

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Company Profile:

Shree Cement Limited (SCL) has a cement manufacturing capacity of 46.4 MTPA and a power generation capacity of 888.6 MW. The group comprises integrated units at 4 locations and grinding units at 10 locations. Our network of strategically located integrated units and split grinding units aid us in serving the length and breadth of India, from urban to rural markets.

The integrated units are located at Beawar (Rajasthan), Ras (Rajasthan), Raipur (Chattisgarh), and Kodla (Karnataka). The grinding units are located at Jobner, Khushkhera and Suratgarh in Rajasthan, Panipat in Haryana, Roorkee in Uttarakhand, Bulandshahr in Uttar Pradesh, Aurangabad in Bihar, Athagarh in Odisha, Patas in Maharashtra, and Burudih in Jharkhand.

All the integrated units are equipped with Waste Heat Recovery (WHR) systems. SCL's, WHR capacity is one of the largest in the world cement industry outside China. Electricity produced from WHR systems caters to a considerable quantity of electricity requirements of the company. Additionally, the company has established captive wind and solar power plants at various locations across India to enhance its share of green electricity in total power consumption. For FY 2022-23, green power stood at 51.1 % of the total power consumption portfolio. SCL's large scale initiatives such as installation of air cooled condensers in place of water cooled condensers at its power plants and use of Waste Heat Recovery systems helps conserve considerable quantities of water. Additionally, rain water harvesting measures are taken within the facilities and within the community. The measures on water conservation and rain water harvesting helped SCL achieve more than six times water positivity within FY 2022-23.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	April 1, 2022	March 31, 2023

W0.3

(W0.3) Select the countries/areas in which you operate.

India

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

INR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	INE070A01015

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Not very important	Neutral	Water is a necessary component of the operation of our facilities and an essential part of daily life for our communities. It is therefore becoming more important than ever to manage the resource carefully for our communities and operations, as well as for future generations. Shree Cement Limited uses the dry process to manufacture cement for a variety of reasons, including conserving water. However, water is necessary for several parts of the cement manufacturing process, such as mill spray, power production, dust suppression etc. We have selected not very important in our direct use because the availability of fresh water is not a factor for various cement production processes like cooling, dust suppression, etc. but the quality of freshwater plays an important role when it is used for drinking purposes at the plant for our employees and for families that reside in company colonies. To obtain sufficient quality of water as required by concerned processes, we have setup water treatment facilities such as Reverse Osmosis, treatment plants etc. For INDIRECT USE that is the use of water by customers, we have

			<p>selected neutral as the availability of fresh water is not that vital component in preparing the final product that can be concrete or plaster.</p> <p>For future use, as we a growing industry in a growing economy hence our water dependency will increase because of the ever-growing demand for cement. However, at few of our locations, we are obtaining sewage treated water to augment the water requirements and are further exploring in some more locations.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	<p>We undertake initiatives to reduce and recover water in our activities. We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production. We have adopted an efficient data management system for water withdrawal and Water Management Cell (WMC) tracks and monitors real-time data on water withdrawal at the inlets of water distribution networks. The quality of water is not as important in our direct activities as the availability of water. Availability of recycled / brackish water is important in our direct operation i.e. dust suppression at various plants, mill spray, production of synthetic gypsum, in absence of recycled/ brackish water we will have to use fresh water instead which is not a sustainable use. All of our sites have a water reuse and recycling system in place. Treated effluent water is used in activities like flushing, dust suppression and horticulture across our manufacturing locations. We harvest the rainwater in our mine pits and rainwater harvesting structures are developed within and near our plants' boundaries. We have also started using STP treated water from nearby municipalities at few of our locations to minimise the impact on surface/ground water sources. For our INDIRECT USE, there may be less availability of water recycling systems at our customers' end, as well as the availability of brackish water is unknown, hence we selected neutral.</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	SCL have installed water meters at all the withdrawal points and a real time monitoring of	Shree Cement Limited has adopted an efficient data management system for monitoring water withdrawal, consumption, recycling and harvesting. The Water Management Cell (WMC) tracks and

			water meter reading is done.	monitors real-time data at the inlets of water distribution networks as per the CGWA/CGWB and state ground water department/ authority. Water withdrawal, consumption, recycling, and harvesting is reported on a monthly basis and observed by the senior management and thus water footprint of the company is established. Annual water audits are also conducted by third party for our manufacturing units to understand water consumption and losses (if any) and take corrective actions as necessary to reduce water consumption appropriately. The data is collected, assured by a third party and reported in our integrated annual report.
Water withdrawals – volumes by source	100%	Continuously	SCL have installed water meters at all the withdrawal points and a real time monitoring of water meter reading is done.	Shree Cement Limited has adopted an efficient data management system for monitoring water withdrawal, consumption, recycling and harvesting. The Water Management Cell (WMC) tracks and monitors real-time data at the inlets of water distribution networks as per the CGWA/CGWB and state ground water department/ authority. Water withdrawal (source wise), consumption, recycling, and harvesting is reported on a monthly basis and observed by the senior management and thus water footprint of the company is established. Annual water audits are

				<p>also conducted by third party for our manufacturing units to understand water consumption and losses (if any) and take corrective actions as necessary to reduce water consumption appropriately.</p> <p>The data is collected and reported in our integrated annual report.</p>
Water withdrawals quality	100%	Continuously	Third party water quality monitoring	<p>Shree Cement Limited has adopted an efficient data management system for monitoring water withdrawal, consumption, recycling and harvesting. The Water Management Cell (WMC) tracks and monitors real-time data at the inlets of water distribution networks as per the CGWA/CGWB and state ground water department/ authority. Water withdrawal, consumption, recycling, and harvesting is reported on a monthly basis and observed by the senior management and thus water footprint of the company is established. Annual water audits are also conducted by third party for our manufacturing units to understand water consumption and losses (if any) and take corrective actions as necessary to reduce water consumption appropriately.</p> <p>Third party water quality monitoring (including ground water quality and treated water quality) is done in accordance with applicable norms and reports are submitted to</p>

				the authorities as per the regulatory requirements.
Water discharges – total volumes	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes.</p>
Water discharges – volumes by destination	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for</p>

				horticultural and other purposes.
Water discharges – volumes by treatment method	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes.</p>
Water discharge quality – by standard effluent parameters	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for</p>

				horticultural and other purposes.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes.</p>
Water discharge quality – temperature	Not relevant			<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for</p>

				horticultural and other purposes.
Water consumption – total volume	100%	Continuously	SCL have installed water meters at all the consumption points and a regular monitoring of water meter reading is done.	Shree Cement Limited has adopted an efficient data management system for monitoring water withdrawal, consumption, recycling and harvesting. The Water Management Cell (WMC) tracks and monitors real-time data at the inlets of water distribution networks as per the CGWA/CGWB and state ground water department/ authority requirements. Water withdrawal, consumption, recycling, and harvesting is reported on a monthly basis and observed by the senior management and thus water footprint of the company is established. Annual water audits are also conducted by third party for our manufacturing units to understand water consumption and losses (if any) and take corrective actions as necessary to reduce water consumption appropriately. Additionally, third party water quality monitoring (including ground water quality and treated water quality) is done in accordance with applicable norms and reports are submitted to the authorities as per the regulatory requirements.
Water recycled/reused	100%	Continuously	SCL have installed water meters at all the STP/RO outlet points and a regular monitoring of	Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power

