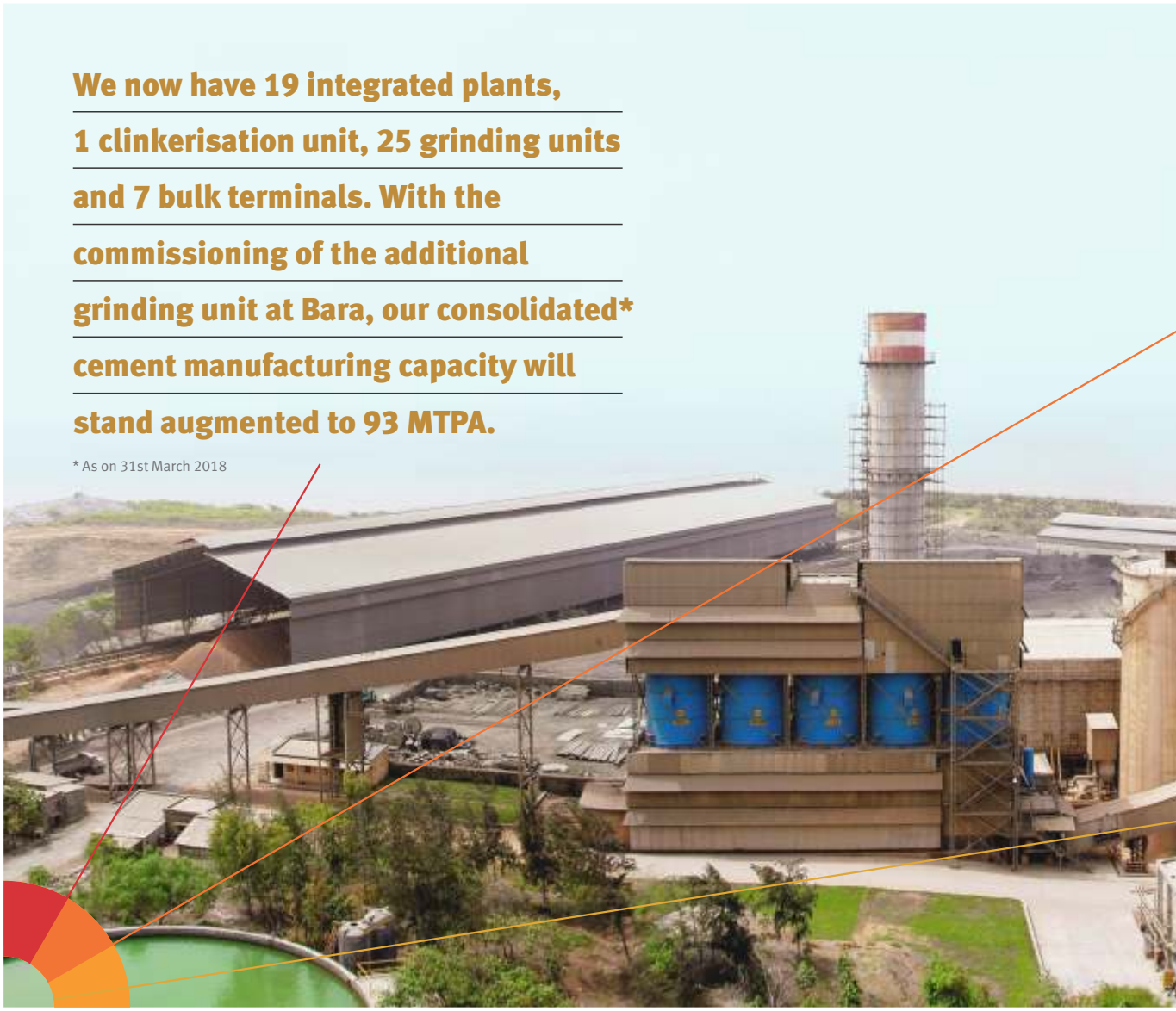
ECONOMIC VALUE GENERATED & DISTRIBUTED (USD)

	Value in USD billion	Value in USD per bag	Value in USD billion	Value in USD per bag	Value in USD billion	Value in USD per bag
Economic Value Generated						
Gross Value of Operations	4.92	4.80	5.09	4.86	5.58	4.41
Total Economic Value Distributed	**4.62**	**4.51**	**4.72**	**4.51**	**5.31**	**4.20**
Economic Value Retained						
Retained Earnings for Reinvestment / Modernisation	2.79	2.72	2.75	2.63	3.27	2.58

Note: INR to USD conversion as on 31st March 2016: INR 66.14, as on 31st March 2017: INR 64.74 and as on 31st March 2018: INR 69.7.

Financial Assistance Received from the Government (In INR million)	FY 2015-16	FY 2016-17	FY 2017-18
Significant Financial Assistance Received from the Government	Nil	Nil	Nil
Benefits Received under State Investment Promotion Schemes	2,081	1,711	3,112

CAPACITY EXPANSION



India is expected to be the world's fastest growing economy in the coming years. To meet the needs that emerge with this growth, we must grow faster. UltraTech Cement Ltd. is the largest manufacturer of grey cement, ready mix concrete and white cement in India. It is also one of the leading cement producers globally. For the past few years, we have been investing ahead of the industry curve. This year, we successfully completed the acquisition of the 21.2 MTPA capacity cement plants of Jaiprakash Associates Limited opening new avenues into the high growth markets of India.

Additionally, we further strengthened our capacity in response to the growing demand for building material, through the following assets and capacities:

2.5 MTPA greenfield clinker unit was commissioned at Manawar, District Dhar, Madhya Pradesh, coupled with a cement grinding facility of 1.75 MTPA capacity. In the process, we also set a global benchmark by commissioning the plant in a record time of less than 365 days.

13 MW
WHRS SYSTEM IS UNDER CONSTRUCTION AT DHAR

Expansion in manufacturing capacity needs to be fuelled and supported by power generation. A robust captive power supply ensures uninterrupted production. Currently, our installed WHRS capacity stands at around 59 MW, one of the highest in the Indian cement sector, which met 6.9% of our total power requirement during FY 2017-18.

Additionally, we have solar and wind installed capacity of 2.6 MW and 1.13 MW respectively. All this, combined with our 717 MW thermal power capacity, ensure that majority of our total power requirement gets met through internal means. Apart from this, we have a bilateral/group captive tie-up of about 50 MW with third party suppliers for renewable energy supply.

FINANCIAL IMPLICATIONS OF CLIMATE CHANGE

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

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

UltraTech has also been a member of Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development (WBCSD), since 2006. This has given us a better understanding of the environmental and climate change initiatives. We also proactively measure our carbon footprint as per Cement Sustainability Initiative's CO_2 protocol.

Purchase from locally-based suppliers		
FY 2015-16	FY 2016-17	FY 2017-18
82.69%	71.25%	68.51%

To view a detailed account of our environment management measures, refer pg. 11 (CSI Dashboard) and pg. 47 (environment performance).

LOCAL SUPPLY

It is only through local support and capabilities that we can achieve our global ambitions. The benefits - economic, social and environmental, of encouraging local supply cannot be understated. It is our continuing endeavour that even when we operate in some of the remotest corners of India, we leverage local suppliers and labour workforce to do better while doing more for everyone.

CORPORATE GOVERNANCE

Responsible Stewardship stems from value-driven and committed governance. Future Proofing becomes a possibility by policies and decisions made in the present, and Strategic Stakeholder Engagement becomes meaningful and seamless when stakeholders have faith in the organisation's integrity. With our robust corporate governance, we reinforce these three pillars of our sustainability model.

A model that we now align with, is the Sustainable Development Goals (SDGs) as detailed by the United Nations Development Programme (UNDP). With this step, we now work to contribute towards a global chain of responsibility that aims to end poverty, protect the planet and ensure peace and prosperity for all.

GOVERNANCE STRUCTURE

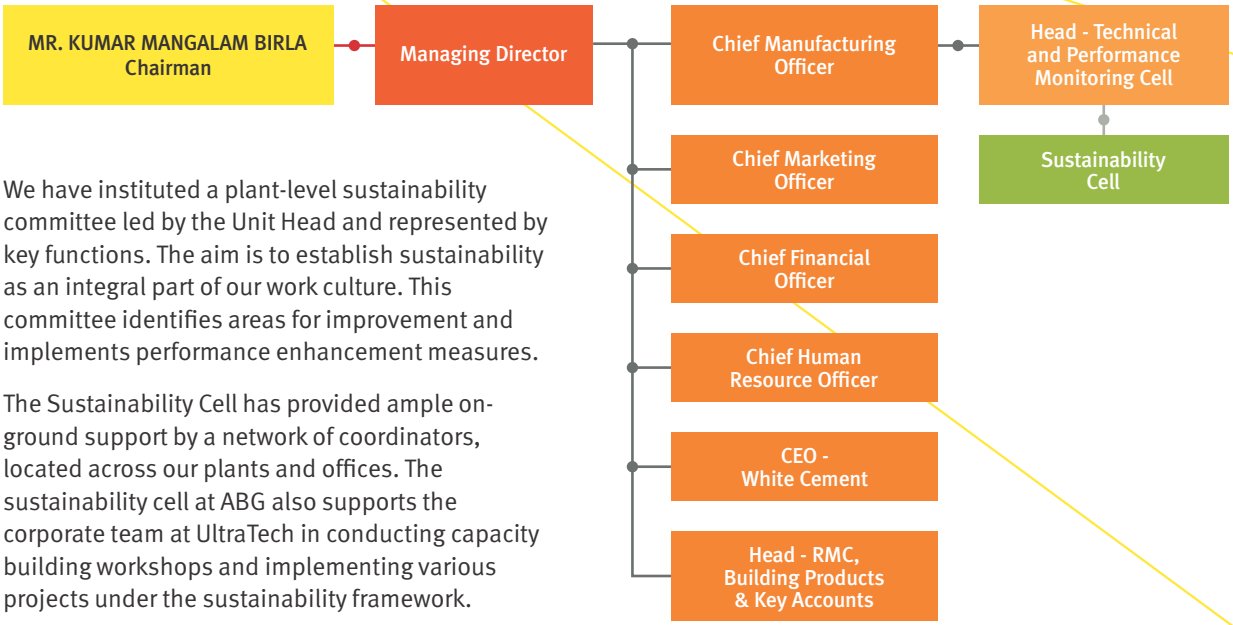
Focussed on our core values, our governance structure acts as a guide to achieve the goals we set for ourselves. The Sustainability Committee, headed by the Managing Director, includes CXOs and Business Heads of Grey Cement, White Cement and RMC verticals.

The major responsibilities of the Board are:

To drive the implementation of sustainability roadmap across business functions and verticals

To set targets and identify various business risks (including climate change risk) and recommend action plans

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



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

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

BOARD OF DIRECTORS

Our Governance system is centred around the Board of Directors. The Board is responsible for monitoring, control and decision making with regard to the remuneration of Directors with the approval of shareholders. It also reviews and approves corporate strategies, business plans, projects, annual budgets, capital expenditure, and more. Our Board comprises 12 Directors, which includes the Managing Director, the Whole-time Director and six Independent Directors.

The details of the Directors with regard to outside directorships and committee positions are as follows:

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

BOARD COMMITTEES

The Board Committees, headed by Independent Directors, ensure excellence through continuous supervision, rigorous review, and implementation of policies and procedures.

AUDIT COMMITTEE

Responsibilities

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

Members

Mr. S. B. Mathur | Mr. G. M. Dave | Mrs. Renuka Ramnath

Mrs. Alka Bharucha | Mr. D. D. Rathi

Permanent Invitees

Mr. K. K. Maheshwari (Managing Director)

Mr. Atul Daga (Whole-time Director & CFO)

NOMINATION, REMUNERATION & COMPENSATION COMMITTEE

Responsibilities

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

Members

Mr. Kumar Mangalam Birla | Mr. Arun Adhikari

Mr. G. M. Dave

STAKEHOLDER RELATIONSHIP COMMITTEE

Responsibilities

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

Members

Mr. G. M. Dave* | Mrs. Sukanya Kripalu

Mr. D. D. Rathi | Mr. S.B. Mathur

**The Committee was re-constituted on 24th April 2017 with the induction of Mr. S. B. Mathur in place of Mr. G. M. Dave. Mr. D. D. Rathi was appointed as the Chairman of the Committee.*

FINANCE COMMITTEE

Responsibilities

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

Members

Mr. D. D. Rathi | Mr. Arun Adhikari | Mrs. Alka Bharucha

RISK MANAGEMENT COMMITTEE

Responsibilities

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

Members

Mr. K. K. Maheshwari | Mr. K. C. Jhanwar

Mr. Atul Daga

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Responsibilities

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

Members

Mrs. Rajashree Birla | Mr. G. M. Dave

Mr. O. P. Puranmalka | Mr. K. K. Maheshwari

Permanent Invitees

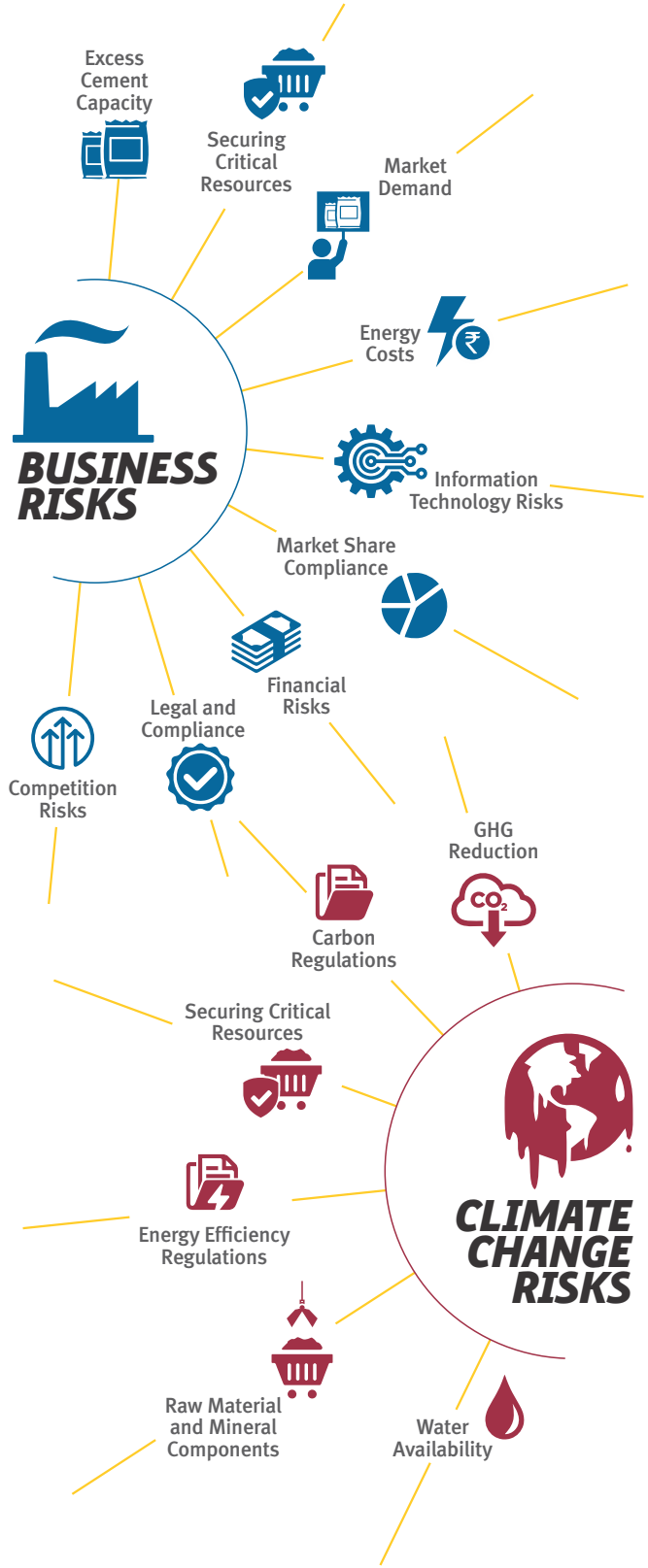
Dr. Pragnya Ram (Group Executive President, Corporate Communications & CSR)

CODE OF CONDUCT

Formulation of the right rules gains significance only through fair and thorough enforcement. At UltraTech, a comprehensive and uniform Code of Conduct applies to the entire workforce across designations. The Company website hosts a copy of the Code of Conduct, which is regularly updated to match the latest requirements. We have also laid down norms for various policies and processes, to functions like HR, procurement and investor relations, in alignment with the uniform code. Together, these measures provide our employees, the right direction towards moral conduct and foster an ethical work culture.

RISK MANAGEMENT

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



RISK MANAGEMENT MECHANISM

UltraTech has a comprehensive risk management mechanism that straddles both corporate and unit levels.

UNIT LEVEL

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

CORPORATE LEVEL

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

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

PUBLIC POLICY AND ADVOCACY

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

- Cement Manufacturers Association (CMA)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industries (CII)
- Advertising Association of India
- Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development
- Global Cement and Concrete Association (GCCA). The GCCA work programme is organised along three dimensions: sustainability, innovation and the positioning of concrete. Sustainable development of our industry is at the very core of the GCCA's work and has five pillars: safety & health, climate change & energy, social responsibility, environment & nature and circular economy

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

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

PRODUCT PERFORMANCE

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

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

The World Business Council for Sustainable Development (WBCSD)'s Cement Sustainability Initiative (CSI) hosted its 11th annual forum globally, and for the first time in India, with a theme focused on Sustainable Development Goals. This year's forum was co-hosted by UltraTech Cement Limited and Dalmia Bharat Cement, in partnership with other Indian and global CSI members and the Cement Manufacturers' Association of India.

MANAGEMENT APPROACH

UltraTech Cement is an all-inclusive building materials destination, providing an array of products ranging from grey cement to white cement, from building products to building solutions and an assortment of ready mix concretes catering to the varied needs and applications. Sustainability comes as a standard feature in every product.

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

We have consolidated* capacity of 93 million tonnes per annum (MTPA), including commissioning of 4MTPA by June 2019. This capacity not only helps manufacture more products to build infrastructure and sustainable cities (SDG 9 and 11), but also catalyses the development and employment in rural India where the cement plants are primarily located (SDG 1, 2, 8 and 10).

**As of 31st March 2018*

By developing a green product portfolio, innovating on our industrial by-product recycling measures and introducing sustainable technologies in our processes, we are also contributing towards lowering the carbon footprint of our products (SDG 12 and 13).

REGULAR CUSTOMER ENGAGEMENT

We engage with a wide range of individual customers, professionals, retailers and distributors using a gamut of communication mechanisms.

CONTINUOUS INNOVATION

We have introduced a varied portfolio of products that address a spectrum of stakeholder and real-world concerns.

RESPONSIBLE VALUE CHAIN

A pilfer-proof and environmentally-sensitive value chain adds to profitability and prosperity. Right from sourcing to distribution, we are strengthening our entire value chain.

BENCHMARKING AND BEYOND

Our products comply with national and international standards; and in many cases, transcend benchmarks. We understand that compliance is only the first step towards excellence.

One of the prestigious awards and recognitions conferred on us during the year is the Golden Peacock National Quality Award for Aditya Cement Works.

REGULAR CUSTOMER ENGAGEMENT

In pursuit of excellence, we have been appreciated and awarded by experts and contemporaries, but 'Customer Satisfaction' remains an important indicator at UltraTech to enhance the Company's performance.

The world measures our success in terms of metrics like highest market share, revenue, exports, etc., however, we are also focussed on the development of products, services and other touchpoints that help customers build sustainable structures which are more durable, more resource-efficient, more cost-effective and more conducive to human lifestyle. Some of these include:

PRODUCTS

We manufacture a range of products that cater to construction needs from foundation to finish. These include Ordinary Portland Cement (OPC), Portland Blast Furnace Slag Cement (PSC), Portland Pozzolana Cement (PPC), Portland Pozzolana Cement Super (PPCS), White Cement and White Cement based Products, Ready Mix Concrete including Specialty Concrete, building products like AAC blocks and jointing mortars and a host of others in Retail Formats. We display all pertinent product information as mandated by the Bureau of Indian Standards.

We are continuously striving to develop quality products which are our continuous touchpoints with our customers. They reflect, reinforce, and reiterate our response to customers' needs.

SERVICES

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

ADDING THE 'EXPERT' FACTOR

Customers benefit from the collective experience of our team of civil engineers spread across India.

SIMPLIFYING THE COMPLEX

Customers get a better understanding of the nuances of building a home through our targeted programmes.

SHARING KNOWLEDGE, BUILDING EXPERTISE

Customers experience our technical seminars and exhaustive training programmes, designed for individual home builders, architects, engineers and channel partners.

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

OTHER TOUCHPOINTS

- We carry out a Brand Health Study regularly (thrice a year). The study is conducted by globally renowned research agency - Nielsen India Pvt. Ltd., for tracking Brand Equity across customer segments.

- We conduct an extensive Customer Loyalty / Net Promoter Score (NPS) study with research agency IMRB once in 2 years. The most recent NPS study was done in FY 2016-17.

- We have taken initiatives for educating our customers on the sustainable aspects of our products. The Technical Services Department educates the users of cement like masons and the Individual House Builder (IHB) on using cement optimally and reducing wastage. We also inform government agencies about the advantages of using cement for mass housing and roads and the benefits of using blended cement. Several seminars have been conducted on concrete roads and white toping to impress on the environmental benefits of switching from bituminous roads.

