

At Grasim, our mission revolves around creating value by empowering our stakeholders – employees, customers, communities, and partners - who are central to the organisation. Our culture and operations embody this commitment, ensuring the impact aligns with our ethos of being 'A Force for Good'. We strive to have a positive influence on stakeholders' lives, going beyond traditional CSR activities, actively engaging in community work and supporting grassroots initiatives. By aligning our business goals with community needs, we build strong relationships with local communities, promoting sustainable livelihood and contributing to our nation's success.

Alignment with SDGs



# FY 2023-24 HIGHLIGHTS

12.11 lakh **CSR** beneficiaries

₹58.39 crore CSR spend

311 **Villages covered** 

**50**% Input materials sourced within India

15% Input materials sourced from MSMEs

# OUR APPROACH

We focus on creating an inclusive, transparent, and culturally sensitive environment that promotes compassion and care while strengthening the societal fabric in our operational regions. We deliver on this commitment through active engagement with communities, introducing sustainable development initiatives that uplift their lives and prioritise their well-being.

We recognise the importance of establishing robust and dependable networks with our suppliers and customers. By building strong relationships and understanding stakeholder needs, we are enhancing our operational excellence, ensuring the delivery of high-quality, innovative products through a reliable distribution network, and supporting customer satisfaction efforts.



#### Stakeholders Impacted -

Local Communities

NGOs, and Other Groups Suppliers and Value **Chain Partners** Customers

#### Material Issues

Customer Health and Safety **Empowering Communities Responsible Supply Chain** Quality and **Customer Satisfaction** Stakeholder Engagement Human Rights **Organisational Resilience** 

#### Key Risks —

External Risk **Operational Risk** Knowledge Risk Sustainability Risk **Compliance Risk** 

# Supporting / Aligned Policies -

**CSR** Policy Supplier Code of Conduct Responsible Supply **Chain Policy** Grievance **Redressal Mechanism** Human Rights Policy **Quality Policy** Information Security Policy

# **FOCUS AREAS**

Social Responsibility Supply Chain Management **Customer Relationship** 

Integrated Annual Report 2023-24

**CSR** Governance

these activities.

Our CSR activities are implemented through the

Aditya Birla Centre for Community Initiatives and Rural

Development. Led by Mrs. Rajashree Birla, the Centre

provides strategic direction for our CSR outreach and

dedicated CSR Committee at the Board level to oversee

enhancement of community relations. Grasim has a

# 1 SOCIAL RESPONSIBILITY

Grasim's CSR philosophy is rooted in the trusteeship concept of management introduced by our founder, Shri G. D. Birla. Our commitment to CSR reflects our long-standing values. We actively pursue welfare initiatives aimed at socio-economic empowerment to enhance the quality of life for the less privileged. Our comprehensive and accessible CSR Policy guides our efforts to develop and implement impactful solutions for underserved communities.



The CSR Committee details the execution methods and implementation timelines. We have established a strong implementation framework with regular monitoring and a dedicated team across our units to ensure effective execution.

# **CSR Strategy**

Environmental protection and social development are key components of our sustainable business practices. Driven by the Aditya Birla Group's 'We Care' philosophy, our CSR efforts are focused on transforming the lives of communities, particularly in rural and tribal areas. We support the creation of Self-Help Groups (SHGs), entrepreneurship, and Farmer Producer Organisations (FPOs) to foster self-reliance, economic independence, and social empowerment.

CSR beneficiaries	
(Nos.)	
(Nos.)	

# 12.10.513



\* includes COVID related beneficiaries

# **Community Engagement**

Developmental projects within our CSR programme are identified by engaging community members. This helps us understand their core needs, facilitating appropriate interventions to address the identified gaps. Utilising a participatory rural appraisal mapping process aids in this endeavour. Regular consultations with village panchayats and other local stakeholders ensure a collaborative approach to project selection, planning, implementation, and the monitoring of both progress and impacts. We have clear communication channels and capacity-building initiatives for local stakeholders. We conduct regular surveys and stakeholder engagement programs at all local operations, to identify emerging concerns and track grievances.

# **Community Development Programmes**

Our community development programmes span across 9 states, 15 districts and 311 villages in India. In FY 2023-24, our CSR initiatives impacted approximately 12.11 lakh individuals, with a total spend of ₹58.39 crore. Our projects focus on education, healthcare, sustainable livelihood, infrastructure development and social reform, epitomising a holistic approach to inclusive growth.

