

Creating Shared Value Through Extensive Stakeholder Engagement

SRF believes that stakeholder engagement is essential for understanding the needs and perspectives of all stakeholders. We take a collaborative approach when it comes to working with stakeholders – both internal and external.

This strong partnership is pivotal in tapping new opportunities and in building effective business strategies for the future.

(Business Responsibility Report Principle 4)

Our stakeholders include Regulatory Bodies, Shareholders, Suppliers, Customers, Employees and Local Communities. Furthermore, we have identified disadvantaged, vulnerable, and marginalised stakeholders from local communities. We are in the process of implementing various measures, identified through need assessment surveys, for their upliftment. Lastly, the strategies and measures are implemented through various Corporate Social Responsibility (CSR) initiatives in collaboration with the government and local communities.



Inclusive Stakeholder Engagement Process

To conduct business in a transparent and ethical manner, SRF has identified key stakeholders through a prioritisation exercise undertaken in consultation with the Company's management. The detailed stakeholder engagement process is explained below:



Monitor and Report

- Ensure effective, timely documentation of consultation process and learning points
- Report back to stakeholders on commitments and performance related to identified material issues
- Ensure transparency in the stakeholder engagement



Identify

- Identify internal and external stakeholders relevant to SRF
- Identify and prioritise key issues critical to each of the identified stakeholder groups

Stakeholder Engagement Process



Engage & Consult




- Engage with each stakeholder group through interviews, etc.
- Share contextual information with stakeholders
- Follow-up sessions for feedback on identified material issues






Plan

- Establish objectives and scope of the stakeholder engagement
- Allocate time, resources and responsibilities
- Design engagement strategy
- Design modes of communication for each stakeholder

The stakeholder engagement exercise undertaken has been detailed out in the table below. It captures the key stakeholder groups identified, expectations of stakeholders, mode of engagement and key topics and concerns discussed with each stakeholder group.

Stakeholder group	Key expectations	Modes of communication	Key Topics discussed	Key responsible groups
 Regulatory bodies	<ul style="list-style-type: none"> Compliance with applicable laws and regulations Participation and contribution to various initiatives 	<ul style="list-style-type: none"> Adherence to reporting requirements Industry representation on key matters 	<ul style="list-style-type: none"> Regulatory compliance Operational efficiency Development of communities Management of environmental impact Occupational Health and Safety Emergency Preparedness Air and GHG emissions Biodiversity and resource conservation Waste management 	<ul style="list-style-type: none"> Senior Management and relevant functions
 Shareholders	<ul style="list-style-type: none"> Business plans, growth feasibility and stability Better quarterly reports/ performance ratios Corporate reputation Transparent reporting Prudent capital allocation Corporate governance and risk management Regular Dividend pay-out 	<ul style="list-style-type: none"> Company website Quarterly publication of results followed by earning call Periodic Analysts' briefing and individual discussions between fund managers and the management team 	<ul style="list-style-type: none"> Financial Performance Business Risk Management Foray into new markets Optimising operational costs Corporate governance Ethics and value Energy efficiency Renewable energy 	<ul style="list-style-type: none"> Chairman and Managing Director (CMD), Chief Financial Officer (CFO) and Investor Relations
 Suppliers	<ul style="list-style-type: none"> Fair and transparent dealing Consistent business and economic growth Joint exploration of potential opportunities Maintain confidentiality of supplier data 	<ul style="list-style-type: none"> Supplier evaluation programme Periodic meetings Visits to supplier's facilities 	<ul style="list-style-type: none"> Pricing, quality and safety of raw materials Issues related with human rights Local employment Materials 	<ul style="list-style-type: none"> Sourcing