- We support RMD Technology for mass housing, which helps us in pushing the boundary for affordable housing sector in the country. While continuing to deliver products for many of India's prominent urban landmarks, we also work towards building affordable homes and schools.

- We are working closely with the government on rural infrastructure schemes like the Pradhan Mantri Gram Sadak Yojana, Swachh Bharat Abhiyan and Indira Awaas Yojana. We are also supporting municipal corporations in Tamil Nadu, Rajasthan, Karnataka, Gujarat and Andhra Pradesh to eliminate Municipal Solid Waste (MSW).

STEERING SUSTAINABILITY, IN LINE WITH THE SDGS, HAS HELPED US TO CONTRIBUTE TOWARDS A HAPPY CUSTOMER, A PROGRESSIVE NATION AND A SUSTAINABLE WORLD.

For more information about our engagement initiatives, please refer to the Stakeholder Engagement section on page no. 118.

ENGAGING WITH STAKEHOLDERS THROUGH A UNIQUE CONCEPT

UltraTech Cement exhibited a unique concept of engaging with the delegates at the CSI Forum with an activity on the theme of 'Building a Sustainable Future'. We had an exhibition space at the forum where two beautiful houses were displayed connected by a bridge.

The concept was to provide an experiential narrative to the delegates on our Company's commitment and strategy to create a sustainable future. The delegates who visited the stall were given an overview of our sustainability journey and the five sustainability enablers of Innovation & Technology, Stakeholder Engagement, Good Governance, Circular Economy and Future Proofing.

Visitors were requested to select these enablers, which were displayed as 'building blocks' to complete the 'incomplete' bridge. The visitors were encouraged to pick the enablers which they felt are critical for the sustainability journey. The chosen building blocks were then placed by the visitors to complete the bridge to create a sustainable future.

The experience of associating with the enablers of the sustainability journey and participating in the collaborative effort of building the bridge was appreciated by the delegates, thus creating a compelling and lasting impression of our sustainability journey.

THE TWO IDENTICAL HOUSES REPRESENTED THE 'TODAY' AND 'TOMORROW' OF SUSTAINABILITY IN BUSINESS, AND THE BRIDGE REPRESENTED THE SUSTAINABILITY JOURNEY.

CONTINUOUS INNOVATION

Our innovation activities are aimed at facilitating sustained growth of the business by developing new cement & concrete products and providing environment friendly & sustainable solutions to the ever-increasing customer demands in concrete applications. The emphasis is on continuous product quality improvement, customisation, responsible use of resources, usage of alternative fuels, sustainable technologies, implementing waste heat recovery systems, improving energy efficiency and enhancing cement plant productivity leading to customer value and delight as well as lowering the carbon footprint of our products.

INSTITUTES AND INITIATIVES

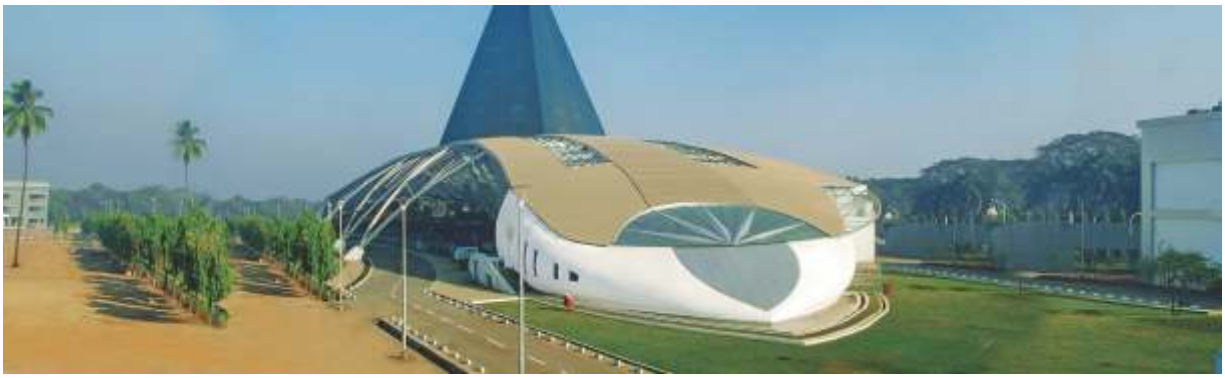
Our Research and Development (R&D) Centre concentrates on the development of new products and processes with a significantly moderate environmental footprint. It has a clear mission of integrating the latest scientific and technological developments in the field of cement and concrete. With this objective,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

The Technology Innovation & Knowledge Management Centre drives technological innovation which extends beyond conventional cost management outcomes. With a team of more than 50 scientists and engineers, it focusses on raw mix, process improvements (clinker-cement conversion ratio) and the use of cost-effective hard-to-burn fuels.

The activities and initiatives include basic as well as applied research for:

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

We also actively collaborate with Aditya Birla Science and Technology Company Private Limited (ABSTCPL) and Academia. It represents our Company in national and international cement & concrete conferences and seminars.



This results in process optimisation and debottlenecking, natural raw materials conservation and promotion of alternative fuels while complying with the increasingly stringent quality and environmental norms. It not only explores newer ways of preserving the environment and non-renewable resources but also encourages all the stakeholders to utilise resources responsibly.

NEW PRODUCT DEVELOPMENT

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

Developed and patented a new variant of green and low-temperature clinker

A new type of high-early and long-term strength cement

3 types of high-early strength water-saving cement

We have implemented in-house grinding aids technology in the Eastern Cluster to further reduce the clinker factor (clinker content in cement), extend the life of our limestone deposits and significantly reduce our carbon footprint. Also, we have become future ready. We have created totally new capabilities in the area of Pollution Abatement, Nanotechnology of Cement and Concrete, Concrete Durability, Concrete Rheology, 3D Printable Concrete, Geopolymer Concrete, Modelling Cement & Concrete Hydration and Chemical Admixtures for Cement and Concrete.

We have successfully completed the application process for NABL (National Accreditation Board for Testing and Calibration Laboratories) accreditation i.e., the test results of our Company's Central R&D Laboratories will automatically be recognised by the Bureau of Indian Standards, the Government of India and all its regulatory bodies, as well as by our Company's customers and competitors. Our Company's R&D test results will be issuable with NABL accreditation stamp.

RESPONSIBLE USE OF RESOURCES

For manufacturing blended cements (PPC, PSC and PPCS), we use waste materials such as fly ash and slag that helps in the substitution of natural resources such as limestone. These cements are also less carbon and energy intensive. Our Building Products Division (BPD) also manufactures a number of products which are smarter in nature and help in saving natural resources. Some of these are listed below:

- Super Stucco (a self-curing, no-water curing plaster)
- Power Grout (a self-curing industrial grout for anchoring / grouting applications)
- Seal & Dry - water proofing systems which helps in water conservation (arresting leakages) in water storage tanks and canals, thus preserving water. The water proofing system is also developed with food grade certification so that the water stored is fit for potable usages
- Repair mortars and concrete in the name of Basekrete and Microkrete, are self-curing (no water curing required) variants, which are used in repairs of buildings
- C'retePro, a liquid system for mortar and concrete modifier, which also reduces the water intake into the cement mixes used for preparing mortars, plasters and concrete (10-15% water reduction possible)

In addition to the above, other sustainable products such as Xtralite (AAC blocks) and Readiplast are also catering to our customers.

UltraTech RMC has introduced Concrete Recycling Plant and Filter Press (UltraTech is the first Cement Company to use it in Indian RMC sector). This has helped us to reduce the water consumed from 318 litre/cum to 314 litre/cum in the last 4 years. We also supply pervious concrete which is concrete for flatwork application that allows water from precipitation or other sources to pass through, thereby reducing the runoff and ensuring recharge of groundwater.

RESPONSIBLE VALUE CHAIN

In the future, the world will need businesses that are able to mitigate and adapt to changes quicker, with robust and sustainable supply chains which are also impervious to external forces that will inevitably begin to affect us moving forward.

UltraTech is, therefore, committed to driving sustainability across the value chain of its operations. Our key priority is to align our business goals with alleviating the socio-economic conditions of our suppliers and protecting the environment.

PROCUREMENT MANAGEMENT

Procurement practices and selection criteria by us are focussed on protection of environment, societal interest and cost-effective procurement seeking resource efficiency, improving the quality of products & services, and ultimately optimising the cost.

The criteria for procurement of equipment are based on resource efficiency, mainly comprising, but not limited to, energy efficiency, fuel efficiency, emission control, etc. The impact of the product/services being procured is considered over its whole life cycle i.e. from cradle to grave, including giving due weightage to the disposal aspect. E-waste/hazardous waste is disposed of in an environmental-friendly manner and no compromise is made on the same. With regard to social aspects, the emphasis is made on ethical issues at the time of vendor evaluation stage itself. The vendor registration form of the Company requires its potential vendors to specify their commitment to the following social aspects:

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

SOURCING THROUGH E-PROCUREMENT

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

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

GIVING PREFERENCE TO LOCAL VENDORS

We have always given preference to local vendors when it comes to sourcing materials. In case of PP packing bags vendors, we have optimised the vendors located near to our cement plants, based on their capability and capacity. Sourcing of PP bags from vendors located close to the plants has resulted in lower fuel consumption.

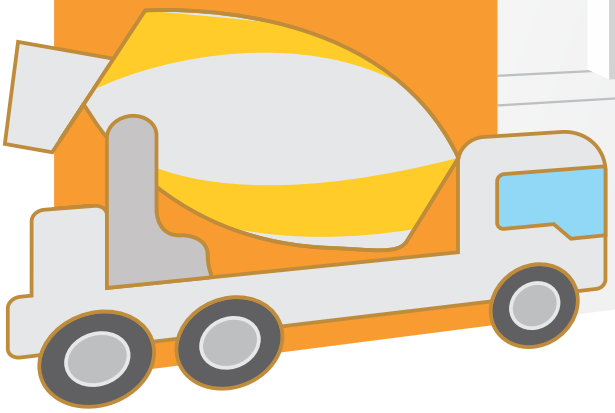
While encouraging indigenous suppliers, we do not compromise on quality and have a zero-tolerance policy on safety issues, and business is done only with those vendors who are approved on stringent safety and quality parameters.

LOGISTICS MANAGEMENT

With increasing demand and expanding capacities, our challenge is to manage our logistics in such a manner that it reduces not only the cost, but also the carbon footprint. So, we effectively and efficiently plan, implement, and control the forward and reverse flow as well as storage of goods, services, and related information between the point of origin and the point of consumption in order to meet customer's requirements.

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

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



We believe that sustainability in logistics may be achieved by using less polluting and less fuel consuming transport option or selecting the vendors which are close to our manufacturing location.

Although the diesel cost increased our logistics expense, on our part, we reduced the average lead distance by 3% as a result of improved utilisation of new cement grinding capacities and integration of acquired capacities.

ENVIRONMENT PERFORMANCE

When it comes to environment, higher risk does not equal greater return. Global environmental risks such as climate change, pollution, resource depletion, and biodiversity loss are the challenges that businesses face today, and unless addressed now they are likely to only continue and grow.

These risks pose a threat to our business too as raw materials and energy which we use to make our products come from natural resources, which are material for us and our stakeholders. Hence, it is imperative for us to ensure the long-term availability of these resources for our business sustainability as well as for the society at large.

OUR APPROACH

At UltraTech, we have a strategic approach to turn these environmental challenges into economic opportunities to drive growth and create stakeholder value.

By aligning our business strategy with the Sustainable Development Goals (SDGs), we are able to use the SDG framework to anticipate stakeholder expectations, identify future business opportunities, and future-proof our business.

Our business goals have been mapped with the relevant SDGs to better engage with our stakeholders, optimise our impact, and create shared value for society at large.

INVESTING IN SDGS

All our initiatives focus on contributing to the SDGs. For example, rationalising energy consumption and moderating the use of fossil fuels contribute to SDG 7 – affordable and clean energy. Reducing the use of natural raw materials, upcycling and using industrial waste as alternative fuel sustainably addresses SDG 12 – responsible consumption and production.

Water is a major ingredient in our operations and during the products' use. Through SDG 6 – clean water and sanitation, we not only conserve water but we also rejuvenate its sources by taking up various initiatives. Our water conservation efforts have led to UltraTech becoming 'more than two times' water positive.

Cement is a carbon-intensive industry. Low carbon strategy has been integrated into our business roadmap to address SDG 13 - climate change goal based on COP 21 of the UNFCCC. We are involved in reclaiming exhausted mines and land to address SDG 15 - protect and restore terrestrial ecosystems and halt all biodiversity loss.

UltraTech also benchmarks its sustainability practices with global players through Cement Sustainability Initiative (CSI), a part of World Business Council for Sustainable Development (WBCSD). Going ahead it will continue to do so through its association with Global Cement and Concrete Association (GCCA).

These efforts along with a well-thought-out strategy and a well-chalked-out green roadmap have helped us raise our environmental performance and maintain our green status. Following are the best practices adopted by us for mitigating environmental risks and managing our performance.

KEY PILLARS OF OUR ENVIRONMENT INTERVENTIONS

Water is critical for the continuity of our operations, since most of our cement plants are in water-stressed regions across the country

WATER MANAGEMENT

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

WASTE MANAGEMENT

Aggressively working on tree plantation, green zone development, rehabilitation of exhausted mines and reclamation of land

BIODIVERSITY MANAGEMENT

Efficient use of natural resources and reducing dependence on it by using alternate fuels and materials

RESOURCE MANAGEMENT

Energy efficiency, waste heat recovery and generation of renewable energy are our key priorities

CLIMATE CHANGE

HIGHLIGHTS

Certified as **'more than two times'** water positive by DNV-GL

Reduced Co_2 intensity by about **17.56%** compared to FY 2005-06

Cut power consumption at cement plants by 3%

Improved thermal power plant efficiency by reducing auxiliary **consumption power by 10%**

Increased use of alternative fuel to more than 50% compared to last year

Conducted extensive study on biodiversity for Sewagram Unit, biodiversity management plan under implementation

Expanded co-processing of Municipal Solid Waste to be used as an alternative fuel

CLIMATE CHANGE

GOAL AIM

Promote actions at all levels to address climate change / build climate change goal based on COP 21 of the UNFCCC

13 CLIMATE ACTION

ACTION

- Launched Energy and Carbon Policy
- Integrated the low carbon strategy into our business roadmap
- Achieved a 3.6% thermal substitution rate by using waste materials in kiln
- Increase in the share of renewable energy with 3.73 MW installed capacity and 50 MW third party purchase

We acknowledge the climate risk challenge and contribute to the goal by integrating low carbon strategy and scaling up investments in the development of innovative products and services. We have a dual responsibility to the environment and to the nation's progress. The key priorities are energy efficiency, waste heat recovery, use of alternative materials & fuel and generation of renewable energy.

We set ambitious emission reduction targets and annually report on our emissions performance through sustainability reports, Cement Sustainability Initiative (CSI) dashboard and the Climate Disclosure Project (CDP). Some of our other key initiatives are in the areas of improving our environmental performance related to NOx, SOx and dust emissions, and continuously monitoring the same.

Our specific CO_2 emissions have come down by around 24% since 1990. With respect to energy efficiency, we have overachieved the target set by the Government of India for the first Perform, Achieve and Trade (PAT) cycle and are moving ahead for the next phase of the cycle.

MONITORING EMISSIONS

In our cement operations, specific GHG emissions witnessed a decrease of over 1% in FY 2017-18, as compared to the previous year. This decrease was due to the decrease in clinker factor. While our specific indirect GHG emission saw a reduction of over 21% compared to the previous year.

At our RMC operations, direct specific emissions decreased by 2% and indirect specific emissions increased by 23% in FY 2017-18, compared to last year. The total Scope 3 emissions stood at 4.79 million ton / year in FY 2017-18.

ABSOLUTE GHG & ODS EMISSIONS

Parameter	Unit	Cement			RMC		
		2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Direct CO_2 (Includes CPP)	Thousand tCO_2/year	37,859	37,136	39,296	3.58	3.11	2.91
Indirect CO_2 (External power)	Thousand tCO_2/year	733.21	710.51	625.59	7.85	7.50	7.50
Total use of ODS	Equivalent tonnes	0.259	0.267	0.295	0	0	0

SCOPE 3 EMISSIONS

Parameter	Unit	Cement		
		2015-16	2016-17	2017-18
Scope 3 emissions	tCO_2/ year	4,522,167	4,350,951	4,794,493
	Million tonnes/year	4.52	4.35	4.79

SPECIFIC GHG EMISSIONS

Parameter	Unit	Cement		
Specific GHG emissions	kg CO_2 per tonne of cementitious material produced	633.3	632.09	625.7
Specific indirect GHG emissions	kg CO_2 per tonne of cementitious material produced	14	14	11
Parameter	**Unit**	**RMC**		
Specific GHG emissions	kg CO_2 per tonne of cementitious material produced	0.92	0.83	0.81
Specific indirect GHG emissions	kg CO_2 per tonne of cementitious material produced	2.02	2.01	2.47

MANAGING AIR EMISSIONS

UltraTech continues to implement various initiatives for improving environmental performance related to NOx, SOx and dust emissions and continuously monitors the same. Specific CO_2 emissions have come down by around 24% since 1990. Data on specific emissions are reported as per CSI (Cement Sustainability Initiative) which helps in designing the Company's strategy and policy towards low emission production process.

NO_x EMISSION REDUCTION STRATEGY

New technology aided low NOx burners have been commissioned at nine units, the performance of which was evaluated and established.

Initiatives in place to reduce NOx emission include:

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

SO_x, NO_x & SPM EMISSIONS

Parameter	Cement		
(tonnes/year)	2015-16	2016-17	2017-18
SPM	5,919	4,558	3,835
SOx	23,834	19,595	17,725
NOx	83,117	74,594	64,007

INITIATIVE

BEING THE SHINING STAR FOR THE ENVIRONMENT

Star Cement is a responsible manufacturer and is committed in reducing its emissions by improving technology and reducing energy use, thereby, contributing to the SDGs. This year, Star Cement took several initiatives in this direction.

The first step to reduce emissions is to monitor it. Star Cement Co. LLC became the first unit in Ras Al Khaimah to install monitoring cameras and online monitoring system for particulate emissions, NOx and SOx emission levels in the stack connected to the environmental agency's online portal. The unit has also installed a best-in-class cleaning system and sweeping machine for road cleaning.

Fugitive dust emission causes air quality deterioration, and hence, should be monitored and controlled. They comprise very small particles suspended in the air which are not only harmful to the communities around our sites but also for the environment.

ONLINE MONITORING SYSTEM FOR PARTICULATE EMISSIONS, NO_x AND SO_x EMISSION LEVELS IN THE STACK CONNECTED TO THE ENVIRONMENTAL AGENCY'S ONLINE PORTAL.

DUST EMISSION REDUCTION STRATEGY

UltraTech has undertaken upgradation of existing electrostatic precipitator with bag house for particulate matter emission reduction at most of its plants. The following dust suppression initiatives were taken up at UltraTech's Star Cement Co. LLC clinkerisation unit in Ras Al Khaimah, UAE:

- High-efficiency process bag filters for raw mill, kiln, cooler and coal mill
- Paved truck parking area and concrete flooring at various locations
- Constructed a dome-shaped closed storage system
- Longitudinal closed storage system for additive raw material
- Concrete silo and two additional closed-shed for clinker storage
- One closed storage system for coal

ENERGY MANAGEMENT

GOAL AIM

Ensure access to affordable, sustainable and reliable modern energy services for all

7 AFFORDABLE AND CLEAN ENERGY

ACTION

- Launched Energy and Carbon Policy
- Signatory to EP100 with a commitment to double energy productivity in next 25 years
- Utilised 35 million units from renewable electricity
- Total installed capacity of Waste Heat Recovery is 59 MW which is expected to more than double to 121 MW

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

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

Improvement of energy performance is one of those critical levers that helps us reduce the carbon intensity of our operations. This pledge reaffirms our commitment to driving sustainability across our value chain. It also provides a strategic boost to our low carbon growth target of reducing carbon intensity by 25% by 2021 (2005 baseline).

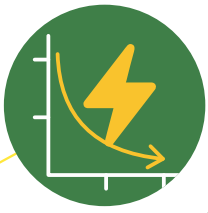
Majority of our power requirement is met through internal means - captive power plants and waste heat recovery.

OUR STRATEGIC LEVERS TO DOUBLE ENERGY PRODUCTIVITY

At UltraTech, energy efficiency drives business efficiency. Joining EP100 will help us benchmark with companies across the globe. Some of the key aspects that we will focus on to increase our energy productivity include:

- Investing in Waste Heat Recovery Systems (WHRS) and renewable energy projects through group captive, open access and captive investments
- Committing to more than double our installed WHRS capacity from an existing 59 MW to 121 MW
- Investing significantly to increase solar power generation for captive usage, in addition to our existing contract capacity of 50 MW solar power plants

UltraTech has invested in energy efficiency technologies like cooler upgradation, calciner modification, voltage variable frequency drive (VVFD) installation and burner modification across its manufacturing plants to improve energy productivity. Going forward, we will be focusing on using globally emerging technologies, change in product mix, energy mix, digitisation and carbon pricing to take energy productivity to the next level. Our energy management approach at UltraTech is driven in three areas:



ENERGY EFFICIENCY

WASTE HEAT RECOVERY

GENERATION OF RENEWABLE ENERGY

ENERGY EFFICIENCY

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

We have taken up several operational control measures across stages of production and across our plants to ensure energy savings.

