



**Jubilant FoodWorks Ltd.**  
**UNGC Communication on Progress**  
(May 2013 to May 2014)





**Statement of continued support to UNGC**

13<sup>th</sup> August, 2014

To our stakeholders:

I am pleased to confirm that Jubilant FoodWorks Ltd. reaffirms its support to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress (CoP) for the period of May 2013 to May 2014, we describe our actions to continually improve the integration of the Global Compact Principles into our business strategy, culture and daily operations.

We are also committed to share this information with our stakeholders using our primary channels of communication.

Sincerely,

Ajay Kaul  
Chief Executive Officer

A Jubilant Bhartia Company

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**Brief about the company:**

Jubilant FoodWorks Limited (the Company) is a Jubilant Bhartia Group Company. The Company was incorporated in 1995 and initiated operations in 1996. The Company got listed on the Indian bourses in February 2010. Mr. Shyam S. Bhartia, Mr. Hari S. Bhartia and Jubilant Enpro Private Ltd. are the Promoters of the Company.

The Company & its subsidiary operates Domino's Pizza brand with the exclusive rights for India, Nepal, Bangladesh and Sri Lanka. The Company is India's largest and fastest growing food service company, with a network of 749 Domino's Pizza restaurants (as of 19th May, 2014). The Company is the market leader in the organized pizza market with a 67% market share in India (as per Euro monitor report 2013).

The Company launched Dunkin' Donuts in India in April 2012 in Delhi. The Company has 29 Dunkin' Donuts restaurants in India (as of 19th May, 2014). With the launch of Dunkin' Donuts in India, the company is now well poised to address two distinct non-competing segments of the Food Service Industry in India, namely the home delivery of Pizza's market and the all-day part food and beverage market.

Dunkin' Donuts is the world's leading Donuts, baked goods and coffee with market leadership Donuts, regular/decaf drip coffee, iced coffee, hot flavoured coffee, bagels and muffin categories.

Dunkin' Donuts (DD) in India is positioned as a Food Café, occupying the sweet spot between Cafés and quick service restaurants. DD serve a wide range of Donuts, Dunkin' Donuts Original Blend drip coffee; Espresso coffee based beverages such as Cappuccino and Latte, Milkshakes, Smoothies, Iced Teas, as well as a delectable range of Burgers, Wraps, Sandwiches and side-bites. Each Dunkin' Donuts restaurant is designed with care and brings alive the brand's International, youthful, colourful and playful brand personality. The restaurants offer its young guests a great ambience to catch up with their friends and family in a relaxed and comfortable environment. And yes, Dunkin' also serve the world's best Donuts.



### **Commitment to UNGC:**

Being a member of the United Nations Global Compact, the company embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

### **Human Rights**

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

### **Labour**

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

### **Environment**

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### **Anti-Corruption**

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Some notable details on the company's adherence to each of these principles is mentioned below:

### **Human Rights**

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

JFL is committed to developing an organizational culture which implements a policy of support for internationally recognized human rights and seeks to avoid complicity in human rights abuses. We support the principles contained within the UN Universal Declaration of Human Rights, ILO Core Conventions on Human rights, UN global compact –Labour and Human rights principles.



The Policy on Human rights sets the standard for how we uphold Human Rights in our company, with our business associates and in the environment that we operate in.

We ensure through policies and through our communication that no discrimination or exploitation or harassment takes places within our company. We have policies on sexual harassment and code of conduct which lay down acceptable standards of behavior and in case of a violation; they also enumerate the redressal mechanism.

All policies have been developed through a process of external benchmarking through an extensive process of stakeholder consultation. We believe that the policies need to be understood and owned by each and every employee in the company, hence we lay a strong emphasis on dissemination of the policies and their reinforcement through various channels for effective implementation.

Besides policy dissemination through emailers, we sensitize our employees about it through various communication mediums like posters, sequence mailers, etc. We have also introduced an interesting concept called “JFL Policy Capsule” which is an emailer containing significant points in the policy. Employees can use it for a quick reference on all policies.