			water meter reading is done.	<p>plant which is 100% utilized in synthetic gypsum plant and mill spray.</p> <p>SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes.</p>
The provision of fully-functioning, safely managed WASH services to all workers	100%	Continuously	SCL provides all its employees and workers access to safe drinking water, sanitation and hygiene.	<p>SCL is committed to provide access of safe and clean drinking water, sanitation, and hygiene at our workplace. All our operations are consistent with local, national as well as international requirements such as the ILO core conventions in providing sanitary and hygienic working conditions to our employees and workers. Water auditing and testing is done regularly to meet the prescribed standards. WASH compliance is reviewed by respective core team and management periodically and guidance is issued as per the need. Continuous efforts are made by SCL to create awareness regarding hand washing by toolkits and informative signage and posters, and regular cleaning and maintenance of washroom and drinking water stations is done. Treatment facilities for all kind of</p>

				liquid and solid wastes, generated from colonies have been adopted. Necessary supervision and monitoring is being done by the housekeeping and maintenance teams to ensure adherence to WASH guidelines as per management directions.
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W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	2,096.45	Higher	Increase/decrease in business activity	About the same	Facility expansion	Total water withdrawal of SCL in FY 22-23 stands at 2096.45 megaliters, the value is higher compared to last year because of increase in production this year. A reduction in specific water consumption shows our commitment to sustainable use of water. By increasing the use of water-saving technologies and the use of recycled water, we expect to further reduce our specific water withdrawal in the future. Some of the Company's facilities are located in water-stress areas and as such, reducing water

						<p>withdrawal and conserving water becomes very important. SCL by its commitment and hard work has become 6 times water positive and we aspire to improve this number further. We estimate that in future despite increasing our production and increase in manufacturing location we will be able to reduce our specific water consumption further more by using water efficient technologies and reducing wastage. This will help us to maintain water withdrawal within 10% of current withdrawal.</p> <p>$C = W - D$, does not meet as some of the site have storage tanks available and excess water withdrawn is stored in these tanks and act as backup.</p> <p>At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation</p>
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Total discharges	0	About the same	Increase/decrease in business activity	About the same	Facility expansion	<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray. SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes. Hence no water is discharged and will be continued to be same in future. At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation</p>
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Total consumption	2,088.55	Higher	Increase/decrease in business activity	About the same	Facility expansion	<p>Total water withdrawal of SCL in FY 2022-23 stands at 2088.55 megaliters, the value is higher compared to last year because of increase in production this year. However, specific water consumption has reduced, showing our commitment to sustainable use of water. By increasing the use of water-saving technologies and the use of recycled water, we expect to further reduce our fresh water withdrawal in the future. Some of the Company's facilities are located in water-stress areas and as such, reducing freshwater withdrawal and conserving water becomes very important. SCL by its commitment and hard work has become 6 times water positive and we aspire to improve this number further. C = W – D, does not meet as some of the site have storage tanks available and excess water withdrawn is stored in these tanks and act as backup.</p>
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							At SCL we follow below criteria for comparison with previous year i.e., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	51-75	About the same	Increase/decrease in business activity	About the same	Increase/decrease in business activity	Other, please specify Over-exploited and critical as defined by CGWA	At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Authority, fall under area of water stress, as provided within the national reporting guidelines - Business Responsibility and Sustainability Report (BRSR). SCL has 6 out of its 14 manufacturi

								ng plant locations in water stress areas. Water withdrawal within these plant locations comes out to be around 58%. For % withdrawal, we added total water withdrawal from water stress areas and divided it by total water withdrawal of SCL.
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	568.1	About the same	Increase/decrease in business activity	SCL harvest rain water in its mine pits and use it for cement manufacturing requirements in its plants. In FY 2022-23 SCL withdrew a total of 568.1 megalitres of water from our mine pits and dams compared to 523.71 megalitres in FY 2021-22. We are pioneer in sustainability efforts and we are

					<p>more than 6 times water positive thus we envisage to reduce our water withdrawal in future by improvising our efficiency and process optimization.</p> <p>At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation</p>
Brackish surface water/Seawater	Not relevant				<p>SCL does not have any plants near the sources of brackish water, hence brackish water is not relevant.</p>
Groundwater – renewable	Relevant	1,462.58	About the same	Increase/decrease in business activity	<p>As per GCCA guidelines for cement companies, we do not distinguish between renewable and non-renewable groundwater. In FY 2022-23 we withdrew a total of 1462.58 megaliter of water from underground sources (bore wells and mine seepage water) compared to 1337.06 megaliter in FY 2021-22. We are pioneer in sustainability efforts thus we envisage to reduce our water withdrawal in future by improvising our efficiency and</p>

					<p>process optimization. Additionally, we practice rain water harvesting and ground water recharge at multiple locations in order to augment the available ground water within the area. By our sustainable practice, we were able to achieve water positivity by more than 6 times during FY 22-23. At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation</p>
Groundwater – non-renewable	Not relevant				<p>As per GCCA guidelines, we do not distinguish between renewable and non-renewable groundwater</p>
Produced/Entrained water	Not relevant				<p>We follow GCCA guidelines for monitoring and reporting of water withdrawal/ consumption/ discharge. In line with these guidelines, we do not withdraw any produced water for our operations. Hence, this is not relevant.</p>

Third party sources	Relevant	65.77	This is our first year of measurement	Investment in water-smart technology/process	In FY 2022-23, aiming to reduce our environmental footprint, we commenced using STP treated water from nearby municipal corporation. This helped us substitute equivalent quantity of water from natural sources (surface water and ground water). Use of such water not only helps in reduction of the stress on the natural reservoirs but also prevents any environmental damage that may have been caused due to discharge of such water.
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W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	168,374,894,353	2,096.45	80,314,290.5163491	We anticipate that our revenue, which has increased by around 18% in FY 2022-23, will continue to increase with the increased market demand of our cement product. We also anticipate that by process optimization and using the latest available technology and increasing the proportion of recycled water in our manufacturing process, we will be able to reduce or keep the water withdrawal at the same/reduced levels. Hence, total water withdrawal efficiency is bound to increase in the future.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Cement and its substances are not classified as hazardous by regulatory authority.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	Yes

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Basin status (e.g., water stress or access to WASH services)
 Supplier dependence on water
 Supplier impacts on water availability
 Supplier impacts on water quality
 Procurement spend

Number of suppliers identified as having a substantive impact

0

% of total suppliers identified as having a substantive impact

None

Please explain

We select, assess and on-board suppliers with prudence, managing business risk, while creating opportunity for mutual sustainability. All new suppliers are required to meet our robust onboarding requirements including the requirements related to compliance with various applicable environmental and social regulations. Our Sustainable Procurement Policy also lays down a code of conduct that our suppliers are expected to adhere to. We screen selected new suppliers through a third party before onboarding based on various business, environmental and social parameters. All these measures help us identify, foresee and manage any potential risk that can arise in the value chain. We did not identify any substantive or significant negative environmental impact of our supply chain in FY 22-23.

Substantive impact is defined if there is any identified non-compliance by the supplier related to water related regulatory requirements or there is a delay in material supply due to water related issues.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

Suppliers have to meet specific water-related requirements	
Row 1	Yes, water-related requirements are included in our supplier contracts

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Water-related requirement

Providing fully-functioning, safely managed WASH services to all workers

% of suppliers with a substantive impact required to comply with this water-related requirement

100%

% of suppliers with a substantive impact in compliance with this water-related requirement

100%

Mechanisms for monitoring compliance with this water-related requirement

Grievance mechanism/Whistleblowing hotline

Response to supplier non-compliance with this water-related requirement

Retain and engage

Comment

As part of the contract with the suppliers, they are required to ensure proper arrangement for housing, supply of safe drinking water, provision of lavatories and Urinals for its staff and labour, disposal of sewage. Further, the suppliers are also obligated to ensure safe and hygienic living conditions in labour camps.