ENERGY CONSERVED

Parameter	2015-16	2016-17	2017-18
Energy Conserved (in GJ)	343,459	674,834	608,974

In PAT cycle 1, we overachieved our target and achieved a saving of 85,040 Tonne of Oil Equivalent (TOE). For PAT cycle 2, we have a target of 0.204 million TOE. We are best in specific thermal energy consumption which is 707.36 kcal/kg clinker when compared to peers (World Average Thermal = 845.6 kcal/kg of clinker*, India Average Thermal =738 kcal/kg of clinker**). The assessment will happen at the end of PAT cycle 2.

707.36
KCAL/KG THERMAL ENERGY CONSUMPTION

At UltraTech, following levers are being utilised to achieve reduction targets outlined under the PAT scheme:

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

** http://wbcsdcement.org/GNR-2016/world/GNR-Indicator_93AG-world.html*
*** http://wbcsdcement.org/GNR-2016/India/GNR-Indicator_93AG-India.html*

LEADING THROUGH INNOVATION

JAFRABAD CEMENT WORKS | GUJARAT

UltraTech's integrated cement unit in Gujarat, Jafrabad Cement Works saved three million units of electrical energy annually by making an improvement in the preheater fan in 'Slip Power Recovery System' (SPRS) mode. This helped the unit reduce around 2,460 tonnes of carbon emission. This system can be replicated across the business, where fans operate in SPRS mode, and requires no stoppage in the plant operations for implementation.

AWARPUR CEMENT WORKS (ACW) | MAHARASHTRA

UltraTech's integrated cement unit in Chandrapur, Maharashtra, ACW recently upgraded its existing kiln system by adding a new In-Line Calciner (ILC) preheater to lower its NOx emissions. Instead of a four-stage preheater system, a six-stage preheater which uses more heat from exit flue gases was used for preheating of kiln feed. This led to a reduction in specific power consumption by 18.5% and specific heat consumption by 4.3% for the kiln.

WASTE HEAT RECOVERY SYSTEM

Energy constitutes 20% to 40% of the total cost of cement production making a significant dent on the economic bottom line. With high input costs and the growing emphasis of stakeholders on adopting eco-friendly manufacturing processes, the significance of Waste Heat Recovery System is growing. UltraTech has always been ahead of the industry in WHRS and continues to enhance its capacity.

This year, our waste heat recovery has moved up from 984.53 TJ to 1,205.06 TJ, an increase of over 22%. Waste heat accounted for 8% of our power capacity in FY 2017-18.

UltraTech was one of the first in the Indian cement industry to embrace the technology of WHRS. The initiative was taken to secure our energy requirements but subsequently turned out to be an inexpensive energy source for moderating our carbon footprint, besides providing enhanced energy security. It accounts for 8% of our power needs.

ENERGY CONSERVED THROUGH

Parameter	Unit	Cement		
		2015-16	2016-17	2017-18
Waste Heat Recovery System	TJ	672.86	984.53	1,205.06

UltraTech has an installed capacity of 59 MW of waste heat recovery system. This is expected to double to 121 MW.

RENEWABLE ENERGY

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

RENEWABLE ENERGY CAPACITY

Installed capacity stands at 3.73 MW

Bilateral/Group Captive Capacity stands at 50 MW

TOTAL RENEWABLE ENERGY PRODUCED

Parameter	Units	Cement		
		2015-16	2016-17	2017-18
Solar Energy (At Rawan, Hirmi, Aditya, Kotputli, Rajashree, Awarpur, Reddipalayam, Panipat and Shankarpally Bulk Terminal)	TJ	10.71	10.27	16.72
Wind Energy (At Reddipalayam Cement Works)	TJ	5.29	6.78	6.37

INITIATIVE*

MORE POWER THROUGH SOLAR

A 5 MW solar power was set up at Sewagram Cement Works, Kutch, Gujarat. Generating 80 lac units of electricity every year, it will potentially reduce 6,500 tons of CO_2 emissions annually. Another 1,000 KW solar power plant was commissioned at UltraTech's Shankarpally Bulk Terminal in Telangana. It will generate 16.50 lacs kilowatt hour (kWh) of solar power every year to fulfill nearly 50% of the unit's power requirement. Also, in the pipeline are the commissioning of solar power plants at different units which will help us to increase our renewable energy share.

This is a Bilateral/Group Captive Agreement

ENERGY PERFORMANCE

DIRECT ENERGY CONSUMPTION - PRODUCTION

Parameter	Cement			RMC		
(In PJ)	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Coal and Lignite	40.55	34.44	36.95	NA	NA	NA
Petcoke	79.51	88.66	85.13	NA	NA	NA
Waste Fuel	1.74	2.76	4.57	NA	NA	NA
Others (Includes diesel oil, furnace oil, LDO and other fuel)	0.23	0.20	0.20	0.030	0.025	0.023
Mining and transportation	1.00	0.80	0.96	NA	NA	NA

DIRECT ENERGY CONSUMPTION - CAPTIVE POWER PLANT

Parameter	Cement			RMC		
(In PJ)	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Coal and Lignite	24.41	19.73	23.70	0	0	0
Petcoke	19.78	30.26	21.79	0	0	0
Other Fuels (Includes diesel oil, furnace oil, LDO and other fuel)	0.14	0.36	0.66	0.020	0.017	0.016

INDIRECT ENERGY CONSUMPTION

Parameter	Cement			RMC		
(In TJ)	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Electricity Purchased*	2,587.85	2,492.96	2,223.11	31.29	32.97	32.97
Electricity purchased-Renewables	0.00	42.58	125.34	0	0	0

** This includes electricity purchased from grid as well as from energy exchange platforms such as IEX.*

SPECIFIC ENERGY CONSUMPTION - CEMENT

Energy Consumption	2015-16	2016-17	2017-18
Specific thermal energy (kcal/kg of clinker)	713.56	708.55	707.36
Specific electrical energy (kWh/ton of cement)	82.3	78.7	76.9

SPECIFIC ENERGY CONSUMPTION - RMC

Energy Consumption	2015-16	2016-17	2017-18
Specific thermal energy (kcal/kg of clinker)	2.09	2.02	2.01

RESOURCE MANAGEMENT

GOAL AIM

Promote sustainable consumption and production patterns

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

ACTION

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

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

Judicious use of raw material

Constructive use of alternative material

First, we generate less waste by using raw materials judiciously so that it can be managed easily. Second, we substitute fossil fuels and raw materials with waste material generated not only from our plants, but also from other industries. Out of the total raw material used for production, 14.16% was recycled material comprising fly ash, slag, waste gypsum, etc. While we focus on reducing waste at source, we ensure its responsible disposal. Waste inventory gets mapped on a regular basis and it is sent to authorised recyclers for recovery and disposal.

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

Innovations for 'closing the loop'

Technical upgradation to enhance mine life

Increasing use of low-grade limestone

Greener concrete mix

Increasing the share of green energy

JUDICIOUS USE OF RAW MATERIAL

Cement industry's dependence on natural resources is high. Therefore, we continue to innovate and explore ways to reduce our reliance through utilisation of low grade limestone, use of alternate sources and productive use of waste.

Across our sites, we do not import or export waste which has been deemed hazardous under Basel Convention. Also, there were no significant spills because of our operations in the reporting period.

HAZARDOUS WASTE - CEMENT

(in tonnes)	2015-16	2016-17	2017-18
Hazardous waste (solid)	443.27	326.90	475.83
Hazardous waste (liquid)	1,251.78	709.30	738.65

** Waste generated sent to authorized recyclers*

HAZARDOUS WASTE - RMC

(in tonnes)	2015-16	2016-17	2017-18
Hazardous waste (solid)	13.587	10.42	8.73
Hazardous waste (liquid)	1.2662	1.14	0.46

** Medical waste generated is disposed while other waste such as E-waste and batteries is being sent to authorized recyclers*

NON-HAZARDOUS WASTE - CEMENT

(in thousand tonnes)	2015-16	2016-17	2017-18
Non-Hazardous waste (solid)	1,048.34	1,023.88	1,101.45

**Most of the waste generated is being reused or recycled*

NON-HAZARDOUS WASTE - RMC

(in thousand tonnes)	2015-16	2016-17	2017-18
Non-Hazardous waste (solid)	72.76	72.94	64.54

TOTAL ALTERNATIVE FUEL RATE

(in percentage)	2015-16	2016-17	2017-18
Thermal energy consumption	1.60	2.30	3.60

INITIATIVE

CO-PROCESSING FOR A CLEANER SOCIETY

Municipal Solid Waste (MSW) disposal is a major issue in municipal corporations, especially where the facilities are either limited or not in place for the processing of this waste. Untreated waste, if not handled properly, can lead to the contamination of soil, water resources, human health and the environment.

UltraTech has tied up with eight municipal corporations across India to help them in destroying incinerable non-biodegradable waste in a safe and sustainable manner through co-processing. This is a win-win situation for both the society and the cement industry as it not only helps reduce the industry's reliance on growing fossil fuel and decreases CO_2 emissions, but also addresses the increasing need for a sustainable waste management solution. Apart from MSW, industrial waste and non-recyclable plastics are also co-processed.

Co-processing has a lot of advantages over the least preferred waste management options – landfill and incineration.

INITIATIVE COMPLEMENTS 'SWACHH BHARAT' CAMPAIGN LAUNCHED BY GOVERNMENT OF INDIA.

Environmentally more sustainable compared to the other two	Eliminates pollutants due to high combustion temperatures	Total integration of the combustion ash into clinker, no residual waste	No emissions due to combustion of waste	No influence of waste processing on the quality of cement produced

CONSTRUCTIVE USE OF ALTERNATIVE MATERIAL

ALTERNATIVE MATERIALS

Use of industrial waste as alternative fuel and material in cement manufacturing serves two purposes.

It reduces the need of natural raw materials without compromising on the product quality and moderates carbon footprint.

Fly ash, chemical gypsum and slag are some of the alternative materials being used in cement production at UltraTech for conserving natural raw materials. Currently, such alternate material constitutes 14.16% of our total raw material use.

RECYCLED MATERIAL CONSUMPTION - BY CATEGORY

Parameter	Cement			RMC		
(in thousand tonnes)	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Fly ash	8,493	8,754	9,022	277.25	256.31	247.42
Slag	544	605	767	80.61	100.10	98.13
Waste materials such as gypsum (also includes Chemical and Marine Gypsum)	830	806	914	0	0	0
Silica Fume	0	0	0	2.52	0.89	0.69
Other industrial wastes	104	80	96	3.79	0.067	4.45
Recycled material used	9,971	10,245	10,799	364	357	351

TOTAL MATERIAL CONSUMPTION

Parameter	Cement			RMC		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Natural Raw Materials Million tonnes	61.95	65.19	65.47	7.43	7.16	6.86
Associated Materials Thousand tonnes	24.26	60.48	55.92	0.032	0.031	0.027
Semi-manufactured Goods Thousand tonnes	6.84	7.91	9.10	1083.82	1080.93	1053.88
Packaging Materials (plastic & paper bags) Thousand tonnes	65.89	67.83	65.98	NA	NA	NA

WATER MANAGEMENT

Inadequate water supply not only makes our business vulnerable, but also impacts the health, food security, and livelihoods of families around our sites. UltraTech has been involved in capacity building on water and sanitation-related activities and programmes to ensure the availability of this precious resource. Our efforts in this direction have led to UltraTech becoming more than two times water positive.

Water conservation agenda at UltraTech is spearheaded by a systemic **3R approach: Reduce, Recycle and Reuse.**

At our manufacturing plants, harvesting rainwater, recharging groundwater, recycling wastewater and reducing freshwater use are standard operating procedures.

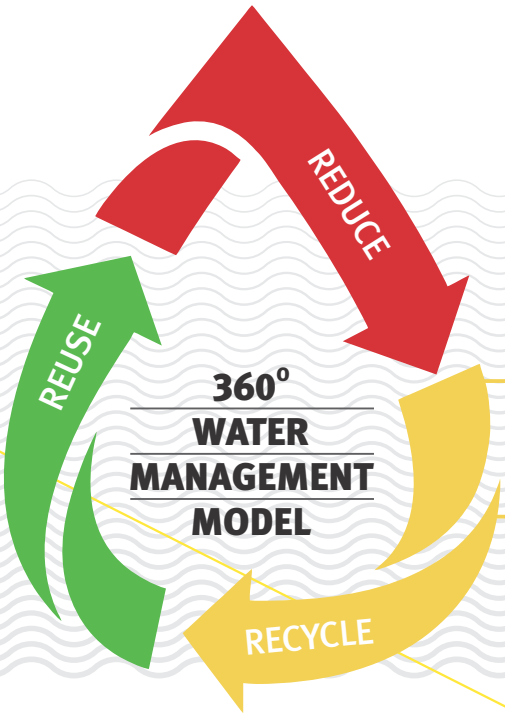
GOAL AIM

Secure water and sanitation for a sustainable world

6 CLEAN WATER AND SANITATION

ACTION

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



3 out of 13 integrated plants achieved water sufficiency - these plants are not dependent on any groundwater or freshwater sources

Rainwater harvesting is used in most of our units to reduce our dependence on groundwater

Star Cement, Dubai recorded 22% reduction in specific water consumption

We are responding to the water challenge by:

Source water vulnerability assessments

Aquifer studies for withdrawal and mitigation impacts

Integrated watershed management

INITIATIVE

TURNING BARREN LAND INTO WATER HARVESTING STRUCTURE

ANDHRA PRADESH CEMENT WORKS

Andhra Pradesh Cement Works is located in the Ananthapur district of Andhra Pradesh where the entire region experiences less rainfall and extreme temperatures. Borewells and water collected in the mine pits fulfil the necessary water requirements of the plant. However, to ensure continuous water availability, the APCW team decided to use a large part of the barren land available near the unit for rainwater harvesting. The land was converted into pits for saving rainwater with efforts from cross-functional teams. This initiative resulted in increase of water storage capacity to 1.450 million cubic metre from 1.25 million cubic metre.

DURING THIS YEAR'S MONSOON, THE NEWLY OPENED PITS HELPED IN SAVING 2 LACS CUBIC METRE RAINWATER WHICH WILL BE USED TO FULFIL THE UNIT'S REQUIREMENTS.

SUCCESS STORY

BEING WATER POSITIVE - MORE THAN TWICE AS GOOD

UltraTech has been certified as 'more than twice' water positive by DNV-GL, a global quality assurance and risk management company. When the ratio of water saved (credit) is higher over water consumed (debit), the site is recognised as water positive. This milestone has been achieved through our consistent efforts in the area of water conservation - for our own operations, and for the communities. This certification comes after the assessment was done in FY 2016-17 on all UltraTech integrated units, grinding units and bulk terminals in India.

We continue to reduce the water footprint of our operations and promote responsible water management in partnership with various government bodies and other local stakeholders.

Besides tracking our own water usage, UltraTech endeavours to save water by constructing water harvesting structures and employing water-efficient techniques. We work extensively on community-level integrated watershed management projects that benefit the local communities through improvement of groundwater recharge, enhancement of groundwater levels, increased farm output and income levels.

Community-level water interventions include check dams, pond desiltation or deepening, rainwater harvesting, and groundwater recharge. Initiatives such as these have helped increase the 'credit' components of water balance at UltraTech.

UltraTech Cement has been certified as '2.18' times water positive by DNV-GL.

CUTTING THE WATER USAGE BY HALF

KOTPUTLI CEMENT WORKS

CHALLENGE

Rajasthan is the driest state in the country where water is scarce and with prevailing high growth rate of population and industrial usage, the per capita water availability is going to further reduce to alarmingly low levels. Thus, conservation and sustainable usage of water are vital for the State.

ACTION

Kotputli Cement Works is UltraTech's integrated unit which uses captive power from 2x23 MW TPP based in the unit. This TPP is being operated in island mode - in isolation from the national or local electricity distribution network. Boilers, turbines, water treatment plant, cooling tower and heat exchangers are the components in the power plants which utilises a lot of water for their operations. Borewells are the main source of water in KCW. The KCW team decided to reduce the water consumption and took several measures such as utilisation of wastewater and steam, usage of blowdown water in cooling tower, backwash water and reduction of unwanted water evaporation.

OUTCOME

With these steps the water consumption in the unit's TPP came down to 65,070 KL during FY 2017-18, that is more than half as compared to FY 2014-15 levels which was 133579 KL. This achievement by the KCW team reflects UltraTech's long-term commitment to adopt sustainable solutions and practices.

INITIATIVE

AIMING FOR ZERO DISCHARGE

ULTRATECH RMC

During transit of the cement, a small part of concrete always remains un-utilised in the form of a coating or reject material deposited inside the mixer, which needs to be cleaned before it can be used in the next cycle. WBCSD report estimates that roughly 25 billion tons of concrete are manufactured globally each year, out of which 125 million tons remain un-utilised in various forms that amount to debris. If the safe waste disposal practices are not followed, these debris will have environmental impacts.

UltraTech Ready Mix Concrete (RMC) became the first company in India in the year 2011 to adopt the Baton Wash (concrete recycling system) technology at its plants. Baton Wash technology is used to reclaim residual concrete and slurry water during cleaning of transit mixers and plant mixers. The slurry water discharged from the Baton Wash is partially reused in concrete production. This has helped us in saving substantial amounts of water through concrete recycling.

We also became the first in India to adopt the Filter Press technology for industrial waste management. Our RMC team has deployed this technology to recover water completely from slurry and are now working on a novel concept to recycle the solids and eventually achieve the status of a Zero Discharge Plant.

To achieve the state of Zero Discharge Plant, our RMC team is working on ways to use the sludge cakes derived out of the Filter Press technology back to the concrete of suitable grades.

WATER WITHDRAWAL BY SOURCE

Parameter	Units	Cement			RMC		
		2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Surface Water	Million m^3	4.32	5.18	5.40	0	0	0
Groundwater	Million m^3	3.49	2.90	2.84	0.46	0.43	0.41
Rainwater	Million m^3	6.10	6.47	6.28	0.01	0.01	0.01
Water from Municipality	Million m^3	0.31	0.30	0.27	0.76	0.72	0.70
Water Recycled & Reused	% of water withdrawn	12.92	13.10	12.98	5	3.23	3.14

BIODIVERSITY MANAGEMENT

GOAL AIM

Protect and restore terrestrial ecosystems and halt all biodiversity loss

15 LIFE ON LAND

ACTION

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

The future of our business and the community is linked to survival of land ecosystems. UltraTech recognises the importance of biodiversity and associated ecosystem services for long-term sustainability of both, and takes concerted action to protect, restore and promote all forms of life in the ecosystem.

For example, we launched our biodiversity policy along with the launch of the ABG biodiversity policy. UltraTech's engagement with IUCN was in two parts - at the ground level through are unit Sewagram Cement Works (SCW) in Gujarat, and at corporate level to develop policies and technical standards. These efforts help us in going beyond compliance regime and earn the respect of society and other stakeholders.

We have been working with International Union for Conservation of Nature (IUCN) over the past three years to create a scientific and systematic approach towards biodiversity management.

BIODIVERSITY ASSESSMENT AT SEWAGRAM CEMENT WORKS

IUCN carried out a comprehensive baseline assessment of biodiversity and ecosystem services in and around Sewagram Cement Work's area of operations, including the mines. The results of this assessment were used to develop a robust biodiversity management plan for Sewagram.

Under this plan, a suite of measures was designed to avoid, minimise, rectify, and / or compensate for impacts on biodiversity resulting from the development and operations of the cement unit and mine areas.

SCW, Gujarat was selected for conducting this study based on the Integrated Biodiversity Assessment Tool report. The approach and learnings from this study formed the basis of developing Aditya Birla Group's and UltraTech's biodiversity policy, in line with global biodiversity standards.

Over the next few years, UltraTech will work towards implementing the measures identified under the biodiversity management plan from SCW. The learnings will be shared with all integrated units to guide them towards identifying their biodiversity risks and develop a time-based strategy towards creating biodiversity management plans. SCW is now in the process of initiating the implementation of BMP from 2018-19 onwards.

In the reporting period, our Cement Business planted 202,027 saplings with a survival rate of 82.76%, and our RMC units planted 2,630 saplings with a survival rate of 81%.

RETURNING THE MINED LAND BACK TO PRODUCTIVE USE

REDDIPALAYAM CEMENT WORKS

CHALLENGE

At the end of the mine life it is a challenge for the miners to ensure that land on the site is restored back to its original state.

ACTION

UltraTech goes beyond restoring the site and reclaiming the land of the closed mine. We rejuvenate the land and bring it back to productive use. Reddipalayam Cement Works (RDCW) unit in Tamil Nadu has undertaken initiatives for reclamation and rehabilitation of the mines for biodiversity conservation. Water bodies have been developed to harvest rainwater and attract migratory bird species among other initiatives such as topsoil management, dump management, systematic and scientific mining, mineral conservation, afforestation, environmental monitoring, and water quality monitoring.

The RDCW unit partnered with government organisations, forest department, local universities, and local environmental organisations for implementation of the action plan. The bamboo plantation drive was taken up using tissue culture to attract birds and animals and is now home to minor mammals and reptiles.