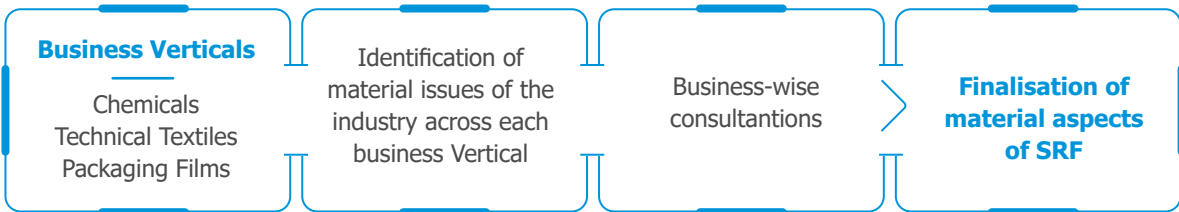
Stakeholder group	Key expectations	Modes of communication	Key Topics discussed	Key responsible groups
 Customers	<ul style="list-style-type: none"> Reputed brand, high quality and reliable products Product innovation and environmentally sustainable products Timely market / product updates Honour contractual terms and price Timely resolution of customer complaints Ethical Practices Maintain confidentiality of customer data 	<ul style="list-style-type: none"> Customer visits / audit and meetings Customer recognition/ awards programmes Customer satisfaction surveys Joint development & product reengineering 	<ul style="list-style-type: none"> Product innovation and life-cycle efficiency Service quality Resolution of Customer Complaints Quality and Safety of Products Pricing of Products Branding 	<ul style="list-style-type: none"> Marketing Technical services Customer Relationship Management
 Employees	<ul style="list-style-type: none"> Safe and healthy work environment Favourable work culture Adherence to SRF's values Fair and equal compensation Learning and development opportunities Fair, transparent, and regular rewards and recognition Regular and constructive performance management and feedback Career development opportunities Appropriate grievance redressal mechanisms Job security 	<ul style="list-style-type: none"> IT enablement & digitisation Structured and focused training programmes Employee-oriented work policies Adequate grievance mechanism for reporting and redressal Fair and transparent performance management systems and 360-degree feedback process Periodic open house meetings with senior leadership teams Regular employee engagement and feedback surveys 	<ul style="list-style-type: none"> Career growth prospects Learning and development programs Trainings Rewards and Recognition Occupational Health and Safety Work environment and policies Grievance redressal mechanism Ethics and transparency TQM Emergency preparedness Labour conditions 	<ul style="list-style-type: none"> Human Resources
 Local Communities	<ul style="list-style-type: none"> Local employment Skill development and education Local infrastructure development Conservation of natural environment Ensuring health and safety of nearby community 	<ul style="list-style-type: none"> Social impact assessment Joint development and partnership with local agencies, network partners for servicing wider set of local communities Local infrastructure development, structured learning by digital classrooms training, providing scholarships, and other necessary support 	<ul style="list-style-type: none"> Social concerns in the region Minimising negative environmental impact Local employment 	<ul style="list-style-type: none"> SRF Foundation (Corporate Social Responsibility arm of SRF) Plant-level CSR

Materiality Assessment Driving Long-Term Value Creation

Materiality assessment helps in identifying and prioritising key environmental, social and governance aspects which influences the Company's strategy, investments and business in the long run.

Given the importance of materiality assessment, we ensure continuous review of existing material topics and identification of new focus areas. For the same, SRF conducted a rigorous materiality assessment exercise in FY 2020 - '21 across all the three businesses - Chemicals, Packaging Films and Technical Textiles, following globally recognised ESG frameworks, peer benchmarking and extensive stakeholder consultations.

During the year FY 2021 - '22, SRF reviewed the material aspects identified last year. In conclusion, no new material aspects or concerns have emerged for the organisation or stakeholders for this year. SRF aims to revisit the detailed materiality assessment exercise periodically to ensure emerging material issues are captured in the materiality of the organisation. At SRF, we continue to map the Company's progress against identified material aspects and take necessary actions wherever necessary, to improve the overall business outcomes and value for stakeholders.



Below highlights the key material aspects of SRF:

