



For Access to Safe Water, Sanitation, and Hygiene at the Workplace



Implementation Case Study for Phase II (2018 – 2020)



ADITYA BIRLA GROUP

February 2021

The background of the page is a vibrant blue color, densely populated with numerous water droplets of varying sizes. The droplets are rendered with realistic shading and highlights, giving them a three-dimensional appearance. They are scattered across the entire blue area, with some larger droplets and many smaller ones. The overall effect is fresh and clean.

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Introduction



The United Nations Sustainable Development Goals (SDGs) has identified the aim to achieve universal access to safe drinking water, sanitation, and hygiene (WASH) by 2030. This is given in the context that an estimated 1.8 billion people still do not have access to safe drinking water, and 4.1 billion lack adequate sanitation. There is a compelling and clear economic argument for businesses to demonstrate leadership by addressing this situation. Globally, many businesses have operations, employees, contractors, and customers in countries lacking access to these provisions.

We at Aditya Birla Group (ABG) are mindful that the impacts of poor hygiene, sanitation, and the lack of access to potable water are related to safety, productivity, and employee wellbeing. Further, ensuring our colleagues are healthy and equipped to work productively across all our sites is a priority for ABG. A healthy workforce with access to “safe water, sanitation and hygiene at the workplace” is one of the key themes of the World Business Council for Sustainable Development (WBCSD).

To demonstrate leadership and its commitment to this global goal, the Aditya Birla Group (ABG) leadership signed the WASH Pledge back in January 2015.

ABG had launched phase I of the WASH Pledge between 2015-2018 and published the compliance report of 243 sites in February 2018.

Continued Implementation of WASH Pledge in ABG & Phase II Results



Post completion of phase I, 97 of 243 sites were divested and 80 new sites, majorly from Hindalco, UltraTech Cement, ABReL, and International Trading, were introduced within ABG. ABG continued WASH pledge implementation in changing scenarios. Phase II is considered from 2018-2021 and involved 226 sites.

During Phase II, we continued using our self-assessment approach through a self-assessment questionnaire on Enablon (our sustainability monitoring software) and tracked compliance for each of the WASH Pledge requirements, by site and business. A multi-layer monitoring of progress was designed to ensure the implementation process was infallible.

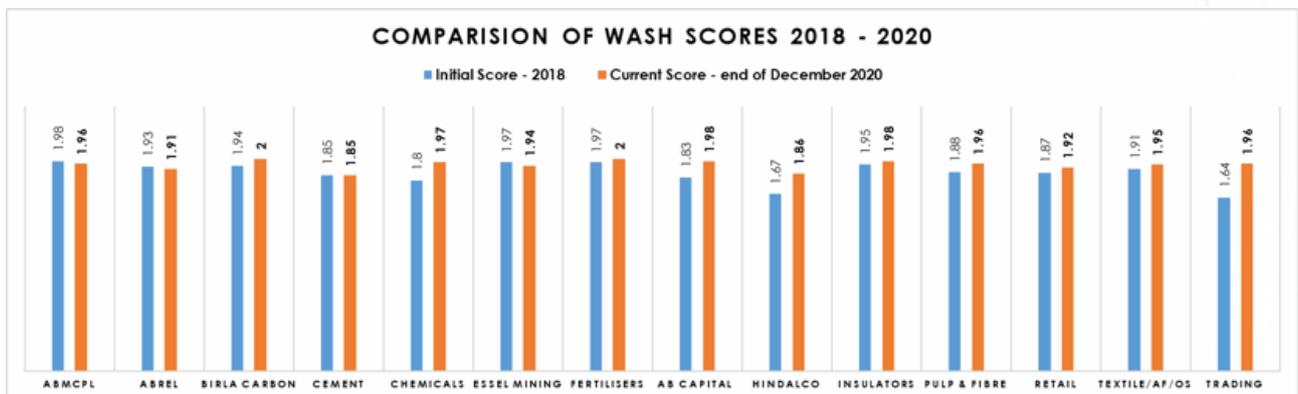
Senior personnel were responsible for reviewing the data and evidence uploaded.

Guidance notes and training modules were developed as a resource for site personnel involved in the implementation programme.

There is an increasing trend in the number of sites completing the WASH Pledge self-assessment, and we have achieved compliance scores.