OUTCOME

- Enrichment of local biological diversity including reintroduction of some of the targeted habitats and species on the quarry ground and the return of bees
- Latest biodiversity surveys recorded 44 types of trees, 8 types of fruit trees, 17 shrubs and 14 herb plants, 25 species of birds, 8 species of mammals, 19 species of butterflies, and 4 species of amphibians
- Creation of a learning site for environment education and awareness
- Conducting awareness programmes in nearby schools to stress on the importance of biodiversity and its conservation among school children who will be future ambassadors of this evolving subject of biodiversity

SAFETY PERFORMANCE

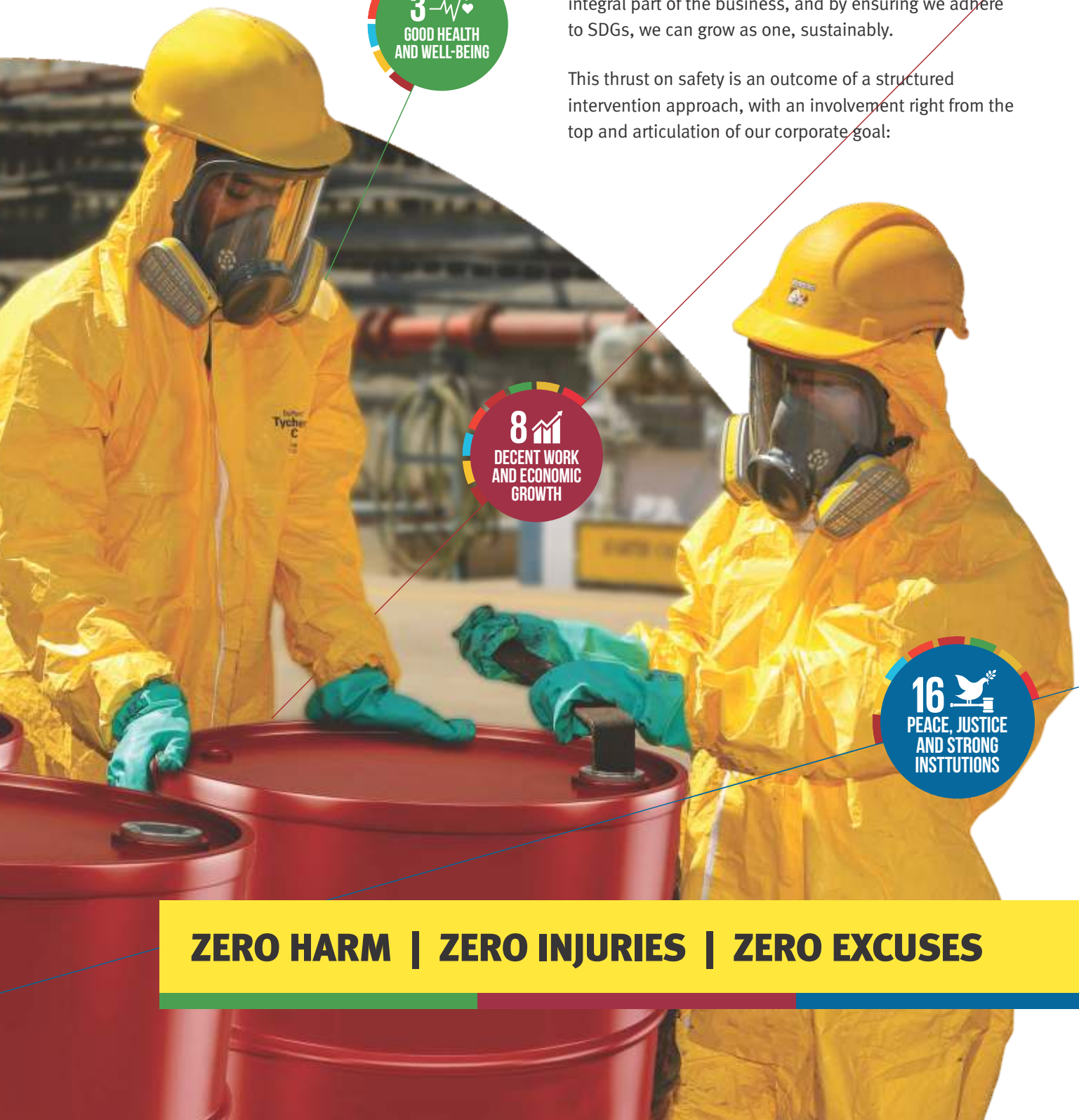
A non-negotiable feature at UltraTech, is safety. For us, this strongly embedded core value is seen as the 'only way to operate' and we engage with all our stakeholders, be it our employees, suppliers, contractors or community, while keeping this philosophy in mind. Safety of the people working for, and on behalf of, our Company is an integral part of the business, and by ensuring we adhere to SDGs, we can grow as one, sustainably.

This thrust on safety is an outcome of a structured intervention approach, with an involvement right from the top and articulation of our corporate goal:

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTTUTIONS



ZERO HARM | ZERO INJURIES | ZERO EXCUSES

MANAGEMENT APPROACH

The safety excellence journey of UltraTech always looked at the continued safety of our people and those working on behalf of the company. As of 2017, we have successfully completed a 7 year-long safety excellence drive, by instilling and embedding safety culture within the organisation. The Managing Director heads the Safety Board and reviews the organisation's safety performance on a regular basis. In addition to this, we also have eight safety sub-committees that are headed by senior leaders to closely monitor various key performance indicators related to safety. Corporate safety audit by cross functional teams, and structural stability assessment by third parties, have been carried out across our locations.

Around 95% of the recommended high-priority action points have been completed to ensure that the structures across our units are safe.

HIGHLIGHTS

Birla Super Bulk Terminal (BSBT) bagged the first prize at **State Level Safety Awards** under the medium industry category organised by Karnataka State Safety Institute, Department of Factories, Boilers, and Industrial Safety & Health.

Ratnagiri Cement Works, Grinding Unit, won two prestigious awards for the year 2017 - **'Lowest Accident Frequency Rate' and 'Longest Accident Free Period' awards** under Cement Manufacturing Category

Four Ready Mix Concrete (RMC) plants of UltraTech Cement, were honoured with **National Safety Council of India's (NSCI) Safety Award - 2017** under Micro, Small & Medium Enterprises (MSME) category

Vishwakarma Rashtriya Puraskar & National Safety Award

Jafrabad Cement Mines bagged the overall **1st Prize with total 13 prizes in Mines Safety Week**

SAFETY GOVERNANCE

Safety is deep-rooted in the Company's core values and we have a zero-tolerance policy toward safety breaches.

By setting rigorous safety standards and evaluating safety perception, senior leaders are driving safety ownership and spreading the message across the organisation, right up to the workers.

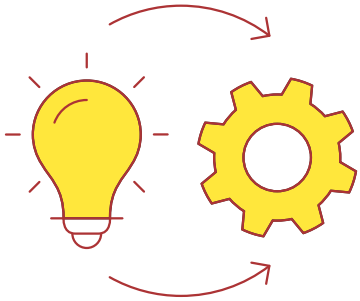
We have an active Safety Board, chaired by the Managing Director, and is further divided into eight sub-committees, each chaired by a Unit Head.

29 CRITICAL STANDARDS, 20 PROCEDURES AND 13 GUIDELINES ARE IN PLACE AND ARE MANDATORY AT ALL OUR FACILITIES.

As safety and occupational health are core values at UTCL, we implemented the following initiatives for the appropriate management of safety related issues within the Organisation:

120 GOOD SAFETY PRACTICES IMPLEMENTED

- 120 Good Safety Practices implemented – videos documenting the same have been shared across UTCL for learning and replication purposes
- In addition to the existing 7 board level sub-committees, 2 more (Project Safety and Mines Safety) sub-committees were formed
- Second Party Safety Audit carried out at all 13 mines to assess degree of compliance to our 7 'Mines Safety Standards'
- Physical (on field) verification carried out at all integrated and grinding units, as well as bulk terminals for site compliance with Second Party Safety Audit findings and Red Corner Notice, Black Corner Notice recommendations
- Safety leadership programmes organised for managers of acquired units to make them aware of UTCL's safety management system
- Progressive consequence management implemented for non-adherence of laid-down safety norms leading to injury



TOP-DOWN IMPLEMENTATION

Our Safety Board heads are involved in various safety activities. Visible safety training is carried out for the line managers and front-line engineers by the leadership teams. Leaders at all levels also carry out safety observations for behavioural safety improvement.

UltraTech also voluntarily adheres to international standards set by global bodies like the Occupational Health & Safety Advisory Services

Occupational Health and Safety (OHS) impacts are identified, assessed and addressed through our integrated HSE management system, which conforms to global guidelines such as the CSI protocol, OHSAS 18001 and SA 8000.

The committees and boards that make up the OHS organisational structure are as follows:

CORPORATE OCCUPATIONAL HEALTH & SAFETY BOARD

Chaired by the Business Head, this Board meets every two months to review OHS performance of the organisation as a whole and decide actions for further improvement

UNIT APEX OHS COMMITTEE

Led by the Unit (Site) Head, this committee meets on a monthly basis to review the safety performance of each of our 30 sites

CORPORATE AND UNIT SUB-COMMITTEES

We have established seven sub-committees that operate at both corporate and unit levels

THE ROLE OF THE SUB-COMMITTEES

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

STANDARDS, RULES AND PROCEDURES

Develop, review, implement and communicate safety standards, rules and procedures

Identify areas where standards and procedures need to be evolved and inform the Board-level sub-committee

Implement audit protocols for all standards at each line function

TRAINING AND CAPABILITY BUILDING

ALL GAPS DISCOVERED IN THE TRAINING NEED IDENTIFICATION PROCESSES ARE 100% ADDRESSED

The line managers conduct Training Need Identification initiatives, thereby enabling them to understand the different standards of needs of our employees and contract workmen. This is followed by sourcing capable internal trainers to impart knowledge to future trainers. Our training programmes are carried out in a phased manner, with periodic refresher training. All gaps discovered in the training need identification processes are 100% addressed.

INCIDENT INVESTIGATION

The Incident Investigation sub-committee ensures the reporting of all incidents including near misses. This is done by developing and implementing incident investigation procedures, consistently across all sites. Line managers are trained in quality incident investigation and active communication of significant incidents along with recommendations for corrective measures, or its prevention, are relayed across the organisation. The committee is also responsible for identifying and analysing incident trends, briefing the site apex committee and monitoring to ensure timely closure of recommended actions.

SAFETY OBSERVATION AND AUDIT

This sub-committee ensures the effective implementation of Safety Observation and First Party Safety Audit, and action points are developed based on the findings from the process. It is also required to review and monitor compliance of observations/ findings raised through the processes of S.O. and FPSA periodically.

The training and competency of employees are given a thorough examination on the Safety Observation Process and of the FPSA auditors, in coordination with the T&C sub-committee.

CONTRACTOR SAFETY MANAGEMENT

The Contractor Safety Management process includes implementation of a specially designed, six-step process. To keep defaulters in check, red notices are issued for high severity violations, during these audits. All contractors go through mandatory pre-medical examinations, trade tests and safety induction, before issuance of gate pass. 100% of workers are represented in formal joint management and all Health & Safety topics are covered in formal agreements with trade unions.

TRANSPORT SAFETY

The role of the Transport Safety subcommittee is to ensure all vehicles engaged for business are equipped with mandatory gadgets - reverse horn, rear view mirror, seat belts etc. All statutory documents such as Registration, License, fitness certificate, insurance and, PUC (Pollution Under Control) are reviewed periodically to ensure they are up to date and timely reports of vehicular incidents are ensured. The committee is also in charge of taking declarations from transporters and commitment from drivers for safe driving, while regular reward and recognition initiatives for safe drivers are carried out. Defensive driving training programmes are a regular feature that the committee takes care of.

OCCUPATIONAL HEALTH

The seventh sub-committee ensures provision of adequate resources for occupational health. They also identify occupational health hazards and manage associated risks to be contained to 'As Low as Reasonably Practicable' (ALARP) levels. Medical emergencies are dealt with swiftly and the company is kept on its toes with regard to its emergency response abilities.

Health surveillance, sickness, absenteeism, rehabilitation and recovery programmes all fall under the purview of the committee and they are regularly measured or monitored. Health education, training and promotional activities are a regular feature to foster awareness among employees.

BENEFITS

Ever since the introduction of the OHS organisational structure, the company has reaped many benefits. There is increased buy-in from sub-committee members and an understanding that safety is the Line Function's responsibility. By positioning senior managers as chair of these groups we have seen less conflict of priorities between production and safety, and allocation of health and safety resources is no longer an issue.

We've also greatly improved ownership and accountability by teams and all major elements of health and safety are ably managed in an effective manner leading to improved performances.

THE GREAT ULTRATECH SAFETY CHALLENGE

At Ultratech, we launched a comprehensive safety training campaign to address the findings compiled from our data analysis of past incidents and accidents in the cement industry. We studied the root cause of the problems in these incidents to formulate standards and procedures, to prevent them from taking place again.

The training involved an array of initiatives that included an inaugural programme, competitions, displays of informative posters and banners, street plays, training videos, random inspections and corrective actions, and several interactive sessions.

The objective was to carry out the training over a period of six months and identified the major areas lacking appropriate safety standards. The areas that needed strengthening were:

Permit to Work System (PTW) | **Road Safety** | **Loading of Cement Bags**

Work at Height | **LOTOTO** (Lock-Out-Tag-Out-Try-Out) | **Fire Risk Management**

We ensured training was focussed mainly in UltraTech's Manufacturing Units. They include Integrated Plants, Grinding Units, Ready Mix Concrete (RMC) Units, Bulk terminals, while the vulnerable areas in the Plants are the truck yards, material gates, Packing Plant, loading and unloading areas.

The training involved

- Creating awareness among the working team
- Ensuring relevant procedures and standards were adhered to at all times
- Eliminating unsafe conditions by good engineering practices and innovations
- Correcting unsafe behaviour

OUTCOME

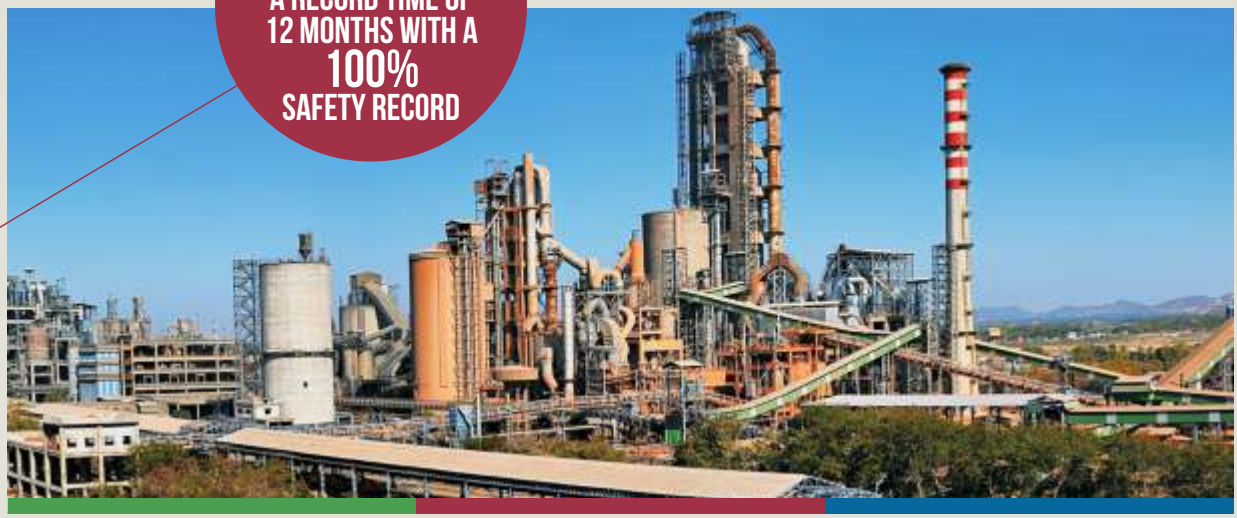
- A systematic campaign carried out across 40 Integrated and Grinding Units, Bulk Terminals, 102 RMCs and our offices
- Directly reached 90% of UltraTech employees
- Saw a significant improvement in compliance
- Demonstrating management commitment towards safety with the involvement from Top Management

DHAR CREATES A RECORD AND SETS THE STANDARD AT ULTRATECH!

Safety is always a concern at project sites given the involvement of a large scale unskilled and semi-skilled workforce. Our team at Dhar began by identifying critical activities and their associated risks and fixed individual accountabilities that started from the line function and safety function, for the safe execution of work. The team also deployed third party safety experts specifically for rigging and scaffolding at the site.

The success of the Dhar project rests on the entire team, starting from top management, middle management, front line engineers, to the contract partners and workforce, all playing a vital role. At the start of the project, a Project Safety Sub-Committee was formed, comprising senior management members from Operations and the Head Office. They oversaw the safety aspects by way of monthly site visits and simultaneously monitored the performance of the High-Risk Committees. Additionally, operational experts from several of our other Units joined the team at Dhar to ensure the success of this project.

ULTRATECH'S NEW GREENFIELD UNIT WAS SET UP IN A RECORD TIME OF 12 MONTHS WITH A 100% SAFETY RECORD



Key points of the strategy developed and adhered to:

- Personal Protective Equipment (PPE) matrix developed for each specific activity
- Mandatory safety training and medical tests for workers before deployment
- Constructability checklist included hygiene of labour colony to working methodology of critical risk areas like excavation, working at height, scaffold, electrical work etc.
- Deployment of 54 Qualified Safety Professionals known as Safety Stewards from UltraTech, who played a vital role to change the behaviour of workers towards safety issues at the site
- Deployment of high capacity cranes to minimise manual work at heights
- Project Safety sub-committee institutionalised a monthly review mechanism for project safety at location

OUTCOME

Not only was the new integrated cement manufacturing unit in Dhar, Madhya Pradesh, completed in a record time of less than 365 days, but the unit is at par with global benchmarks. The execution and commissioning of Dhar unit was also completed at a record low-cost, while ensuring **'Zero safety incident'**. The team at Dhar has achieved accident free 16.49 million man hours till the end of March 2018.

The project team involved in the setting up of the integrated cement unit in Dhar, Madhya Pradesh, has been conferred with the 'Pride Awards'.

SAFETY REPORT

	2015-16		2016-17		2017-18	
Parameters	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Number of fatalities (Directly employed)	1*	1*	1	1	0	0
Number of fatalities per 10,000 (Directly employed)	1*	1*	1	1	0	0
Number of fatalities (Indirectly employed)	3	3	2	2	2	2
Number of fatalities (Involving third parties)	0	0	0	0	3	3
	2015-16		**2016-17**		**2017-18**	
LTIFR	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Lost Time Injuries (LTIs) per million man-hours (Directly employed)	0.35	0.37	0.40	0.38	0.36	0.34

*This is off-site related fatality

PEOPLE PERFORMANCE

Being part of the Aditya Birla Group, we provide a uniform working environment and experience to all employees across units, verticals, businesses & geographies, through our Group-wide 'One HR' policy.

MANAGEMENT APPROACH

What is a company without its people? At UltraTech, we believe our intellectual property is the key contributor to our Company's growth story. Most importantly, we drive this growth through SDGs specific to our employees and their work life. We actively follow an 'Employee First' policy and focus on providing growth, training, recognition, recreation and motivation to our people, while also creating an environment of equality and diversity in the workplace.

OUR TALENT STRENGTH

PARAMETER	2015-16	2016-17	2017-18
No. of employees	14,950	14,682	14,176
Attrition (in %)	4.48	4.75	6%

E-learning: 500 Modules in Multiple Languages

HIGHLIGHTS

In the **'Best Employers 2018'** study, Aditya Birla Group was named as the Best Employer in India by the reputed global consulting firm, Aon Hewitt

Total Training Hours: 225,540

14,176 Employees

Nothing Stops Me (**Continuous Education Programme**) - added 2 new B.Tech courses

Covered 200+ HR professionals in various classroom learnings

Pratibha is our Children's Education Scholarship Plan for employees to reward academic excellence

WORKFORCE MANAGEMENT

Companies thrive because of good workforce management. We believe in attracting the best talent and providing the best environment so that they perform par excellence and ensure that UltraTech retains its leadership position.

ORIENTATION PROCESS

Stronger the foundation, higher the growth. UltraTech's comprehensive induction programme lays a firm foundation for a lasting relationship with new employees. Conducted by senior professionals across functions, all new hires undergo this programme which includes introducing them to their individual, departmental and unit-based roles, responsibilities and goals, and acquainting them with the overall vision and values of the organisation while providing an overview of SOPs like safety norms and code of conduct.

GROWTH OPPORTUNITIES

We encourage our employees at UltraTech to grow vertically or horizontally, based on their aspirations. They achieve growth through a spectrum of opportunities we offer: learning & development, leadership platforms, competitive remuneration, fair appraisals and motivating career development options. All our employees are eligible for, and receive regular performance and career development reviews.

INTERNAL RECRUITMENT SYSTEM

Furthermore, our employees are encouraged to pursue career moves that are mutually beneficial to them as well as the organisation. True to our 'Employee First' philosophy, internal talent is provided the first right to apply for any open position over external candidates. Be it in India or abroad, vacancies across locations are first posted on the internal portal.

We follow a practice of no hiring outside ABG for middle and senior management roles. In the last 3 years, we have had many inter-business and intra-business movement of employees across levels.

NURTURING LEADERSHIP

Empowering our best talent with stimuli to climb the leadership ladder is a continuous pursuit. Building a leadership pipeline is a part of our talent identification process wherein candidates with high potential are spotted, and then exposed to challenging projects and stimulating roles.

We follow a unique '2/2/2 Philosophy', which implies that every employee must work across two businesses, two functions (or sub-functions) and two geographies for a broader understanding of the business and the Company. This enables one to become a well-rounded leader.

MERITOCRACY-BASED APPRAISAL

UltraTech's Annual Compensation Review is a comprehensive and transparent appraisal process.