Water-related requirement

Complying with going beyond water-related regulatory requirements

% of suppliers with a substantive impact required to comply with this water-related requirement

100%

% of suppliers with a substantive impact in compliance with this water-related requirement

100%

Mechanisms for monitoring compliance with this water-related requirement

Ground-based monitoring system
On-site third-party audit

Response to supplier non-compliance with this water-related requirement

Retain and engage

Comment

The suppliers are encouraged to take additional measures towards environmental improvement including good water management practices, in line with SCL's Sustainable Procurement Policy and Supplier code of conduct. This includes preventing pollution, maximizing recycling and reducing wastage, discharge and emissions. At the labour camps within our manufacturing facilities, periodic site visits are carried out by concerned department to ensure compliance with the requirements.

Further, selected new suppliers are screened by a third party through site visits, before onboarding based on various business, environmental and social parameters. All these measures help us identify, foresee and manage any potential risk that can arise in the value chain. We did not identify any significant negative social and environmental impact of our supply chain in the reporting year FY 22-23.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

No other supplier engagements

Details of engagement

% of suppliers by number

Rationale for your engagement

Encouraging reduction of water-related impacts in products and services is essential for sustainable resource management, environmental protection, cost savings, regulatory compliance, market opportunities, and resilience. SCL has laid down its expectations from all its suppliers within its Sustainable Procurement Policy and the Supplier Code of Conduct. In order to reduce the environmental impacts of their products and processes, all our suppliers are encouraged to monitor and track their environmental footprint including Greenhouse Gas (GHG) emissions and promote efficient operational use of resources such as energy, water, and other materials. They are also encouraged to take initiatives to ensure Green / Eco friendly Environment at workplace.

We are in the process of developing an integrated and comprehensive sustainability monitoring mechanism for our supply chain partners. The mechanism will have a comprehensive assessment component, post which suppliers identified in high-risk category will be supported with a corrective action plan.

Impact of the engagement and measures of success

Comment

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Customers

Type of engagement

Education / information sharing

Details of engagement

Share information about your products and relevant certification schemes

Rationale for your engagement

We seek to amplify customer experience by providing the best quality product in terms of strength, durability and cost efficiency. We ensure our customer alliances stretch more than just offering products and include providing expert advice and support on product usage as well. This support is materialised by our technical sales team who provides customer assistance as and when required to pre and post a sales engagement. We believe this will create higher customer value which will in turn manifest into greater customer loyalty, advocacy and product differentiation. We identify the safe and responsible use of products as our extended responsibility. This has led to the development of Mason Training Programme, which is targeted at the masons, who are the primary users of cement since they are working on the ground. This in-person training and assistance delivered by certified engineers focus on judicious cement utilisation and avoiding any product wastage. Further information related to our products is shared regularly with all our customers via Integrated Annual Report, website and product brochures including information related to product certification.

Impact of the engagement and measures of success

With our continuous effort over the past decades on assured quality and timely delivery, today we can proudly endorse our consistent customer base who choose us year after year for the excellent product and service that they receive. We witnessed an increasing trend of revenue from repeat customers, achieving 98% within FY 2022-23. With all our products being GreenPro certified, we endeavor to cater the increasing customer sensitisation towards sustainable products and facilitate transition to an eco-friendly business. This has in turn materialised into increased brand loyalty and contentment which is well depicted in our customer satisfaction survey. Our customer satisfaction measurements include indicators like customer conversion rate, new sites, and influencer additions along with other KPIs. We covered multiple parameters in the survey including overall product quality, strength, fineness, dealer service, customer complaints/grievance etc. Our surveys cover representative sample of our customer base. Customer satisfaction stood at 85% for FY 22-23, and we aspire and work to achieve 100% customer satisfaction within upcoming years.

Simultaneously, SCL is also engaged with other stakeholders like CII, FICCI, SPCBs and other government bodies for training and awareness related matters.

W2. Business impacts**W2.1****(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

W2.2**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

	Water-related regulatory violations	Comment
Row 1	No	Shree Cement Limited was not subjected to any fines, enforcement orders or any other penalties for any water related regulatory violations.

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	<p>Cement manufacturing is a dry process through which no industrial waste water is being generated and discharged. However, there is generation of waste water from power plant which is 100% utilized in synthetic gypsum plant and mill spray. SCL treats and reuses 100% of the wastewater generated in its operations; maintains Zero Liquid Discharge (ZLD) across all its operations. Domestic wastewater generated in our plants and colonies is duly treated and recycled at all locations and the recycled water is further used for horticultural and other purposes.</p> <p>We identify and classify potential water pollutants associated with cement manufacturing and allied activities based on guidelines issued by regulatory norms. Our Environmental Policy states our commitment towards compliance with the applicable regulatory requirements, that includes ensuring the quality of effluent water. We monitor parameters such as BOD, COD, pH, oil and grease, chloride, sulphide, ammonical nitrogen, faecal coliform etc. in treated domestic waste water, on a regular basis, as applicable.</p> <p>We adhere to the requirements on such quality parameters of treated effluents, as per the standards issued by Ministry of Environment, Forests and Climate Change.</p> <p>For example, BOD is tested using testing method IS 3025 (part-44) and monitored in mg/l against the limits specified by the standards.</p>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Other nutrients and oxygen demanding pollutants

Description of water pollutant and potential impacts

Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD) are among the various parameters monitored within the treated domestic waste water, generated within our facilities, as per the applicable regulatory requirements. The values are monitored as per the standards issued

by Ministry of Environment, Forests and Climate Change. For example, BOD is tested using testing method IS 3025 (part-44) and monitored in mg/l against the limits specified by the standards. All the parameters monitored within the treated domestic waste water were within the permissible limits.

If domestic waste water is not treated properly and high BOD and COD waste water is discharged within the external water bodies, it may lead to reduction of dissolved oxygen with such water bodies and can threaten aquatic life.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Water recycling

Please explain

Our approach towards stewardship includes identifying and managing water-related risks, understanding and mitigating the adverse impacts on environment and the community around us, and contributing to more sustainable management of shared resources. We regularly track and monitor water related data. Regular water audits are conducted through third party to identify avenues to conserve water and improve water availability. Our Water Management Cell keeps a track of real time data on water withdrawal, which is captured by meters installed at the inlets of the distribution networks.

During FY 2022-23, 272.2 ML of industrial and domestic waste water was treated and reused within the premises for various activities. All our facilities are zero liquid discharge.

Through above measures, SCL ensures that waste water is not discharged outside the premises and hence do not impact the external ecosystem.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Enterprise risk management

Tools and methods used

Enterprise Risk Management

Contextual issues considered

- Water availability at a basin/catchment level
- Stakeholder conflicts concerning water resources at a basin/catchment level
- Impact on human health
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats
- Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

- Customers
- Employees
- Investors
- Local communities
- Suppliers

Comment

SCL's risk management process is designed to identify and mitigate risks that have the potential to materially impact our business objectives. SCL's risk management process maintains a balance between managing risk and exploiting the opportunities.