For policies like Sexual harassment we are also developing E Learning modules for strong sensitization at all levels. In terms of escalation of complaints we have a clearly defined escalation matrix and dedicated E Mail ID which any employee can use to raise his/her voice.

Our focus is on people and emphasis is on transparency, fairness and good governance. Jubilant has demonstrated concern for the socio-economic development and improvement of communities in the vicinity of the Units.

Human rights violation is taken very seriously in the company. The sanctions may range from disciplinary actions to termination. Our regional HR needs to send a quarterly report to the corporate office outlining the details of sexual harassment complaints along with the action taken.





JFL aims to encourage the protection of human rights through organization wide policies. The Company has set policies covering key aspects of Human Rights and these policies are available on the Company's intranet portal for easy access to employees and are also included in **Employees Handbook** thereby raising awareness on these issues.

JFL's focus is on people and emphasis is on transparency, fairness and good governance. Jubilant has demonstrated concern for the socio-economic development and improvement of communities in the vicinity of the Units.

JFL strengthens employee relations by ensuring healthy and safe work environment; involvement and commitment of all employees; incentives for employee motivation; and effective communication system in the Company.

Excellent social security package, performance linked economic incentives, profit sharing scheme, various exciting learning & development opportunities at work, challenging assignments, pride of being part of a globally.

- **Principle 2: make sure that they are not complicit in human rights abuses.**

JFL ensures that there are no human rights abuses. The Company does not provide goods and services to any entity that uses them for human right abuse.

JFL is committed to ensure an inclusive growth of the society. The area and magnitude of operations of the Company create lot of local economic opportunities.

The Human Rights are reviewed to promote awareness, knowledge, and discussion on matters of human rights law and policy as per prevailing law of the country. At all the Company's units the internal audits are conducted to review human rights and its impacts regularly.

There is well defined Human Resource Standard Operating Guidelines (SoPs) and processes covering succession planning, recognizing and rewarding talent, and leadership development. HR management identifies skill gaps within the organization and also looks to address those gaps ensuring right people are in the right jobs.

JFL in its quest to nurture talent and provide the best amenities has evolved a gamut of employee centric policies. These policies have been formulated keeping in mind the employee needs and its promise of growing with the Stakeholders.

With effective implementation of the HR policies, the company ensures that it is not complicit in human rights abuses.

Jubilant is committed to treat individuals in all aspects of employment on the basis of ability irrespective of nationality, race, caste, creed, religion or gender. The Company neither initiates nor tolerates racial, sexual or any other kind of discrimination or harassment.

There is no disparity in basic salary between women and men employees in the Company. Regarding the salary of the Company employees, the Company follows the principle of '**Equal Pay for Equal Work**'; hence, there is no disparity in the salary based on gender. The Company also values the principles set in



ILO Convention 1958, which passed the resolution to eliminate 'Discrimination in Respect of Employment and Occupation'.

Under '**Policy on Prevention of Sexual Harassment (POSH)**' all written or oral complaints are addressed to a member of the POSH Committee which comprises of 6 senior management personnel of the Company. This is also informed to new employees at the time of joining and it is a part of the Employee Handbook. This policy gives behavior guidelines for all the employees to prevent unwanted conduct of sexual nature and protects individual dignity.

The health and safety of all employees and customers is of prior importance to the company and in this regard lot of emphasis is given on Road Safety and fire safety.

### **Labour Rights**

- **Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;**

JFL respects the dignity of labour. With a large workforce of employees working at shop floor level, our Human Rights policy states the protection of labour principles laid down by ILO & UNGC.

JFL does not employ any person below the age of eighteen years in the workplace. It prohibits the use of forced or compulsory labour at all its units. No employee is made to work against his/her will or work as bonded/forced labour, or subject to corporal punishment or coercion of any type related to work

JFL treats all its employees with respect and dignity and promotes inclusion in the workplace with emphasis on employment of people from diverse backgrounds including people with disabilities. We have laid strict organization practices against child labour not only for our own business but also for our primary suppliers.

