

Corporate Social Responsibility Policy

For us in the Aditya Birla Group, reaching out to underserved communities is part of our DNA. We believe in the trusteeship concept. This entails transcending business interests and grappling with the “quality of life” challenges that underserved communities face, and working towards making a meaningful difference to them.

Our vision is - “to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index” (Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development).

Implementation process: Identification of projects

All projects are identified in a participatory manner, in consultation with the community, literally sitting with them and gauging their basic needs. We recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, and other influentials, projects are prioritized.

Arising from this the focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing social causes. All of our community projects are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development.

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

- Formal schools
- Balwadis for elementary education
- Quality primary education
- Aditya Bal Vidya Mandirs
- Girl child education
- Adult education programmes.

In **Health care** our goal is to render quality health care facilities to people living in the villages and

elsewhere through our Hospitals.

- Primary health care centres
- Mother and Child care projects
- Immunization programmes with a thrust on polio eradication
- Health care for visually impaired, and physically challenged
- Preventive health through awareness programmes.

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
- Vocational training through Aditya Birla Rural Technology Parks
- Agriculture development and better farmer focus
- Watershed development
- Partnership with Industrial Training Institutes.

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.

To bring about **Social Change**, we advocate and support

- Dowryless marriage
- Widow remarriage
- Awareness programmes on anti social issues
- De-addiction campaigns and programmes
- Espousing basic moral values.

Our vision is - “to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index”

(Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development).

Activities, setting measurable targets with timeframes and performance management.

Prior to the commencement of projects, we carry out a baseline study of the villages. The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, population data - below the poverty line and above the poverty line, state of infrastructure, among others. From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the marginalized. These plans are presented at the Annual Planning and Budgeting meet. All projects are assessed under the agreed strategy, and are monitored every quarter, measured against targets and budgets. Wherever necessary, midcourse corrections are affected.

Organizational mechanism and responsibilities

The Aditya Birla Centre for Community Initiatives and Rural Development provides the vision under the leadership of its Chairperson, Mrs. Rajashree Birla. This vision underlines all CSR activities. Every Manufacturing Unit has a CSR Cell. Every Company has a CSR Head, who reports to the Group Executive President (Communications & CSR) at the Centre. At the Company, the Business Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the projects is on the various Unit Presidents and CSR teams. To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

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 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 corporate culture.

The Company engages with well established and recognized programs and national platforms such as the CII, FICCI, ASSOCHAM to name a few, given their commitment to inclusive growth.

Budgets

A specific budget is allocated for CSR activities. This budget is project driven.

Information dissemination

The Company's engagement in this domain is disseminated on its website, Annual Reports, its house journals and through the media.

Management Commitment

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Our Corporate Social Responsibility policy conforms to the Corporate Social Responsibility Voluntary Guidelines spelt out by the Ministry of Corporate Affairs, Government of India in collaboration with FICCI (2009).

TOWARDS INCLUSIVE GROWTH

A snapshot of your Company's work :-

Your Company's CSR activities extend to 1,082 villages, in proximity to its plants, across the country.

Health Care

- At the rural medical camps organized for general health check-ups 42,382 villagers were examined. Those afflicted with serious ailments were taken to the company's hospitals for treatment.
- Intra Ocular lens surgery benefited 1,488 cataract patients at Veraval, Jagdishpur and Renukoot.
- The Company's skin care centre at Jagdishpur attended to 9,000 patients.
- More than 5,000 truck drivers, their helpers and migrant workers were sensitized to the dangers of HIV/AIDS.



INCLUSIVE GROWTH

Mother and Child Care

- We administered 3.9 lakh polio doses to children at Hi Tech Carbon, Gummidipoondi; Indian Rayon, Veraval; Indo Gulf Fertilizers, Jagdishpur; Hi Tech Carbon, Renukoot; Jayashree Textiles, Rishra and Aditya Birla Insulators, Halol.
- More than 885 couples have opted for planned families and responsible parenting at Veraval.
- Over 5.3 lakh expectant mothers were provided pre and post natal care at Indo Gulf Fertilizers, Jagdishpur.
- Nearly 3 lakh children were immunized against tuberculosis, diphtheria, tetanus and measles.



Education

- Your company supports the education of the girl child. This year we were able to persuade the parents of 725 girls who had dropped out from their schools in the villages to get back to their studies. These girls have since been enlisted at the 8 Kasturba Gandhi Balika Vidyalaya supported by us.
- At the Aditya Birla Primary School (Renukoot), 160 tribal children receive free education.
- Uniforms, books and bags have been distributed to 3,641 children in rural areas in proximity to our plants.
- At Gummidipoondi and Veraval, 200 students were trained in Office Applications (MS Office and Tally).
- Adult education centres at Gummidipoondi, Veraval and Jagdishpur continue to provide informal education to 217 adult women.
- At Jagdishpur the talent search program has proved extremely popular. This year 1,227 students participated in it.



Safe drinking water and sanitation

- The Safe Drinking Water Project implemented through the installation of the reverse osmosis plant in 14 Government Primary and High Schools in Tamil Nadu, 9,547 children now have access to clean water.
- More than 244 hand-pumps were installed at your Company's plants.
- The "Nirmal Gram Puraskar Award" (2009-10), a prestigious National award has been conferred upon S. R. Khangittai (Tamil Nadu), our model village.
- Over 200 individual household toilets were constructed in Papamkuppam and S. R. Khangittai (Tamil Nadu).
- Sanitary vending machines in six Government Secondary Schools installed by us at Gummidipoondi, have resulted in increased attendance of girls at the schools.



