

# Governance that Leads with Purpose

At Grasim, corporate governance is central to our commitment to ethical conduct, transparency and long-term value creation. We operate under a robust framework that upholds the highest standards of integrity, accountability, and fairness across all aspects of the business.

Our governance practices go beyond regulatory compliance to build trust, manage risks, and support sustainable performance. With defined roles, strong oversight, and active stakeholder engagement, we ensure sound decision-making and effective risk management.

By embedding ESG considerations into our governance framework, we align sustainability with strategic priorities, enhancing resilience, strengthening stakeholder confidence, and driving responsible, inclusive growth.

## Core Tenets of our Corporate Governance Framework



**Accountability and Interests:** Towards all Key Stakeholders



**Control:** Prudent Management



**Monitoring:** Strategic Guidance and Effective Supervision



**Ethics:** Protection of Minority Interests and Rights



**Transparency and Disclosures:** Timely and Accurate



**Review:** Maintain Compliance and Governance of the Highest Standards



## Governance and Ethics

### Business Values and Ethics

#### Code of Conduct for Board Members and Senior Management

Establishes the guiding principles to ensure consistent adherence across the organisation

#### Policies

Ensure alignment with regulatory requirements, commitments, and stakeholder expectations

#### Systems and Standards

Internal directives that shape day-to-day activities across the organisation

## Transparent Leadership Anchored in Integrity and Accountability

Grasim's Code of Conduct (CoC) serves as the foundation for ethical and responsible behaviour across the organisation. It sets clear expectations for integrity, transparency, and professionalism and applies to Directors, senior management, employees, and key external stakeholders, including vendors and partners. The Code promotes independent judgement, accountability and responsible leadership, embedding these values into daily operations to strengthen stakeholder trust and reinforces Grasim's reputation as a value-driven organisation. A key focus of the CoC is managing conflicts of interest. All covered individuals are required to avoid situations where personal, financial, or other interests could conflict or appear to conflict with the interests of the Company.

Our Anti-Bribery and Anti-Corruption Policy reinforces our zero-tolerance stance on unethical conduct. It sets clear standards and responsibilities for employees, management, and business partners to prevent bribery, corruption, and conflicts of interest. The policy ensures compliance with applicable laws and promotes a culture of integrity, accountability and responsible behaviour across the organisation.

## Board of Directors

The Board of Directors plays a central role in shaping our governance framework and providing strategic oversight. Comprising 14 members with diverse expertise, the Board ensures informed, transparent decision-making. It oversees key areas including risk management, financial integrity, and regulatory compliance, reinforcing a strong culture of ethics and accountability. These efforts strengthen stakeholder trust and support inclusive and sustainable value creation.

## Board Evaluation

We conduct an annual evaluation of the Board, its committees, and individual Directors to enhance governance effectiveness. The structured review assesses strategic guidance, quality of decisions, risk oversight, and the effectiveness of communication and participation.

## Board Diversity

Our Board Diversity Policy reflects our commitment to inclusive and balanced governance. By promoting diversity in gender, expertise, and background, we strengthen strategic insight and ensure fair, equitable leadership.

## Board and CEO Compensation

The Board Remuneration Policy complies with applicable laws and aligns with the Aditya Birla Group's Executive Remuneration Philosophy. It is built on the principles of fairness, transparency, and alignment with strategic and ESG goals. The policy aims to strike an appropriate balance between key components:

- Fixed Cash Compensation (Basic Salary and Allowances)
- Annual Incentive Plan
- Long-term Incentives
- Perks and Benefits

### Key Components of Annual Incentive Plan

- Financial and operational metrics achievement
- ESG performance

Approach to Governance

Board of Directors



**Mr. Kumar Mangalam Birla**  
Chairman, Non-executive and Non-independent Director

M



**Mrs. Rajashree Birla**  
Non-executive and Non-independent Director

C



**Ms. Ananyashree Birla**  
Non-executive and Non-independent Director



**Mr. Aryaman Vikram Birla**  
Non-executive and Non-independent Director



**Mr. Sushil Agarwal**  
Non-executive and Non-independent Director

M



**Mr. Himanshu Kapania\***  
Executive Director, Managing Director

M M M M M



**Mr. Harikrishna Agarwal\***  
Executive Director, Managing Director

C M M M M M M



**Ms. Anita Ramachandran**  
Independent Director

C C M



**Mr. N. Mohan Raj**  
Independent Director

C C



**Mr. Yazdi Piroj Dandiwala**  
Independent Director

M M M



**Mr. V. Chandrasekaran**  
Independent Director

C M M M M



**Mr. Adesh Kumar Gupta**  
Independent Director

M M M



**Mr. Ashvin Dhirajlal Parekh**  
Independent Director

M



**Mr. Haigreve Khaitan**  
Independent Director

M



**Mr. Mukkavilli Jagannath**  
Non-executive and Non-independent Director

- Nomination & Remuneration Committee

Audit Committee

Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

Risk Management & Sustainability Committee

PIT Regulation Committee
- Finance Committee

Rights Issue Committee\*

C – Chair    M – Member

\*Ceased to be Executive Director, Managing Director and the member of Committee w.e.f 31<sup>st</sup> March 2025.  
#Appointed as the Executive Director, Managing Director and the member of the Committee w.e.f. 1<sup>st</sup> April 2025.  
\$Dissolved w.e.f. 31<sup>st</sup> March 2025.



