



GRASIM INDUSTRIES LIMITED

**ESG DATA BOOK
FY 2023-2024**

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About the Company

Grasim Industries Limited (hereafter referred to as Grasim, 'We', 'Our' or 'the Company') is pleased to present the Company's ESG Data Book for Financial Year (FY) 2023-24. Grasim Industries Limited, a flagship Company of Aditya Birla Group (ABG), founded in 1947, has evolved into a powerhouse conglomerate, making advances in the sectors of Cement, Cellulosic Staple Fibre, Chemicals and Decorative Paints. With a proven track record of creating large and growing businesses and brands, Grasim has firmly entrenched itself in the evolving India growth story while building a diversified business model with strong operational and financial performance. The company is a prominent producer of Cellulosic Staple Fibre (CSF), globally and in India. CSF is a subset of global markets of man-made textile fibres. Also, we are one of the India's largest manufacturers of Chlor-Alkali and Speciality Chemicals (Epoxy Polymers and Curing Agents). Through our subsidiaries, UltraTech Cement, Aditya Birla Capital and Aditya Birla Renewables, we are also India's premier cement producer, one of the leading diversified financial services players and a clean energy solutions provider, respectively. We also have significant presence in Sustainable Textiles such as Linen & Cotton Fabrics and Woolen Yarn. We have entered into two high growth businesses, namely Paints and B2B E-commerce for Construction Materials. At Grasim, there is an endeavour to create sustainable value for 45,000+ employees, 2,52,000+ shareholders, society, and customers. The company reported consolidated net revenue of ₹1,30,978 Cr. and EBITDA of ₹20,837 Cr. in FY 2024.

About the ESG Data Book

Grasim Industries Limited is pleased to present the Company's ESG Data Book for Financial Year 2023-24.

Annually, Grasim reveals its significant financial and sustainability disclosures, as well as its performance and accomplishments, using a comprehensive annual report encompassing the Global Reporting Initiative's (GRI) index and Business Responsibility and Sustainability Report (BRSR). This ESG data book is an extension of our Integrated Report FY 2023-24 with additional disclosures aligned to global reporting frameworks.

Scope & Boundary

The ESG Data Book is compiled to showcase the ESG performance of Grasim and its prominent subsidiary, UltraTech Cement Limited, encompassing over 75% of the total revenue. Grasim has released its Integrated Annual Report, detailing the ESG performance of the company on a standalone basis. Similarly, separate Integrated Report is published by UltraTech Cement.

The ESG Data Book presents last four years (FY 2020-21, FY 2021-22, FY 2022-23, and FY 2023-24) consolidated numbers for environmental and social KPIs of Grasim Industries Limited inclusive of UltraTech Cement Limited.

Governance & Economic

Corporate Governance

❖ Board Effectiveness

As mentioned in the corporate governance section of Integrated Annual Report FY 2023-24, total number of meetings held during the tenure was six, out of which attending minimum one meeting is mandatory in a year as per Company's Act 2013. Thus, the minimum meeting attendance requirement for FY 2023-24 was 16.67 %, against which the average board meeting attendance for Grasim was 92%.

(Refer Integrated Annual Report FY 23-24 pg. 233 for more details of attendance of Directors at the Board Meetings)

Risk and Crisis Management

❖ Risk Governance

Particulars	Please indicate name and position	Reporting line: please indicate who the person or committee reports to
Highest ranking person with dedicated risk management responsibility on an operational level (not CEO)	Mr. Hemant Kadel Senior President Corporate Finance Division	Mr. Pavan Jain Chief Financial Officer
Highest ranking person with responsibility for monitoring and auditing risk management performance on an operational level (not CEO)	Mr. Viral Shah General Manager Corporate Finance division	Mr. Hemant Kadel Senior President Corporate Finance Division

Materiality

❖ Materiality Analysis

At Grasim, we conduct the materiality analysis once in every two years or frequent if needed. Last year, Grasim carried out a double materiality assessment. The result of the assessment is approved by senior management. Materiality assessment is integrated in company's overall enterprise risk management process.

(Refer Integrated Annual Report FY 23-24 pg. 78-79 and 80 for more information on "Materiality Assessment" and "ERM" respectively)

Business Ethics

❖ Codes of Conduct: Systems/Procedure

To establish a strong foundation for ethical behaviour, every new employee is required to adhere Grasim's code of conduct upon joining the organization. In addition, the Grasim regularly conducts mandatory training sessions to reinforce employees' understanding of the code's principles and guidelines. The code of conduct covers a comprehensive range of essential clauses, each addressing various aspects of professional behaviour. These include clear directives on information security, anti-corruption and anti-bribery practices, the promotion of non-discrimination and prevention of harassment, guidelines for engaging in political and charitable activities, maintaining health, safety, and environmental standards, managing conflicts of interest, and adhering to a general code of conduct in daily duties. During the annual performance evaluation period, a thorough assessment is conducted to ensure compliance with the organization's code of conduct. Employee remuneration is tied to adherence to this code, with violations having a direct impact on compensation.

❖ Political & Charitable Contribution

During the fiscal year 2023-24, Grasim has not made any charitable contributions, sponsorship, financial contributions to any political party.