Infrastructure

- To conserve water and support agriculture, 67 ponds, check dams and bore-wells were constructed.
- At Jagdishpur, the renovation of 110 Government Primary Schools and facilitating the setting up of the mid-day meal kitchen at Veraval has attracted more children to the schools.
- The installation of 59 solar lamps at schools in Renukoot has been a boon to students.
- A community hall at Gummidipoondi, community health centres at Renukoot and Rishra and a 75,000 litre overhead tank at Veraval with adequate pipelines to the villages, have provided a welcome relief in these critical areas.

Sustainable livelihood

- At Jagdishpur, 43 students trained at the Birla Shaktiman Vocational Training Centre, this year have become entrepreneurs. Alongside, 30 leprosy cured patients have been rehabilitated. They have been integrated into the mainstream. All of them have taken to different trades to eke out a sustainable livelihood. Elsewhere in Bangalore, Gummidipoondi and Jagdishpur over 110 women trained by us have set up tailoring and zardosi embroidery and provision stores.
- To promote sustainable agriculture at Veraval, 17 farmer interest groups covering 160 farmers have been formed through a robust linkage with the Agriculture Technology Management Agency (ATMA). At Renukoot 150 farmers have been trained in modern agricultural practices.
- We linked 7,500 women through 500 Self Help Groups this year in our efforts towards women empowerment. This initiative has been undertaken at all of your Company's Units.



In all of our work, our goal is to bring in inclusive growth, collaborating with the Government and other stakeholders.



The challenges that the world faces on environment conservation, are indeed alarming. Just to highlight a few – climate change, the severity of droughts and floods, their impact on rain fed agriculture, the emission of greenhouse gases and our ability to pursue sustainable development. We in India are no exception to these issues. Environment conservation and sustainable development are continuously on your Company’s radar. Hence these are integrated into its business strategies as well as its efforts towards fostering inclusive growth through its rural development and community initiatives.

Your Company’s plants – the Rayon Plant at Veraval, Jaya Shree Textiles at Rishra, the Carbon Black Plants at Renukoot and Gummidipoondi and Insulator Plants at Rishra and Halol are all ISO 14000 EMS certified. Your Company’s plants have also received the OHSAS 18001 Certification for Safety Management Systems and are SA 8000 certified for Social Accountability Standards.

An in-depth environmental audit is conducted at your Company’s plants by professional Environment Auditors, The Central Salt and Marine Chemical Institute (Bhavnagar) – a Gujarat Pollution Control Board recognized Institute, GITCO-Ahmedabad and the Bureau of Indian Standards. Their Audit Reports validate our commitment to environment conservation. Additionally, trained environment systems auditors conduct periodic checks.

Your Company’s Rayon Division is the only private Unit in the Saurashtra Region (Gujarat) to operate its Marine pipeline independently. It is also the first in Viscose Filament Yarn and Caustic Soda manufacturing industries to adopt long term solutions for Waste Water Management.

To monitor the treatment of effluent quality at all times the latest version of online pH meter and magnetic flow meter were installed. The Rayon Unit is now recovering the sodium sulphate and zinc from the effluent water which reduces the water pollution load. Its Caustic Division is reckoned as a

benchmark plant with the lowest rate of solid waste per ton of production and specific power consumption. This year onwards e-waste is being sold to Eco Recyclers Limited, Mumbai which has been approved by the Maharashtra Pollution Control Board, Mumbai for scientific disposal.

At your Company's **Insulators Plant** (Rishra, Kolkata), the entire cooling water used for the different heat exchangers is recycled. The cooling water passes through a closed loop with a cooling tower in a manner which ensures that the entire water is reusable.

Dual burners in kilns suitable for LPG and as well as coal gas have been introduced. Earlier kerosene oil was used for firing the kiln, LPG is a much cleaner fuel as it reduces the pollution level in the environment. Eco friendly bamboo is gradually replacing wood for packing the insulators as a better option seeing its durability and lifecycle. Sludge generated from the effluent treatment plant is recycled and sold to the cottage industries and as raw materials of low tension insulators industries.

Jayashree Textiles (Rishra) continues to receive Carbon Credits for its energy efficiency improvement projects registered under the UNFCC's Clean Development Mechanism projects.

At **Hi-Tech Carbon Division** Carbon in Gummidipoondi, an additional settling pond has been made for filtering storm and the Plant's waste water for reuse in gardening and cleaning activities.

Several initiatives have been launched towards reducing electricity consumption by totally overhauling the lighting system at the Plant and in the colony.

At your Company's **Fertilisers Division**, innovative mechanisms for environment protection are well in place. Process optimization, water conservation projects and using recycled treated effluent has substantially lowered the plant's water consumption. The Plant's water consumption level is comparable to world class Urea fertilizer plants globally. Indo Gulf Fertilisers is constantly earning carbon credits from its CDM (Clean Development Mechanism) projects.

Rain water harvesting continues to be a priority area for us. Water bodies in the catchment areas for rainwater storage and ground water recharging have been set up.

The greenbelt at our plants is simply awesome. Thousands of trees line our plants. At Veraval, the greenbelt covers more than 50% of the industrial complex. In most Plants, palm trees dot the horizon. At some points, you cannot even see the skyline. Only the leaves and the flowers and hear the cacophony of the birds. When you walk through this wooded ambience, you can never imagine that there would be a plant in the midst of nature.

Our Board, our Management and all of our colleagues are committed to living in harmony with nature.