Overall as of 31 Dec 2020, the ABG compliance level to the WASH Pledge requirements is 96%, with an average score of 1.92, which has surpassed our initial target set at 1.8. With the completion of phase II in January 2021, we are happy to announce and publish the Phase II report.

The chart given below shows the comparative WASH scores of each ABG business in 2018 and those achieved in Dec 2020.



A Case Study: How ABG as a multinational, multisectoral conglomerate catered to its changing workforce while implementing WASH Pledge

The context of the countries, sectors, and markets in which we operate is changing. And to remain relevant, our businesses must evolve. In January 2015, the Aditya Birla Group signed the World Business Council for Sustainable Development's WASH Pledge to support its efforts for all businesses to confirm that they supply safe drinking water, good sanitation, and hygiene for all employees across all operations.

The challenge of working in developing markets and in some of the sectors where we operate means that often these have been male-dominated areas. Ensuring that we have the right facilities for female colleagues is a priority, not just to ensure access to sanitary conditions as a right, but because if we want to attract the best talent, it means recognising that discrimination, in any form, is unacceptable.

We see a pledge to meeting the WASH standards as more than having bathrooms, but about who you have the bathrooms for, and changing the legacy of outdated mindsets – not because they sought to consciously discriminate, but because circumstances and traditional employment practices have led to subliminal barriers to certain groups in society.

After the initial assessment process, we found that the majority of our sites complied with the WASH Pledge's requirements. Where deficiencies have been identified, we have focused on removing the process issues such as poor cleaning.

In Phase II (2018 - 2020), a total investment of USD 6.1 million was made across the Group for improvements in the required physical facilities. Emphasis was given to increasing the number of washrooms for male, female, and physically challenged employees. Additional facilities of 1,136 male urinals, 1,010 male toilets, 318 female toilets, and 45 toilets for our physically challenged employees and visitors have been constructed across the Group, benefiting 1,09,003 employees at the 226 sites involved in Phase II.

We see our commitment to the WBCSD's WASH Pledge as an opportunity to further reach out to talented female and less physically abled professionals who seek to tie their future success with that of the Aditya Birla Group.

Capacity Building and Training

As in the past, Phase II of WASH Pledge implementation in ABG also saw numerous on-site training courses being carried out at various site locations to provide more insights on the questions and standards expected. Online webinars were also conducted periodically to train the contributors and validators of WASH Pledge self-assessors.

1. In 2018-2020, ABG companies conducted 1,856 awareness campaigns and training sessions.
2. Regular updates and feedback on the progress of WASH implementation were provided to business sustainability coordinators, either through mails or

meetings. During Phase II, it led to 502 action plans being created, of which 434 actions were completed by the end of 31 Dec 2020.

Annexure - 1 (Refer page no. 18) provides data on infrastructural improvements, training conducted, action plans created and closed, and CAPEX and OPEX utilised by each business.

The Group Sustainability Cell assurance team has verified the WASH implementation on sites across the Group as a part of the continuous process of assurance and issued an Assurance Statement refer **Annexure - 2** (Refer page no. 21).

Select Impacts of Rolling Out the WASH Pledge in Phase II



A BG achieved compliance of 96% in Phase II (2018-2021). Across the Group, a substantial increase in awareness and importance of safe drinking water was witnessed. Concrete actions were undertaken to increase the availability and usage of sanitation facilities as well as hygiene practices in all businesses.

Many sites took this opportunity to renovate their existing toilets infrastructure and improve overall hygiene conditions. Although each site had its own share of positive experiences, a few examples from various businesses are listed below:

ABG Business: Aditya Birla Capital – Mafatlal Towers, India

Current washrooms were modified for Covid-19 scenario: Usage of foot-operated push switching for taps rather than using hands.



ABG Business Unit – Century Rayon, India

1. Disabled person-friendly washroom – Newly constructed at staff gate



2. Few examples of improvements due to WASH pledge implementations.

a. Basement Bajaj Section Washing Place



Before



After

b. Basement Bathroom



Before



After

c. Chimney-side Toilet



Before



After

3. 8.0 M tr Spinning Section Toilet



Before



After

ABG Business: Grasim Industries Ltd, Business Unit: Aditya Birla Insulators, Halol, India

1. Renovated urinals



Before Renovation



After Renovation

2. Implemented waterless, odourless urinals in the plant toilet on a trial basis. Since results are satisfactory, the unit has confirmed implementation of the same in other toilets also.