❖ **Reporting on Breaches**

Reporting Areas	FY 2024
Corruption & Bribery	0
Discrimination & Harassment	5
Customer Privacy Data	0
Conflict of Interest	0
Money Laundering or Insider trading	0

Supply Chain Management

❖ **KPIs for Supplier Screening**

Supplier Screening	FY 2024
Total number of Tier-1 suppliers	20,430
Total number of significant suppliers in Tier-1	483
% Of total spend on significant suppliers in Tier-1	64
Total number of significant suppliers in non-Tier-1	391
Total number of significant suppliers (Tier-1 and non-Tier-1)	874
Number of suppliers assessed with substantial actual/potential negative impacts	0
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	0
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	0
Total number of suppliers in capacity building programs	136

Information Security/ Cybersecurity & System Availability

The company has implemented a three-tier cybersecurity governance model and employs a dual approach - both top-down and bottom-up - to implement IT security systems and procedures. The business has obtained ISO 27001 certification, signifying compliance with the Information Security Management System standard as well as data protection legislations specified in the Indian Information Technology Act, 2008. Grasim maintains business continuity and contingency plans, subjecting them to manual testing by the company's IT representatives. Additionally, the company conducts vulnerability analyses in collaboration with third-party agencies.



Dr. Thomas M. Connelly, Jr. is an Independent Director on Grasim Industries Limited's Board, who possesses relevant experience in the field of cybersecurity. He serves on the Risk Management and Sustainability Committee, which reviews cybersecurity matters and provides guidance to the management.

With expertise in digitalization, technology, and innovation, Dr. Connelly previously held positions like Chief Science and Technology Officer and Chief Innovation Officer at a multinational chemical company. In the Risk Management Committee, he guides teams in implementing cybersecurity measures, including ISO 27001 compliance, reviewing IT security policies, and assessing third-party audit reports.

Dr. Connelly's role enhances Grasim's cybersecurity with his strategic insights and experience. He guides the management to ensure Governance, strong protection of information assets and reinforce cybersecurity practices.

At Business Level - Chief Information Security Officer (CISO) of each business division hold the primary responsibility for implementing systems and procedures related to IT Security and Cybersecurity. Their role also encompasses ensuring the effectiveness and efficiency of IT Security and Cybersecurity processes and infrastructure.

Dedicated business wise email IDs grasim.infosec@adityabirla.com, complaint@adityabirla.com, gilvsf.infosec@adityabirla.com, have been published and conveyed to employees to report any suspicious events. Additionally, users can report any incident through the local unit IT team. There is an Incident Response Mechanism (IRM) at Grasim, to address the information security incidents in an appropriate and timely manner. All reported incidents will be logged in a centralized system and classified based on their severity and impact to business.

Environment

Environmental Policy and Management

❖ EMS: Certification/Audit/Verification

Particulars	Certification/Verification details
Specification of international standards through which EMS has been verified	85% of our sites are ISO 14001:2015 certified

Note: Grasim has 100% of the plants are certified with ISO 14001, Ultratech has 79% of the plants are certified with ISO 14001.

❖ Return on Environmental Investments (in INR)

Parameters	FY 2021	FY 2022	FY 2023	FY 2024
Capital Investments	52,64,00,000	2,52,08,00,000	9,03,75,64,000	3,65,85,47,484
Operating Expenses	57,17,600	3,82,31,000	4,74,82,71,874	4,70,64,04,874
Total Expenses = Capital Investment + Operating Expenses	53,21,17,600	2,55,90,31,000	13,78,58,35,874	8,36,49,52,358
Savings, cost avoidance, income, tax incentives, etc.	2,66,05,00,000	1,85,27,00,000	3,18,87,68,800	42,81,00,000

❖ Environmental Violations

Parameters	FY 2021	FY 2022	FY 2023	FY 2024
Number of violations of legal obligations / regulations	0	0	1	0
Amount of fines / penalties related to the above in INR	0	0	2,07,37,500	0
Environmental liability accrued at year end. Currency: INR	0	0	0	0

Emissions

❖ Direct Greenhouse Gas Emissions (Scope 1)

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Total direct GHG emissions (Scope1)	MTCO ₂ e	6,07,25,915	6,60,23,952	6,72,55,110	7,65,44,684

❖ Indirect Greenhouse Gas Emissions (Scope 2) - Location Based

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Total indirect GHG emissions (Scope 2)	MTCO ₂ e	25,25,920	24,39,149	33,11,340	30,74,325

❖ Indirect Greenhouse Gas Emissions (Scope 3)

Parameters	Unit	FY 2021*	FY 2022	FY 2023	FY 2024
Total indirect GHG emissions (Scope 3)	MTCO ₂ e	52,57,232	93,57,816	97,72,535	1,31,05,458

Note: *UltraTech started GHG Scope 3 emissions disclosure since FY 2019-20, however, Grasim standalone started GHG Scope 3 emissions from FY2021-22. So, the numbers presented in the table for FY 2021 only represents the UltraTech's Scope 3 emissions. FY2021-22, FY 2022-23 and FY 2023-24 includes the Scope 3 emissions from both the entities.

❖ **Scope 3 Categories**

List of Categories	Scope 3 Emissions in the reporting year (MT CO _{2e})
Category 1: Purchased Goods and Services	32,04,310
Category 2: Capital Goods	2,84,534
Category 3: Fuel-and-energy-related-activities (not included in Scope 1 or 2)	58,28,432
Category 4: Upstream transportation and distribution	29,41,814
Category 5: Waste generated in operations	80,553
Category 6: Business travel	15,759
Category 7: Employee commuting	4,917
Category 9: Downstream transportation and distribution	7,45,145

❖ **NO_x Emissions**

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Direct NO _x emissions	MT	97,064	75,731	86,298	94,313

❖ **SO_x Emissions**

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Direct SO _x emissions	MT	28,359	16,116	20,419	37,068

❖ **Dust Emissions**

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Direct dust emissions	MT	7,115	4,185	4,266	9,224