School Enrolment Programme

**Literacy Outreach** 





Developed and implemented to ensure quality early childhood education at the anganwadi in Saiyedpura village, reaching 3,396 children.

We work towards ensuring zero dropouts at our Aditya Bal Vidya Mandir by providing educational materials and uniforms to students. We distributed free notebooks to students from 1st to 10th standard in CSR village schools and distributed 70 wooden desks to 10 CSR village schools.

#### Ι. Education

Grasim strives to elevate the standard of education through collaborative efforts, capacity-building workshops, networking opportunities, and bolstering schools and Anganwadi centres. We also support:

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



# **Project Gyanarjan**

We provided special coaching to 130 students from underprivileged backgrounds, between 10<sup>th</sup> and 12<sup>th</sup> standards, to excel in their Board examinations and competitive entrance examinations for engineering and medical sciences.

Learning kits and sitting mats were provided to 150 Anganwadis, benefitting over 1.500 children.

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#### II. Healthcare

We aim to broaden access to quality healthcare facilities for people living in rural and other underserved areas by extending our support to:

- Hospitals
- Primary health care centres
- Anganwadis
- Mother and Childcare projects

- Broad-based healthcare programmes like:
- Immunisation with a thrust on polio eradication
- Managing malnutrition
- Adolescent health
- Specialised support for the visually impaired and differently-abled
- Awareness building for preventive health care
- Non-communicable diseases

Grasim operates 5 hospitals in collaboration with the Grasim Jan Seva Trust, catering to approximately 1.57 lakh outpatient department (OPD) patients. Our healthcare services cater to individuals in need, with particular attention given to children, senior citizens, women, and marginalised communities.

**Rural Mobile General** 

Health Check-up Camps

#### **Delivery Room**

7.77.196

No. of Beneficiaries



We renovated the Delivery Room at the Halol Referral Hospital to improve maternal and child healthcare outcomes. The Insulators CSR team undertook the initiative to equip the room with modern delivery beds and other essential infrastructure to create a safe and comfortable environment for expectant mothers.

#### **Medical Services**



A Blood Pressure and Sugar Screening Camp, a Larva Survey for the prevention of water and vectorborne diseases, Immunisation for Children, National Pulse Polio Drive and Health Check-up camp have been conducted in collaboration with local Primary Health Centres (PHC).



# In collaboration with Karnataka Marwari Youth Federation, Bengaluru, Grasim organised its 29<sup>th</sup> Free Artificial Limb Fitment Camp to mark the birth anniversary of Mr. Aditya Vikram Birla. In the reporting year, we have fitted 205 limbs and 20 hands for 225 Persons with Disabilities (PwDs) with an

overall coverage of 4,641 people.

We extended our outreach to the

local community by providing OPD

services to over 6,000 residents in

the vicinity of the Aditya Birla Jan

catering to their healthcare needs.

Seva Trust dispensary at Rishra,

**Project Arogya** 

With the help of Grasim Medical Centre, we set up 1,031 daily Rural Mobile General Health Checkup Camps at remote CSR villages to ensure effective treatment and access to free medicines. This initiative benefitted 46,283 people.

#### Cancer Screening Camp



A cervical cancer and breast cancer screening camp was organised in collaboration with the Rotary Club Kolkata Yuvis and catered to over 100 women in the community.

#### III. Sustainable Livelihood

Our programmes are designed to improve livelihood opportunities to suit local circumstances and embrace environmentally sustainable practices. These include:

- · Formation of Self-Help Groups to empower women
- Skill enhancement and vocational training
- Partnership with Industrial Training Institutes to build employable skills
- Agriculture development and better farmer focus
- Animal Husbandry
- Soil and Water Conservation
- Watershed Development
- Agro-Forestry

# **Empowering Women and Rural Youth**

# Project Kaushalya – Skill Development Centre

#### Project Anya

Through Project





To enhance rural employment and entrepreneurship, we provided manufacturing and services industryoriented short-term skills training to 4,863 rural youth in the areas of retail sales, beauty and hair care, electrician, computer operator, and garment stitching. In FY 2023-24, we focused on training women, resulting in over 60% of the participants being young women and girls.