Identification and management of risk are systematically achieved using an Enterprise Risk Management (ERM) system under which the Board is responsible for overseeing the overall risk management framework of the Company. The Risk Management Committee of the Board keeps an eye on the execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. Risk prioritization is done by plotting the graph between two parameters i.e. A) Likelihood (Probability) and B) Impact (% of revenue). Only the risk which is mapped with high likelihood and high impact is considered the material risk. This structured framework helps Board to make decisions regarding the mitigation of the risk. The material risks are to be fused into SCL's planning cycle which intermittently checks the extent of risk and viability of the corresponding mitigation plan. We anticipate all the risks that can impact our business activity in terms of direct options, upstream and downstream supply chain, and based on their likelihood and impact prepare a mitigation plan accordingly. The ERM process consists of three key components - Identification, Assessment, and Mitigation. Risk Identification and Assessment is the exercise of identifying and assessing the various risk and opportunities that can impact our business in a shorter or longer timeframe, by brainstorming in various committees and between various departments. Risk can be strategic, compliance, operational, and reputational and is mapped based on its likelihood and impact. Risk mitigation is a strategy to prepare for and lessen the effects of threats faced by a business. Each department/division will propose various actions and plans to mitigate the risk along with the required timeframe and budgetary support. Water-related risks are discussed with Environment and Sustainability departments, and Environment Social & Governance Committee.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>SCL's risk management process is designed to identify and mitigate risks that have the potential to materially impact our business objectives. SCL's risk management process maintains a balance between managing risk and exploiting the opportunities. Identification and management of risk are systematically achieved using an Enterprise Risk Management (ERM) system. Risk prioritization is done by plotting the graph between two parameters i.e. A) Likelihood (Probability) and B) Impact (% of revenue). Only the risk which is mapped with high likelihood and high impact is considered the material risk. We anticipate all the risks that can impact our business activity in terms of direct options, upstream and downstream supply chain, and based on their likelihood and impact prepare a mitigation plan accordingly. The ERM process consists of three key components - Identification, Assessment, and Mitigation. Risk can be strategic, compliance, operational, and</p>	<p>The rising difference between demand and supply of natural resources such as water has been identified as an area of concern. Resources are being exploited and this can create business disruptions which hinder growth. Water is used in operations as well as other activities in plants and offices. We have our operations located in water-stressed areas also. Water being a shared resource, a shortage of water can increase the risks of conflict with the community. Waste water generated, if not treated/utilized properly can potentially pollute the water bodies and ecosystem. Towards mitigation of the water related risks, we have implemented water conservation measures across our facilities to reduce fresh water consumption. Additionally, rainwater harvesting measures are taken within our facilities and within the community. All these measures helped us achieve more than six times water positivity within FY 2022-23. As a practice, SCL follows 100% zero liquid discharge and ensures</p>	<p>Employees: SCL is responsible to provide safe drinking water and sanitation facilities to its employees. Investors: Our investors are increasingly focussing on Environmental issues including our water related performance and their views are considered important while carrying our water risk assessment. Communities, customers and suppliers: Our customers, suppliers and communities surrounding our operations may use the same water source for obtaining water as the company and hence water withdrawal for our operations may impact availability for their use.</p>	<p>Risk prioritization is done by plotting the graph between two parameters i.e. A) Likelihood (Probability) and B) Impact (% of revenue). Only the risk which is mapped with high likelihood and high impact is considered the material risk. The material risks are to be fused into SCL's planning cycle which intermittently checks the extent of risk and viability of the corresponding mitigation plan. We anticipate all the risks that can impact our business activity in terms of direct options, upstream and downstream supply chain, and based on their likelihood and impact prepare a mitigation plan accordingly. The ERM process consists of three key components - Identification, Assessment, and Mitigation. Risk mitigation is a strategy to prepare for and lessen the effects of threats faced by a business. Each department/ division will propose various actions and plans to mitigate the risk along with the required timeframe and budgetary support. Water-related risks are discussed with Environment and</p>

	<p>reputational and is mapped based on its likelihood and impact.</p>	<p>that each drop of waste water generated within the premises is duly treated as required and utilized within the boundary so that there is no impact on the surrounding ecosystem. Safe drinking water and sanitation facilities are provided to all employees in order to ensure minimal adverse impact on human health due to water.</p>		<p>Sustainability departments, and Environment Social & Governance Committee.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

At Shree Cement, Risk Management is not just a regulatory requirement performed by the top management, but it is a continuous process that is embedded in all our Company's operations covering the Enterprise, Functions, and manufacturing plants.

We identify risks inherent in the business operations of the Company considering our goals, external environment, and expectation of our stakeholders among others. This helps us in developing mitigation plans as a response to risks that pose a threat to our long-term goal of creating value for all our stakeholders. A proactive Risk Management approach also provides opportunities for improvement and development of new solutions that can give us a competitive advantage over our competitors.

To identify and mitigate risks, the Company has laid down an ERM policy and Enterprise Risk Management framework which provides guidelines to define, measure, control, mitigate and report the identified risks at the enterprise level which impact the achievement of strategic /enterprise-level objectives. It helps to identify potential risk areas in various economic, environmental, social, sectoral, sustainability-related, and industrial environments in which we operate. The framework prescribes guidelines for contextualization of risks by linking them with SCL's business objectives and risk identification, assessment, mitigation, and governance thereof.

Enterprise Risk Management Structure:

The Board of Directors oversee the ERM of the business. The Board also reviews the identified risks and mitigation plans. The Risk Management Committee (RMC) overlooks the effective implementation of the ERM policy and reports to the Board. Along with RMC, the ESG Committee consisting of senior executives and functional heads reviews the results of the risk identification, prioritisation and mitigation plans. The Chief Risk Officer (CRO) facilitates the operationalisation of ERM framework and updates the RMC and the ESG Committee on a periodic basis. The identified risks are assigned to an owner, i.e. the Risk Owner (Functional Head) who in coordination with CRO, periodically reports to the management and prepare mitigation strategies on the identified risk(s).

Risk Management Framework:

- **Governance:** Governance sets the organization's tone, reinforcing the importance of, and establishing oversight responsibilities for ERM. It comprises of structures put in place to operationalise the ERM framework.
- **Establish context and orient people:** Under this component, Company's strategic / enterprise level business objectives are used to contextualise the risk management process. In alignment with the above business objectives, the risks are categorised into different baskets such as compliance risks, financial risks etc. Similarly, Company shall set different thresholds for assessing the severity of impact and likelihood of risk materializing, for determining the risk appetite or tolerance limits that can then be set as guidance for people managing the risks. Risk owners and people at different levels are oriented and encouraged to imbibe and adopt the process into day-to-day decision making.
- **Process to Perform:** Risks that may impact the achievement of strategy and business objectives need to be identified and assessed on an ongoing basis. Thereafter, people need to assess their operating areas on regular basis and identify enterprise level risks, discuss the same with other relevant risk owners and judge the severity and likelihood in the context of risk appetite. The organization then selects risk responses and takes a view of the amount of risk it has assumed.
- **Review and Revision:** Risk responses adopted by the Company need to be reviewed at regular intervals to ascertain their effectiveness. Wherever required, the necessary revision would be carried out.
- **Monitor and Reporting:** Enterprise risk management requires reporting of identified risks and risk responses to governance body for their monitoring as well as public disclosure for external stakeholders. As per SCL's ERM policy, the risk rating criteria defines substantive financial or strategic impacts on the business. Impact of any risk event is categorised as high, medium or low based on the severity it has on parameters including growth, return to stakeholders, people, efficiency, market share and sustainability. A decrease of more than 10% in turnover or more than 5% in EBITDA is classified as a risk event with high impact, decrease of 5-10% in turnover or 2-5% in EBITDA is risk event with medium impact while decrease in turnover and EBITDA by below 5% and 2% respectively is risk event with low impact. Similarly, any event leading to delay in achieving growth target by more than 3 years is a high impact event, that leading to a delay by 1-3 years is a medium impact event while the event leading to delay by less than 1 year is defined as low impact event.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	26-50	<p>SCL has 14 manufacturing locations across 10 states in India. At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Authority, fall under area of water stress, as provided within the national reporting guidelines - Business Responsibility and Sustainability Report (BRSR).</p> <p>SCL has 6 manufacturing locations that are in water stress areas and may be exposed to water-related risk.</p> <p>However, by adopting best available technologies in the plant as well as implementation of appropriate rain water harvesting and recharging structures, have already been done to make our operating sites as water positive and mitigating water related risks.</p>

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

India
Other, please specify
Sabarmati

Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

Two of our manufacturing facilities within water stress locations ie. Ras and Beawar integrated units from our 14 manufacturing locations across India fall under Sabarmati major basin and Luni1 river minor basin as per WRI Aqueduct water risk atlas tool. As groundwater from aquifers is a shared resource, the risk of water availability within the aquifers due to activities outside our boundary may affect a sizable portion of our business if alternate plans are not in place.