❖ **Direct Mercury Emissions**

Parameters	Unit	FY 2023	FY 2024
Direct mercury emissions	MT	0.42	0.46

Resource Efficiency and Circularity

❖ **Energy Consumption**

Total energy consumption	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Total non-renewable energy consumption	MWh	7,41,13,374	9,09,67,756	9,65,12,174	10,43,88,891
Total renewable energy consumption	MWh	10,55,663	17,65,172	13,29,218	34,53,667

Waste

❖ **Waste Disposal**

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Total waste recycled/ reused	MT	6,00,789	9,73,033	8,66,726	36,62,856
Total waste disposed	MT	74,647	1,05,827	1,21,765	64,884
Waste landfilled	MT	65,851	1,03,895	1,19,368	64,287
Waste incinerated with energy recovery	MT	1,392	1,057	1,198	0
Waste incinerated without energy recovery	MT	7,404	875	1,199	597

Water

❖ Water Consumption

Parameters	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Withdrawal: Total municipal water supplies (or from other water utilities)	Million cubic meters	9.99	11.12	13.67	13.49
Withdrawal: Fresh surface water (lakes, rivers, etc.)	Million cubic meters	40.73	42.54	44.75	42.12
Withdrawal: Fresh groundwater	Million cubic meters	7.92	7.57	8.15	8.06
Total Withdrawal (Excluding seawater)	Million cubic meters	58.64	61.23	65.57	63.69
Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (excluding seawater)	Million cubic meters	23.84	28.75	25.64	25.68
Total Net Fresh Water Consumption	Million cubic meters	34.80	32.49	40.93	38.01

Grasim has undertaken various initiatives to uphold water stewardship. The company places a strong emphasis on water conservation, treatment, recycle and reuse. Through continuous investments in cutting-edge technologies and process optimization and enhancements, Grasim strives to reduce its overall water consumption. As a result of these initiatives the company has not faced any water-related incidents and financial impact (fines/penalties) above USD 10,000 which could disrupt our business operations.

❖ Water consumption in Water-Stressed Areas

Parameter	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Total net freshwater consumption in water-stressed areas (Total water withdrawals - Total water discharges)	Million cubic meters	34.33	41.05	39.31	45.48

Exposure to Water Stressed Areas

Parameters	Unit	FY 2024
No. of production plants in last FY in water-stressed areas (e.g. <1700 m3/(person*year))	Number	19
Total No of production plants in last FY	Number	80
% of production plants in last FY in water-stressed areas (e.g. <1700 m3/(person*year))	Percentage	24
% of Cost of goods sold (COGS) in last FY	Percentage	74

Climate Strategy

❖ Climate Related Management Incentive

Position	Type of Incentive	KPI
Chief Sustainability Officer (CSO)	Recognition	Efficiency
Description		
<p>The Chief Sustainability Officer (CSO) collaborates closely with business-level management and the Board-Level Committee to set and achieve sustainability goals across various business units. At Grasim, the CSO is tasked with developing a climate transition plan, integrating climate-related issues into the overall strategy, establishing corporate climate targets, monitoring progress against these targets, and assessing and managing climate-related risks and opportunities.</p> <p>The CSO is also responsible for implementing the sustainability agenda across the company's operations, including initiatives for energy reduction and the corresponding reduction in emissions. At the beginning of each financial year, the CSO sets Key Performance Indicators (KPIs) aligned with the company's Key Result Areas (KRAs). Each KPI carries a specific weight and focuses on various climate-related objectives, such as implementing energy and emission reduction measures, increasing the share of renewable energy in the total energy mix, achieving year-on-year targets, and progressing toward emission reduction and net-zero goals at the business level. At the end of the year, based on the achievement of these targets, the company rewards individuals with recognition including monetary incentives. CSO commitment to fostering responsible business practices and contributing to a greener future has been recognized across forums for Grasim.</p> <p>Every year Aditya Birla Group holds Aditya Birla Awards to recognize the contributions of its employees in various group businesses. Awards are categorized into four categories: Emerging Professionals, Distinguished Achievers, Exceptional Contributors and Accomplished Leaders. CSOs are nominated under Accomplished Leaders category.</p>		
Position	Type of Incentive	KPI
Plant Head	Recognition	Energy Reduction
Description		
<p>The chemical business is one of our most energy-intensive segments, making it crucial for us to reduce energy consumption to gain both economic and environmental benefits for our company and stakeholders.</p> <p>Recognizing this, our management has identified energy reduction as a Key Result Area (KRA) in our balanced scorecard. These KRAs are cascaded down to each unit or plant head at Grasim. The head of each unit sets specific targets in their annual KPIs, which include implementing energy reduction initiatives, making process modifications to improve energy efficiency, upgrading or changing fuel types, and advancing renewable energy initiatives, such as increasing the share of renewable energy through real-time utilization of Group Captive Solar.</p> <p>Additionally, meeting the Perform, Achieve, and Trade (PAT) targets, as mandated by the Bureau of Energy Efficiency (BEE), is included in these KPIs. At the end of the year, individuals who successfully meet their targets are rewarded with monetary incentives.</p> <p>Every year Aditya Birla Group holds Aditya Birla Awards to recognize the contributions of its employees in various group businesses. Awards are categorized into four categories: Emerging Professionals, Distinguished Achievers, Exceptional Contributors and Accomplished Leaders. Plant heads of respective businesses are nominated under Exceptional Contributors category.</p>		
Position	Type of Incentive	KPI
Employee	Recognition	Energy Reduction
Description		
<p>Grasim has adopted the Kaizen (World-Class Manufacturing) concept across its business operations, empowering unit teams to identify potential energy reduction opportunities through this program. As part of integrating the Kaizen concept into the business units, the teams have launched a reward and recognition scheme, which includes categories such as best projects, highest savings, best Kaizen, and most contributions to Kaizen.</p> <p>This initiative has led several of our units to achieve significant reductions in energy consumption, which in turn has resulted in lower emissions. Additionally, the company presents Pride Awards to recognize individual and team efforts in advancing sustainability initiatives, including energy reduction, increased use of renewable energy sources, and emission reduction. The company recognizes each winning team or individual with vouchers, certificates of appreciation, mementos, and trophies. Every year Aditya Birla Group holds Aditya Birla Awards to recognize the contributions of its employees in various group businesses. Awards are</p>		

categorized into four categories: Emerging Professionals, Distinguished Achievers, Exceptional Contributors and Accomplished Leaders. Employees of respective businesses are nominated under Emerging Professionals or Distinguished Achievers category.