A true growth compass, it factors in parameters like self-assessment, supervisor assessment, business performance, employee performance, market information and variable pay.

INITIATIVE

BUILDING A TALENT PIPELINE

PLANNED MASS MOVEMENT FOR PEOPLE DEVELOPMENT

At UltraTech, we find it important to ensure careers don't stagnate in order to grow as a company. With this in mind, we have established a programme - the Planned Mass Movement for People Development, to keep the work environment upbeat and productive. This initiative is essentially the movement of Section Heads who have tenured for longer than 15 years in the same location. As per our research, we have found that more than 15 years at one location can lead to career stagnation, stemming from monotonous working conditions, lower team engagement and more.

APPROACH

To enable such a mass planned movement, while simultaneously building a talent pipeline, we had to conduct a 'Movement Mapping' against suitable roles in different clusters. This was followed by a consensus from all stakeholders and also addressing individual requests. A direct, personalised message from the CHRO and an orientation through the VC is part of the procedure.

OUTCOME

This financial year saw

More than 100 movements over 10 plus departments, across multiple locations, with unique roles and varying job functions.

18 Departments	22 Locations
32 Unique Roles	7 Job Functions

The uniform joining date at all locations was 3rd October 2017.

EMPLOYEE FEEDBACK

"I thank the Management for giving me an opportunity to move to a new location. The pre-joining communication and arrangements were helpful in settling down. My family and I received a warm welcome and were given an opportunity to interact with the senior leadership team. I was also provided a platform for sharing the best practices from my previous unit. We are impressed with the housing and other amenities at our colony and school admission for my children was also seamless."

TRAINING & DEVELOPMENT

With rapidly advancing technology and a fast-changing business landscape, it is imperative that our employees are in step with best and next practices.

TECHNICAL TRAINING

Our state-of-the-art training centre at UltraTech, is supported by more than 40 subject matter experts. This unique, forward-thinking initiative is dedicated extensively to train graduate engineer trainees and make them job-ready.

EXECUTIVE EDUCATION

We have an ongoing relationship with the Birla Institute of Technology and Science (BITS), and our employees are encouraged to pursue a degree in subjects such as Power and Process Engineering, for which we have introduced two such courses.

TECHNOLOGY LEADERS

We select high performers who are experts in functional areas to work on process improvement projects like mining, coolers and thermal power plants.

ONLINE MBA

Having initiated e-learning modules, our employees have the opportunity to upgrade their skills on the job. Several of our management cadre employees have seized the opportunity and completed their online MBA course from U21, Singapore.

INITIATIVE

NOTHING STOPS ME

CONTINUOUS EDUCATION PROGRAMME

To encourage our employees to further their learning and also procure a degree mid-career, we introduced B.Tech courses this year in Process and Power Engineering as a part of our Continuous Education Programme. It not only instills a sense of pride and accomplishment in our employees but is also a boon to the company as it enhances their productivity by sharpening their technical skills.

This initiative by our HR department, saw the company partnering and designing the course with BITS Pilani, based on our specific requirements in Process and Power Engineering.

The initiative has been a success among our employees looking to equip themselves for career progression.

Since its inception in 2010, the programme has seen 213 employees successfully complete their B.Sc courses, and the new B.Tech courses already have 61 employees enrolled.

INITIATIVE

BOOSTING CAREERS THROUGH 'STEPAHEAD'

STEPAHEAD is a career boosting programme that was launched by UltraTech's Learning & Development team, in partnership with XLRI, Jamshedpur. A comprehensive capability development programme, it was launched under the banner of UltraTech Sales and Service Academy.

The programme aims at imparting the relevant tools and insights on marketing, commercial acumen, logistics, and behavioural & leadership skills to our First Line Managers. By providing a robust platform, the programme enables and equips teams of future-ready managers.

STEPAHEAD uses the 70:20:10 philosophy to deliver a mixed learning experience to its participants, with live individual as well as group projects and assignments, case studies, XLRI classroom sessions, mentors' guidance and consistent review mechanisms.

TRAINING

PARAMETER	2015-16	2016-17	2017-18
Total training hours	274,581	297,210	225,540
Training hours per employee	18	20.93	15.91

225,540 TOTAL TRAINING HOURS

AVERAGE TRAINING HOURS PER PERSON PER YEAR

	2015-16			2016-17			2017-18		
CATEGORY	Male	Female	Total	Male	Female	Total	Male	Female	Total
Leaders	14	00	14	16	00	16	09	00	09
Managers	22	23	45	29	36	65	24	40	64
Executives	39	26	65	21	10	31	18	17	34
Workers	15	17	31	16	05	21	10	00	10

EMPLOYEE ENGAGEMENT

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

For a complete list of our employee engagement platforms, refer the stakeholder engagement section. Formal Joint Management-worker safety and health committees have been established at plant level, which typically represents the entire workforce within the plant.

INITIATIVE

HR SHIKSHA - A UNIQUE INITIATIVE TO DECODE HR POLICIES

Human resource policies and procedures are of no great consequence, if the intent and meaning of these documents are not effectively communicated to the broad range of employees at the organisation.

Hence, HR Shiksha was launched as a drive to educate our employees about people processes. It also proactively addresses and clarifies any misconceptions related to people policies that are prevalent among employees. HR Shiksha not only provides an open platform for employees to share their views, issues and queries on people development related policies, but also increases the participation of employees in various people related drives.

Employees are also encouraged to write in with their queries to a designated email ID created for this purpose. The details of queries raised and resolved, are recorded by the unit HR and presented to Unit Heads and Functional Heads on a monthly basis.

One of the unique features of HR Shiksha is that all the sessions are conducted across every unit at the same time, where the same policy is discussed, enabling a uniform employee experience across the manufacturing vertical.

OUTCOME

- Completed 5 policies (Inland Mobility Policy, Leave Policy, Insurance Policy, Taking Opportunities to Employees and Job Analysis and Evaluation)
- Nearly 98% of the employees' feedback received was excellent for all the five sessions
- Covered 2,500 + employees
- Reduction in lead time of policy deployment with lesser queries to handle
- Uniform employee experience with growing business
- Improvise learning of HR team members

2,500+ EMPLOYEES ATTENDED THE SESSIONS

We are listening

Poornata, Expedite, Vibes, Ulink, On Stream

Need

Reach out to employees proactively

HR Capablity Building

Service Excellence

Methodology

Same Policy, Same Day, Same Time at all locations

Common presentation and talking points

Junior team HR members to take sessions and senior team to take Q&A

Result

Five policies covered

More than 2,500 employees attended the sessions

Nearly 98% of the employees feedback received was excellent

HR shiksha
Know your HR Policies

MARGDARSHAN II

BUILDING TECHNICAL EXPERTISE

In the last report we covered 'Margdarshan I' - a one-to-one skill building programme, in which a senior leader helps a young professional to refine their technical skills.

The programme sought to establish a robust technical learning culture through the area experts, called 'Dronas', to seekers, called 'Arjunas'. The pairing of Dronas and Arjunas is carried out in a 1:3 ratio. The objective of Margdarshan I was to address the challenge of learning cycle time reduction through practical learning.

Margdarshan II, launched in December 2017, is an in-house driven initiative by Business HR, and is the next phase of this multi-pronged capability building intervention directed towards achieving technical excellence alongside the learning process. When we consider the scale of operations at UltraTech, talented professionals have numerous opportunities to learn and grow. Margdarshan helps to accelerate the technical learning of young field level engineers thus preparing them for higher responsibilities. The resulting achievements will contribute to business goals for the year.

OUTCOME

- Capability Building and Technical Excellence
- Operational excellence through implementation of technical projects
- An ongoing process of creating a pool of high technically skilled workforce
- Energised talent by engaging them in more responsibility at early career stages
- The technical subject matters discussed during learning sessions are documented, and all documents are available for everyone in the manufacturing vertical

MARGDARSHAN
Building Technical Expertise

HIGHLIGHTS

447 ARJUNAS

206 DRONAS

33 PARSHURAMS

15,750 LEARNING HOURS

378 TOPICS COMPLETED

250 BUSINESS IMPROVEMENT PROJECTS EXPECTED

EQUAL OPPORTUNITY EMPLOYER

Since challenges come in different forms, they are better addressed by a diverse set of people, who can bring with them a variety of strengths. Meanwhile, by being an equal opportunity employer, we actively align with two paramount SDGs - Gender Equality and Reduced Inequalities. Therefore, at UltraTech, merit is the only parameter for recruitment and this approach has led us to build teams with an array of experience, demographics and skill sets.

LOCAL EMPLOYMENT

While we continue to hire for potential and train for skill, we also give preference to hiring from within the local communities we operate in. This not only cascades prosperity across the neighbouring villages and towns, but also reinforces our social license to operate. The long-term benefit of rise in income levels of the local economy is also an advantage, hence we stick to local suppliers and vendors as well.

The company has multiple capital investments through a combination of greenfield and brownfield expansions that has resulted in development of the local economy and job creations.

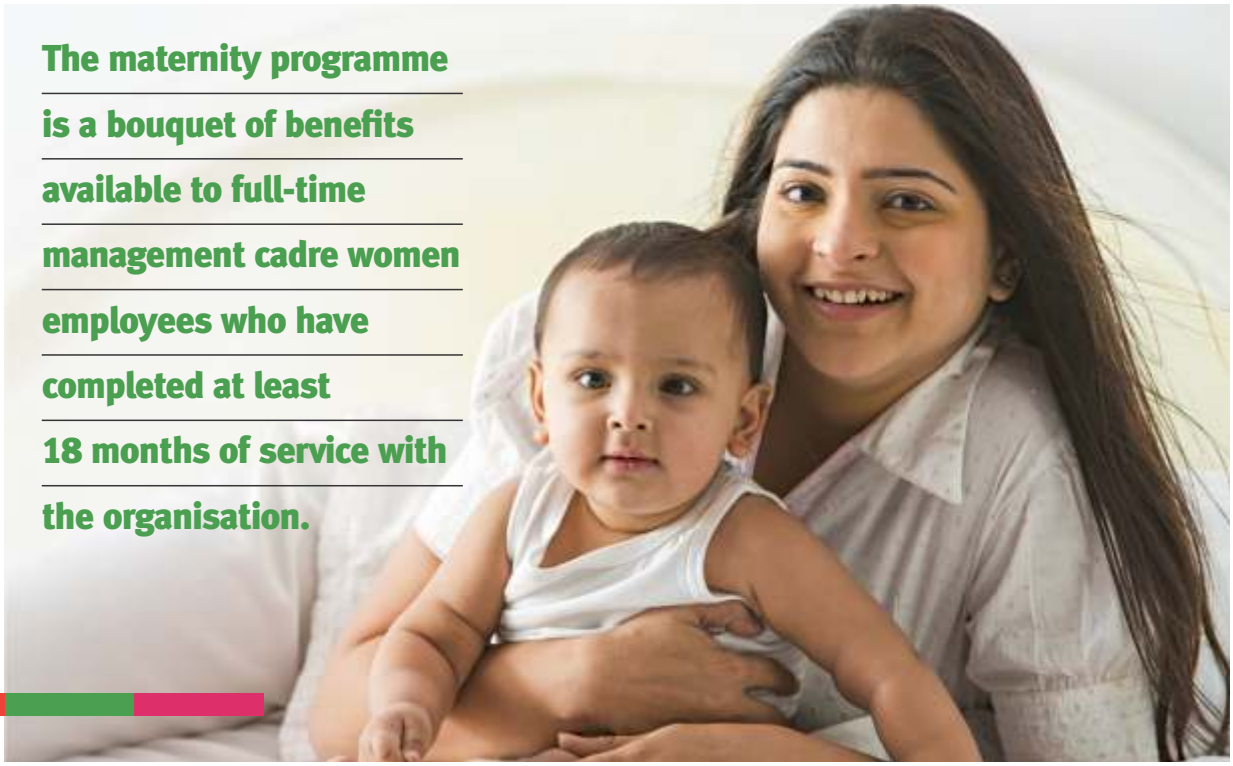
GENDER DIVERSITY

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

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

ZERO TOLERANCE TOWARDS SEXUAL HARASSMENT

WELCOMING MOTHERS BACK TO THE WORKPLACE



A comprehensive Maternity Support Programme was launched in 2014, and provides options and choices to women employees, so that they can effectively manage the maternity phase and return to work in a seamless manner.

A bouquet of benefits, the maternity programme is available to our full-time women employees belonging to the management cadre, and who have completed servicing a minimum of 18-months with the organisation. It includes maternity leave of up to 26 weeks, Mediclaim coverage, prenatal support through Healthy Pregnancy Programme, phase-back programme to support the returning mothers and emotional assistance through the World of Women Network.

MATERNITY LEAVE STATISTICS

DESCRIPTION	Employees entitled to maternity leave	Employees who took maternity leave (FY 2017-18)	Employees who returned to work after maternity leave ended (FY 2017-18)	Employees returning from maternity leave in FY 2016-17	Employees who took maternity leave in FY 2016-17, returned to work and were employed for 12 months after return
No. of employees (in numbers)	219	15	14	10	6
Rate (in %)					60

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

INITIATIVE

NURTURING WOMEN LEADERS WITH SPRINGBOARD

Springboard is an initiative designed by the Aditya Birla Group for high calibre women employees. This 18-month programme centered on the key pillars of training, mentorship and gender diversity, has a rigorous assessment and selection process, that identifies women based on performance as well as their potential.

The programme focusses on developing an array of leadership qualities, capabilities and behaviour, in a holistic manner by improving self-awareness and accelerating competency building. The programme has four modules, each aimed at developing personal leadership traits, execution excellence, financial acumen and business expertise, among other important business leadership attributes.

At UltraTech, we are committed to build a gender balanced organisation, thereby making Springboard an important step to enable this. Simultaneously, initiatives such as this, help to provide employees "A World of Opportunities" within the company.

SPRINGBOARD WOMEN SPEAK

"Springboard has enabled me to relook at my career horizon through personal transformation by creating a value for self and organisation in return."

"Springboard has provided me a fantastic learning opportunity to expand my skills, especially through interactions with business leaders, faculty and batch-mates from across ABG businesses globally."

OCCUPATIONAL WELLNESS

At UltraTech we see occupational wellness and safety as one of our top priorities, because for sustainable growth, it is essential to sustainably develop. We lay great emphasis on safety awareness through continual training on better working practices and upgradation of systems.

ERGONOMICS & INDUSTRIAL HAZARD -
WORK EFFICIENCY ENHANCEMENT THROUGH WELLNESS

As a statutory compliant organisation, this initiative was set up to address the Factory Act that specifies provision of the same, in order to monitor the working environment while eliminating health hazards. This is essential in our business, since cement manufacturing activities are usually repetitive, while some others require rigorous human activity.

CHALLENGES

- Human wellbeing at work is impacted by repetitive activities, and subsequently impacts work performance over a period of time
- The safety board committee identified industrial hazard with ergonomics as a key focus area
- The most challenging aspect is the low availability of ergonomics and industrial hazard specialists at unit locations

SOLUTION

The HR team came up with a centrally designed programme along with the guidance of industrial hazard professionals, specialising in ergonomics. The initiative had a four-pronged approach and was imparted at each of our locations.

- An awareness session
- Field visits to identify root cause of probable injuries and solutions
- One-on-one consultancy with impacted employees and their families
- Training of unit doctors with required, specific techniques

OUTCOME

- Covered 7 unit locations with 2,400 employees and 7,200 family members
- One-on-one consultancy with 300+ employees and family members
- 25+ solutions in the production area with reduction in cycle time
- Risk reduction probability in injury and work loss days
- Overall employee wellness and enhanced employee experience

WORKFORCE DASHBOARD

TOTAL WORKFORCE: GENDER-WISE BREAKUP

Total Workforce	2015-16		2016-17		2017-18	
Category	Male	Female	Male	Female	Male	Female
Permanent Employees	13,969	244	13,951	248	13,957	219
Contractors	23,864	683	23,703	451	22,387	658
Others[1]	309	8	132	0	182	4

TOTAL WORKFORCE: REGION-WISE BREAKUP

Total Workforce	2015-16		2016-17		2017-18	
Category	Within Country	Outside Country	Within Country	Outside Country	Within Country	Outside Country
Permanent Employees	13,673	540	13,757	442	13,718	458
Others	24,009	316	23,931	265	22,736	351

[1] Others include trainees, retainers.

NEW EMPLOYEES HIRED

2017-18						
Age			Gender		Region	
<30	30-50	>50	M	F	Within country	Outside country
395	441	17	835	18	838	15

TURNOVER: GENDER-WISE BREAKUP

Total Workforce	2015-16		2016-17		2017-18	
Category	Male	Female	Male	Female	Male	Female
Turnover	646	24	672	25	848	28

TURNOVER: REGION-WISE BREAKUP

Total Workforce	2015-16		2016-17		2017-18	
Category	Within Country	Outside Country	Within Country	Outside Country	Within Country	Outside Country
Turnover	563	107	674	23	864	12

TURNOVER: AGE-WISE BREAKUP

Total Workforce	2015-16			2016-17			2017-18		
Age Group	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Turnover	236	311	123	174	370	153	173	266	437

SOCIAL PERFORMANCE

Building a sustainable world requires more than just cement. It requires the driving force of commitment. Goals turn intentions into actions and aligning with the Sustainable Developments Goals ensures we have an effective metric for inclusive growth. As a leading cement producer globally, we believe businesses thrive when communities thrive.

We, at the Aditya Birla Group, have been and continue to be absolutely committed to work towards an equitable society. UltraTech Cement is proud to be part of a legacy of the Aditya Birla Group, where caring for the underserved is an unwritten edict that has been followed generation after generation.

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

ULTRATECH REACHES OUT TO **1.6 MILLION PEOPLE** ACROSS 502 VILLAGES SPANNING 15 STATES

MANAGEMENT APPROACH

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

- Embedding our social vision in the business vision
- Having a razor-sharp strategy, for execution, factoring milestones, targets, performance management, and accountability
- Getting our work audited by reputed agencies in the CSR domain, to ascertain the reports of the field workers
- Working in tandem with Government agencies, and their various development schemes, which foster inclusive growth, thus extending our reach

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

Education - SDG 4
Healthcare - SDG 3, 6
Sustainable livelihood - SDG 1, 2, 8
Infrastructure - SDG 9
Social reform - SDG 5, 10, 11

"We reaffirm our pledge to the Global Sustainable Development Goals to end poverty in all its dimensions and help work towards an 'equal, just and secure' society."

RAJASHREE BIRLA
Chairperson
Aditya Birla Centre for Community Initiatives and Rural Development

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Reaching out to underserved communities is a part of our DNA. Even before it became mandatory to invest a portion of our annual profit into CSR, we engaged in several programmes to raise the standard of life of people coming from the weaker sections. Pursuant to the provisions of Section 135 of the Companies Act, a CSR Policy is in place which is available on the Company's website viz. **www.ultratechcement.com.**

Our CSR policy also conforms to the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, Government of India.

OUR CSR VISION

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

We have selected 58 villages that we hope to turn into model villages. Over a period, we expect to see a major transformation of these villages. Some of the villages in the hinterlands have already been transformed into model villages. The social situation in many villages has changed from dependence to freedom and from backwardness to progress.

IMPLEMENTATION PROCESS: IDENTIFICATION OF PROJECTS

All projects are identified in a participatory manner, in consultation with the community. The process involves interacting with them and gauging their basic needs. We take recourse to 'participatory rural appraisal', which is a mapping process.

We pursue a project-based approach with a robust implementation structure, monitoring process and a team of professionals in place across all locations. To erase barriers of accessibility and, go deeper and wider, we collaborate with district rural development authorities, local hospitals, healthcare institutions and district Panchayati Raj institutions with the objective of empowering the community.

Prior to the commencement of projects, a baseline study of the villages is carried out. The study encompasses various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data, state of infrastructure, among others. From the data generated, a 1-year plan and a 5-year rolling plan is developed. Projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, midcourse corrections are carried out.

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

In education, our endeavour is to spark the desire for learning and knowledge at every stage through:

- Formal schools
- Balwadis
- Quality elementary education
- Aditya Bal Vidya Mandirs
- Girl child education
- Non-formal education

In healthcare, our goal is to render quality healthcare facilities to people living in villages and elsewhere through:

- Hospitals
- Primary healthcare centres
- Mother and child care projects
- Immunisation programmes with a thrust on polio eradication
- Programmes to address malnutrition
- Anganwadis
- Adolescent health
- Healthcare for visually impaired and differently abled
- Preventive healthcare through awareness programmes
- Non-communicable diseases

In sustainable livelihood, our programmes aim at providing livelihood in a locally appropriate and environmentally sustainable manner through:

- Formation of self-help groups for women empowerment
- Skill enhancement and vocational training
- Soil and water conservation
- Agriculture development and better farmer focus
- Partnership with Industrial Training Institutes
- Animal husbandry
- Watershed development
- Agroforestry

In infrastructure development, we endeavour to set up essential services that form the foundation of sustainable development through:

- Basic infrastructure facilities
- Housing facilities
- Safe drinking water
- Sanitation & hygiene
- Renewable sources of energy

In social reform, we advocate and support:

- Dowry less marriage
- Widow remarriage
- Awareness programmes on anti-social issues
- De-addiction campaigns and programmes
- Espousing basic moral values
- Gender equality

IMPLEMENTATION STRUCTURE

A robust implementation structure, monitoring process and a team of professionals is in place at our units. The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee which comprises of:

Mrs. Rajashree Birla
Chairperson

Mr. G. M. Dave
Independent Director

Mr. O. P. Puranmalka
Non-Executive Director

Mr. K. K. Maheshwari
Managing Director

Dr. (Mrs.) Pragnya Ram
Group Executive President, Corporate Communication & CSR, is a permanent invitee to the Committee

All projects/programmes are placed before the CSR committee, specifying modalities of execution of such projects/programmes and the implementation schedules. All actions are taken in reference to the needs of the community and to comply with Section 135 of the Companies Act, 2013 and the rules made thereafter.

