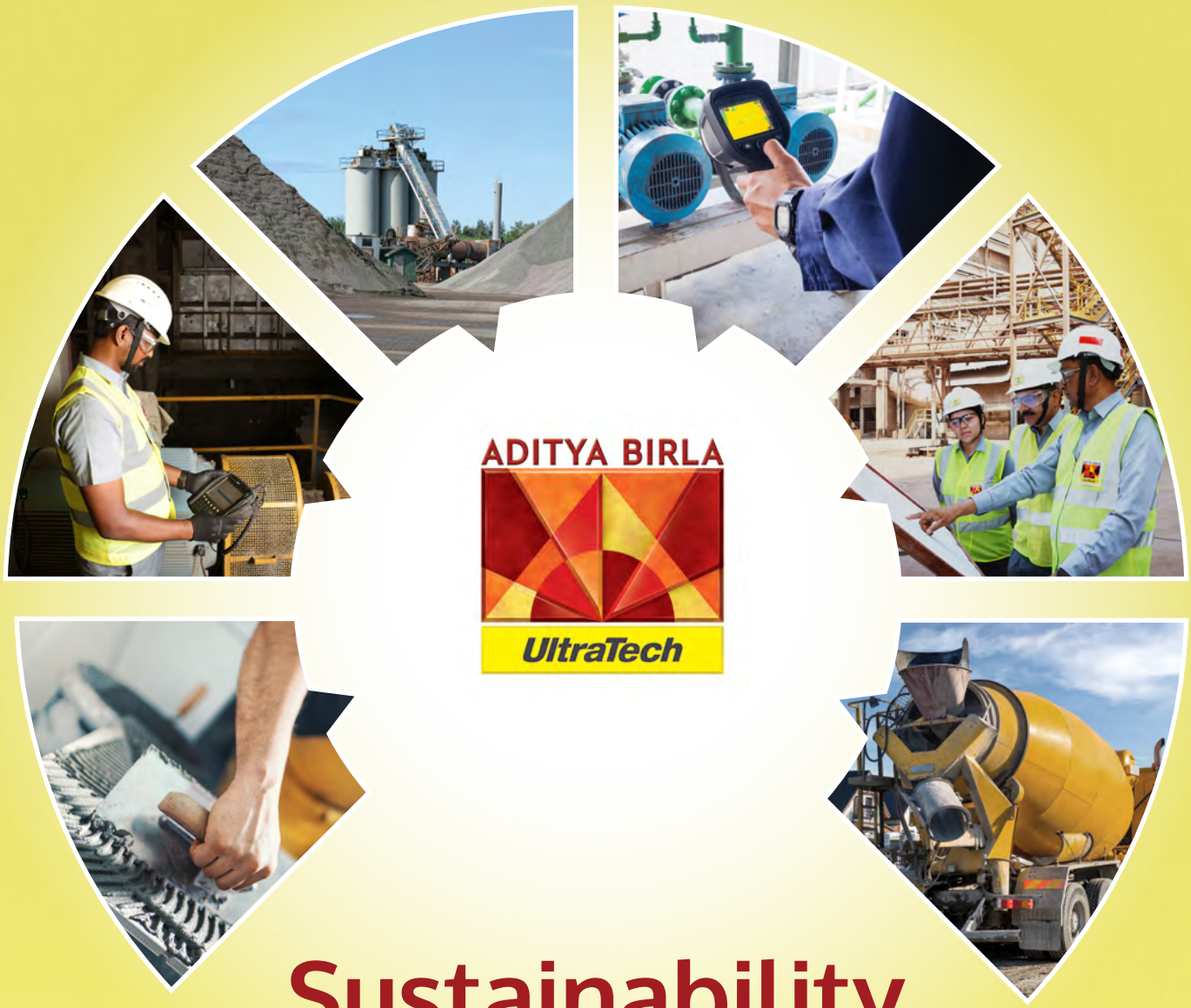


ADITYA BIRLA

UltraTech

Sustainability Linked Bonds

Performance • June 2024

Our Sustainability performance vis à vis Sustainability Linked Bonds (SLBs) Target

UltraTech Cement Limited is India's largest grey cement company and the third largest in the world (excluding China). We are also India's largest ready-mix concrete and one of India's leading white cement companies. We are committed to driving sustainability across our value chain while growing our business. Our sustainability framework is aligned with the UN SDGs, focusing on energy transition, water stewardship, biodiversity management, circular economy and decarbonisation. We have developed extensive frameworks for community relationship management, supply chain management, occupational health and safety, human rights management, employee wellbeing, new product development, innovation and R&D.

1.0 Performance on our Sustainability Linked Bonds (SLBs) target

We have developed a comprehensive strategy to achieve our SLB Target. We aim to reduce 22.2% of Scope 1 gross carbon emissions for every tonne of cementitious material produced by March 31, 2030, from the levels of March 2017. We have reduced our Scope 1 gross carbon emission for every tonne of cementitious material produced by 16% till March 31, 2024, from our base year value in 2017.

The performance details are given in below table:

Description	Unit	UltraTech
Absolute Gross Scope 1 Emissions	tCO_2	7,12,37,860
Scope 1 – Gross intensity value of base year 2017	$kgCO_2$/tonne of cementitious material	716
Scope 1 – Gross intensity as of March 31, 2024	$kgCO_2$/tonne of cementitious material	602
Scope 1 – Gross intensity target by March 31, 2030	$kgCO_2$/tonne of cementitious material	557
Achieved reduction in Scope 1 carbon emission for every tonne of cementitious material produced from the 2017 base year	%	16

2.0 Sustainability Initiatives and their Performance

2.1 Energy Transition

Under our energy transition strategy, we have invested heavily in Waste Heat Recovery Systems (WHRS) and Renewable Energy (RE) infrastructure. Since the last financial year (FY23), we have increased RE capacity by 77% to 612 MW, and WHRS capacity by 32% to 278 MW.

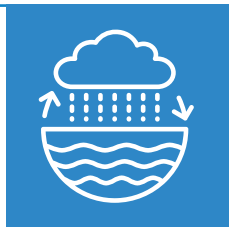
We are committed to the RE100 target of meeting 100% of our electricity requirement through renewable sources by 2050. We have adopted an interim target of meeting 85% of electricity demand through renewable energy and WHRS by 2030.

Under EP100, we had committed to doubling our energy productivity by 2035 from the base year 2010. We are proud to have fulfilled this commitment well ahead of the target year, in FY24 itself.

Our integrated cement manufacturing unit Sidhi Cement Works' exceptional performance earned two awards at the 3rd National Energy Efficiency Awards 2023, organised by the Council of Enviro Excellence (CEE). Sidhi won in the '**Best Energy Efficient Unit—CPP Coal 50-135 MW'** and '**Renewable Integration and Co-Generation Plant of the Year**' categories.

Another of our integrated manufacturing unit, Reddipalayam Cement Works, has received the '**Best Performing Wind Farms for the Year 2022-23**' award from the Indian Wind Power Association (IWPA).

2.2 Water Stewardship



We have successfully achieved our target of becoming five times water-positive across our operations in FY24. We have recycled, reused, harvested and recharged more than 105 million cubic metres of water at our sites and community projects successfully in FY24.

Our efforts have created water conservation across all units and neighbouring communities, through measures like adopting water consumption reduction technologies, conversion of mine pits into reservoirs, development of rainwater harvesting infrastructure, construction of check dams, pond de-siltation and watershed management. Greywater is recycled and reused at all our manufacturing sites, with zero liquid discharge.

Our Integrated Units, Vikram Cement Works (VCW) and Andhra Pradesh Cement Works (APCW), were honoured at the CII National Awards for Excellence in Water Management 2023. VCW was awarded a '**Noteworthy Water Efficient Unit**' in the "within-the-fence" category for water efficiency and Zero Liquid Discharge (ZLD) project. Meanwhile, APCW earned recognition as a '**Noteworthy Project in Water Management**' in "beyond-the-fence category" for its integrated watershed management project.

2.3 Circular Economy

In FY24, we utilised 33.64 million tonnes of recycled and alternative raw materials in cement production, representing 20.84% of the total input materials. We also used multiple industrial, biomass-based and municipal solid waste as alternative fuels in our kilns and captive thermal power plants. In FY24, we used 1.59 million tonnes of waste as alternative fuels and achieved a thermal substitution rate (TSR) of 5.12% in our kilns. We also achieved 3.4 times plastic-negative in our operations.

We are focused on the conservation of natural resources. We strive to integrate a circular economy at every step of the manufacturing process and value chain. We have utilised the waste generated by various industries, including our own operations, as raw materials and additives. As part of our strategy to achieve "zero waste and no landfill", all ash generated at our captive thermal power plants at our cement plants is used along with waste materials generated by other industries such as fly ash and blast furnace slag to produce various types of blended cement.

2.4 Product Stewardship

As part of our commitment is to develop sustainable products, we have conducted life cycle assessments for four of our cement products and published their Environmental Product Declarations. Over 70 of our products are GreenPro Certified, an ecolabel accredited by the Global Ecolabeling Network (GEN).

2.5 Biodiversity Management

We are committed to "No Net Loss" by 2050. We aim to conduct biodiversity assessments at all our integrated units by the end of 2024. We have assessed 15 units and are implementing Biodiversity Management Plans (BMPs) at these units.

We are also nurturing biodiversity by adopting the Miyawaki method, an innovative afforestation technique. We have planted more than 34,000 native trees at five of our units – Bela Cement Works, Gujarat Cement Works, Dalla Cement Works, Vikram Cement Works and Bara Cement Works – through this method.

2.6 Decarbonisation

We are committed to realising our 'Net Zero' Goal by 2050, in line with the Global Cement and Concrete Association (GCCA) roadmap for Net Zero Concrete by 2050. We have pledged to deploy 500 electric trucks and 1,000 CNG/LNG vehicles in our operations by June 2025, which will help reduce Scope 3 emissions, under the Government of India's 'e-Fast initiative'.

2.7 Innovation and R&D

We have signed an agreement with Coolbrook, a Finnish company, to deploy their patented RotoDynamic Heater™ (RDH) for large-scale kiln electrification technology. Using 100% renewable energy, the heat-generating capabilities of RDH™ units were demonstrated in real-time in the lab trial conducted by Coolbrook.

We are also engaging with various start-ups through the GCCA Innovation Challenge program. We have joined several industry consortiums to explore and pilot new technologies to accelerate our decarbonisation journey through carbon capture, utilisation and development of alternative supplementary cementing materials (SCMs), as well as alternative calcination technologies and processes.

Our R&D is also focused on developing low-carbon cement and concrete products. Our researchers are exploring new ways to develop green concrete, aimed at reducing our carbon footprint and conserving natural resources by using various SCMs, including C&D wastes. Given the water scarcity and stress across the country, our researchers are also working towards developing concrete that would require less water for mixing and curing during construction.

3.0 Recognition of UltraTech's ESG Efforts

Our ESG framework and initiatives have been highly rated by external ESG rating agencies, and our performance ratings are listed below:

S&P Dow Jones Indices A Division of S&P Global	S&P Global CSA Score (2023)	75
	S&P Global CSA Rank (2023) (DJSI Sector: Construction Materials)	6th
CDP	Climate Action (2023)	B
	Water Security (2023)	A-
CRISIL An S&P Global Company	ESG Score (2023)	57
MSCI	ESG Rating (2024)	B

4.0 Engagement and Policy Advocacy

As a founding member of the Global Cement and Concrete Association (GCCA), we regularly engage with policymakers to support decarbonisation policy development. To this end, we work with organisations like the Confederation of Indian Industry (CII), NITI Aayog, Bureau of Indian Standards (BIS), Department of Science & Technology (DST), under the Ministry of Science & Technology, National Council for Cement and Building Materials (NCBM), Cement Manufacturers Association of India (CMA) and Bureau of Energy Efficiency (BEE).

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Review Statement on Scope 1 GHG Emissions for Financial Year 2023-24

We have carried out a review of the data pertaining to Scope 1 GHG emissions for the period 1st April 2023 to 31st March 2024, presented in "Sustainability Linked Bonds Performance Report – June 2024" (the "Report") prepared by UltraTech Cement Limited ("the Company").

We conducted the review process by gathering evidence regarding the reliability of Scope 1 GHG emissions disclosures from various sites. The verification on sample basis was conducted for select sites in either physical or virtual mode.

We conducted a review of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/omission of relevant information/data in the Report. Our review process included:

- Evaluate and assess the appropriateness of the quantification methods used to arrive at the estimated Scope 1 GHG Emissions for the period 1st April 2023 to 31st March 2024;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Engagement through discussions with personnel at both corporate and plant/facility levels who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.

Based on the scope of our review, we conclude that the Scope 1 GHG emissions reported for 1st April 2023 through 31st March, 2024, are fairly reliable.

Indra Guha
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07 July 2024

Building solutions for a sustainable future

UltraTech Cement Limited
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