❖ Emission Reduction Targets

Business Unit	Unit	Goal	Base Year	Status (FY2023-24)
Cellulosic Staple Fibers	Emission Intensity	Reduce GHG emission intensity by 50% by FY 2029-30	2019	Reduced GHG emission intensity by 17%

(Refer Integrated Annual Report FY 23-24 pg. 90 for more information on "Sustainability Targets")

❖ Low Carbon Products

Type and Description of Low carbon Product	Level of aggregation	% of total revenues from "climate change" product(s) in FY 2024	Estimated total avoided emissions per year (tCO ₂ e)
Blended cements - PPC, PSC and CC with substitution of clinker content with materials like fly ash, slag etc.	Group of products	37	1,97,14,158

Description

We categorize our blended cements as low carbon products. The blended cements manufactured by the Company, including Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC) have as low as 35% clinker content, as compared to 92% clinker in Ordinary Portland Cement (OPC), resulting in low embodied carbon in blended cements. For manufacturing blended cements (PPC, PCC and PPCS), the Company uses waste materials such as fly ash and slag that helps in the substitution of a natural resource such as limestone. These cements are also less carbon and energy intensive.

Type and Description of Low carbon Product	Level of aggregation	% of total revenues from "climate change" product(s) in FY 2024	Estimated total avoided emissions per year (tCO ₂ e)
Birla Spunshades	Products	1	2,02,721

Description

These products are designed to reduce emissions in the downstream value chain, meaning that the emission reductions occur outside Grasim's operational boundaries. By avoiding certain downstream processes, such as wet processing, these products help customers lower the greenhouse gas (GHG) emissions of their final products. Grasim has a long-term strategy to increase the share of these specialty products in its portfolio. One example is Birla Spunshades, also known as spun-dyed fibres. These fibres are produced by directly injecting pigment into the viscose dope, eliminating the need for dyeing at a later stage. This process leads to significant chemical, water, and energy savings, as it shortens the sequence of steps in the downstream value chain, helping customers reduce their carbon footprint. Birla Spunshades fibres, featuring unique Colour-Lock technology, are fade-resistant and ensure exceptional colour consistency. By eliminating the dyeing process at the fabric stage, these fibres save large amounts of water and chemicals, and they prevent wastewater generation, further contributing to environmental sustainability.

❖ Internal Carbon Pricing

Grasim's largest subsidiary Ultratech employs an internal carbon pricing mechanism, setting a shadow price of USD 10 per metric tonne of CO₂e (Scope 1 and Scope 2). The internal carbon price serves multiple objectives: navigating evolving GHG regulations, influencing internal behaviour towards sustainability, driving energy efficiency, promoting low-carbon investments, and identifying new low-carbon opportunities.

By embedding this price into its operations, UTCL business aims to align financial incentives with broader environmental goals, ensuring the business remains resilient and sustainable in a low-carbon economy.

❖ **Financial Risk of Climate Change**

Risks driven by changes in regulation	
Description	<p>PAT is a flagship scheme which incentivizes Energy Efficiency under the National Mission for Enhanced Energy Efficiency (NMEEE). If Grasim is not able to meet the given target, in this scenario Grasim has to purchase the energy saving certificates (ESCerts).</p> <p>Additionally, India's Intended Nationally Determined Contribution (INDC) includes fiscal policies in its climate action toolkit, in particular instruments like coal cess. The coal cess is levied on the dispatch of coal and lignite by coal producers and discourages coal consumption by increasing its cost. For this reason, India's INDC further specifies that "the coal cess translates into a carbon tax equivalent".</p> <p><i>(Refer Integrated Annual Report FY 23-24 pg. 297 for more information on "PAT Scheme").</i></p>

Risks driven by change in physical climate parameters or other climate-change related developments	
Description	<p>Grasim undertook comprehensive assessments of its various sites with the aim of identifying potential physical risks. The results of these evaluations unveiled distinct vulnerability patterns across different locations. Specifically, it was determined that 12 of the assessed sites are prone to experiencing heat waves. Furthermore, the assessments highlighted that 9 sites are exposed to the risk of cyclones. Additionally, the evaluation identified around 7 sites as having an increased susceptibility to drought conditions. In essence, Grasim's meticulous site assessments have provided a detailed understanding of the specific physical risk landscape, enabling the company to proactively plan and implement measures that enhance resilience, safeguard resources, and ensure the continuity of operations across its diverse locations. Grasim has insurance coverage to recover any potential financial and operational losses that may occur due to physical climate risk.</p> <p><i>(Refer TCFD Report pg. 20 and 21 for more information)</i></p>

