Guest of Honour Address

Integrating CSR Mandate into **Corporate Strategy**

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It is always a pleasure, to be at the Golden Peacock Awards presentation night. I am happy that the Golden Peacock Awards, instituted by the Institute Of Directors, India, recognize Corporate Excellence in CSR, in a major way. The Golden Peacock Award is a coveted honour. Over the years, practically all of our Group companies, have won this Award and we take great pride in it. More so, as the process of evaluation is very rigorous and transparent. Kudos to the IOD, for these excellent initiatives, which have been instrumental, in raising the level of corporate performance in a holistic manner.

'**Integrating CSR Mandate into Corporate Strategy**', is now an imperative. So it augurs well, that this has been chosen as the area of focus. In recent times, there has been a tectonic shift, in the very notion of the business of business. Business understands, that it is not an island in itself , and business has to work, for the larger good of society.

Today, CSR has moved from the fringe, into the mainstream. It is very encouraging, to see that a majority of companies, have integrated CSR, into their day to day business tasks.

One of the major facts, that I wish to share, is that CSR is no longer confined, to just stoking positive social change. It is increasingly becoming a strategy, distinctly linked with underlying business objectives. Today, a company's CSR engagement is a huge talent draw. Youngsters joining the work force assert that they want to make a difference, through their work assignments. Likewise, consumers gravitate towards organizations, that have a social conscience.

At the country level our economy is poised to grow at 7.4%. The World Economic Forum reports, that India's GDP is expected, to grow from present 1.5 trillion dollars to 6 trillion dollars by 2030. Critical societal challenges, such as the socio-economic inclusion, of rural India as well as skills development, and employment, are being addressed both by the Government, through their policies, and by corporates through their CSR engagements.

On the CSR front, leading corporates are instituting vocational training centres and linking up with the National Skills Development Foundation, CII, FICCI, and other institutions. The prime objective is to hone skills, and raise the employability levels. The 2018 global Multi-Dimensional Poverty Index, released by the UN, mentions that over 2170 million people, have moved out of poverty, in the last 10 years. So, it would be reasonable to expect, that in the next 5 years, poverty in India, would be at a very low level, and on its way out.

Moving back to business, I want to stress, that building sustainable businesses, through responsible stewardship programmes, is very much a part of corporate social responsibility.

Research indicates, that around 30 years from now, the earth's population, will be nearly 9 billion. Corporates have to work out a sustainability framework that conforms to the best global standards. The impact of Climate Change is evident all over the world. The sinking of land and coastlines, the impact of rising, or ebbing of seas, the melting of glaciers are all a reality. In a recent National Geographic programme, I was

saddened, to learn that the glaciers, in the Garhwal, Himalayan region may disappear by 2035.

Nowhere the sustainable strategies are more important, than on the land mass of India, China and South East Asia. Over half of the population lives here. Building sustainable earth centred business is imperative because "Businesses cannot survive on a planet that fails". If we do not pursue responsible growth, we will set the planet, on an irreversible course to unsustainability. Environment has to be an important constituent, of the CSR portfolio, and the pace needs to be accelerated.

In this context, let me quote, my son Kumar Mangalam, Chairman, Aditya Birla Group's philosophy- "Our business model, is built on responsible stewardship, which is premised on sustainable business practices and on it hinges, a sustainable world. This entails, that we ensure, the right balance between society, environment, and economy. In this context, our constant endeavour, is to enhance, our environment conservation measures, continue to be profitable and sensitive towards societal wellbeing. Our vision is to become 'the leading Indian conglomerate, for sustainable business practices across our global operations'. This is the overarching sustainability vision, and each company is committed to it. It is embedded, in the business framework".

In essence, when we talk of business with purpose, it entails prioritizing attention, to social concerns, environmental sensitivity and sustainable business practices that unrelentingly create stakeholder value. That is the crux of CSR and integrating it into the business strategy.

Excerpts from the Speech delivered by
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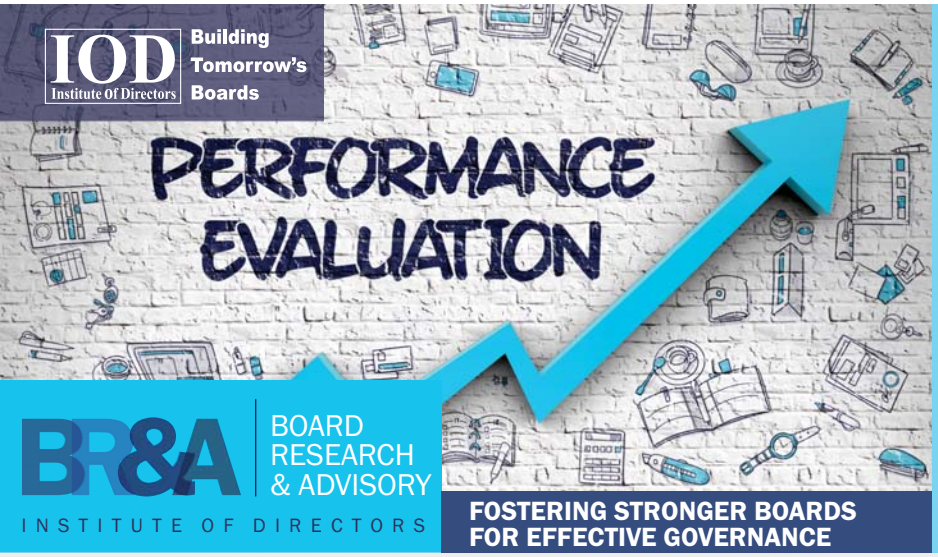

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