Before implementation



After implementation

ABG Business: Grasim Industries Ltd/CFI Business, Business Unit: Grasim Chemical Division – Nagda

1. New Female washrooms and Male urinals



ABG Business: Grasim Industries Ltd/CFI Business, Business Unit: Aditya Birla Insulators – Rishra, India

1. New toilet cum bathroom of slip house area



2. New toilet cum bathroom of Cementing area



3. Modified Testing department drinking water point



Before



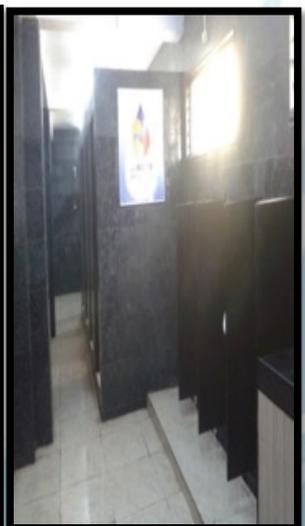
After

ABG Business: Domestic Textile Business – Indian Rayon, Veraval, India

1. Toilet renovation of Washroom Spinning Hall N. 06



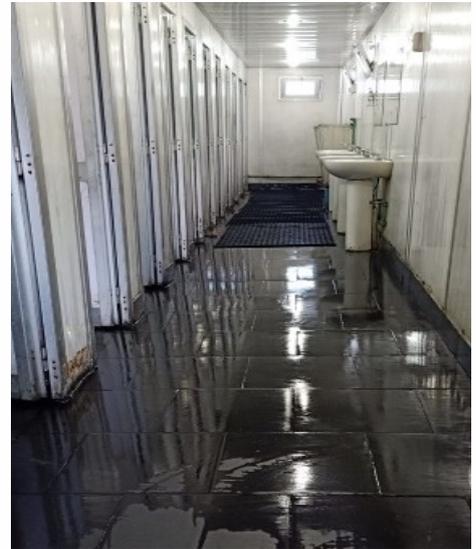
Before



After

ABG Business: Birla Carbon, Egypt

1. Built contractor bathrooms and changing rooms



ABG Business: ABReL (Multiple locations)



The Success Factor and the Way Forward



The continued success of the WASH Pledge implementation by ABG is mainly due to:

1. ABG's unstinted commitment and well-coordinated efforts to this overall goal
2. A focused approach of self-assessment along with gap identification and action plans in a web-based software
3. Use of practical tool like ABG's IT

system to track and report results across all geographies, and bring improvements across the Group

4. Status check by business CEOs and senior management for compliance and conformance to the Group standards, including the WASH Pledge in real-time and at the quarterly Business Review Council meetings.

Annexure I: Details of Resources Utilised and Actions taken for WASH Implementation

Sr. No.	Name of Business	Initial Score Feb 2018	Current Score Jan 2021	CAPEX Utilised (In USD)	OPEX Utilised (In USD)	No. of new Male urinals built	No. of new toilets built			No. of awareness campaign / trainings imparted	Total no. of employees/ people benefitted under WASH project	No of Action Plans	
							Male	Female	Physically challenged			identified/ created	closed
1	ABMCPL	1.98	1.96			30	8	8	1	12	908	0	
2	ABReL	1.93	1.91		3,082		13			117	382		
3	Birla Carbon	1.94	2		70,415	4	9	3	2	5	100		
4	Cement	1.85	1.85	3,77,992	7,32,800	244	287	54	5	428	28098	184	160
5	Chemicals	1.8	1.97	4,81,007	5,51,658	74	73	34	7	67	10450	43	40
6	Essel Mining	1.97	1.94	27,753	4,71,205	10	12	5	1	24	2677	8	6
7	Fertilisers	1.97	2	40,384	1,028	6	6	2	0	12	3300	3	5
8	Financial Services	1.83	1.98	9,87,474	64,231	66	26	25	7	33	5861	24	26
9	Hindalco	1.67	1.86	6,60,151	10,31,164	539	450	109	10	841	35115	98	72
10	Insulators	1.95	1.98	33,534	617	4	4	1	0	4	1700	3	5
11	Pulp & Fibre	1.88	1.96	1,39,376	1,80,716	96	57	25	4	158	11657	15	12
12	Retail	1.87	1.92	1,04,644	2,192	50	57	43	6	48	1859	43	30
13	Textile/AF/OS	1.91	1.95	32,205	1,29,770	13	8	9	2	106	6608	78	78
14	Trading	1.64	1.96							1	288	3	
	Overall ABG Score	1.83	1.92	28,84,520	32,38,880	1,136	1,010	318	45	1,856	1,09,003	502	434