Product Stewardship

❖ **Revenue from Sustainable Construction**

% of revenues from recognized credits in FY 2024	Description of certifications or green building standards
33.02	<p>We have received GreenPro certification for 70 of our products. For manufacturing blended cements (PPC, PCC and PPCS), the Company use waste materials such as fly ash and slag that helps in the substitution of natural resource such as limestone. These cements are also less carbon and energy intensive. Our low carbon products - blended cements (Portland Pozzolana Cement, Portland Slag Cement and Composite Cement), are produced by blending 20% - 50% supplementary cementitious materials (SCMs) with clinker.</p> <p>As compared to 92% clinker in Ordinary Portland Cement (OPC), blended cements have as low as 35% of clinker content, resulting in low embodied carbon in these cements. Not only we produce blended cements at our units, and we also encourage our direct key customers (B2B), to blend the OPC sourced from us with SCMs at their project sites, within statutory norms, enabling them to reduce the carbon footprint of their buildings.</p>

❖ **Co-Processing Rate**

Parameters	Unit	FY 2024
% alternative fuel used to replace the fossil fuel (as % of total heat consumption)	Percentage	5.14
Clinker-to-Cement ratio	Percentage	69.60
% alternative raw materials contained in cement (excluding natural raw materials e.g. gypsum, pozzolan)	Percentage	20.85

Climate Advocacy and Industry Engagement

At Grasim, we actively engage in industry dialogues focused on sustainability and use these platforms to promote the Paris climate goals. We follow a structured, solution-oriented approach to public policy advocacy, collaborating with policymakers to shape and refine policies at various levels. Our efforts are backed by in-depth research, ensuring credibility and positive contributions to both government and society.

Our advocacy is conducted through industry associations and guided by a dedicated team that coordinates with various departments on key issues, especially sustainability and climate change. A robust governance framework oversees our activities, aligning them with global agreements and national commitments. We also ensure that our trade association memberships align with our policy positions and maintain transparency in our charitable and political contributions. This approach underscores our commitment to constructive policy development and our broader organizational values.

Our commitment to the Paris Agreement is reflected in our strategic partnerships with leading organizations such as the Sustainable Apparel Coalition, the Global Cement and Concrete Association, FICCI, CII, and the Textile Exchange. These associations advocate for crucial objectives like decarbonization and achieving Net Zero emissions, which are in direct alignment with the targets outlined in the Paris Agreement. Grasim, along with its parent company Aditya Birla Group and its subsidiary UltraTech Cement, has been actively engaged in climate advocacy, aligning with the goals of the Paris Agreement. The Aditya Birla Group participates in industry dialogues and collaborates with various global sustainability organizations, such as the Global Cement and Concrete Association, which advocates for decarbonization in line with the Paris climate goals.

Grasim's participation in Textile Exchange, a global nonprofit that promotes sustainable practices in the textile industry, helps the company stay at the forefront of sustainability trends. The membership aids Grasim in advocating for policies that support the adoption of environmentally friendly materials and processes, reinforcing its net-zero ambitions. To further our commitment to sustainability, Grasim has established a dedicated Risk Management and Sustainability Committee (RMSC). The RMSC is instrumental in advancing our climate agenda and setting the context for our collaboration with trade associations. This committee plays a critical role in guiding and supervising our sustainability efforts, ensuring they are in harmony with our core values and strategic goals.

Moreover, we have a specialized Corporate Communication Team responsible for effectively communicating our sustainability initiatives and positions to our stakeholders. This team reinforces our dedication to transparency and ensures consistent engagement with all our stakeholders on sustainability matters.

Reference: [Sustainable Apparel Coalition](#), [Global Cement and Concrete Association](#), [Textile Exchange](#), [CII](#)

Biodiversity

Grasim's largest subsidiary, UltraTech has conducted biodiversity assessments at its units by applying impact assessment matrices as prescribed by the Aditya Birla Group's Technical Standards and Guidance Notes. The biodiversity impact assessment process involves the following steps:

1. Identification of Impacts

The impacts on biodiversity attributes are identified and evaluated considering the types and magnitude of industrial operation. The ABG Sustainability Framework, Guidance.

Note: Biodiversity Impact and Risk Assessment, defines 28 impacts in 9 broad categories as mentioned below:

- Impacts on Forest and other Land Resources
- Impact on Water Resources
- Impacts on Ground Water - Pollution
- Impacts of new structures due to industrial operations i.e., waste dump
- Impacts of Dust and Noise Pollution
- Effects of Vehicular Movements on Faunal Groups
- Impacts on Threatened and Unique Biodiversity
- Impacts of Labor Force
- Impacts on Wildlife Corridor

2. Categorization of impacts using impact matrix

After the impact identification with description, the evaluation of likelihood of the impact and potential of mitigation is documented in a biodiversity impact matrix. The biodiversity impact matrix is a tool to measure impact based on the mixture of likelihood of expected impacts of the possibility of mitigation. It plots Likelihood of Impacts on the Y-axis and Potential of Mitigation on X-axis. Likelihood of Impacts is further broken down into three components: Almost Certain/Likely; Moderately Likely and Unlikely. Similarly, the Potential of mitigation is also broken down into four components: Irreversible; Difficult to Mitigate; Can be mitigated by interventions; and can be Reversed Naturally.

Scope of Assessment

Integrated units and surrounding areas are assessed for impact on biodiversity. Ultratech has conducted biodiversity impact assessments for each operational site within a 10 km radial buffer zone around the core area (mine lease area). The study area is systematically divided into 5 x 5 km grids. Ultratech has assessed 15 production units out of 24* using this consistent approach, ensuring thorough evaluation of ecological impacts within the 10 km radius.

Biodiversity related risks identified:

- Loss of forest land impacting the biodiversity value (floral and faunal) of the project area by direct loss of habitat
- Noise and associated ground vibration impact the lower vertebrate mainly the ground dwelling reptiles and small mammals.
- Change the normal behaviour in the form of restricting the movements, feeding, resting and breeding activities of major faunal groups of the project area.