To combat this risk, we are increasing our water harvesting and ground water recharge capacities in and around our plant boundaries, optimizing our processes to reduce freshwater consumption and recycling the wastewater generated, and using it in greenbelt development and plantation activities. Additionally, we have installed Waste Heat Recovery Systems (WHRS) in all our clinker units thereby, eliminating the need for cooling waste hot gases and thus, saving water. Further, we have replaced water cooled condensers with air cooled condensers, minimizing requirement of water.

We have started obtaining sewage treated water for use within our industrial operations at few of our manufacturing facilities, to substitute water from natural sources. We are further exploring such partnerships with local municipalities for our existing as well as upcoming cement manufacturing facilities, thus contributing to minimizing our water dependency on natural sources.

Country/Area & River basin

India
Ganges - Brahmaputra

Number of facilities exposed to water risk

4

% company-wide facilities this represents

26-50

% company's total global revenue that could be affected

Less than 1%

Comment

4 grinding unit locations of SCL within the water stress locations namely Bulandshahr (UP), Khushkhera (Rajasthan), Panipat(Haryana) and Jobner(Rajasthan) out of the 14 manufacturing locations across India fall under Ganges- Brahmaputra river basin as per WRI Aqueduct water risk atlas tool. As groundwater from aquifers is a shared resource, the risk of water availability within the aquifers due to activities outside our boundary may affect a sizable portion of our business if alternate plans are not in place. It may force us to find an alternative source of fresh water for our domestic and drinking purpose in our plant and colony.

To combat this risk, we are increasing water harvesting capacities in and around our plant boundaries, optimizing our processes to reduce freshwater consumption and recycling the wastewater generated, and using it in greenbelt development and plantation activities.

We have started obtaining sewage treated water for use within our industrial operations at few of our manufacturing facilities, to substitute water from natural sources. We are further exploring such partnerships with local municipalities for our existing as well as upcoming cement manufacturing facilities, thus contributing to minimizing our water dependency on natural sources.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

India
Ganges - Brahmaputra

Type of risk & Primary risk driver

Chronic physical
Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Water management is a critical aspect of any organization. As responsible corporate citizens, we ensure careful management of water for our operations while taking care of the needs of the community. Cement manufacturing in itself is not a water-intensive industry but we require fresh water for drinking and domestic purposes in our plants and in our colonies. Ground water availability depends on the local rainfall precipitation in short term as well as long term. The water availability risk may be identified based on geographical as well as meteorological conditions. Such risks are being already assessed and mitigation plan for the same have already been prepared and available.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

60,000,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Our Khushkhera Grinding unit is one of the sites under water stress areas. As such, the cement grinding operations may be impacted due to non-availability of water and may result in a production loss. A production loss for two days is equivalent to approx. INR 6 crore in revenue.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

At the Khushkhera Grinding unit, we have taken measures such as rain water harvesting, setup sewage treatment plant to treat the domestic waste water and reuse within the horticulture and other requirements. We are also exploring feasibility of using sewage treated water within plant operations.

Cost of response

4,500,000

Explanation of cost of response

The combined cost of rain water harvesting and setting up of sewage treatment plant to INR 45 lakhs. These measures helped conserve and harvest more water compared to its consumption during FY 22-23.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Water-related issues like scarcity, availability of freshwater, or strict rules regarding its usage may affect our suppliers and customers. The value chain, however, is not expected to be considerably impacted as the company's need for raw materials, goods and services do not greatly depend on a particular supplier or region. The impact of water related risk on customer demand at any particular location could be mitigated by catering to demand from other regions. Due to above factors, we do not anticipate a substantial financial or strategic impact on our operations due to water risks within our value chain. Nonetheless, to minimize impact of such water risks within our value chain, we directly engage with customers, share SOPs with them to achieve adequate workability with minimum water-cement ratio, take their feedback, train masons for better strength in the finished product, and impart knowledge of optimal practices. We are also working on certain additives that can reduce the water-cement ratio by 0.20% thus reducing the water requirement. We have multi-route i.e., rail and road

		transportation in place to cater to any interruption due to water-related physical risks. In the event that water-related impact does occur, we anticipate production level modifications in nearby business activities together with ad-hoc supply routes to reduce the impact.
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W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Sales of new products/services

Company-specific description & strategy to realize opportunity

India is among the countries most affected by climate change. The majority of climate change risks come down to the water, including floods, droughts, and cyclones. Construction activity requires water for the purpose of preparing concrete, mortar and curing. Hence, construction activity will be impacted in areas prone to drought like situation, atleast for a few months. To reduce the demand of water in construction, there is an opportunity to tap the demand of a cement product which consumes considerably less amount of water compared to regular cement categories. Proper research and development is required in order to come up with a product with properties to provide desired strength without the need of much water.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

SCL is spending considerably in R&D of newer product variants to adapt and mitigate climate change. We have conducted several R&D experiments with a central focus on performance

improvement and sustainability. One such experiment was conducted with an objective to determine effect of water reducing additive on the performance of Ordinary Portland Cement (OPC). We used poly carboxylic ether as an additive which is known as high range water reducer, mainly used in making high strength mortar & concrete. The experiment showed an increased strength in concrete at additive dose of 0.20% with reduction in water to cement (W/C) ratio on various days of testing. SCL will continue to invest on research and development for water efficient cement products. Upon realization of commercially viable water efficient cement, we estimate that there will be an increased demand for our cement products. Revenue increase from such a product will be based on a number of factors including market demand and competition. Considering a city is impacted from drought situation for a period of three months and will purchase around 10,000 tons of water efficient cement, the revenue generated from such demand is estimated at INR 5 Crores.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

RAS

Country/Area & River basin

India

Other, please specify

Sabarmati

Latitude

26.305011

Longitude

74.192985

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

747.58

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

20.27

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

727.31

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

743.15

Comparison of total consumption with previous reporting year

About the same

Please explain

RAS is the biggest facility of SCL in terms of manufacturing capacity which is situated in Rajasthan state of India having cording of Lat:- 26.305011& Long:- 74.192985. At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Board, fall under area of water stress. Ras falls under this category. The fresh water sources include rainwater harvested in our mine pits and ground water. For FY 2022-23, total water withdrawal stood at 747.58 mega litres while water consumption is 743.15 mega litres which includes water consumption from the fresh water reservoir. At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production

Facility reference number

Facility 2

Facility name (optional)

Beawar

Country/Area & River basin

India

Other, please specify

Sabarmati

Latitude

26.104585

Longitude

74.319903

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

383.54

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

198.6

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

119.17

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

65.77

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

383.54

Comparison of total consumption with previous reporting year

About the same

Please explain

Beawar is the oldest facility of SCL which is situated in Rajasthan state of India having cording of Lat:- 26.104585 & Long:- 74.319903. At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Board, fall under area of water stress and Beawar falls under this category. The fresh water sources include rainwater harvested in our mine pits and ground water. At SCL we follow below criteria for comparison with previous year ie., about the same - 0-10% variation, higher/lower - 10-20% variation and much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production.

