

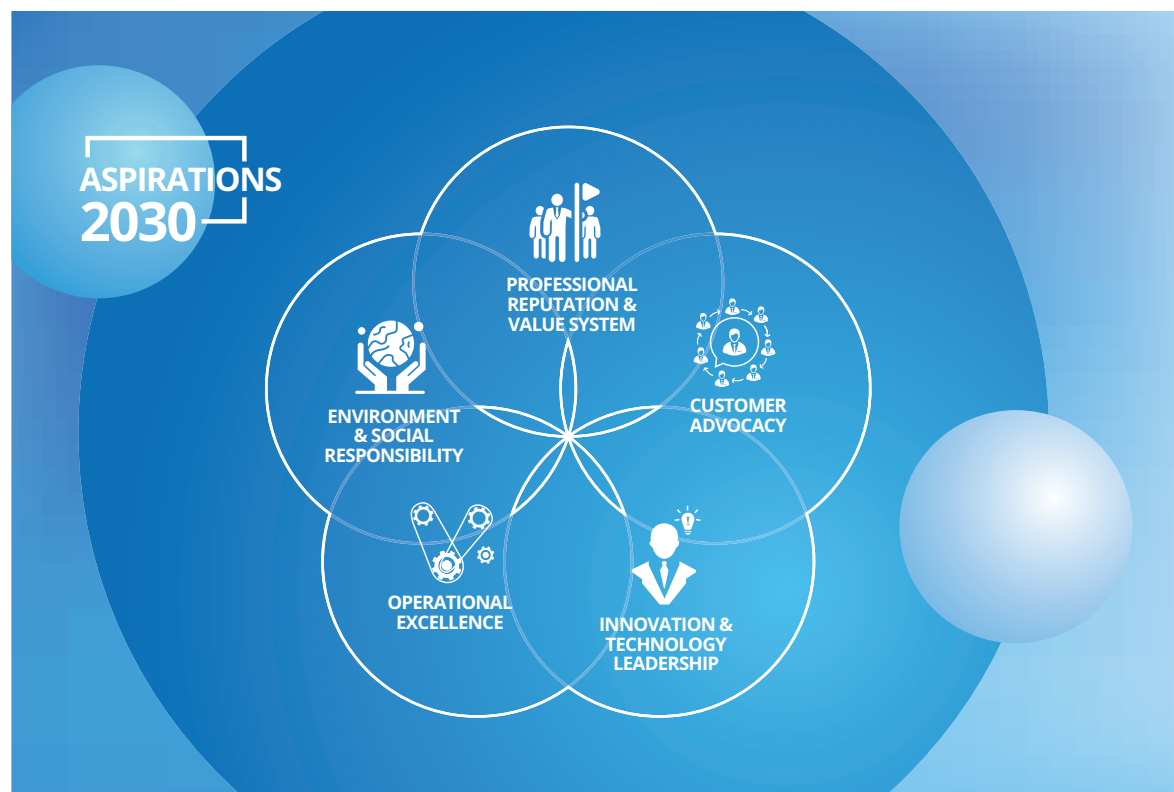
# Strategy

Sustainability is at the core of our corporate ethos and is reflected in every aspect of the business. The leadership is strongly committed towards driving performance keeping sustainability as a focused item – SRF’s Aspirations 2030 lays down long-term roadmap for engagement with our investors, business partners, communities including focused approach on environment and social responsibility.

Sustainability is in our DNA and reflected in every aspect of our business functions and strategies. Our strategic pillars of sustainability include protection of natural resources, health and safety of our employees, responsible governance, and wellbeing of local communities. We combine strategic focus areas with our Aspirations to create a roadmap for the future. SRF follows practices and measures that enable long-term value creation for all its stakeholders while also maintaining a culture of ethics and integrity.

Our strategic focus area is guided by our Aspirations guidelines, which give us a clear view on what we strive to achieve in a sustainable manner to create long-term shared value.

One of the main mantras of SRF is - to evolve continuously. We have not only revisited and redefined ‘Aspirations 2025’, but we have also launched ‘Aspirations 2030’ as a sign of our strong commitment for a sustainable future.



At SRF, we are committed towards building an organisation that is focused on holistic and sustainable value creation. This commitment is built on the ‘Core Values’ of the organisation coupled with ‘Aspirations 2030.’ These provide a strategic direction towards a sustainable business future to enhance stakeholder

value. The overarching core values **“RINEW”- Respect, Integrity, Non-Discrimination, Excellence and Well-being**, form an intrinsic part of the organisation, helping in achieving the key pillars of the aspirations. The details of the key pillars of the ‘Aspiration 2030’ are elaborated below:

## Operational excellence

Creating new and differentiated offerings that deliver superior customer value through innovations and improvements in quality, cost, efficiency, or environmental benefits, supported by digital technologies for efficiency and reliability. In addition, nurturing a capable workforce that continues to develop new solutions and provide advanced technical support. Implementation of various facets of the Total Quality Management (TQM) way to create new benchmarks across multiple dimensions of Quality, Cost, Delivery, Safety, Health & Environment and Morale (QCDSM).

## Professional reputation and value system

In line with the core values, SRF strives to attract, retain and nurture talent that demonstrates high levels of ethics and integrity while delivering high quality products to its customers, thereby enhancing the brand value and reputation of the Company.