3. Mitigation Actions

12 of assessed sites of Ultratech have implemented comprehensive Biodiversity Management Plans (BMPs) for mitigation of identified risks and impacts. UltraTech have undertaken several initiatives to minimize our impact on biodiversity. Here are examples of these initiatives across different categories of the mitigation hierarchy:

Avoidance:

- Avoid operational activities in proximity to World Heritage areas and IUCN Category I-IV protected areas.
- Avoid operating in critical habitats and ecologically sensitive areas.
- Avoid the introduction of any new potentially invasive, non-native species and seek to eradicate these within our operational sites.
- Preserving ecosystems: Ensuring that existing ecosystems are protected from disturbance and creating awareness around.
- Maintaining noise levels below 85 dBA: Mitigating the impact of noise pollution on wildlife.

Minimization:

- Developing green belts to restore mined areas and to reduce impacts and promote biodiversity.
- Establishing nurseries to meet sapling requirements.
- Creating check dams to counter erosion and preventing soil erosion and habitat degradation.
- Constructing rainwater harvesting structures to improving water availability.
- Developing butterfly gardens to attract butterflies: Enhancing local biodiversity and supporting pollinators.

Restoration/Rehabilitation:

- Storing and conserving water in mined-out pits and restoring water resources.
- Establishing bird nests and additional green spaces to enhancing habitats for birds and other wildlife.
- Initiating apiculture (beekeeping) within plant and colony areas for habitat enhancement

Grasim has published its own Biodiversity policy with an aim of 'No Net Loss of Biodiversity'. Grasim plans to conduct Biodiversity Assessment Studies at three of its units in FY 2024-25. ([click here for policy](#))

*Note: * For biodiversity assessment at Ultratech, only 24 India based units are considered, and one foreign unit is excluded.*

Social

Labour Practice indicator

❖ Total Permanent Employee

Parameter	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Employees	Nos.	45,470	46,146	47,375	49,599

❖ Gender Pay Gap

Indicator	Difference between Men and Women Employees (%)
Mean gender pay gap	4.56
Median gender pay gap	-1.08
Mean bonus gap	17.13
Median bonus gap	15.59

❖ Workforce Breakdown: Gender

Diversity Indicator	Percentage (%)
Female share of total workforce (%)	4.5
Females in all management position including senior, middle, and junior management position (as % of total management workforce)	7.2
Females in junior management position (as % of total junior management positions)	7.4
Females in top management position, i.e., maximum two levels away from the CEO or comparable positions (as a % of total top management positions)	7.8
Females in management positions in revenue-generating functions (e.g., sales) as a % of all such managers (i.e., excluding support functions such as HR, IT, Legal, etc.)	3.6
Share of women in STEM-related positions (as % of total STEM positions)	7.1

❖ Workforce Breakdown: Nationality

Country wise share in total workforce	Percentage
India	
Share in total workforce	99.661
Share in all management positions	99.827
Sri Lanka	
Share in total workforce	0.204
Share in all management positions	0.121
UAE	
Share in total workforce	0.016
Share in all management positions	0.010
Bangladesh	
Share in total workforce	0.044
Share in all management positions	0.005
Bahrain	
Share in total workforce	0.020
Share in all management positions	0.010
Pakistan	
Share in total workforce	0.020
Share in all management positions	0.000

❖ **Freedom of Association**

Indicator	% of employees
Represented by an independent trade union or covered by collective bargaining agreements	39

Human Rights

❖ **Human Rights Due Diligence Process**

The procedure aims to ensure the identification of potential human rights abuses within business operations. It emphasizes stakeholder engagement, preparation, monitoring, and reviewing of mitigation plans, and the disclosure of the due diligence process and its outcomes to relevant stakeholders. The procedure includes several key performance indicators. Firstly, the HRDD Tool is to be completed annually and updated with any changes in processes. This task is led by the HR department. Secondly, the identification of salient human rights issues is also to be conducted annually, with approval and sign-off by the Unit Head. Thirdly, the monitoring and review of mitigation plans are scheduled quarterly, aligning with the Mitigation Action Plan. Finally, the disclosure of mitigation plans is to be done annually, with the results published in reports to maintain transparency with stakeholders.

Procedure

- **Baseline Human Rights Management:** A cross-functional team, including HR, ER, CSR, and other relevant departments, is identified and trained to execute the HRDD process. Business sites utilize the HRDD tool to establish a baseline of current practices and identify potential human rights impacts within their operations.
- **Output of HRDD Tool:** The HRDD tool categorizes identified potential human rights abuses into three impact levels: high (red), medium (yellow), and low (green). This categorization allows for a focused approach to addressing human rights risks based on their severity.
- **Identification of Salient Human Rights:** The procedure emphasizes identifying high and medium impact areas following specific criteria outlined in the ABG Human Rights Policy. This step is crucial for focusing on the most significant human rights concerns. The identified impacts guide the development of mitigation plans, which include regular HRDD assessments and collaborative efforts with other stakeholders to address the issues.
- **Mitigation Plans:** Mitigation plans are developed for high and medium impact areas, with a particular focus on those identified as having severe impacts. The monitoring of these plans varies based on the impact level, with annual reviews for high impacts, biannual reviews for medium impacts, and reviews every three years for low impacts.
- **Ongoing Human Rights Abuse or Violation:** In cases of ongoing human rights abuses, immediate action is required. The procedure outlines specific approaches for addressing abuses affecting both direct and indirect workers, ensuring that the organization responds promptly to any issues that arise.
- **Addressing Unavoidable Human Rights Impacts:** If a human rights impact is deemed unavoidable, the procedure mandates notifying the CEO. Subsequently, mitigation plans are developed in collaboration with relevant departments to manage these impacts effectively.