Facility reference number

Facility 3

Facility name (optional)

Bulandshahar (UP)

Country/Area & River basin

India

Ganges - Brahmaputra

Latitude

28.406963

Longitude

77.849829

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

25.26

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

25.26

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

25.26

Comparison of total consumption with previous reporting year

About the same

Please explain

Bulandshahar facility of SCL is situated in Uttar Pradesh state of India having cording of Lat:- 29.854262 & Long:- 77.888000. At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Board, fall under area of water stress and Bulandshahr falls under this category. 100% of fresh water withdrawal and consumption is from groundwater sources, for which the necessary permission has been obtained from the competent authority. At SCL we follow below criteria for comparison with previous year ie.,
about the same - 0-10% variation,
higher/lower - 10-20% variation and
much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production

Facility reference number

Facility 4

Facility name (optional)

Panipat

Country/Area & River basin

India

Ganges - Brahmaputra

Latitude

29.390946

Longitude

76.963502

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

25.8

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

25.8

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

25.8

Comparison of total consumption with previous reporting year

About the same

Please explain

Panipat is the new facility of SCL which is situated in Haryana state of India having cording of Lat:- 29.390946 & Long:- 76.963502. At SCL, areas classified as “over-exploited” or “critical” by the Central Groundwater Board, fall under area of water stress and Panipat falls under this category. 100% of fresh water withdrawal and consumption is from groundwater sources, for which the necessary permission has been obtained from the competent authority. At SCL we follow below criteria for comparison with previous year ie.,
 about the same - 0-10% variation,
 higher/lower - 10-20% variation and
 much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production.

Facility reference number

Facility 5

Facility name (optional)

Jobner

Country/Area & River basin

India
 Ganges - Brahmaputra

Latitude

26.970552

Longitude

75.379109

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

13.3

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

13.3

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

13.3

Comparison of total consumption with previous reporting year

About the same

Please explain

Jobner is the new facility of SCL which is situated in Rajasthan state of India having cording of Lat:- 26.970552 & Long:- 75.379109. At SCL, areas classified as "over-exploited" or "critical" by the Central Groundwater Board, fall under area of water stress and Jobner falls under this category. 100% of fresh water withdrawal and consumption is from groundwater sources, for which the necessary permission has been obtained from the competent authority.

At SCL we follow below criteria for comparison with previous year ie.,
about the same - 0-10% variation,
higher/lower - 10-20% variation and
much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production.

Facility reference number

Facility 6

Facility name (optional)

Khushkhera

Country/Area & River basin

India
Ganges - Brahmaputra

Latitude

28.11587

Longitude

76.786239

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

29.3

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

29.3

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

29.3

Comparison of total consumption with previous reporting year

About the same

Please explain

Khushkhera is the new facility of SCL which is situated in Rajasthan state of India having cording of Lat:- 28.11587 & Long:- 76.786239. At SCL, areas classified as “over-exploited” or “critical” by the Central Groundwater Board, fall under area of water stress and Khushkhera falls under this category. 100% of fresh water withdrawal and consumption is from groundwater sources, for which the necessary permission has been obtained from the competent authority.

At SCL we follow below criteria for comparison with previous year ie.,
 about the same - 0-10% variation,
 higher/lower - 10-20% variation and
 much higher/ much lower - >20% variation

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

ISAE 3000

Water withdrawals – volume by source

% verified

76-100

Verification standard used

ISAE 3000

Water withdrawals – quality by standard water quality parameters

% verified

76-100

Verification standard used

ISAE 3000

Water discharges – total volumes

% verified

76-100

Verification standard used

ISAE 3000

Water discharges – volume by destination

% verified

Not relevant

Please explain

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production

Water discharges – volume by final treatment level

% verified

Not relevant

Please explain

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production

Water discharges – quality by standard water quality parameters

% verified

Not relevant

Please explain

We reuse 100% of the wastewater generated in our operations and maintain Zero Liquid Discharge (ZLD) in accordance with our philosophy of responsible consumption and production

Water consumption – total volume

% verified

76-100

Verification standard used

ISAE 3000

W6. Governance

W6.1


(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available


W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

Scope	Content	Please explain
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Row 1	Company-wide	<p>Description of the scope (including value chain stages) covered by the policy</p> <p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Commitment to prevent, minimize, and control pollution</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in direct operations</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to stakeholder education and capacity building on water security</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitments beyond regulatory compliance</p> <p>Reference to company water-related targets</p>	<p>SCL's commitment towards water stewardship is presented by way of its Corporate Environmental Policy, which is elaborated in detail in the Integrated Annual Report (IR) 22-23. The Corporate Environmental Policy is applicable to all SCL locations as well as its value chain. While the business dependency and business impact on water are reported via IR 22-23 at page 38, the water related performance and management approach to water resource is available in detail on pages 80-81 of the report. In addition to our commitment to maintain strict regulatory compliance with all environmental laws including water, the Corporate Environmental Policy provides a commitment for efficient use of water, assess risk of water scarcity for upcoming operations, regularly track water consumption and implement water saving measures and rain water harvesting, enhancing awareness of employees, vendors and other stakeholders on environmental issues including water. All SCL facilities are zero liquid discharge. This helps us ensure that there is no impact on the ecosystem surrounding our ecosystem due to any waste water discharge, thus meeting our commitment to minimize environmental risks and impacts due to operations, across the value chain and in local community. Through the Human Rights Policy, SCL is committed to provide its employees and workers a safe, hygienic and healthy work environment, and have included similar expectations for its suppliers within the Supplier Code of Conduct as a part of the Sustainable Procurement Policy.</p> <p> 1, 2, 3, 4</p>
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 ¹SCL IR 2022-23.pdf

 ²Corporate Environmental Policy.pdf

 ³Sustainable Procurement Policy.pdf

 ⁴Human Rights.pdf

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
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Board-level committee	<p>The Board shoulders the overall responsibility of guiding and steering our sustainability vision through our CSR and Sustainability Committee. The Committee reviews the performance across environmental, social, and governance pillars, including climate change related performance and issues. The CSR and Sustainability committee comprises of 3 Independent and Non-Executive Directors, two Executive Director and is headed by an Independent director. Following tasks are attributed to the CSR & Sustainability committee: -</p> <ul style="list-style-type: none"> • Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy; • Recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy; • Oversee the Company's activities and contribution with regard to its corporate and societal obligations & its reputation as a responsible corporate citizen; • Review the performance of the Company on environment, governance and sustainability initiatives & matters; • Approve the policies on principles as required in terms of Business Responsibility & sustainability Reporting requirements and changes/modifications required from time to time in such policies; and • To approve Company's report on Business Responsibility & Sustainability Reporting requirements. <p>Example - CSR and Sustainability Committee, recommends the plan and budget for CSR activities of SCL and the Board approves the same. In extreme summer conditions when availability of drinking water is limited. SCL delivers drinking water to the near by villages and community that are being affected by the extreme summer conditions and reduced availability of water.</p>
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W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing and guiding public policy engagement Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy	SCL's Board has the overall responsibility of guiding and steering the sustainability vision, reviewing and guiding strategies, monitoring the implementation of transition plans and set-up systems and procedures to conduct operations of the company in adherence to its vision. Board also oversees the major capital expenditure as part of new project approvals. To ensure compliance with laws and regulations concerning water stewardship, environment and climate change, CSR and Sustainability Committee along with the ESG Committee monitors and reviews compliance requirements specified under various statutory requirement. The frequency of meeting of ESG committee is twice in a year and the minutes are recorded and presented to the board. However, ESG committee meeting can also take place if any important issue pertaining to climate change, water or energy etc. arises. The risk management committee of the board meets half-yearly to discuss enterprise level risks including climate change related risks.

	Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation/R&D priorities Setting performance objectives	Through ESG committee meeting minutes, the entire Board is also informed and updated on major water related KPIs and initiatives, such as water consumption within operations, water positivity, use of third party STP treated water in order to reduce water consumption from natural water resources, among other KPIs. ESG performance is also one of the factors considered under the Remuneration Policy, approved by the Board, to determine the remuneration of Directors, Key Management Personnel and Senior Executives.
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	One of the Independent Director associated with SCL has extensively worked in the field of sustainability, environment, and climate change. He is a graduate of the London School of Economics and a well-known Economist and has had a long and distinguished career in the Government of India and the United Nations. He is the Chairman of the Governing Council of The Energy and Resources Institute (TERI), Honorary Professor at the Indian Council for Research in International Economic Relations (ICRIER), Honorary Fellow of the London School of Economics and Political Science, UK. He is connected with the Governing Bodies of several NGOs and Research Institutions. He worked at senior levels in the Planning Commission from 1973 to 1987. From 1988 to 1990, he was the Chief Economic Advisor and Secretary in the Department of Economic Affairs in the Ministry of Finance. In 1990, he joined the United Nations as Deputy Secretary General of the 1992 Rio Summit on Environment and Development and served later as Under Secretary General dealing with economic and social affairs from 1993 to 2003. He is also on the Board of Shakti Sustainable Energy Foundation.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Water-related responsibilities of this position

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Managing public policy engagement that may impact water security
 Integrating water-related issues into business strategy
 Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The CEO (MD) oversees integration of water related issues into the business strategy. As a member of Board level Risk Management Committee, he guides the risk management process including assessment and management of water related risks and opportunities. As part of his key performance initiatives his compensation are linked to ESG performance of the Company. MD is part of the CSR and Sustainability committee as well, which is a board level committee that oversees the CSR as well as sustainability initiatives of the Company.

By assigning responsibility to the MD and establishing appropriate committees, Shree Cement ensures that water-related issues receive the highest level of management attention, oversight, and accountability. This commitment reflects the company's recognition of the significance of water management and its dedication to embedding such considerations into the core business strategy.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	<p>The MD's (CEO's) performance is assessed on company's performance on select sustainability/ ESG parameters including water related parameters among other KPIs. Head of each of the production units is in turn responsible for attaining targets set towards managing these parameters within their own units and report to the MD.</p> <p>As per the company's remuneration policy, the factors for deciding the Remuneration of working directors, KMPs and senior executives is decided based on broad criteria like industry trend, remuneration package in other peer group companies, job contents and key performance areas, Company's financial, sustainability and operational performance etc.</p>

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Director on board Chief Executive Officer (CEO)	Reduction of water	Incentives help us to encourage employees and maintain their	We developed target based metrics and respected incentives based on the company targets

		<p>withdrawals – direct operations</p> <p>Improvements in water efficiency – direct operations</p> <p>Improvements in wastewater quality – direct operations</p> <p>Reduction of water pollution incidents</p> <p>Reduction or phase-out of hazardous substances</p> <p>Increased access to workplace WASH – direct operations</p>	<p>morale in suggesting improvement in business operations including those related to water consumption and resource optimization.</p> <p>During FY 2022-23 this helped us to achieve the reduction in our specific water consumption, increased water positivity and maintaining zero liquid discharge at all our facilities.</p>	<p>and performance of the team involved. Different KPIs include reduction water consumption, increasing employee awareness, maintaining water sanitation and hygiene, implementation of water related projects in the community, enhancing water positivity etc. All the KPIs are charted in target metrics and are directly and indirectly linked to financial incentives.</p>
Non-monetary reward	Other, please specify Employees in CSR, Environment, Sustainability, Mining, Civil and other department related to water consumption, harvesting and supply	<p>Reduction of water withdrawals – direct operations</p> <p>Reduction in water consumption volumes – direct operations</p> <p>Improvements in water efficiency – direct operations</p> <p>Increased access to workplace WASH – direct operations</p> <p>Implementation of water-related community project</p>	<p>Incentives help us to encourage employees and maintain their morale in suggesting improvement in business operations including those related to water consumption and resource optimization.</p> <p>During FY 2022-23 this helped us to achieve the reduction in our specific water consumption, increased water positivity and maintaining zero liquid discharge at all our facilities..</p>	<p>SCL recognizes the innovation, improving existing practices/ process and excellent performance in the field of water sustainability and provides rewards, recognition and appreciation certificates to the responsible individual who is directly or indirectly contributing towards water related target metrics. These rewards are provided during inter-departmental meetings, conferences or competition.</p>

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?


In order to impact policies that are consistent with our commitments and water policies, we closely collaborate and interact with both internal and external stakeholders. We collaborate with numerous organizations and participate in different forums for interaction with different regulators domestically as well as internationally and share our opinion, suggestions, best approaches, and techniques on the latest regulatory developments and actions influencing water policy. SCL has also been playing a significant role in promoting advocacy for water on Industry platforms such as CMA, CII, FICCI, TERI, etc. In line with sectoral guidelines, SCL has consistently worked to develop standardized sustainable practices for the cement sector. Coordinated campaigning makes sure that public authorities consider the Company's strategic and long-term interests in line with more general social interests.

The Company's water management strategy and commitments are communicated to the concerned internal stakeholders including the unit heads, energy managers etc., for them to act accordingly. The ESG committee with director on board is responsible to review these engagement and ensure that necessary steps are taken to reach the Company's short term targets on climate change and suggest course correction wherever necessary.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

 SCL IR 2022-23.pdf

 Refer page 38, 80-81 of Integrated Annual Report 22-23 (SCL IR 22-23)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	Sustainable business growth while minimising environmental footprint is one of our strategic business objective. This shows that conserving environment is inherent to our business decisions, water being an integral component. Our strategies are focused on long term goal of sustainable value creation for our stakeholders. We deploy environment friendly technologies and focus on conservation of natural resources. We continuously communicate with our stakeholders to understand their expectations and increase our engagement with them. We have been following highest level of corporate governance standards, have consistently delivered financial performance and

			<p>continue to reward our stakeholders thereby optimising a circle of sustainable growth.</p> <p>Water management is key for a sustainable business and hence we are committed to reduce our freshwater consumption, increase the use of treated water in our operations and increase the water positivity by enhancing our rainwater harvesting capacity.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	<p>In order to achieve our strategic business objective of sustainable growth, the company focuses on strong practices in waste, water, energy, emission management and use of alternate fuel and raw materials. A corporate environment policy is in place providing measures towards water management across the company. The heads of each manufacturing unit are responsible to ensure that the Policy is adhered to within the day to day operations and take steps as necessary towards water management within and outside the premises.</p> <p>At SCL, we follow a two pronged approach for water management - ie. rain water harvesting and building awareness on water conservation. We conform with all the applicable laws and regulations that safeguard water as a resource. Our water audits and regular monitoring helps us understand and assess the water related risks and plan suitable actions as required.</p> <p>One of our focus areas is Zero Liquid Discharge (ZLD). All our facilities adhere to ZLD. Towards this, 100% of the industrial and domestic wastewater generated is reused/recycled within our premises.</p> <p>Our strategy to achieve our water related goals include our commitment to use Waste Heat Recovery (WHR) for all existing and upcoming cement kilns. To minimize water consumption within power generation operations, we have installed Air Cooled Condenser (ACC) in place of water cooled condensers and are committed to adopt this practice for all future projects.</p>
Financial planning	Yes, water-related issues are integrated	11-15	<p>During financial planning, various water related expenses are considered including maintenance tasks like finding hidden leaks, operational enhancements such as recycling water, raising awareness through training, and erecting signs in key water-use locations etc. Projects for water conservation are discussed and taken into consideration at the corporate level, and consequently at the unit level for water management.</p> <p>When deciding on a budget and projects, the quantity and cost of water for business is taken into consideration. The financial planning also helps us to allot funds for water-related projects, such as the implementation of water or wastewater treatment technology or facilities, the upgrading of water infrastructure, the adoption of water demand reduction strategies, and projects involving water for community well-being as part of CSR.</p> <p>Over the years, we have implemented various water conservation initiatives within and outside our premises. Some of these are installation of Sewage Treatment Plants (STPs), Air Cooled</p>