Anya, our CSR team procured and provided women members with waste fabric, and they converted them into face masks of varied designs and colours. Made of linen and natural fibre. the masks had antimicrobial properties and were distributed among community members at no cost. Additionally, 'Lakshmi Mahila Samiti' was instituted to empower women to access credit from formal financial institutions.



# Enterprise Development



In FY 2023-24. our CSR teams developed 14 enterprises led by women, who engaged in the production and sales of various handmade items like candles, agarbattis, handicrafts, papads, and pickles to supplement their family income. Our CSR teams helped women entrepreneurs through product training, and infrastructure support, by providing seed funding and market linkages.

# Self Help Groups (SHGs)



Grasim promotes and supports women by establishing Self Help Groups (SHGs). In FY 2023-24, 129 women SHGs were formed. In total, 450 SHGs are currently being supported through capacity building, training, production and market linkages.

#### **Animal Husbandry**

In FY 2023-24, the Bharatiya Agro Industries Foundation (BAIF) and Bharatiya Institute for Sustainable Livelihoods and Development (BISLD) enhanced the quality and well-being of cattle and livestock, positively impacting 27,931 beneficiaries.



Artificial Insemination (AI) was utilised to help produce highgenetic potential animals, with 606 cases resulting in over 150 female calves. Each of the calves had a minimum value of ₹25,000 by the end of the second year. The programme involved providing doorstep Al services to farmers, leading to the breed improvement of 470 animals and benefiting 356 families. Additionally, our improved management practices on animal husbandry led to increased milk production and enhanced productivity.

We took proactive steps to safeguard animal health by administering 6,029 vaccinations, 2,531 deworming procedures, and providing 92 mineral mixtures to prevent the spread of foot and mouth disease. Small ruminant deworming treatments covered 531 calves and 186 sheep and goats, effectively benefitting 717 animals and 324 families. Additionally, Grasim organised 3 health camps to provide curative healthcare measures that treated 318 animals and benefited 182 families. To care for old, injured, and abandoned cattle and create awareness of cruelty against cows, Grasim established a modern gaushala spanning 14 acres. The facility that can house 1,000 free-roaming cattle is located at Takrawada Village of Nagda, Madhya Pradesh. Three cow sheds were constructed, and 856 cows were mobilised from nearby villages and the Nagda town after following an SOP, and in coordination with the veterinary department and government authority.

# Sustainable Agriculture

#### **Project Krishak Samriddhi**

To enhance employment opportunities in agriculture and to promote agriculture as lucrative employment for more than 10,000 rural youth, Grasim created a sustainable value chain for agricultural produce and enhanced agricultural income in FY 2023-24. This involved promoting Farmer Producer Organisations (FPOs), developing Wadis, strengthening village-level institutions and supporting women agriculturists. We also offer training to rural youth in the cultivation, storage, grading, and packaging of high-value crops like orange, mushroom and dragonfruit.

### **Maize Seeds Distribution**

The Grasim Jana Seva Trust, which works in the 10 villages of Ranebennur Taluk of Haveri District, distributed maize seeds for 1 acre of land to 47 marginalised women farmers in FY 2023-24. These lands were regularly monitored after sowing the seeds with regular feedback collected from the beneficiaries. This encouraged marginalised farmer women to harvest the crop on time. It was observed that the average amount received after selling the crop yield from the 1 acre of land increased to ₹58,000 with an average quantity of 20 quintals, resulting in a significant average profit of ₹38,000.

#### **IV.** Infrastructure Development

In this space, we endeavour to set up essential services that create a strong foundation for sustainable development by offering:

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

Grasim is actively engaged in improving the infrastructure within and around our operations to foster community development. Our efforts are directed towards improving the quality of life and empowering local communities. This includes initiatives such as building roads, schools, healthcare facilities, and other essential amenities that contribute to the well-being and progress of the community. By investing in such infrastructure, we aim to achieve sustainable and inclusive growth, thereby uplifting the overall socio-economic landscape of the regions we operate in.



#### **Providing Well-equipped Learning Spaces**

In FY 2023-24, we undertook the comprehensive renovation of the anganwadi at Saiyedpura village to strengthen its infrastructure and offer well-equipped learning spaces. 