Remedy

To address grievances, the organization establishes an operational-level grievance mechanism. This mechanism is designed to provide a channel for impacted individuals and groups to seek redress for any human rights violations they may experience.

Human Rights Management Plan

A comprehensive Human Rights Management Plan is developed to manage the identified human rights impacts. This plan includes detailed mitigation actions, monitoring schedules, and other necessary measures to ensure the organization's operations align with its commitment to upholding human rights.

Human Capital Development

❖ Training and Development Inputs

Indicator	Values
Average hours per FTE of training and development FY 2023-24	11.16
Average amount spent per FTE on training and development FY 2023-24 in INR	2,991.09
Total Training Hours FY 2023-24	6,54,570

❖ Type of Trainings

Training Type	Male (Hours)	Female (Hours)
Health safety Training	2,99,986	15,835
Human Rights	13,488	1,222
Skill Upgradation	2,97,909	26,129
Total	6,11,383	43,186

❖ Employee Development Programs

Program Name	FOCUS 50
Description	<p>Grasim is committed to building a strong reservoir of skilled and capable Department Heads across various technical and functional domains. In today's fast-paced and constantly evolving business environment, the role of Department Heads is crucial. They are responsible for ensuring the smooth and efficient operation of key technical and functional areas within the organization. As the company aims for ambitious growth, the importance of having competent leaders in these positions becomes even more critical. To support its growth objectives, the organization focuses on developing a robust leadership pipeline by identifying individuals with exceptional expertise and leadership potential in their respective fields. These individuals are then cultivated and nurtured to take on the significant responsibility of leading their departments toward achieving strategic goals.</p> <p>This initiative to develop a pool of proficient Department Heads in both technical and functional areas highlight the organization's dedication to reinforcing its leadership team. By proactively nurturing a group of talented leaders, Grasim aims to position itself for sustained growth, adaptability, and success in an ever-changing business landscape.</p> <p>Criteria:</p> <ul style="list-style-type: none"> • 8-10 Section Heads / FLOs • Talent pool • Age < 38 years <p>Inclusion:</p> <ul style="list-style-type: none"> • Technical Know - how & Business Acumen • Customer understanding • Shop floor and People Management • Financial Acumen • External benchmarking - Best in class Immersion

Program Objective and Business Benefit	<ol style="list-style-type: none"> 1. Succession planning and building our leadership pipeline with home grown talent. 2. Encourage self-awareness in every employee. 3. Promote a strong sense of individual responsibility for personal development. 4. Create opportunities for engagement with COOs and CXOs, providing enhanced visibility, motivation, and insightful exchanges. 5. Improve technical skills and managerial expertise through tailored functional learning experiences. <p>As the premier Leadership Development initiative within the organization, "Focus 50" is designed to cultivate emerging leaders with high potential. The program is specifically tailored to meet the unique needs of the business, serving as a platform for enhancing both technical and behavioural competencies. Moreover, it plays a crucial role in strengthening the core technical skills essential for success in the company. This initiative aligns with the organization's long-term strategic vision, ensuring the development of a strong leadership pipeline capable of navigating the complexities of the industry.</p>
Impact	<p>Grasim's commitment to developing a strong reservoir of skilled Department Heads across technical and functional domains is a strategic initiative with significant long-term impact. By focusing on leadership development, the company ensures business continuity, even in the face of changing market dynamics or internal shifts. This program not only prepares a pipeline of leaders ready to step into critical roles, thereby ensuring smooth leadership succession, but also enriches the job experience for employees. As they are nurtured and empowered to take on greater responsibilities, employees find greater fulfilment in their roles, leading to higher engagement and retention. Overall, this initiative strengthens the organization's leadership, driving sustained growth and success in a rapidly evolving business environment.</p>
% of FTEs that participated in this program	<p>6% have participated across batches until day. The 5th batch of Focus 50 is currently underway.</p>

Program Name	SAMARTHYA
Description	<p>Samarthya is development road map for the Sales and Marketing professionals. The objective is to cover based on learning needs in line with business/ customer focus. The goal of the program is to elevate the functional expertise of employees within the marketing department. To accomplish this, the Sales & Marketing team is prepared to tackle the challenges of expanding the specialty segment of the market. This initiative requires a unique combination of capabilities, skill sets, knowledge, and, most importantly, a shift in mindset. This shift is as essential as the technical skills and knowledge because it encourages the team to approach challenges from a new perspective, uncover new opportunities, and develop effective strategies.</p> <p>By cultivating deeper functional expertise and a more adaptive mindset within the marketing department, the organization can position itself at the forefront of the specialty market. This approach ensures that the Sales & Marketing team is not only equipped with the necessary skills but also empowered with the right mindset to drive market growth and achieve the company's objectives.</p>
Program Objective and Business Benefit	<p>The sales objectives and business benefit encompass the following:</p> <ol style="list-style-type: none"> 1. Reinforce emphasis on B2B sales activities. 2. Develop adeptness in price negotiation and commercial acumen, particularly among Regional & Country Heads and for the Export Market. 3. Cultivate an emotional bond with customers. 4. Enhance awareness of cultural nuances and familiarity with geographical codes of conduct and etiquette. <p>The marketing objectives and business benefit encompass the following:</p> <ol style="list-style-type: none"> 1. Understanding consumer insights to facilitate the transition from B2B to B2B2C. 2. Enhancing the broader business environment. 3. Nurturing proficiency in Project Management. 4. Establishing a heightened commercial acumen. 5. Crafting compelling marketing campaigns and narratives. <p>The above objectives provide several benefits: Job enrichment, functional competency building, behavioural training need addressal, customer centricity.</p>