Village meetings are held periodically to receive feedback on the benefits of our community programmes and on the areas where these need to be revised. Also, to measure the impact of the work done, a social satisfaction survey/ impact assessment study is carried out by an external agency.

Once the project becomes self-sustaining, complete control is handed over to the villagers. This transfer of responsibility ensures a culture of independence and self-reliance.

PARTNERSHIPS

Collaborative partnerships are formed with the Government, the district authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's CSR reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

In collaboration with FICCI, we have set up Aditya Birla CSR Centre for Excellence to make CSR an integral part of our corporate culture.

BUDGETS

A specific budget is allocated for CSR activities. This budget is project/programme driven. We engage with well-established and recognised programmes and national platforms such as the CII, FICCI, ASSOCHAM to name a few, given their commitment to inclusive growth.

INFORMATION DISSEMINATION

The engagement in this domain is disseminated on the company website, annual reports, sustainability reports, in-house journals and through the media.

For the year 2017-18, our CSR spend was INR 607.1 million. In addition, we mobilised INR 228 million through various schemes of the Government, acting as catalysts for the community. This enabled us to expand our reach.

EDUCATION

Education not only equips everyone with knowledge, it also empowers everybody to change the world for the better. **Aligned with SDG 4** of 'providing equitable and inclusive quality education and lifelong learning opportunities for all', we are running initiatives that support education starting from preschool. It includes vocational education and training that prepares people to make a difference in their family, and in the quality of life of the community. Some of the key areas are:

PRESCHOOL EDUCATION PROJECTS

Strengthening Anganwadi centres/ Balwadis/Playschools/Crèches

SCHOOL EDUCATION PROGRAMME

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

VOCATIONAL AND TECHNICAL EDUCATION/TRAINING

- Strengthening ITIs
- Skills-based individual training programme

EDUCATION SUPPORT PROGRAMMES

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

EDUCATION

OVER
4,271 CHILDREN
FROM SCHOOLS
WERE ACCORDED
SCHOLARSHIPS

We extended support to 250 Anganwadis at Rawan, Hirmi, Kotputli, Khor, Reddipalayam, Malkhed, Tadipatri, Durgapur (West Bengal), Kovaya, Jharsuguda (Odisha), Arrakonam (Tamil Nadu), Aligarh (Uttar Pradesh), Magdalla (Gujarat), Bela (Madhya Pradesh) and Sewagram. **More than 6,345 children are enrolled at these Anganwadis.**

Under the Sarva Shiksha Abhiyan (SSA) programme, we have tied up with 54 primary schools across our units. **Over 31,029 students in these schools have received technical support, study materials, school bags and uniforms**. At Dalla in eastern Uttar Pradesh, and Bela and Baghwar in eastern Madhya Pradesh, the development initiatives have brought hope and confidence in the students and teachers of Government schools. The Sarva Shiksha Abhiyan supported Kasturba Gandhi Balika Vidyalayas (KGBVs) at Malkhed, Reddipalyam, Kharia, Jafrabad, Kovaya and Tadipatri are making good progress.

We reached out to 120 schools and 12,756 children, through our campaign for enrolment - Shala Praveshotsav. Rural schools were extensively supported in the campaign for enrolment, and in reducing dropout rates of students in schools near our manufacturing units.

Our special coaching classes and career counselling programmes covered 39,665 students at Malkhed, Kovaya, Jafrabad, Kotputli, Kharia Khangar, Reddipalayam, Shambhupura and Awarpur.

At Rawan, Malkhed, Khor, Hirmi, Shambhupura, Ratnagiri, Magdalla, Kovaya, Jhajjar (Haryana), Pune (Maharashtra), Awarpur, Sewagram and Kharia Khangar we ran **6-monthly computer literacy programmes. These were attended by 3,866 students** from the hinterland.

At Reddipalayam, Kotputli, Rawan, Awarpur and Shambhupura, our **talent search programmes, attracted 6,826 students.**

Our special coaching for the Government's Navodaya programme is much sought after at Rawan, Hirmi, Jharsuguda and Kotputli. The entrance exam is tough, and so far, 40 children coached by us have been selected. 1,650 children have been coached, over 70% of whom come from poor homes.

Libraries set up in villages across our areas of operation are popular with 22,000 students.

The **Smart Class Computer Project 'Utkarsh'** run in collaboration with the Government of Rajasthan in Kharia Khangar, has benefitted **22,100 children**. A similar initiative at **Khor covered 550 children across 5 schools.**

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

More than 1,403 women in the 25 - 60 age group actively participate in our **functional literacy programmes** in 18 villages surrounding Khor, Durgapur, Jafrabad, and Malkhed.

Facilities such as school transport and other **support systems continue, benefitting 32,472 students.**

At Shambhupura, we have **converted 20 schools into model schools.** School infrastructure, library and teaching tools have been contemporised. Collectively, the student population is over 2,450.

We **assisted in the delivery of Mid Day Meal programmes** in schools at Jafrabad, Jharsuguda, Hotgi and Durgapur.

A CONCRETE FOUNDATION FOR A FLIGHT OF DREAMS

Chanchal, a class 7th student is pacing towards the school gate with a bag on her back and a glow in her eyes. It's yet another day that promises the excitement of learning new things and having fun with her friends at the school. She is just one of the 606 girl students who study at the Government Upper Primary School for Girls in Sawa, Chittorgarh, constructed by Aditya Cements, Shambhupura. Support to sustain the momentum of activities is also extended annually by us.

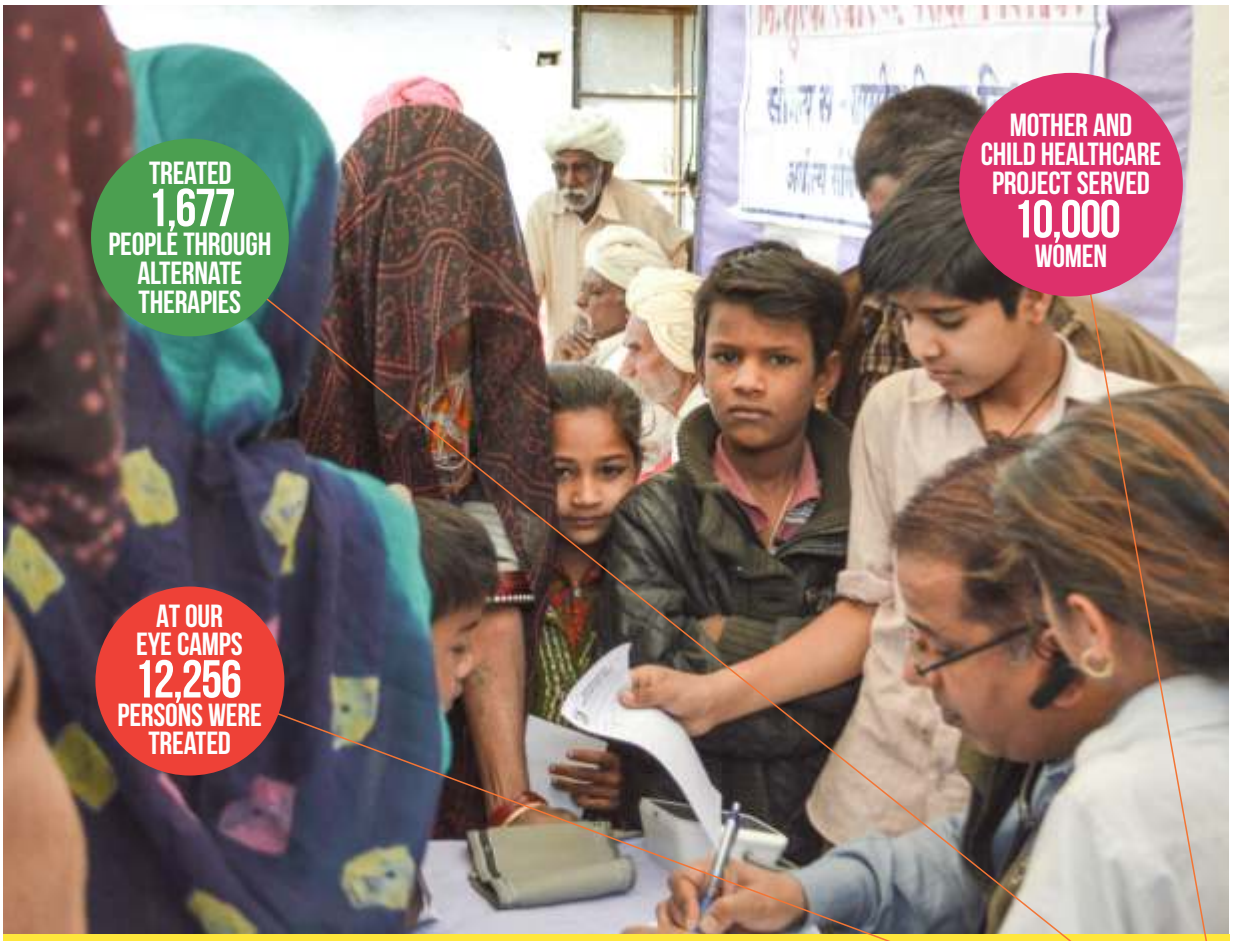
The school equipped with a staff of 13 teachers, has classes running from standard 1st to 12th. The increase in the number of girls necessitated in creating more infrastructure with Government support. It now offers a playground and a computer lab, to make sure students expand their learning horizons beyond academics. These infrastructure developmental activities, sponsored by Aditya Cements, have been successful in attracting girls not only from Sawa, but from other surrounding villages like Samri, Shambhupura, etc.

Sanitation, which generally is a hygiene factor, plays a much larger role in lesser developed areas. The school premises provide for clean drinking water and toilets for girls. As per a research, 23% of adolescent girls drop out of school as proper facilities are not provided to them when they are menstruating. We have provided automatic sanitary pad vending machine and automatic sanitary pad incinerator for promoting healthcare and sanitation in the school. It is the first school which has this facility in the whole area.

In the long run, apart from the quality of education, the supporting environment plays a crucial role in making the students more disposed to the process of learning. Our above-mentioned efforts in this direction have been acknowledged by the Government of Rajasthan, who felicitated the unit with Bhamashah award for CSR in 2017. But our greatest gratification has been girls like Chanchal, who come to the school with a huge smile on their faces and a zest to study, achieve and do well in their lives.

HEALTHCARE

Aspirations and desires of people hinge on healthy and happy lives. For the financially challenged strata, even survival becomes critical, if the health of the breadwinner fails. The whole family suffers as there is an expense, instead of an income. **Aligned with SDG 3** of good health and well-being, and **SDG 6** of clean water and sanitation, we are making efforts for creating a healthy community. Some of the key areas are:



PREVENTIVE HEALTHCARE

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

QUALITY/SUPPORT PROGRAMME

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

CURATIVE HEALTHCARE

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

HEALTHCARE

We held 238 rural medical and awareness camps, and 42 speciality camps. Health check-ups were conducted for ailments such as malaria, diarrhoea, diabetes, hepatitis, arthritis, skin diseases, gynaecological disorders and cardiac related issues. Our rural mobile medical van services complemented these efforts. **More than 174,820 villagers availed of our healthcare services.**

The Company has 8 hospitals. These are located at Khor (Madhya Pradesh); Shambhupura and Kharia Khangar (Rajasthan); Kovaya, Jafrabad and Sewagram (Gujarat); Rawan (Chhattisgarh) and Malkhed (Karnataka). **More than 67,594 underserved patients were treated at our hospitals.**

At our eye camps 12,256 persons were treated. Of these, 3,064 patients from two districts of Madhya Pradesh, six districts of Rajasthan, one district each of Maharashtra, Karnataka and West Bengal were operated for cataract. Intraocular lenses were fitted for their vision. **The teams also distributed 3,834 spectacles to better the eyesight of senior citizens.**

At dental check-up camps and school health camps, majorly organised in the locations near Kharia Khangar, Awarpur (Maharashtra), Tadipatri (Andhra Pradesh), Malkhed, Khor, Kovaya, Reddipalayam (Tamil Nadu), Dankuni (West Bengal), Shahjahanpur (Uttar Pradesh) and Hirmi (Chhattisgarh), **3,883 persons were treated.**

At blood donation camps, we garnered 2,357 donors in Ginigera (Karnataka), Jafrabad, Kovaya, Khor, Hirmi, Kharia Khangar and Reddipalayam.

Furthermore, **we treated 1,677 people through alternate therapies** i.e. Yoga, Homeopathy and Ayurveda at Hirmi, Kovaya and Jafrabad.

In addition to supporting Government health programmes, we also **donated two dialysis machines** to Chittorgarh's district hospital, and the Malkhed **PHC is supported by us on continuous basis.**

MOTHER AND CHILD HEALTHCARE

In collaboration with the District Health Department, our **mother and child healthcare project served 10,000 women** (antenatal, postnatal care, mass immunisation, nutrition and escort services for institutional delivery).

Over 186,000 children were immunised against polio, BCG, DPT and Hepatitis-B across the Company's units.

Our focussed **programme on adolescent healthcare covered 2,397 girls** at the Government's Girls High Schools and Kasturba Gandhi Balika Vidyalayas.

Our intensive motivational drive towards responsible family raising led to **1,045 villagers going in for planned families across 13 locations.**

SAFE DRINKING WATER AND SANITATION

We have **installed three Reverse Osmosis (RO) plants** in Awarpur, Kharia Khangar and Kotputli, totalling **22 RO plants up until now.** These provide **safe drinking water to 30,000 villagers.**

Additionally, this year we have provided pipelines, dug bore wells, instituted overhead tanks and other channels to supply potable water. This is looked upon as a boon by **80,000 villagers who now have access to safe drinking water.**

In collaboration with the Swachh Bharat Abhiyan, **500 individual toilets and sanitation facilities at 100 schools were set-up.** In all 32 villages (17 in Rajasthan, 10 in Gujarat and 5 in Maharashtra), have achieved the Open Defecation Free (ODF) status as a result of our intervention.

Voluntarily embraced the global benchmarks like World Business Council for Sustainable Development's Water, Sanitation and Hygiene (WASH) pledge and have scored better than the benchmark score.

SUSTAINABLE LIVELIHOOD

A large number of people in India are living below the poverty line and it is an overwhelming challenge to improve their lives. **Aligned with SDG 1** of no poverty, **SDG 2** of zero hunger and **SDG 8** of decent work and economic growth, we are developing programmes to increase the skillsets of people, helping them to better their quality of life. Some of the key areas are:

AGRICULTURAL PRODUCTIVITY

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

NON-FARM & SKILLS-BASED INCOME GENERATION PROGRAMME

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

ANIMAL HUSBANDRY

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

NATURAL RESOURCE CONSERVATION PROGRAMMES

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

AGRICULTURAL PRODUCTIVITY

To boost agricultural and horticultural activities and **help farmers reap a rich harvest, we reached out to 8,000 farmers** across UltraTech's operations.

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

At Khor, we have set up demonstration plots in wastelands for practicing method demonstration in horticulture and pasture. This had **helped augment the income of small farmers through low input farming.**

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

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

The construction of water harvesting structures at Sewagram, Sambhupura, Kharia, Jafrabad and Nagpur will enable **water availability during the drought-caused distress period for a population of more than 24,000.**

The initiative of **crop diversification and resource management** with small farmers with scattered landholdings has **bettered the livelihood of 292 farmers** in three villages of Jharsuguda and two villages at Jaffrabad.

To ensure cost optimisation through economies of scale in the procurement of inputs, to avail all the facilities and services under different schemes and to enrich knowledge by exchanging ideas and information, we promoted **15 farmers club at Jharsuguda and Malkhed benefitting 164 farmers. Additionally, 156 farmers were aided with agricultural implements** in the villages at Tadipatri and Jaffrabad.

The public private partnership **watershed management project in the Neemuch** district of Madhya Pradesh is in the consolidation phase. We worked closely with the Watershed Mission implemented by the Madhya Pradesh Govt. Facilitated by a dedicated multidisciplinary team, the project involves making farmers and local people aware of rainwater harvesting, training them in diverse agro-based activities and ways to support watershed management. **In all, 75 structures have been constructed.** Additionally, we have constituted watershed user groups and watershed 'samitis' comprising of 540 farmers. They bear the responsibility to steer the socio-economic and cultural development of the villages.

INITIATIVES

ANIMAL HUSBANDRY

47,175 animals were immunised in veterinary camps held at our units.

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

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

At the Navjeevan Gaushala set up by us at Kharia Khangar, we **continue to look after 710 stray cows and oxen.**

VOCATIONAL TRAINING

Vocational training is provided at all our units. More than **4,500 people have been trained.**

In the recent past, Birla White in Rajasthan has **widened its Applicator's Training Programme to include women and unskilled construction workers.** Over the last 5 years, we have **trained more than 8,000 people, including 1,100 women** in the specialised application of Birla White putty. This year, we trained 500 applicators.

At Rajashree Cement's (Karnataka) Kagina Industrial Training Centre, **150 students are trained annually** to become electricians, fitters, mechanics and welders. Successful students are absorbed in the industries around this location and beyond.

Through the public private partnership model, we also **manage an ITI** near Raipur.

SELF-HELP GROUP (SHG)

840 SHGs set up by us across the Company, empower 7,940 households economically and socially. Most of the SHGs have been linked with various economic centres.

In SHGs, **women are engaged in a series of income generation activities** like tailoring, weaving, knitting, handicrafts, running beauty parlours, mushroom cultivation, food processing and other small businesses.

At Reddipalayam, **342 women contribute significantly to the running of their families through their earnings from tailoring jobs.**

The carpet centre at Khor, which we had set up over a decade ago, is now an independent high-quality carpet making centre, with **100% of carpets exported to the developed countries via business linkages.**

STITCHING INITIATIVES TO DESIGN HER LIFE

Hailing from a poor family in Tanda village, adjacent to Rajashree cement plant, Malkhed, Mrs. Pushpa was semi-literate. With the little skill she possessed in tailoring, she used to earn by managing clothes alteration and repairs for local customers.

Her initiative and enthusiasm for learning was noticed by our CSR team which decided to encourage her for a better and sustainable livelihood. We helped her out with a small premise with racks and a sewing machine, in the CSR complex. She was also introduced to SHGs with whom she coordinated for running her business.

Being multi-faceted, she now runs her 'Kagina Rural mart', along with the tailoring business, where she keeps woollen handicrafts for sale at reasonable rates, Jawar Rotis, Groundnuts Poli (Shenga poli), Gun-powder (Shenga pudi) and other mouth-watering and popular dry eatable regional dishes of Karnataka, for sale.

She is earning not less than INR 500 on a daily basis. Her business impressed the NABARD officials when they visited our office and they have given her a new 'Rural Mart Project' at Sedam Taluka. She has now given employment to another woman and running the mart successfully.

WRITING HIS DESTINY WITH HIS OWN HANDS

A member of the marginalised class from Hirmi village, Rohit Sahu was burdened with the responsibility to earn for his family at the young age of 16 years, when his father passed away. While working as a labourer, he used to regularly attend the awareness camps organised by our CSR team, in search of a better mode of livelihood.

We motivated him to start a small business through a 'haath-thela'. He was trained with the basics of the business and provided with a haath-thela. He started his business by selling 'golgappa' & 'chat'. After some time, he expanded and started to make egg roll and bhel, while also keeping dry food items on his haath-thela. More business was sourced by going mobile to the weekly markets of nearby villages.

NOW HIS MONTHLY INCOME IS APPROX. INR 16,000 TO INR 20,000

Now, his monthly income is approximately INR 16,000-20,000. With his earnings, he has constructed a house of his own in Hirmi village. His brother has also started supporting him in his business. In the future, he wishes to send his kids to a good school for better education, while establishing himself as a successful entrepreneur.

FARMERS GETTING THEIR HARD WORK'S WORTH

In districts like Jharsuguda in Orissa, poor management of natural resources has led to environmental degradation and subsequent disasters such as drought. Inadequate measures have made the poor more vulnerable to food insecurity and vicious cycles of poverty. Over time, local communities have witnessed the productivity of the land reducing, soil erosion, pesticide-related health issues and food shortages. Adding to this strain are the noticeable changes in climate over the past few decades, with increasingly erratic rains, decreasing water levels and changes in crop and animal diseases.

Thus, one of the most important parameters of development here, is the improved livelihood status of the poor & marginalised. We, at Jharsuguda Cement Works, have constantly endeavoured to create opportunities for women groups, poor farmers and wage earners to diversify their livelihood options and strengthen their coping mechanisms to face different challenges.

With this initiative, our intention was to support and facilitate about 150 small farmers of five villages (Junapalli, Jamkani, Sialrama, Bhursimal, Kankaramunda) of Arda and Bandhapalli Gram Panchayat. The different phases of activity included training extension, water conservation, seed support, organic farming, crop demonstration, experts' visit, non-farm activities for supplementary income and institution aspects. The local gram panchayat and village welfare committee were involved in the entire process. All the stakeholders were engaged in each step, like selection of marginalised farmers, procurement of seeds of choice, etc.