We believe in maintaining a healthy gender diversity at all levels including the shop floor level at our restaurants.

We adhere to all statutory employee benefit provisions for our employees. The details of the same are mentioned in our employee benefit policy and all the employees are also taken through them during their induction. Besides the statutory labor principles, JFL also provides some additional benefits like Non-Pension Scheme to its labour.

- **Principle 4: the elimination of all forms of forced and compulsory labour;**

JFL respects the dignity of labour and denounces all forms of forced and compulsory labour. It is ensured that its terms of employment are transparent and voluntary. Though its '**Policy on Forced and Compulsory Labor**' the Company ensures elimination of all forms of forced and compulsory labour.



The employees are statutorily protected from imposition of any kinds of forced/ compulsory labour. Before release of payment against the work, the concerned official has to certify that minimum wages are being paid to the workforce. The employees are free to quit work at any time after serving the requisite notice period as stipulated in the terms of appointment.



- **Principle 5: the effective abolition of child labour; and**

JFL believes in protection of the young and the vulnerable and is committed not to employ child labour. The Company's 'Child Labor Policy' ensures that nobody is recruited without a proof of age as per the employment norms of the region.

The Company is committed to work in a proactive manner to eradicate child labour by actively contributing to the improvement of children's social situation. The Company also suggests its suppliers (Partners in Progress) to 'Say No to Child Labour' and it is well defined in Company's Green Supply Chain Policy.

The Company is at the forefront of abolition of child labour in any forms in all of its activities, and it is statutorily informed and ensured that no person under the age of 18 is entering the plant premises. Minimum age for recruitment for all levels of employees is 18 years.

In case of labour engaged by the contractor, the company insists on safeguarding of the rights of the contract workers as a principle employer.

JFL ensures 'Dignity of Employees' and treats all its personnel with dignity and respect. The company also ensures not to be engaged in or tolerate the use of corporal punishment, mental or physical coercion, verbal abuse, or harsh or inhuman treatment of any of its personnel.





**Principle 6: the elimination of discrimination in respect of employment and occupation.**

JFL believes that human rights are the birthright of every person and everyone is entitled to enjoy their human rights regardless of discrimination of any kind. Therefore, it ensures that human rights are for all human beings, regardless of "race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status".

Non-discrimination protects individuals and groups against the denial and violation of their human rights. The Company has a '**Non Discrimination Policy**' in force for this purpose.

Under '**Policy on Prevention of Sexual Harassment (POSH)**' all written or oral complaints are addressed to a member of the POSH Committee which comprises of 6 senior management personnel of the Company. This is also informed to new employees at the time of joining and it is a part of the Employee Handbook. This policy gives behavior guidelines for all the employees to prevent unwanted conduct of sexual nature and protect individual dignity.

It is the belief of Company that the employees are solely employed, trained, promoted and remunerated on the basis of performance and competence irrespective of race, caste, natural origin, religion, disability, gender, age, sexual orientation or political affiliation.

The Company is an **Equal Opportunity Employer (EoE)** and this is also mentioned on the Company's website. Both men and women are paid Equal Remuneration for the same category of work. The employees are paid equal remuneration for the same category of work. This is in line with the Equal Remuneration Act, 1976.

Employees are treated in a decent manner and are free from verbal, physical and sexual harassment and other discriminatory practices. Breach of the policies related to human rights can result in actions leading to and including risk of employment termination.

**Environment**

- **Principle 7: Businesses should support a precautionary approach to environmental challenges;**

We support and promote the cause of environmental protection at all levels and take proactive initiatives to contribute our best towards prevention and restoration of environment.

JFL has launched its environmental policy with an aim to integrate energy and environmental considerations into the core business philosophy and functions. It reflects the organization's commitment to environment protection and stewardship to meet the sustainability objectives while providing maximum value to our employees, customers and shareholders.