Impact	The Samarthya development program is designed to elevate the functional expertise and adaptive mindset of the Sales & Marketing team, positioning the organization as a leader in the specialty market segment. By focusing on capability building, this initiative equips the team with the necessary skills, knowledge, and a fresh perspective to uncover new opportunities and develop effective strategies for market expansion. The impact of this program extends beyond skill enhancement; it also drives potential monetary gains by aligning employee development with business and customer needs. As a result, the organization is better positioned to achieve its objectives and sustain growth in a competitive market landscape.
% of FTEs that participated in this program	We plan to achieve 100% coverage for sales and marketing. In the reporting year, nearly 70% coverage has been achieved through Samarthya.

❖ Employee Support Programs

- Paid parental leave for the primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees): 26 Weeks (6 Months)
- Paid parental leave for the non-primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees): 1 Week
- At few of the plant locations we have Childcare facilities such as crèche.

❖ Performance Appraisal

We ensure regular performance appraisals and career development opportunities, including skill upgradation initiatives and leadership development programmes. We do this for continued and proactive talent engagement and development. Our approach includes agile conversations and 360-degree feedback, offering multidimensional insights into performance and areas for growth. All employees have pre-defined, measurable goals that are collaboratively established with their line manager. Our Learning and Development (L&D) Framework includes goal-oriented development plans and supports career growth through structured goal-setting and mid-year reviews.

(Refer Integrated Annual Report FY23-24 pg. 148 and 149 for more information)

Talent Attraction and Retention

❖ Hiring

Particulars	FY 2021	FY 2022	FY 2023	FY 2024
Total number of new employee hires	783	2,081	4,088	4,835
Percentage of open positions filled by internal candidates	85	82	26	25
Average hiring cost per FTE Currency: Indian Rupee (INR)	35,675.5	25,555.3	27,407.3	54,701.2

❖ Hiring Breakdown in FY'24

Category	Age Group			Gender	
	<30	30-50	>50	Male	Female
Top Management	0	5	4	7	2
Senior Management	0	17	13	28	2
Middle Management	1	157	17	157	18
Junior Management	1,932	1,656	9	3,150	447
Staff	418	117	11	466	80
Workmen	368	83	27	471	7

❖ **Employee Turnover Rate**

Particulars	FY 2021	FY 2022	FY 2023	FY 2024
Total employee turnover rate	6.2%	8.8%	8.1%	8.3%
Voluntary employee turnover rate	5.9%	8.4%	6.2%	6.7%

❖ **Employee Left Breakdown (Age, Gender and Employee Category in FY'24)**

Sr. No.	Category	FY 2024	
		Male	Female
1	Total Number of Left Employee	3,724	295
2	Total Number Employee Who Left voluntary	2,952	281
3	Total Employees in Top Management		
3.1	Total Employees Left	12	0
3.2	Total Employees Left Voluntary	7	0
4	Senior Management		
4.1	Total Employees Left	29	2
4.2	Total Employees Left Voluntary	25	2
5	Middle Management		
5.1	Total Employees Left	176	10
5.2	Total Employees Left Voluntary	144	10
6	Junior Management		
6.1	Total Employees Left	1,662	202
6.2	Total Employees Left Voluntary	1,540	195
7	Staff		
7.1	Total Employees Left	821	77
7.2	Total Employees Left Voluntary	762	71
8	Workmen		
8.1	Total Employees Left	1,024	4
8.2	Total Employees Left Voluntary	474	3

Category	Gender/Age Group	<30	30-50	>50
Total Employee Left	Male	1,129	1,446	1,149
	Female	190	95	10
Total Employee Left Voluntary	Male	895	1,324	733
	Female	183	90	8

❖ Employee Engagement

The company regularly conducts the Vibes Survey to gauge employee satisfaction and evaluate the effectiveness of business development initiatives. These surveys provide a comprehensive overview of employee sentiment and engagement across various facets of the organization. They explore multiple dimensions, including work culture, job satisfaction, communication effectiveness, workplace stress, and opportunities for professional growth. By analysing the responses from the Vibes Survey, the company gains valuable insights into overall employee morale and identifies areas where improvements may be necessary.

Particulars	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Employee Engagement	% of actively engaged employees	89	97	97	93

Occupational Health and Safety

❖ Fatalities

Particulars	FY 2021	FY 2022	FY 2023	FY 2024
Employees	3	2	1	0
Contractors	3	7	2	8

❖ LTIFR

Particulars	Unit	FY 2021	FY 2022	FY 2023	FY 2024
Employees	n/ million hours worked	0.22	0.29	0.21	0.093
Contractors	n/ million hours worked	0.20	0.17	0.11	0.12

Customer Satisfaction Measurement

Satisfaction Measurement	Unit	FY 2021	FY 2022	FY 2023	FY 2024	Target FY 2024
Employees	Net Promoter Score	62	63.4	62	61	65

Note: NPS is calculated for each of the businesses separately, details of which are available in Integrated Annual Report FY'24 page 313.
NPS Score of 61 is for our Chemical business.

Reference

1. Integrated Annual Report 2023-24 of Grasim Industries Limited. [<Click Here>](#)
2. Integrated and Sustainability Report 2023-24 of UltraTech Cement Limited. [<Click Here>](#)
3. Task Force on Climate-related Financial Disclosures (TCFD); Grasim's Approach to Climate Change and Net Zero; FY 2022-23 Summary Report. [<Click Here>](#)