Our renovation efforts also include:

washroom facilities at the Government School in	compound wall and layering of floor tiles at the Ananda Balawadi in Kavalettu village
Higher Primary School in Nalavagala village	Construction and renovation of a new classroom at Prerna Vidhya Mandir, Kharach that benefitted 100 students from 9 <sup>th</sup> and 10 <sup>th</sup> standards

#### Water Conservation



To ensure safe drinking water at educational centres, we installed 2 solar water heaters, each with a capacity of 2,000 litres, at the Morarji Desai Residential School in Makanur village. We also set up a robust RO system at the government school in Nutan, Halol. We installed water purification systems and water coolers in five government schools, giving access to clean water to over 10,000 students. A water purification system and water chiller were installed at the Government ESI Hospital, Serampore to provide clean drinking water to patients and other visitors.

We installed a reliable rooftop rainwater harvesting structure at the Shimla Government High School building in Rishra Gram Panchayat to conserve groundwater and encourage students to adopt water conservation practices. In association with other NRI donors, Grasim continues to enhance the water-holding capacity of the pond at Dayadra which has benefitted more than 2,500 people.

#### V. Social Reforms and Development

To bring about social reform in our communities and achieve progress, 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
- Promoting participation in sports

We aim to drive positive social transformation through awareness building, dialogue and consultations. Our efforts extend across diverse sectors of society, aiming to address their unique challenges comprehensively.



#### **Enhancing Awareness of Local Stakeholders**

# Health and Safety

We organise safety awareness campaigns, drives, sessions and training on Road Safety, Fire Safety, Disaster Management and LPG Safety with the involvement of gram panchayat members, village leaders, primary school children and other community members. We collaborated with the Gujarat State Disaster Management Authority (GSDMA) and the District Emergency Operation Centre (DEOC) to organise School Safety Week for primary school children.

# **2** SUPPLY CHAIN MANAGEMENT

Supply chain sustainability is a key goal at Grasim. We collaborate with our partners to ensure sustainable practices that comply with all relevant laws and are in alignment with our ESG standards.

# Suppliers Management and Commitment

Our Supplier Code of Conduct (SCoC) guides our value chain sustainability efforts. This code highlights ESG integration in value creation, retention and enhancement through mutually beneficial relationships with our suppliers, vendors, third-party authorised contractors, consultants, and agents.

The SCoC outlines essential commitments for our value chain partners, emphasising Human Rights and Labour Practices with a zero-tolerance policy for forced or child labour, discrimination, and sexual harassment. It ensures fair wages, acceptable living conditions, defined working hours, stringent health and safety measures, effective grievance mechanisms, and the right to collective bargaining.

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Project Vikas



Under Project Vikas, we supported 300 families in slum areas through WASH and Sanitation awareness sessions and training. We distributed sanitary pads and napkins among 100 adolescent girls to spread menstrual hygiene awareness. We provided basic hygiene and WASH training to 100 children, safety shoes to 50 workers employed as rag pickers, and tarpaulin sheets to protect their dwellings from weather conditions.

Environmental stewardship is an essential area of focus and requires partners to monitor and manage GHG emissions, and energy and water use, enhance biodiversity, and minimise pollution. Our procurement practices involve regular reviews with vendors to ensure compliance with these standards. Additionally, it enforces ethical business practices, including anti-corruption, anti-competitive practices, and managing conflicts of interest.

# **Supplier Registration and Onboarding**

We have a structured onboarding process that uses a detailed registration form to assess suppliers' compliance with legal and ESG standards. It collects all necessary information, such as certifications, financial health, and information on ESG parameters including human rights, environmental impacts, business ethics, etc.

# **Supplier Screening and Identification**

Our screening process evaluates potential suppliers on environmental, social, governance, and business criteria, ensuring alignment with our ESG objectives. This involves desk assessments to verify the information received in the registration form and assessing the country-specific, sector-specific and commodity-specific risks.

Suppliers are categorised into Tier 1 and non-Tier 1, based on their direct supply role and procurement volume. Tier 1 suppliers refer to suppliers that directly supply goods, materials or services to our Company, whereas non-Tier 1 refers to suppliers that provide their products and services through Tier 1 suppliers.