		Condensers, Waste heat recovery systems and drip irrigation systems. Further, we have developed and maintained artificial rainwater harvesting and recharge measures among others. We also create awareness among the nearby villagers, farmers and school children to educate them for effective utilization and conservation.
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W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-70

Anticipated forward trend for CAPEX (+/- % change)

50

Water-related OPEX (+/- % change)

-19

Anticipated forward trend for OPEX (+/- % change)

5

Please explain

There were no major water related capital expenditure during FY 2022-23 as major expenses for upcoming plants were carried out during the previous year ie. FY 2021-22 due to new project establishment at Odisha and Patas. Hence there is an overall reduction of 70% in water related capex. We anticipate an increase of 50% in capex during FY 2023-24, due to water related capital expenditure for the upcoming Nawalgarh integrated unit.

A water abstraction charges was levied by Central Ground Water Authority and state ground water department during FY 2021-22 for water consumption during FY 2021-22 as well as past years, as applicable. The water abstraction charges during FY 22-23 was levied for the consumption during the FY 2022-23 only. This lead to 19% decrease in water related OPEX in FY 2022-23 compared to FY 2021-22. We anticipate an increase of ~5% as the Nawalgarh plant will be operation in next year and also due to increased capacity utilization.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	The climate-related scenario analysis employed by SCL is 1.5-degree and 2-degree Celsius as a key scenarios. Additionally, SCL utilized the WRI's Aqueduct tool to discover particular future projections in water scarcity areas where SCL operates and its upcoming units based on the IPCC for 2030 and 2040, showing it in three distinct scenarios: optimistic, business as usual, and pessimistic. As result of this study, in order to minimize

	the impact of pessimistic scenario, SCL is undertaking large scale water harvesting & recharging both within the boundary as well as outside premises. This will help the company to not only meet its water demand but also maintain cordial relationship with the community. Also, as a response, we have started obtaining and utilizing sewage treated water from nearby nagar palika/municipality at few of our existing and upcoming manufacturing locations, that has helped reduce the impact on natural water sources.
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W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	<p>SCL continuously monitors our freshwater consumption and strives to reduce it by optimizing our processes and using recycled water in the cement manufacturing process.</p> <p>We considered the following parameters for scenario analysis: -</p> <ol style="list-style-type: none"> 1) Availability of appropriate quality groundwater. 2) Availability of appropriate quality surface water. 3) Availability of appropriate quality rainwater. 4) Consumption by the community and nearby industries. <p>Time Horizon - We have considered the time horizon of short to a medium term (0-10 years) and focused on how much water would be available that can be extracted and used in cement manufacturing.</p> <p>Assumptions: - We have considered a change in</p>	<p>Due to the limited availability of water, alternative sources of water may have to be secured for industrial use at our manufacturing locations. We undertook several initiatives such as process optimization, increasing water recycling, installing water efficient technologies, and increasing the use of harvested water in order to reduce dependence on ground water for the industrial purposes.</p>	<p>Due to such water-related impact, the company has decided to alternatively use STP-treated water for few of our existing and upcoming manufacturing units. Towards this, we have signed a linkage document with nearby Nagar Palika, laid down a pipe line to obtain this STP-treated water from the Nagar Palika, and started using the sewage treated water for industrial use at few of our existing and upcoming manufacturing locations. We have also increased our efforts of water conservation and we are continuously increasing our rainwater harvesting capacities by erecting rainwater harvesting structures in and around our plant boundary.</p>

		precipitation due to climate change i.e. reduction in precipitation. Also, domestic water demand for community use is assumed to increase over the time period in conjunction with the population increase.		
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

Yes

Please explain

We are more than 6 times water positive in FY 2022-23 and committed to increase water positivity index in near future. So far, our efforts and approach to the responsible use of freshwater resources have been centred on efficient and optimum water usage. In FY 2022-23, we harvested and recharged more than 13.7 million m3 of water. We have also assessed risks associated with water, such as availability of water for business use.

Cost implications on water uses are being evaluated for decision making.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	Cement manufacturing process	At SCL, we have adopted a dry manufacturing process at all our manufacturing locations, which uses considerably very low water compared to production through wet manufacturing processes. Hence we quality all our cement products as low water impact products.

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	
Water withdrawals	Yes
Water, Sanitation, and Hygiene (WASH) services	
Other	

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Increase in investment related to reducing water withdrawals

Year target was set

2020

Base year

2020

Base year figure

0

Target year

2022

Target year figure

50,000,000

Reporting year figure

60,000,000

% of target achieved relative to base year

120

Target status in reporting year

Achieved

Please explain

Currently SCL is meeting its 51.1 % power requirement through green power (WHR, wind and solar). SCL took a target to enhance its wind and solar capacities by 106 MW with a capex of INR 500 Crore by the end of year FY 22-23. SCL overachieved its target and achieved 122 MW wind and solar capacity enhancement at an expense of INR 600 Crore approximately during FY 22-23. Considering 2.5 m3/MWh as the specific water consumption of thermal power plants as per

applicable guidelines by Ministry of Environment, Forests and Climate Change, the renewable power generated through the 122 MW wind and solar plants will lead to saving in annual water withdrawal up to 239.5 Mega Litres from thermal power production.
 SCL has planned to further enhance its green energy capacity by 83 MW within FY 23-24. Additionally, substantial water saving is achieved from using Waste Heat Recovery (WHR) Systems which is reducing conventional power requirement proportionately which is yet to be quantified.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

 CDP-Water Assurance Statement-SCL_Final Signed.pdf

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	SCL level water withdrawal, consumption data, zero liquid discharge status has been verified by external assurance provider	ISAE 3000	Verification has been done based on ISAE 3000, approved standard by CDP

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Please explain
Row 1		

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Please explain
Row 1		

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Please explain

Row 1		
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W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Please explain
Row 1		

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers		
Production of durable plastic components		
Production / commercialization of durable plastic goods (including mixed materials)		
Production / commercialization of plastic packaging		
Production of goods packaged in plastics		
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)		

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Shree Cement Limited is proud to be recognized as one of the top three cement groups in India in terms of production capacity. Being committed to sustainable and inclusive growth, we have installed the largest waste heat recovery-based power plants in the world cement industry, next only to China. Our cement manufacturing and grinding units span across 10 states Bihar, Chhattisgarh, Haryana, Jharkhand, Karnataka, Maharashtra, Odisha, Rajasthan, Uttar Pradesh, and Uttarakhand. We rank 52nd among the listed companies in India as of 31st March 2023 in terms of market capitalization.

Our product portfolio is consciously diversified and dynamic to cater to the different needs and requirements of our customers. We are constantly striving hard to create a positive impact on the planet by developing products that are sustainable. Our products are a result of a rigorous Research & Development (R&D) process involving innovation and a focus on quality. All our brands enjoy high recall from our customers. Our portfolio consists of varied grades of cement with a special focus on blended cement which contributes to the circular economy.

 SCL IR 2022-23.pdf

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
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Row 1	Managing Director	Director on board
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Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

No

Please confirm below

I have read and accept the applicable Terms