## Customer advocacy

Building a customer-focused, agile and lean organisation, becoming a trusted, long-term partner of choice with the customers through innovative offerings and strong customer relationships.











## Innovation and Technology Leadership

The Company constantly focuses on developing and investing in new technologies and developing new-age products to lead the way in serving the emerging needs of customers and deliver value over the long run. SRF’s focus on adequate allocation of resources to effectively implement systems and initiatives is helping in creating sustainable value on an ongoing basis. The Company will continue to focus on the key strategic areas that have contributed to driving improvements across the ESG material aspects.

## Environment & Social Responsibility

Our Environment and Social Responsibility will focus on four main aspects: We will benefit the communities where we work. We will embrace diversity, equality and inclusion in our workforce. We will enhance our focus on the 3R’s - Recycle, Reuse and Reduce. We will transition from traditional energy to renewable energy in the future.

SRF looks through the lens of ESG before making any key decisions on the six capitals and business strategy and planning. The details of the ESG priorities of SRF are highlighted in the table below:

Risks	Material aspects	Strategic focus areas	Progress in FY 2021 - '22	Aspirations 2030
 <b>Operational</b>	Energy Management	<ul style="list-style-type: none"> <li>Focus on implementing cutting-edge technology and energy efficiency initiatives to achieve energy savings</li> <li>Transition to cleaner energy sources to mitigate carbon emissions</li> <li>Drive efforts towards reducing water consumption with water-efficient technologies, recycling and reusing wastewater and rainwater to the maximum extent possible</li> <li>Emphasis on the principle of 3R – Reduce, Reuse and Recycle and strive to operate in a 'closed-loop' through circularity in operations</li> <li>Continuous efforts on local sourcing of raw materials and increasing the use of recycled materials in production</li> <li>Implementation of Total Quality Management (TQM) for meeting evolving customer aspirations and shifting market dynamics by bringing systemic changes to maximise plant efficiency and deliver diverse solutions</li> </ul>	<ul style="list-style-type: none"> <li>Implemented energy efficiency initiatives, leading to energy savings of 20 TJ</li> <li>914 TJ of energy consumed from renewables and biomass</li> <li>1,696 Million Litres of water consumption met through recycled wastewater</li> <li>Some of the plants have installed rainwater harvesting systems to sequester rainwater</li> <li>Supplying fly ash waste generated onsite for utilisation as raw material in cement industries</li> <li>Recycled materials used as raw materials in production processes</li> <li>TQM-led supply chain improvements, enhancement of internal process efficiency and building a skilled workforce</li> </ul>	 <b>Operational excellence</b>
	GHG and Air Emissions			
 <b>Financial</b>	Employment	<ul style="list-style-type: none"> <li>Concentrated efforts on creating a favourable environment for employees to nurture and grow through structured learning and development, career advancement, and rewards and recognition programme to keep employees motivated and engaged</li> <li>Build a workplace that thrives on diversity and inclusion, and supports human rights</li> <li>Endeavour to create a safe and secure work environment by embedding health and safety in the Company culture and implementing robust systems to ensure well-being of each employee</li> <li>Relentless efforts to empower local communities through community initiatives focusing on vocational skills, education, natural resource management, among others</li> </ul>	<ul style="list-style-type: none"> <li>27,992 EHS training manhours</li> <li>Increase in female workforce across the management levels by 8% as compared to FY 2020 - '21</li> <li>More than 90% employee engagement score</li> <li>211,782 beneficiaries of CSR initiatives in local communities</li> </ul>	 <b>Professional Reputation and Value System</b>
	Occupational Health and Safety			
 <b>IT &amp; Cyber-security</b>	Economic Performance	<ul style="list-style-type: none"> <li>Emphasis on capitalising new opportunities, expand product portfolio considering the evolving customer expectations and enhancing market presence</li> <li>Implement differentiated business strategies, prudent capital allocation, optimum utilisation of natural resources to lower operating costs, automate processes and strengthen business processes that aid in building a sustainable business model</li> <li>Deliver long-term sustainable returns to shareholders by increasing market capitalisation and higher dividend pay-out</li> </ul>	<ul style="list-style-type: none"> <li>Developed innovative products that are socially and environmentally responsible and have zero ozone-depleting substances, low global warming potential (GWP), recyclability and low carbon footprint</li> <li>114 patents granted</li> <li>₹ 12,434 Cr. revenue</li> <li>Dividend pay-out – ₹ 212 Cr.</li> </ul>	 <b>Customer advocacy</b>
 <b>Strategic</b>	Corporate Governance	<ul style="list-style-type: none"> <li>Focus on creating an eco-system which promotes effective decision-making, accountability and financial prudence</li> <li>Encourages an ethics-driven culture of accountability and responsibility for all activities with the integration of sustainability into its decision-making processes to create value</li> <li>Constant identification, assessment, monitoring and mitigation of risks to achieve business objectives</li> <li>Focus on robust internal control system and proactive response strategy towards identified risks</li> </ul>	<ul style="list-style-type: none"> <li>Continued to collaborate with industry associations to benefit the industry and society at large</li> <li>Continued to identify and manage existing as well as emerging risks through the robust risk management framework, integrated with the Company strategy and planning</li> </ul>	 <b>Innovation and Technology Leadership</b>
	Risk Management			
 <b>Regulatory</b>				 <b>Environment &amp; Social Responsibility</b>