



UltraTech's Biodiversity Assessment

*Alignment with recommended biodiversity-related disclosures by
Climate Disclosure Standards Board (CDSB)*

UltraTech Cement Limited



Contents:

Requirement as per CDSB	Page Number
REQ-01: Governance	3
REQ-02: Management's environmental policies, strategy and targets	4
REQ-03: Risks and opportunities	5
REQ-04: Sources of environmental impact	6
REQ-05: Performance and comparative analysis	7
REQ-06: Outlook	8

REQ-01 Governance			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Identify the person(s) or committee responsible for biodiversity-related policies, strategy and information?	UltraTech has Risk Management & Sustainability Committee that oversee the scoping, implementation, and overall management of biodiversity associated with manufacturing locations (12 nos. in FY 2022-23)	208
2	Explain how biodiversity-related policies, strategy and management responses are delegated to management?	Biodiversity Management Plan is prepared for each unit. While the implementation and action planning is performed at the unit-level, the progress against same are monitored at central level.	67
3	Explain whether there are specific roles or mechanisms in place in priority geographical areas and for priority products/services to tackle compliance with the biodiversity-related regulatory landscape, implementation of biodiversity management responses and engagement with stakeholders?	Biodiversity Management plan is the basis for all units which covers our all-geographical areas of operation. It also includes and cater to green belt requirement laid down by Ministry of environment, forest and climate change (MoEF & CC).	67
4	Describe any systems for accountability and incentivisation of biodiversity management?	Biodiversity is part of Sustainability. Sustainability is looked after by senior management and is reviewed at board level. Thus, top executives are accountable for the same. Ultratech has taken a target of 'No net loss' in biodiversity which is a part of sustainability targets. The same is being reviewed at top management level and board.	208
5	Explain whether the governance mechanisms for biodiversity-related policies, strategies and disclosure differ from other significant concerns and, if so, why?	No, all concerns are handled with equal weightage	208

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>

REQ-02 Management's environmental policies, strategy and targets			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Provide context by explaining the biodiversity-related dependencies and impacts of the organisation with additional consideration of links to natural capital?	Cement sector is not directly dependant on biodiversity.	
2	Summarise the biodiversity policies and strategies, including definitions and how they support or link to the organisation's risks and opportunities and overall strategy?	RMS committee looks into climate change, which is one of the identified emerging risks to the business. Biodiversity policy includes afforestation and other conservation measures which helps in conserving biodiversity and mitigating the climate change effect and highlighting responsible business practices.	177
3	When applicable, explain whether and how biodiversity strategies, policies, and management are established through stakeholder engagement and connect with relevant external societal agreements, policies and targets?	Materiality exercise is done to understand the concerns of both internal and external stakeholders. From the matrix, the action plan is made in relation with government regulation, future risks and societal requirements.	40
4	Set out targets (which, where possible, should be contextual, science-based and time bound), timelines, and indicators for delivery of biodiversity policy and strategy with methods and baselines, including progress towards targets?	UltraTech has set a target of completing Biodiversity assessment of all the units by 2024 and no net loss by 2050	54
5	Detail the resourcing of the delivery and management of biodiversity policies and strategies?	UltraTech has collaborated with external parties to make Biodiversity Management Plan (BMP) and has worked on rejuvenating ecosystems at various units. The recommendation of the BMP is tracked for implementation at unit level	67