As a practice, we Adopt the "3-R" (reduce, reuse and recycle) philosophy for all types of wastes to prevent pollution and dispose of "inevitable" wastes, particularly electronic waste, in line with regulatory requirements or industry best practice.



- **Principle 8:** Undertake initiatives to promote greater environmental responsibility; and

We run various social campaigns reflecting our commitment to preserve, protect and promote environmental conservation particularly on special days like, World Environment Day, Water Day, etc.

➤ **Save Environment Drives:** We value our reach to masses and try to optimize this strength for creating value for the society and environment. This year, we have undertaken a number of activities to create sensitization on various significant campaigns on 'Save Water', 'Save Environment', 'Reduce Pollution', etc.

➤ **Go- Green Campaign:** In partnership with Jaagruti, an NGO working on Paper Recycling, we have initiated the 'Go-Green Campaign' at Corporate office to make best use of the USED A4 sheets, newspapers, magazines, etc. which will be collected by Jaagruti and recycled at their end. In return, we have received eco-friendly paper rims, notebooks, slip pads, etc. from the NGO.

- **Principle 9:** Encourage the development and diffusion of environmentally friendly technologies

Some of the notable initiatives undertaken by the company are mentioned below:

1. **E-bikes:** We have launched 17 e-bikes for delivery as a pilot which helps in protecting environment by reducing carbon emissions. The company to upscale this basis in phases.
2. **Solar Heater:** We have installed solar heaters for water heating to save in-house electricity consumption and switch to renewable sources.
3. **Energy Tracking and Control Measures:** We are installing online energy tracking system in 200 restaurants across India for reducing energy waste and tracking the same for effective utilization. This makes us the first QSR in India to work on energy conservation measures.
4. **Energy Efficiency Mechanism:** We have converted retrofit lights to LED lights in 111 restaurants across the country.
5. **Fuel Conservation:** We have reduced our LPG consumption in restaurants by 10% through effective heat optimization in the current financial year. The company plans to take it all new restaurants.
6. **E-waste Management:** The company has also started an E-waste Management Program under which all e-waste is donated to a government certified vendor for recycling.

We also engage and involve our key stakeholders especially our vendors and contractors in our environmental sustainability mission by sharing our expectations to collaboratively achieve our environmental objectives toward greening the supply chain.



The Company continues to take business excellence initiatives under Six Sigma for improvement in processes leading to conservation of energy, reduction in emissions and raw material consumption norms.

### **Anti-Corruption**

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

We practice, promote and safeguard the anti-corruption laws at all levels of business including the organization's sphere of influence for employees, suppliers and public.

Adherence to the anti-corruption laws is an integral part of employee code of conduct policy at JFL. Specific audits are made to check the compliance on this part by both internal and external auditors.

We have 'No Gift Policy' for our employee which mandates that no gifts should be taken by any employee from any business associate.

Adhering to the strong set of values and guiding principles that drive working at Jubilant, dealings are conducted in a professional and ethical manner. The employee codes of conduct states that any personal payments or bribes within the sphere of business is strictly prohibited. This includes buying equipment from suppliers for personal use at high discounts.

The Company has a '**Code of Conduct for Directors and Senior Management**' as part of which the senior management personnel are required to give an annual affirmation statement. Apart from ensuring honest and ethical conduct, the said code also covers issues related to integrity, confidentiality, insider trading, dealings with outsiders, gifts & entertainment and penalty for breach/corruption.

In compliance with the SEBI's Prohibition of Insider Trading Regulations, a '**Code of Conduct for Prevention of Insider Trading**' has also been established with an objective to prevent possible circumstances of trading in securities of the Company by its officials based on possession of unpublished price sensitive information. Under the said Code, annual disclosures regarding securities held and other disclosures in respect of trading in securities of the Company are taken from the Directors and the Designated Persons (defined in the Code itself) from time to time.

### **The Road Ahead:**

While moving ahead, the company is committed to embed the UNGC principles in the core of its business and contribute towards a sustainable society.

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