THE RESULTS FOR THE FARMERS WERE VERY ENCOURAGING

- 120 small farmers adopted SRI (System Rice Intensification) and cultivated over 150 acres of land. SRI is based on sound ecological and agro-economic principles, which reduces water consumption by about 40% and seed rate by 1-2 kg per acre. Farmers yield increased and they benefitted with an additional amount of **INR 7,000 - 9,000** in a crop season.

- 148 farmers of 4 villages have adopted Integrated Vegetable Cultivation (IVC) in which both seasonal and off-seasonal vegetables are cultivating extensively. As a result, in Rabi season, each farmer is earning profit of around **INR 12,000-14,000**.

OUTCOMES

- Promoted organic farming
- Increased water level by adopting various methods
- Protection of micro-organisms and increase of vermin
- Less usage of chemical fertiliser
- Improved small fish and other aquatic lives
- Process interconnected with our biodiversity policy
- Wild grass increased adjacent to water logging areas, which helped conceiving small creatures, attracting small birds, and their presence for longer periods helped to reduce crop damage at very less cost

INFRASTRUCTURE DEVELOPMENT

The rural infrastructure assumes great importance in India because of the country's predominantly rural nature and the crucial linkages of rural infrastructure to economic growth, poverty alleviation and human development in the country. **Aligned with SDG 9** of industry, innovation and infrastructure, we are initiating projects to develop rural infrastructure. Some of the key areas are:

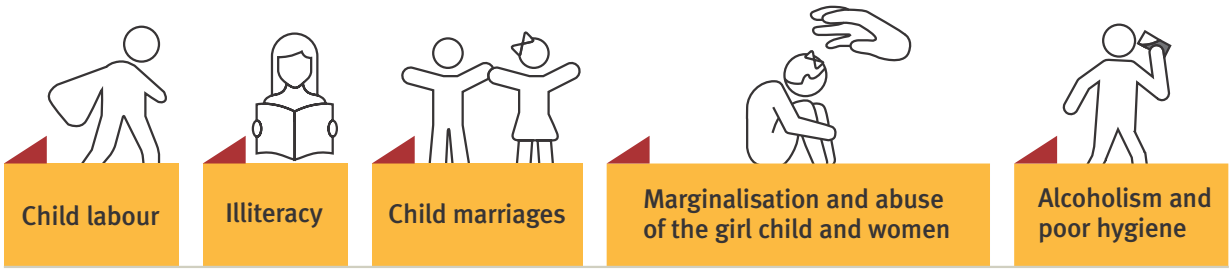
MORE THAN 717,331 PEOPLE ACROSS ALL OUR UNITS HAVE GAINED BETTER FACILITIES

- Building, repairing and supporting development of roads/culverts/ bridges/bus stands and other community assets and shelters
- Community halls/public rest places
- Rural housing
- Maintaining bathing ghats
- Solar lights

This activity is undertaken pan UltraTech plants - at Awarpur, Shambhupura, Tadipatri, Kotputli, Panipat, Kharia Khangar, Khor, Bhatinda, Aligarh, Dadri, Rawan, Hirmi, Durgapur, Jharsuguda, Kovaya, Jafrabad, Ratnagiri, Magdalla, Malkhed, Hotgi, Tadipatri, Arrakonam, Ginigera, Dankuni, Jhajjar, Nagpur and Reddipalayam.

ESPOUSING SOCIAL CAUSES

A social issue is a problem that influences a considerable number of individuals within a community. It negatively affects people within a society, and our work includes bringing in social reform through behavioural changes. Aligned with SDG 5 of gender equality, SDG 10 of reduced inequalities and SDG 11 of sustainable cities and communities, we are working with communities to bring about change. Some of the key areas are:



Our work includes advocacy against these social ills. We also promote sports, cultural programmes, celebration of national events to bring about an attitudinal change.

TRANSFORMING A DESERT LAND INTO A GREEN OASIS

UltraTech's Star Cement Co. LLC in Ras Al Khaimah, UAE, is a leading manufacturer of cement in the Middle East - a region characterised by very low rainfall, high ambient temperature, dust storms and uncultivable land. We resolved to develop a part of it into a green belt.

Our goal with this green belt was to create a refuge for endangered species in the region. This daunting task was compounded by limited access to water and very low chances of saplings surviving to full grown trees. To achieve this goal, we focussed on three key aspects - soil fertility, sapling selection and irrigation practices.

Soil Fertility: We began by replacing around 5-10 cm of the top layer of the soil with a mix of dune sand and suitable imported manure. This helped in creating a nutrient-rich base for the plants to take root in. We also collaborated with landscaping experts to ensure our efforts would lead to a high yield with their guidance.

Sapling Selection: The local authorities of Environment Protection and Development Authority (EPDA), Ras Al Khaimah, Ministry of Climate Change and Environment (MOCCAE) and Environmental Agency, Abu Dhabi supported and guided us in selecting the right species for plantation. The EPDA provided a total of 113 saplings on Earth Day 2018 celebrations that included Neem, Gulmohar, Tamarind and other plant species.

Irrigation Practices: We installed a drip irrigation system to water all the planted tree saplings. With regular maintenance that included changing damaged conduits and repairing water leakages, we ensured its functionality during high temperatures and after dust storms. We also reused the RO plant reject water for road side fugitive dust suppression inside our premises, which improved the survival rate of surrounding saplings.

This plantation drive was also supported by employee initiatives that included planting of trees on dignitary visits, celebrating employee birthdays by planting saplings and planting of 12 neem trees by CFO, COO and HODs near the raw coal shed area on 'World Environment Day' 2017.

Green belt has been developed within the plant premises by planting a total of 555 saplings in FY 2017-18. The survival rate of these planted saplings is 82.70%, with some saplings being replaced with species that require less water to thrive.

INITIATIVES

THIS YEAR, OUR SOCIO-CULTURAL PROGRAMMES TOUCHED MORE THAN 298,620 PEOPLE

ESPOUSING SOCIAL CAUSES

The annual socio-cultural Ulhas Utsav at Awarpur and a similar one at Khor are very popular. It recognises perseverance, merit, team work and community well-being.

To foster traditional sports as desired by the local people, we support training facilities for wrestling at Jhajjar.

Every year at mass marriage programmes in Kovaya, Jafrabad, Hirmi, and Rajashree Cement, nearly 200 couples get married.

Our street plays (nukkad natak) espousing the fostering of the girl child, anti-alcoholism and responsible families have been well received by village communities.

ACCOLADES & AWARDS

In recognition of our work, several accolades were bestowed upon us. These include:

- **Ministry of Industries & Labour, Government of Rajasthan's CSR Awards**: Birla White, Rajasthan for significant contribution in the field of education and Aditya Cement, Rajasthan for outstanding work in sustainability & livelihood and education
- **Gujarat State CSR Award 2018**: Gujarat Cement Works for Sustainable and Impactful CSR Projects
- **3rd CII Water Innovation Award**: Vikram Cement Works, Madhya Pradesh
- **Bhamashah Awards 2017**: Aditya Cements felicitated by the Government of Rajasthan for CSR initiatives in Sawa
- Punjab and Haryana Chamber of Commerce and Industries - 2nd CSR India International Conclave, **CSR Excellence Award**: Rawan Cement Works, Chhattisgarh

We have also been commended by the district administration in the districts we work.

FOCUS AREA-WISE IMPACT

FOCUS AREA	ACTIVITIES		FY 17-18
Healthcare	Medical and awareness camps		238
		Speciality camps	48
	Necessary medical attention	No.of hospitals	8
		No. of patients	67,594
	Eye camp	Person treated	12,256
		Distribution of spectacles	3,834
	Dental Check-up	Person treated	3,883
	Blood Donation camp	No. of donor	2,357
	Alternate therapy treatment (Yoga, Homeopathy and Ayurveda)		1,677
Mother and Child Health Care	Immunisation against Polio		186,000
	Immunisation against BCG, DPT and hepatitis-B		
	Coverage in adolescent health care for girls		2,397
Safe Drinking Water and sanitation	Access to safe drinking water		80,000 villages
	Construction of toilets and sanitation facilities		500 individual toilets at 100 schools (under Swachh Bharat Abhiyan)
Eductaion	Aganwadis		250 and more than 6,345 enrolled
	Sarva Siksha Abhiyan	No. of primary school tie ups	54 Primary schools
		Student enrollement	Over 31,029 students received facilities
	Scholarship	No. of students	4,271
	Coaching classes and counselling		39,665 students
	Computer literacy programme		3,866 attended
	Library	Students benefitted	22,000 students
	Smart Class Computer Project		22,100 students
	Shala Praveshotsav-Enrolment campaign		12,756 children were reached out
	Functional literacy programme for women		1,403 women
	Extended facility		32,472 students availed
Sustainable Livelihood	Farmers involved		8,000 farmers
	Installation of biogas plant		121
	Water availability through watershed		24,000
Animal Husbandry	Immunization		40,386
	Navjeevan Gaushala (shelter and lifesaving service)		740 stray cows and oxen
Vocational Training	Skill training provided		4,500
	Applicator's Training programme		8,000 people including 1100 women
Self Help Group (SHG)	SHG's set-up		840
	SHG's Empowerment		7,941

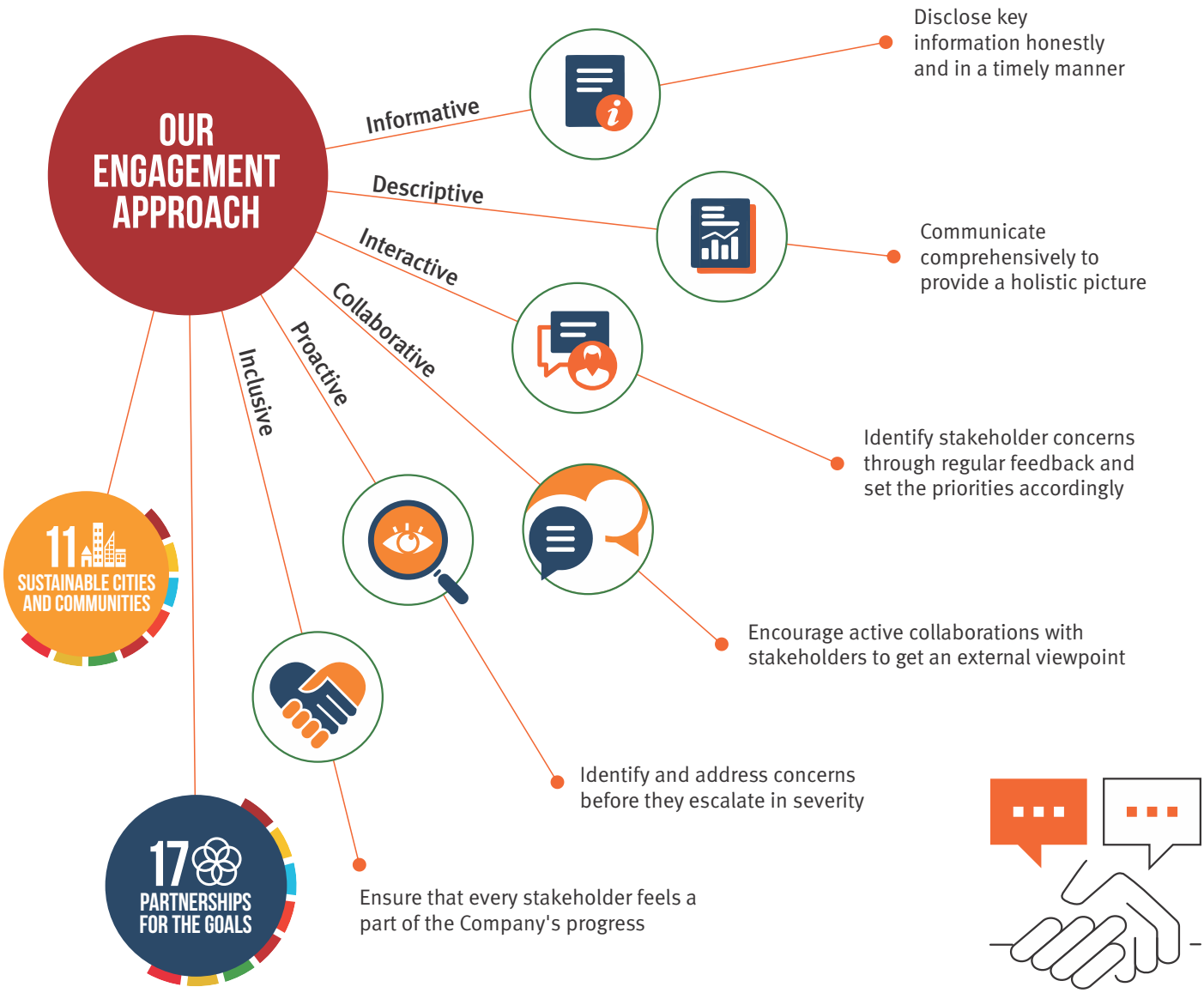
STAKEHOLDER ENGAGEMENT

The SDGs reflect the expectations of a diverse set of stakeholders and have become one of the prime catalysts of change. New business paradigms, shared objectives and collaborative approach to address systemic challenges is driving UltraTech to enhance its engagement across its stakeholder spectrum, which includes government, civil society organisations, shareholders, consumers and the supply chain.

UltraTech believes that sustainability can be fully cascaded and integrated into the core business model of the organisation, through collaboration with the stakeholders. Therefore, we continually strengthen our engagement with our stakeholders through multiple channels. Collaboration not only strengthens sustainability at UltraTech, it also contributes to the Sustainable Development Goals, which are mapped to our business goals.

We multiply our contribution to the SDGs through collaboration. UltraTech is a member of the Global Cement Sustainability Initiative (CSI), through World Business Council for Sustainable Development, and are partners to several initiative through this platform. As a member, we emphasise on the areas that are most critical for the cement and concrete sectors. We have been harnessing our collective strength to accelerate and scale-up the sustainability agenda, through SDGs and our partnership with CSI. We also partner with government bodies and NGOs, in the areas of education, skill, and watershed development projects. Our partnerships help us in contributing to SDG17.

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



OUR STAKEHOLDER CIRCLE

Our business is intricately linked to our stakeholders

We have mapped our external, as well as internal stakeholders, based on the level of impact they have on our business and vice-versa. The stakeholder engagement circle is a 360-degree inclusive approach, to involve all stakeholders that affect our business.

OUR ENGAGEMENT PLATFORMS

Effective engagement with stakeholders lead to active sharing of the business objectives, which contribute to the foundation of successful collaborations. We have devised a combination of platforms, formal and informal, to receive honest feedback, as well as disseminate desired information to all the stakeholders.

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Shareholders, Lenders and Investors		
	Annual report and regulatory filings	Financial performance
	Annual general meeting	Annual performance and new projects
	Shareholder meetings and presentations	Change in governance structure
	Carbon Disclosure Project Report	Disclosure on our carbon performance
	Sustainability Report	Triple bottom line performance
	Grievance redressal	Addressing concerns
	One-on-one meetings, investor conferences, investor calls	Clarity on business direction
Government and Regulatory Authorities		
	Annual Report and regulatory filings	Ethical business conduct
	Meetings on government directives and policy development	Regulatory compliance
	Facility inspections	Environmental stewardship
	Regular meetings	Safety
		Resolution of stakeholder grievances

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Employees		
	Organisation health survey	Health and safety
	Annual performance review	Career growth and progression, competitive compensation
	Employee health checks	Work-life balance
	Employee volunteering in engagement activities	Building camaraderie
	Intranet, Annual Report, Sustainability Report	Regular sharing of company information
	Employee recognition activities	Employee motivation
Customers		
	Company website	Product information
	Product campaigns	Product benefits and features
	Satisfaction surveys	Product quality and feedback
	Grievance redressal	Timely availability and building trust
	Customer oriented initiatives	Building relationships
	Feedback surveys	Product and service innovations
Suppliers and Contractors		
	Contract procedures and project reviews	Product quality and pricing
	Facility inspections	Supply quality
	Review meetings	Organisation's performance and timely payments
	Vendor interaction meets	Cost overrun for compliance with company laws
	Feedback forms	Unbiased treatment and redressal, if required
	Annual performance report	Adherence to SLA (Service Level Agreement)
	Annual stakeholder meets	Business security and growth
Local Community		
	Community need assessments	Focus areas
	Disaster management workshops	Emergencies
	Community visits	Building relationships
	Satisfaction surveys	Living standards
	Meetings with community heads	Direction and application

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Media and NGOs		
	Published articles	Transparency
	One-on-one interactions	Timely information on future plans
	Direct contact during activities	Support on social issues
	Social surveys	Identification of effort areas
		Disclosure on compliance

CASE STUDY

ENGAGING TO BUILD BEAUTIFUL AND BUILD BETTER

UltraTech is committed to build a better and beautiful India. This commitment has helped us in pushing the boundaries of creativity, that have resulted in landing several prestigious projects. Be it the Bandra-Worli Sea Link, Terminal T2 of Mumbai or Metros, they have been built with cement and concrete, especially formulated by UltraTech, to lend strength and stability to these marvellous structures. In order to continue doing so, we organised a competition - India Next, to provide architects and builders, a platform to contribute ideas and solutions that bridge the country's urban and rural problems by focussing on an improved 'collective' future.

The competition is a part of UltraTech's Build Beautiful philosophy and is aligned to the vision of India's Ministry of Urban Development. The competition engaged future builders of India, to more intelligent use of technology with available people and resources, for improved management of the urban and rural landscapes. The competition received tremendous response, with 402 entries judged by 14 jury members comprising eminent civil engineers and architects.

CUSTOMERS

Businesses that engage with customers, evolve industry paradigms and post impressive growth. At UltraTech, we engage with our customers to disseminate product related information and gather feedback.

This enables us to track demand for our products, insights on innovation and disruptive products entering the market. This year, we continued our efforts to engage with multiple customer groups through various platforms.

BRINGING INNOVATIVE CONCEPTS IN CONSTRUCTION THROUGH URBAN AND RURAL TECHNICAL MEETS

Upgradation of knowledge is essential to keep pace with the rapidly changing technological landscape and to bring innovative concepts into construction. To keep civil/structural engineers and architects abreast with the global technological changes/developments and innovative practices in construction, tailor made programmes are organised for them in urban/rural meets.

These are designed and delivered by subject matter experts from the industry and academics. It also acts as a forum for knowledge sharing, by discussing the technical problems faced by them and how similar problems are resolved.

GIVING TECHNICAL ASSISTANCE TO CUSTOMERS ON THEIR DOORSTEP

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

The van has the required testing facilities/equipment to test the materials on site. The raw materials used in construction are tested on site and the customers are advised/helped on the right methods in producing quality concrete.

BUILDING THE COMMUNICATION BRIDGE

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

EMPLOYEES

Productive and competitive organisations are built by engaged employees. At UltraTech, we strive to create and maintain an enabling and nurturing environment for our workforce, so that they can perform at their peak. We consistently communicate and nurture them, through various platforms and programmes. Our Sales & Service Academy and Cement Manufacturing Excellence Academy train our employees, and talent management practices help align them with our business goals. We continued to take initiatives to develop talent this year. In fact, UltraTech's employee engagement score reflects high engagement and pride in being part of the organisation.

ADOPTING SAFETY AS A CULTURE

ULTRATECH CEMENT: ON A JOURNEY TOWARDS ZERO

The Safety Board at UltraTech was constituted with the objective of jumpstarting the safety journey under expert guidance and to move towards our goal of Zero Harm. It is led by the Managing Director and involves members with leadership roles.

STEPAHEAD: DEVELOPING SALES LEADERS

The first batch of participants of StepAhead, UltraTech's flagship programme for developing Sales leaders, created in association with the Xavier School of Management (earlier Xavier Labour Relations Institute), graduated during the year.

SUPPLIERS & CONTRACTORS

Sustainability and growth of the organisations depend on how effectively they select their suppliers and then manage, measure, and grow those relationships. UltraTech selects suppliers and contractors, keeping in mind social, economic and environmental impacts. Once they are onboard, UltraTech continually engages with them to make a larger impact on achieving the Sustainable Development Goals. This year we engaged with our suppliers and contractors through a plethora of programmes.

EDUCATING THE INDIVIDUAL HOME BUILDERS

The objective of this programme is to educate the Individual Home Builders (IHB) on planning and supervising the construction. A small group of IHBs, who have started building their house and contractors, are invited to the shop and a presentation is made to them on planning of construction, quality of materials and the correct methods of construction. This helps IHBs and contractors to economise on the cost of construction, achieve timely completion and ensure quality construction, through effective supervision. The relevant technical papers are distributed to the customers.

CREATING A POSITIVE ASSOCIATION WITH THE STAKEHOLDERS

Aimed at giving knowledge on the cement manufacturing process - from raw material selection to packing, plant visits help them understand and appreciate the quality of cement, as they see various quality control measures and quality assurance systems, which are in place at the plant.

EDUCATING BUILDERS TO BE MORE EFFICIENT

We have compiled various steps of the construction process into a manual. The objective of this manual is to help builders plan better and deliver a stellar project. This includes ensuring the project meets the quality norms, is finished on time and within the set budget.

ENHANCING THE KNOWLEDGE OF CONTRACTORS THROUGH MEETS

With the objective of explaining various aspects of construction to the builders and contractors, we organise Meets which enhance their knowledge, to benefit the society at large. These meets focus on planning, selection of materials, safety codes, strength and durability, quality control and safety requirements on site. The meets also delve into the latest technological developments including Green Building Concepts (rainwater harvesting, solar energy, alternative building materials, etc.).