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>

REQ-03 Risks and opportunities			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Identify significant biodiversity-related risks and opportunities (including those arising from the loss of related final ecosystem services) by adopting a value-chain approach and considering different types of risk?	We have assessed the impacts of our mining operations on biodiversity and reviewed the potential dependency and management of ecosystem services using the internationally recognised Ecosystem Services Review (ESR) tool. We also assess our vendor partners on 5 pillars of our framework. One of the pillars is environment management which includes questions and disclosures on biodiversity.	67
2	Explain the implications of significant biodiversity-related risks and opportunities on business, value chain and products/services, specifying the geographical locations and time horizons in which they will materialise?	Our business is not directly impacted by biodiversity risks. Additionally, we don't have any risk related with biodiversity	
3	Quantify biodiversity-related risks and opportunities in the context of the organisation's business model and strategy, using relevant financial and non-financial metrics and the quantification of dependencies where relevant?	Five of our units are situated in ecologically sensitive areas and the risk mapping is done by third party. All non-financial metrics have been taken into consideration to quantify risks associated with operations.	67
4	Describe the systems and processes used for assessing, identifying, and monitoring biodiversity-related risks and opportunities, including whether they are integrated with existing risk management systems and processes and are stakeholder inclusive?	We have employed the Integrated Biodiversity Assessment Tool (IBAT) to assess the biodiversity of our Units. Risks identified through the process are duly considered in the risk management system. An elaborate plan is prepared to integrate mitigation action in the near- and long-term plan.	67

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>

REQ-04 Sources of environmental impact			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Provide a selection of relevant biodiversity impact indicators and metrics, considering sources of significant biodiversity impacts, changes to the state of biodiversity and valuation of impacts?	We take a plethora of indices to monitor the impact of biodiversity, which is mentioned in our Business Responsibility and Sustainability Report (BRSR). Mitigation actions are also mentioned for the points identified.	230
2	Provide relevant baselines/reference states for metrics, and both absolute and normalised metrics where possible?	When we conduct Biodiversity assessment in the area, we first map the baseline and take the same as starting point to improve.	
3	Provide explanations and contextualisation of the metrics including the methodologies used, levels of uncertainty, and appropriate narrative to assist understanding of results?	Biodiversity assessment is based on international methodologies as Integrated Biodiversity Assessment Tool (IBAT). Details are present for all the species identified, and this forms the baseline for further improvement.	67
4	Categorise and disaggregate metrics where possible to support understanding and comparability?	All the species identifies in the baseline assessment are categorised as per IUCN categorization. This form the categorization of species to be prioritized. It also provides a comparability to see which unit has more number of species in the red list as per IUCN. This helps in formulating an action plan.	

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>

REQ-05 Performance and comparative analysis			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Provide appropriate historical data to the results reported from REQ-04 for significant biodiversity-related impacts to allow for useful comparison, including details on priority geographical areas and priority products/services?	Biodiversity assessment has been undertaken for all units. It includes the number of species and their categories as per IUCN list. This list is present for all units where mapping is done. This gives a comparison of all the units where action needs to be taken and/or prioritization of action to be performed.	
2	Contextualise performance with baselines/reference states, targets and other criteria used to assess progress?	UltraTech has done the baseline mapping along with formation of Biodiversity Management Plan (BMP). Following the implementation of the BMP, the performance will be recorded.	
3	Explain the major trends with reference to drivers of change under and/or outside the control of the organisation?	UltraTech has done the baseline mapping along with formation of Biodiversity management plan (BMP). Post work on BMP, the performance will be recorded.	67

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>

REQ-06 Outlook			
Sr. No.	Disclosure requirement	Remarks	IR page no.
1	Explain the likely effect of future biodiversity-related impacts, risks and opportunities, as well as of biodiversity strategy on organisation performance and resilience, taking account of regulatory and market trends and environmental changes?	UltraTech is regularly updating its disclosures related to TCFD's recommended disclosures including mapping of all climate related financial disclosures. Biodiversity will be also considered for the financial implications while mapping.	
2	Identify and explain the time horizons used for reporting on corporate outlook?	The reporting is being done on continuous basis. The actions are also being done in parallel.	67
3	Explain any techniques, such as scenario analysis, used to inform the outlook including the methods, scenarios and assumptions used, and any shortcomings and uncertainty	In TCFD report, we have done scenario analysis. The scenario analysis consists of various scenarios of climate change which also includes impact on biodiversity and related effects on the ecosystem.	64, 137

The link to FY 23 integrated report:

<https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/financials/annual-reports/integrated-and-sustainability-report-2023-single-page.pdf>