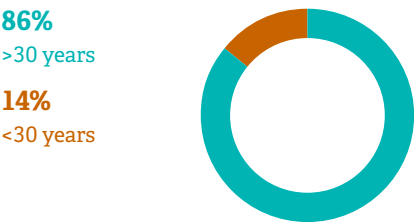
Approach to Governance

Board Snapshot

Board Diversity



Board Age Profile



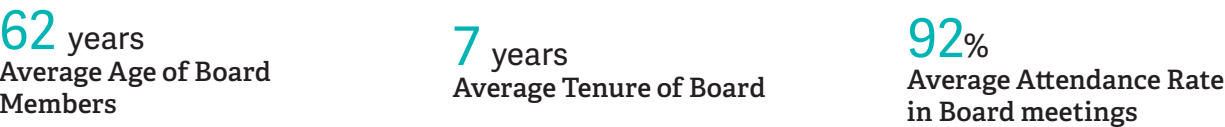
Board Experience\*



Independent Directors



Tenure



Board Competencies

Corporate Governance, Legal & Compliance

Financial Literacy

Industry Knowledge

Technology, Digitisation & Innovation

Strategic Expertise

Sustainability

General Management

Human Resource Development

Marketing

Risk Management

Note: Number and percentage of representation of women in the Board of Directors data is covered under limited assurance.

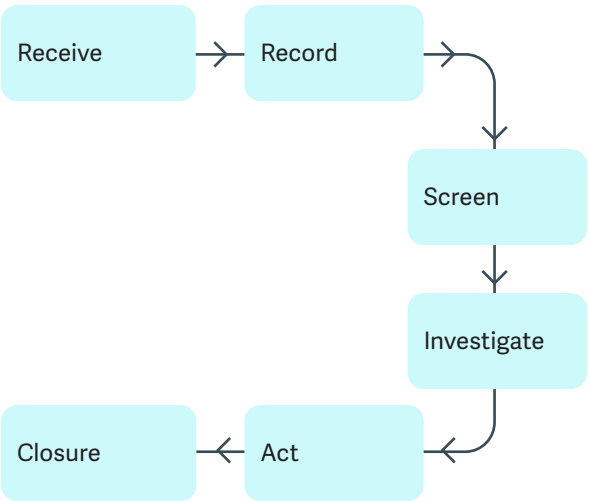
\*On the Board of Grasim Industries Limited



Grievance Redressal Mechanism

Grasim maintains a transparent grievance redressal mechanism that enables stakeholders to raise concerns without fear of retaliation. Grievances can be submitted through a designated phone number or email. The Admin and Liaison Officer oversees timely resolution in line with defined protocols, with formal communication of outcomes to the complainant. We actively promote awareness of this mechanism across stakeholder groups, reinforcing our commitment to ethical conduct and responsive engagement.

Grievance Redressal Process



Roles and Responsibilities

Grievance Committee

Functional Heads - HRM, F&C, and Environment

- Investing grievances and engaging with relevant external stakeholders
- Developing strategies for effective grievances resolution
- Monitoring and tracking the progress of grievance redressal

Stakeholder Contact Officer

Admin and Liaison Officer

- Collect and document grievances in accordance with the established grievance redressal mechanism
- Maintain records of all grievances, correspondences, and interactions with external stakeholders
- Monitor grievances and trends over time and report key insights to the Committee
- Escalate relevant grievances to the Grievance Committee for appropriate action

Employees

CSR, IR, Admin, and Environment Officers

- Address grievances in person and submit the Grievance Lodgement Form to the Stakeholder Contact Officer
- Provide support and guidance in formulating a response and facilitating resolution of the grievance

Cyber and Information Security

We prioritise cyber and information security to protect business continuity, safeguard stakeholder trust, and meet regulatory requirements. A comprehensive Information Security Policy governs data classification, usage, and protection across all platforms and devices, including those managed by third parties.

We implement strong security measures such as access controls, encryption, data backups, and continuous system monitoring. Business continuity and contingency plans are in place and regularly tested to ensure operational resilience against cyber threats.

Regular third-party vulnerability assessments and internal audits of IT systems and Information Security Management Systems (ISMS) help evaluate control effectiveness and compliance with internal policies and global standards. All employees undergo mandatory training to identify threats, follow best practices, and report incidents promptly.

100% ISO 27001 certification across our units\*

\*This excludes three newly commissioned Paints sites, where the certification process is currently underway.