EMPOWERING MASONS

CORRECT CONSTRUCTION METHODS

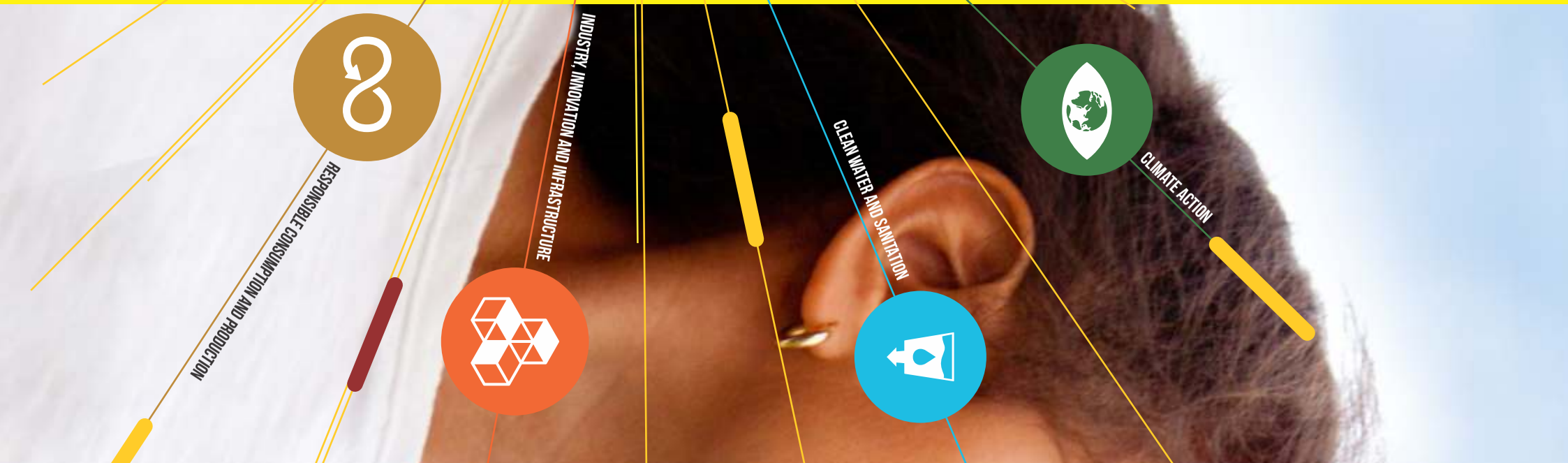
A Site Demo programme has been initiated to show the masons working at site, the correct method of constructing different elements of a building. Under this programme, a small group of masons, working at the site and from neighbouring sites, are invited to a session on good construction practices, and instruction manuals in their vernacular languages are provided to them.

PROVIDING TECHNICAL INPUTS TO MASONS

TECHNICAL EDGE

This programme is aimed at presenting to a group of masons, the technical inputs from Foundation to Finishing, which enables them to maintain quality in construction and improves their productivity. The properties of various types of cement and its suitability to different types of work, are explained to them in simple language. The interaction that follows the presentation, clarifies any doubts the masons may have, usually regarding the day-to-day issues faced by them.

FUTURE PROOFING



Being ready for the future is one of the biggest challenges and one of the most exciting opportunities for a business. The SDGs provide the most comprehensive blueprint of the future. At UltraTech, we are using them as an integrated decision framework to create long-term value for our stakeholders and usher a more sustainable future for all.

We help create beautiful homes, buildings, structures and dreams. But we only have one planet to live, and build. So, we are driving growth responsibly with an eye on its effect on the environment and the society. The SDGs provide a structured framework to further enhance the good work that we are doing in that space.

In our quest to build sustainable businesses in an age of rapid and unprecedented change, it is imperative that we must be future ready. This readiness starts with engaging experts in the fields of resources, water, climate, energy, etc. to scan the horizon to better understand the likely risks to our business. It is followed with testing our current business models and strategies against various scenarios designed to simulate what the world will potentially look like in 2030 and 2050.

Identification of such factors in advance is critical to ensure preparedness and provide enough response time to develop an action plan, and put systems and processes in place. The following are the key future risks and opportunities, and how we are responding to them.

Risk / Opportunity	Present / Future scenario	Our Response
Water Availability and Use	• Operations in water-stressed and water-critical areas • Higher water cost in future • Socio-environmental impacts of water withdrawal in local communities	• Be water positive at business level • Source water vulnerability assessments • Aquifer studies for withdrawal and mitigation impacts • Integrated watershed management within our operations and outside the fence
Resource Management	• Increasing constraints on availability and access to natural resources (limestone, coal, etc.)	• Innovations for 'closing the loop' • Adopting the circularity principles and use industrial waste materials as raw materials as well as fuel • Technical upgradation to enhance mine life • Increasing use of low-grade limestone • Greener concrete mix • Increasing the share of green energy
Climate Change and Energy	• Cement production causes approx. 5% of global GHG emissions and 7% of India's total GHG emissions • Impact of INDCs PAT • Carbon tax • Investor expectations on carbon performance • Fuel price volatility	• UltraTech signed up for EP100 with a commitment to double the energy productivity over a period of 25 years • New product development, increasing absorption by securing availability, overcoming technical constraints • Transport and logistics optimisation • Waste-to-energy recovery • Strategic long-term plan for GHG emissions reduction and mitigation linked to planned business growth • Optimisation of fuel mix, strategy for renewable energy

INDEPENDENT ASSURANCE STATEMENT

Independent Limited Assurance Statement to Ultratech Cement Limited on its Sustainability Report for Financial Year 2017-18

To the Management of Ultratech Cement Limited, B Wing, Second Floor, Ahura Centre, Mahakali Caves Road, Andheri (E), Mumbai, Maharashtra. India.

Introduction

Ultratech Cement Limited ('the Company' or 'UTCL') has requested KPMG in India ('KPMG', or We) to provide an independent assurance on its Sustainability Report for the FY 2017-18 ('the Report'). The Company's management is responsible for identifying its material topics, engaging with its stakeholders and developing the content of the Report. KPMG's responsibility is to provide limited assurance on the Report as described in the scope of assurance.

Reporting Criteria

UTCL applies sustainability reporting criteria derived from the following:

- Global Reporting Initiative (GRI) Standards 'in-accordance' Core option
- Key performance disclosures as per the Cement Sustainability Initiative's 'Safety in the cement industry: Guidelines for measuring and reporting' and 'CO_2 and Energy Accounting and Reporting Standard for the Cement Industry'
- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India, issued by the Ministry of Corporate Affairs, Government of India.

Assurance Standards Used

We conducted our assurance in accordance with

- Limited Assurance requirements of 'International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information,
    - Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability.

Scope, Boundary and Limitations

The scope of assurance covers the sustainability disclosures of UTCL for the period 01 April 2017 to 31 March 2018.

The boundary of the Report covers the economic, environmental and social performance of UTCL's operations in India, Sri Lanka, Bangladesh, the UAE and Bahrain as stated in the 'Our Approach to Reporting' section of the Report.

We have carried out assurance visits to the following sites:

- Integrated Plants: Gujarat Cement Works, Rajashree Cements, Rawan Cement Works and Sewagram Cement Works.
- Grinding Plants: Aligarh Cement Works, Dadri Cement Works, Panipat Cement Works, and Wankabori Cement Works.
- RMC Plants: Bhiwadi, Greater Noida, KR Puramgil, Magdalla, Peenya, Pune, Sarjapur, Vapi
- Bulk Terminals: Cochin Bulk Terminal and Navi Mumbai Bulk Terminal.

KPMG (Registered)
7th Floor, IT Building No.3
Nesco IT Park, Nesco Complex
Western Express Highway
Goregaon (East), Mumbai - 400 063.

Telephone: +91 (22) 6134 9200
Fax: +91 (22) 6134 9220
Internet: www.kpmg.com/in

The assurance scope excludes:

- Verification of data and information related to UTCL's financial performance, sourced from its audited annual report for FY 2017-18
- Data from the Ready Mix Concrete (RMC) plants operated by the company for specific customers, within their premises on a temporary basis
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions of the Company.

The General, Management Approach and Topic Specific Disclosures[1] subject to assurance were as follows:

General Disclosures
• Organizational Profile: 102-1 to 102-4, 102-6 to 102-8, 102-11 to 102-13, 102-41 • Strategy: 102-14 • Ethics and Integrity: 102-16 • Governance: 102-18 • Stakeholder Engagement: 102-40 to 102-44 • Reporting Practice: 102-45 to 102-56
Management Approach 103-1 to 103-3
Specific Disclosures

• Economic
  ○ Economic Performance: 201-2
• Environmental
  ○ Materials: 301-1, 301-2
  ○ Energy: 302-1,302-4
  ○ Water: 303-1,303-3
  ○ Emissions: 305-1 to 305-3, 305-5 to 305-7
  ○ Effluents and Waste: 306-2
• Social
  ○ Employment: 401-1, 401-3
  ○ Occupational Health and Safety: 403-2
  ○ Training and Education: 404-1
  ○ Local communities: 413-1

Assurance procedures

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the standard disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances. The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement.

Our assurance procedures also included:

- Assessment of UTCL's reporting procedures for sustainability reporting regarding their consistency with the application of GRI Standards.

[1] For details regarding the disclosures please refer the GRI Content Index on Page 133.

- Evaluating the appropriateness of the quantification methods used to arrive at the data presented in the Report.
- Verification of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions and estimations used by UTCL for data analysis.
- Discussions with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the Report.
- Assessment of the stakeholder engagement process through personal interviews and review of relevant documentation.
- Assessment of data reliability and accuracy.
- Verification of key performance data through site visits on an annual basis for
    - Testing reliability and accuracy of data on a sample basis
    - Reviewing of the processes deployed for collection, compilation, and reporting of sustainability disclosures at corporate and site level

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to confidentiality of the information, our team verified the same at UTCL's premise.

Conclusions

We have reviewed the Sustainability Report of UTCL. Based on our review and procedures performed, nothing has come to our attention that causes us not to believe that the sustainability data and information as per the scope of assurance presented in the Report is appropriately stated, in material aspects, and in line with the reporting principles of GRI Standards.

We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of the ISAE 3000 (revised) standard. Our work was performed in conformance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard on Quality Control (ISQC) 1 and the practitioner complies with the applicable independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) code.

Responsibilities

UTCL is responsible for developing the Report contents. UTCL is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported.

This statement is made solely to the Management of UTCL in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to UTCL those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UTCL for our work, for this Report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true.

We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Prathmesh Raichura
Director
KPMG in India
1 February 2019

GRI CONTENT INDEX

GRI Standard	Disclosure	Report Section Reference / Explanation
GRI 101: Foundation 2016 [GRI 101 does not include any disclosures]		
General Disclosures		
Organisational Profile		
GRI 102- General Disclosures 2016	102-1: Name of the Organisation	Pg. 06
	102-2: Activities, brands, products, and services	Pg. 07, 08
	102-3: Location of headquarters	Pg. 10
	102-4: Location of operations	Pg. 06
	102-5: Ownership and legal form	Pg. 07
	102-6: Markets served	Pg. 07
	102-7: Scale of the organisation	Pg. 06
	102-8: Information on employees and other workers	Pg. 82, 94
	102-9: Supply chain	Pg. 44
	102-10: Significant changes to the organisation and its supply chain	Pg. 45
	102-11: Precautionary principle or approach	Pg. 18
	102-12: External initiatives	Pg. 36
	102-13: Memberships of associations	Pg. 36
Strategy		
GRI 102- General Disclosures 2016	102-14: Statement from senior decision-maker	Pg. 1-4
	102-15: Key impacts, risks, and opportunities	Pg. 19-24, 35
Ethics & Integrity		
GRI 102- General Disclosures 2016	102-16: Values, principles, standards, and norms of behaviour	Pg. 32, 33, 34
	102-17 - Mechanisms for advice and concerns about ethics	Pg. 32
Governance		
GRI 102- General Disclosures 2016	102-18: Governance Structure	Pg. 32-35 Annual Report 2017-18 Pg. 10, 13, 44, 46-49, 51-52
	102-19: Delegating authority	Pg. 32, 35 Annual Report 2017-18 Pg. 45, 52
	102-20: Executive-level responsibility for economic, environmental, and social topics	Pg. 32
	102-21: Consulting stakeholders on economic, environmental, and social topics	Pg. 120

GRI Standard	Disclosure	Report Section Reference / Explanation
GRI 102- General Disclosures 2016	102-22: Composition of the highest governance body and its committees	Pg. 33, 34 Annual Report 2017-18 - Pg. 44-49, 51-52
	102-23: Chair of the highest governance body	Pg. 33, 34
	102-24: Nominating and selecting the highest governance body	Pg. 33
	102-25: Conflicts of interest	Annual Report 2017-18 Pg. 13, 14, 46, 48, 49, 51
	102-26: Role of highest governance body in setting purpose, values, and strategy	Pg. 32-34 Annual Report 2017-18 - Pg. 45
	102-27: Collective knowledge of highest governance body	Pg. 33, 34
	102-28: Evaluating the highest governance body's performance	Pg. 33, 34 Annual Report 2017-18 - Pg. 13, 46
	102-29: Identifying and managing economic, environmental, and social Impacts	Pg. 15
	102-30: Effectiveness of risk management processes	Pg. 35
	102-31: Review of economic, environmental, and social topics	Pg. 18-24
	102-32: Highest governance body's role in sustainability reporting	Pg. 33
	102-33: Communicating critical concerns	Pg. 35
Stakeholder Engagement		
GRI 102- General Disclosures 2016	102-40: List of stakeholder groups	Pg. 120
	102-41: Collective bargaining agreements	Pg. 23
	102-42: Identifying and selecting stakeholders	Pg. 119
	102-43: Approach to stakeholder engagement	Pg. 119
	102-44: Key topics & concerns raised	Pg. 120-122
Reporting Practice		
GRI 102- General Disclosures 2016	102-45: Entities included in the consolidated financial statements	Pg. 10
	102-46: Defining report content and topic boundaries.	Pg. 10
	102-47: List of material topics	Pg. 15-18
	102-48: Restatements of information	Pg. 10
	102-49: Changes in reporting	Pg. 10
	102-50: Reporting period	Pg. 10
	102-51: Date of most recent report	UltraTech's previous sustainability report was released in FY 2016-17
	102-52: Reporting cycle	Pg. 10
	102-53: Contact point for questions regarding the report	Pg. 10
	102-54: Claims of reporting in accordance with the GRI Standards	Pg. 10
	102-55: GRI Content Index	Pg. 135-141

GRI Standard	Disclosure	Report Section Reference / Explanation
GRI 102- General Disclosures 2016	102-56: External Assurance	Pg. 131-134 - Independent Assurance Statement

Specific Standard Disclosures

Category: Economic

ECONOMIC PERFORMANCE - Topic Specific Disclosures		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 15
	103-2: The management approach and its components	Pg. 18
	103-3: Evaluation of management approach	Pg. 18
GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	Pg. 28
	201-2: Financial implications and other risks and opportunities due to climate change	Pg. 18, 31
	201-4: Financial assistance received from government	Pg. 28
INDIRECT ECONOMIC IMPACTS		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 15
	103-2: The management approach and its components	Pg. 18
	103-3: Evaluation of management approach	Pg. 18
GRI 203: Indirect Economic Impacts 2016	203-1: Infrastructure investments and services supported	Pg. 113
PROCUREMENT PRACTICES		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 44, 45
	103-3: Evaluation of management approach	Pg. 45, 46
GRI 204-1: Proportion of spending on local suppliers	204-1: Proportion of spending on local suppliers	Pg. 31, 44-46
ANTI-CORRUPTION		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 15
	103-2: The management approach and its components	Annual Report 2017-18 Pg. 48, 77
	103-3: Evaluation of management approach	Pg. 33, 34
GRI 205: Anti-Corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	Annual Report 2017-18 Pg. 48, 77

GRI Standard	Disclosure	Report Section Reference / Explanation
Category: Environment		
ANTI-COMPETITIVE BEHAVIOUR		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Annual Report 2017-18 Pg. 82
	103-2: The management approach and its components	Annual Report 2017-18 Pg. 82
	103-3: Evaluation of management approach	Annual Report 2017-18 Pg. 82
GRI 206: Anti-Competitive Behaviour 2016	206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Annual Report 2017-18 Pg. 82
MATERIAL		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 21
	103-3: Evaluation of management approach	Pg. 59
GRI 301: Material 2016	301-1 Materials used by weight or volume	Pg. 63
	301-2 Recycled input materials	Pg. 62
ENERGY		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 16
	103-2: The management approach and its components	Pg. 20
	103-3: Evaluation of management approach	Pg. 53
GRI 302: Energy 2016	302-1: Energy consumption within the organisation	Pg. 57, 58
	302-2: Energy consumption outside of the organisation	Pg. 58
	302-3: Energy Intensity	Pg. 58
	302-4: Reduction of energy consumption.	Pg. 56
WATER		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 19
	103-2: The management approach and its components	Pg. 19
	103-3: Evaluation of management approach	Pg. 64
GRI 303: Water 2016	303-1: Water withdrawal by source	Pg. 68
	303-3: Water recycled and reused	Pg. 64

GRI Standard	Disclosure	Report Section Reference / Explanation
BIODIVERSITY		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 20
	103-3: Evaluation of management approach	Pg. 69
GRI 304: Biodiversity 2016	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pg. 69
	304-2: Significant impacts of activities, products, and services on biodiversity	Pg. 69
EMISSIONS		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 16
	103-2: The management approach and its components	Pg. 20
	103-3: Evaluation of management approach	Pg. 47
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions.	Pg. 50
	305-2: Energy indirect (Scope 2) GHG emissions	Pg. 50
	305-3: Other indirect (Scope 3) GHG emissions	Pg. 51
	305-4: GHG emissions intensity	Pg. 51
	305-6: Emissions of ozone-depleting substances (ODS)	Pg. 50
	305-7: NOX, SOX, and other significant air emissions.	Pg. 51
EFFLUENTS AND WASTE		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 16
	103-2: The management approach and its components	Pg. 40
	103-3: Evaluation of management approach	Pg. 60
GRI 306: Effluents and Waste 2016	306-2: Waste by type and disposal method	Pg. 60

Specific Standard Disclosures

Category: Social

EMPLOYMENT		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 16
	103-2: The management approach and its components	Pg. 23, 24
	103-3: Evaluation of management approach	Pg. 82
GRI-401: Employment 2016	401-1: New employee hires and employee turnover	Pg. 94
	401-3: Parental leave	Pg. 91

GRI Standard	Disclosure	Report Section Reference / Explanation
OCCUPATIONAL HEALTH AND SAFETY		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 16
	103-2: The management approach and its components	Pg. 22, 72
	103-3: Evaluation of management approach	Pg. 80
GRI 403: Occupational Health & Safety 2016	403-1: Workers representation in formal joint management–worker health and safety committees	Pg. 73-75
	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of workrelated fatalities	Pg. 80
	403-4: Health and safety topics covered in formal agreements with trade unions	Pg. 73-79 Annual Report 2017-18 Pg. 80
TRAINING AND EDUCATION		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 24
	103-2: The management approach and its components	Pg. 82
	103-3: Evaluation of management approach	Pg. 86
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	Pg. 86
	404-2: Programmes for upgrading employee skills and transition assistance programmes	Pg. 85-86
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 23, 24
	103-2: The management approach and its components	Pg. 82, 90
	103-3: Evaluation of management approach	Pg. 91, 94
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	Pg. 94 Annual Report 2017-18 Pg. 48
CHILD LABOUR		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 23
	103-3: Evaluation of management approach	Pg. 23
GRI 408: Child Labour 2016	408-1: Operations and suppliers at significant risk for incidents of child labour	Annual Report 2017-18 Pg. 80

GRI Standard	Disclosure	Report Section Reference / Explanation
FORCED OR COMPULSORY LABOUR		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 23
	103-3: Evaluation of management approach	Pg. 23
GRI 409: Forced or Compulsory Labour 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	Annual Report 2017-18 Pg. 80
HUMAN RIGHTS ASSESSMENT		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 23, 24
	103-3: Evaluation of management approach	Pg. 23, 24
GRI 412: Human Rights Assessment 2016	412-2: Employee training on human rights policies or procedures	Pg. 86
LOCAL COMMUNITIES		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 21, 96
	103-3: Evaluation of management approach	Pg. 116
GRI 413: Local Communities 2016	413-1: Operations with local community engagement, impact assessments, and development programmes	Pg. 97-99
SOCIOECONOMIC COMPLIANCE		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 17
	103-2: The management approach and its components	Pg. 96
	103-3: Evaluation of management approach	Pg. 96
GRI 419: Socioeconomic Compliance	419-1: Non-compliance with laws and regulations in the social and economic area	Annual Report 2017-18 Pg. 22

MATERIALITY ASPECT MAPPING TABLE

Material Topic	GRI Aspects	Boundary
Economic Performance	Economic Performance	Internal
Resource Management	Materials	Internal
Climate Change Energy and Air Emissions	Energy	Internal
	Emissions	External
Water Availability & Water Use	Water	Internal
Employee Well-being	Employment	Internal
	Training and Education	Internal
Health & Safety	Occupational Health and Safety	Internal
Labour Management	Labour/Management Relations	Internal
Community Relationship Management	Local Communities	Internal & External

Registered Office
UltraTech Cement Limited
B Wing, Second Floor, Ahura Centre, Mahakali Caves Road,
Andheri (E), Mumbai, Maharashtra, India.

+91 22 669 17800 +91 22 669 28109

www.ultratechcement.com