Our supplier and vendor selection process includes the following considerations:

- About 10% weightage is assigned to ESG criteria relative to other factors such as price, quality, and delivery time
- About 5% of the total weightage is allocated to environmental, occupational health, safety and well-being
- Preferential inclusion of vendors and suppliers with better ESG performance through the application of weightage assigned for ESG criteria in supplier selection and contract awarding
- Exclusion of vendors and suppliers from contracting if they are unable to achieve minimum ESG requirements within a predetermined timeframe

Supplier assessments incorporating environmental and social considerations are undertaken annually, either by an independent third party through on-site visits, or internally through online surveys to thoroughly evaluate and identify key supply chain partners. Our suppliers are categorised as follows:



In line with our ESG commitments, we actively support our value chain partners by conducting annual self-assessments to identify potential risks, devise solutions and implement effective mitigation actions. Each supplier receives a performance rating and constructive feedback on how to enhance their systems and processes.

# Supplier ESG Programme

We have developed and implemented a comprehensive ESG programme to enhance the sustainability of our value chain partners. We ensure the alignment of purchasing practices with the Grasim's Supplier Code of Conduct to avoid potential conflicts with ESG requirements. We hold regular workshops and provide technical support to build capacity around key ESG areas such as social issues and human rights, environmental stewardship and decarbonisation, and diversity and inclusion. Our training sessions aim to enhance the performance of our partners, with continuous feedback gathered to address their concerns promptly. We also train our contractors and internal stakeholders to participate in our Supplier ESG programme which is overseen by our Board-level Risk Management and Sustainability Committee. Furthermore, our vendor development process includes engaging with communities from vulnerable and marginalised groups, focusing on sustainable procurement from local vendors to optimise costs and create shared value.

# INITIATIVES

CSF business has initiated 'Project Synergy' for supplier sustainability assessment. The aim of this project is assess the business' critical suppliers for ESG related aspects. The business has engaged a third party to carry out this assessment. As a part of the assessment, suppliers will be guided through a specifically designed Sustainability Supplier Assessment Questionnaire (SAQ) and assisted in creating the required action plan. By means of this SAQ, comprehensive insights of our suppliers' sustainability practices are gathered.

# Sustainable Supply Chain Initiatives

- We reduce our carbon footprint by minimising the use of road transport and increasing our dependence on rail transport.
- We prioritise responsible sourcing, especially in our Cellulosic Fibre business.
- We adhere to globally recognised standards such as FSC<sup>®</sup>, SFI<sup>®</sup>, and PEFCTM by exclusively sourcing wood from sustainably managed forests.

# **3** CUSTOMER RELATIONSHIP

We are committed to delivering the highest standards of products and services. We offer a range of differentiated products, services, and solutions tailored to meet the needs of various customer groups, including B2B (business accounts), B2C (individual consumers), and B2ECA (emerging corporate accounts). Our focus on integrating responsible practices and health and safety provisions, alongside the delivery of a superior customer experience at all touchpoints, has strengthened our customer reach.

# CUSTOMER OUTREACH THROUGH LIVA BY BIRLA CELLULOSE

Grasim recognises the importance of handspun and woven handloom fabrics in preserving India's cultural heritage. Under the LIVA brand, Birla Cellulose promotes sustainable and eco-friendly fashion using fibres like Viscose, Modal, and Excel. Through technical seminars, marketing activities, and awareness campaigns, we enhance visibility and support for the handloom sector. Our efforts also include rural outreach and market connectivity initiatives, actively creating economic and social opportunities for weavers and sustaining cultural value for consumers.

We measure progress on our customer engagement strategies through the Lakshya Channel Partner Loyalty programme, which rewards dealers for meeting sales targets. This programme has also helped expand our product range. 

- Our publicly accessible <u>Wood Fibre Sourcing Policy</u> ensures the traceability and validation of wood sources through internal mechanisms and stringent checks.
- We have implemented the 'Forest to Fashion' Initiative, a groundbreaking project in the apparel industry for supply-chain mapping and collaborating with global brands to trace raw material sources.
- Our publicly accessible <u>Grievance Redressal Policy</u> provides a channel for suppliers to submit their concerns via email.

# **Customer Satisfaction Index**

We assess customer satisfaction using the Net Promoter Score (NPS), where customers rate their likelihood of recommending us on a scale of 1 to 10. A dedicated team conducts monthly feedback sessions across departments, focusing on key accounts. This feedback is relayed to sales representatives and zonal heads to promptly address any concerns.

# **Customer Privacy and Data Protection**

In today's digital age, protecting customer data is a top priority. We adhere to a detailed <u>Information Security</u> <u>Policy</u> that is publicly available, to ensure customer data protection. Our ISO 27000 certification underscores our commitment to data confidentiality and cybersecurity.

Zero Instances of data breach