Annexure II: Sustainability Framework Assurance Statement

As part of the Aditya Birla Group's Business Sustainability Framework (ABG BSF), the verification of the following has been completed:

Standard: Pledge and guiding principles on "Water, Sanitation, and Hygiene (WASH) Implementation at the workplace" as issued by World Business Council for Sustainable Development (WBCSD).

Score achieved: Compliance score achieved as aggregated at Group level – 96%

Site: Group-wide for Two Hundred Twenty-Six (226) number of Aditya Birla Group (ABG) Sites.

Note: An ABG Site is defined as "The operational and managed sites of ABG Company/ABG Business. These include but are not limited to manufacturing facilities, mines, ports or transportation activities, wind farms, telecommunication towers, warehouses, retail outlets, office premises (branch/corporate/head office), research and development facilities etc."

This represents a **satisfactory** level of conformance to the standard above at the Group level. The various businesses and respective ABG sites are in different level of compliance with the WASH Pledge.

Note: As per the WBCSD Self-Assessment Tool (August 2015), if the overall score result corresponds to meeting at least 90% of Pledge requirements (i.e. total score equals at least 1.8), the result of the self-assessment can be considered satisfactory, provided that the gaps identified are addressed by the management with a clear action plan and within an appropriate time frame.

Our Approach

The verification was based on off-site/onsite verification of the sample responses with supporting evidence as provided by the respective ABG Sites to the Self-Assessment Tool (August 2015) developed by WBCSD.

A detailed appraisal of the response by the respective ABG sites to the self-assessment was undertaken by the Group Sustainability Assurance team to determine the suitability and adequacy of the gap assessment as against the standard. On-site visits to a selective number of sites (as detailed in Table 1 below) were undertaken to verify the accuracy and reliability of the response. Wherever the assessment team observed the self-assessment is not in line with the requirements, the compliance scores were revised to reflect the status of actual implementation with corrective action(s).

The self-assessment of conformance to the requirements were verified during the period of January 2015 to December 2020 self-assessment cycles.

The assurance process followed was in accordance with the requirements of ABG Management Standard: Assurance and Non-conformance Management (ABG/SUST/MS/11), taking account of the requirements of ISO19011:2011.

Group Assurance Team's Opinion

Based on our verification approach, the ABG Sites sampled have disclosed reliable responses supported with appropriate evidence that reflects the correct status of implementation of the requirements of the standard.

Table: Details of ABG Sites completed WASH Pledge Self-Assessment:

Business	Total No. of Sites	No of ABG Sites where Off/On-site verification undertaken	WASH Pledge Self-Assessment Compliance Score
ABMCPL (Advisory Services)	4	3	1.96 (98%)
Birla Carbon	17	5	2 (100%)
Cement	54	14	1.85 (93%)
Chemicals	16	17	1.97 (99%)
EMIL Solar	24	11	1.91 (96%)
Fertilisers	1	1	2 (100%)
Financial Services	14	5	1.98 (99%)
Hindalco	35	16	1.86 (93%)
Insulators	2	2	1.98 (99%)
Essel Mining	6	3	1.94 (97%)
Pulp & Fibre	13	10	1.96 (98%)
Retail (Madura)	12	6	1.92 (96%)
Textile/AF/OS	11	8	1.95 (98%)
Trading	17	5	1.96 (98%)
Aditya Birla Group	226	106	1.92 (96%)

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Group Sustainability Cell

21- Jan -2021

This Assurance Statement is intended to be used within the Aditya Birla Group to demonstrate to its relevant stakeholders that a robust internal assurance process is followed to validate the self-assurance score and level of conformance to the ABG Sustainability Framework Standard. Group Sustainability Cell does not accept or assume any responsibility for any other purpose or any other person or organization.