



**DELIVERING VALUE - RESPONSIBLY**



# Delivering Value - Responsibly

In today's dynamic global scenario, financial growth and shareholder return alone do not completely capture all dimensions of a company's performance or intrinsic responsibility.

Financial metrics alone are not able to depict how the businesses create value for its many stakeholders, and how it builds resilience for the future. A holistic picture of the company's growth can only be presented through the lens of the triple bottom lines of People, Planet and Profit. A company is expected to be responsible in every it does.

The pursuit of excellence can be seen in our business processes and product portfolio. We give utmost importance to product stewardship and consider it our responsibility to incorporate concepts of green chemistry and lifecycle thinking in the design of our products. Within our operations, we believe in going beyond compliance and set

steep targets for ourselves. We extend our commitment, knowledge and influence to drive responsible behaviour across our value chain.

Inspired by a rich legacy, and ready for a promising future, we re-commit to responsibly deliver value to all our stakeholders, the natural environment and the society at large.

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# Message from the Managing Director



Taking forward our pledge to promote **'Value through Green chemistry'** and with our expertise in fluorine chemistry, we aim to deliver innovative and exceptional solutions for demanding applications.



Since the last couple of decades, the Corporate world is being called upon to systematically address the environmental and social implications of their actions, as well as to make a positive contribution through their products and solutions.

In the above context, I am happy to share with you all the GFCL Sustainability Report and UNGC Communication on Progress for FY2019-20. I believe that long-term corporate success depends on how we are aligning our economic activities with the principles of sustainability and responsible corporate governance. At GFCL, sustainability and responsible growth to deliver value to all our stakeholders has always been the founding block of our long-term business strategy.

GFCL joined the growing group of leading companies that are setting emissions reduction targets in line what climate science says is necessary.

By signing the SBTi Commitment we have dedicated ourselves to develop a science-based emission reduction target within the timeframe and as per the criteria required by SBTi.

Our continuous focus on Occupational Safety and Health ensure that our manufacturing plants are inherently safe and healthy and nobody gets hurt while working for us. GFCL has drafted the services of DuPont Sustainable Solutions to strengthen our Process Safety Management system. We have also adopted the Principles of Responsible Care. We have adopted the ISO 26000 standards for implantation of our social responsibility actions. Our Dahej and Ranjitnagar Plants are now SA 8000 Certified by Social Accountability International (SAI).

Our Sustainable Procurement Policy and Code of Conduct for the Suppliers, Vendors and Third Parties sets our expectations from our business partners and forms the foundation for a long term trustworthy relationship and how we will conduct our business. Our procurement processes are in compliance with the ISO 20400 standards.

We continuously review and strengthen our internal control processes. We are now ISO37001 Certified for its Anti Bribery and Anti- Corruption Management System; thus, becoming one of the very few companies in India to accomplish this certification.

Taking forward our pledge to promote 'Value through Green chemistry' and with our expertise in fluorine chemistry, we aim to deliver innovative and exceptional solutions for demanding applications. We consistently focus on clean processes that aid in the development of customized solutions and at the same time being environmental friendly.

Aligning our actions to our goals, we are poised to build a culture of excellence and pave the way for RESPONSIBLE GROWTH while ensuring a greener future, safe and healthier workplace, and positively impacting the community at large.

Mr. Vivek Kumar Jain  
Managing Director



## About the Report

Sustainable development has always been the core ethos of all our operations and business decisions. We are proud to release the first annual sustainability report of Gujarat Fluorochemicals Limited (GFCL) which brings together the details of our sustainability approach and performance across all aspects of our organization and value chain. This report contains performance information for the financial year ending 31st March 2020 (FY 2019-20), and historical information has also been included for certain parameters. Going forward, we plan to release our sustainability reports on an annual basis to convey our year-on-year performance.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It also acts as our Communication on Progress (CoP) for United Nations Global Compact (UNGC) Advanced, besides being aligned with UN Sustainable Development Goals (SDGs), National Voluntary Guidelines on Socio-Economic and Environmental Responsibilities of Business (NVGs), EcoVadis Sustainability Assessment as well as SA 8000, and

ISO 26000 standards. The GRI Content Index, which also contains the mapping with other frameworks has been provided at the end of the report.

This report contains information for the two plants of GFCL located in India, namely Ranjitnagar and Dahej, in addition to our offices in India, unless specified otherwise. The information has been sourced from our robust internal data management systems and the same has been reviewed by the Company's Senior Management, under the guidance of the Board. This has

ensured accuracy and completeness of the information disclosed in this report. In addition, certain key performance indicators in the report have been independently assured by Ernst & Young Associates LLP, as depicted in the assurance statement.

We welcome your feedback and comments on this report, which will help us enhance our future sustainability communications. Please reach us by writing to Mr. Kallol Chakraborty, Head – Group Corporate Human Resources at [kallolchakraborty@gfl.co.in](mailto:kallolchakraborty@gfl.co.in).



## Message from the Chief Executive Officer

It gives me immense pleasure to share GFCL's Sustainability Report prepared as per the GRI standard. **This report also serves as our CoP**, an annual disclosure required to be made in the implementation of the UNGC Principles, in the areas of human rights, labour, environment and anti-corruption.



Tremendous emphasis and focus are being bestowed in the re-alignment of relationship between business growth and sustainability by the corporate world across the globe. All stakeholders of business across countries - investors, regulators, business leaders, community, employees, customers – are part of this change in business paradigm shift. GFCL too has been focusing on sustainable and responsible growth for creating value to all its stakeholders.

Sustainable development is an integral part of our business strategy and we ensure that it is built into the complete business cycle – product

development, new markets, capital projects, operational management and ultimately product end – use. Health and safety, social and governance issues are built into all stages of the asset life cycle, which helps in serving our customers and all stakeholders over the longer term, wherever they are across the world. We have adopted Responsible Care Principles across all business functions. Product Safety and Stewardship actions help us to provide our Customers with inherently safe products with minimal impact on the environment. We have initiated the process of engaging with our business partners in this journey through sustainable procurement practices. We have taken firm steps towards a much more socially accountable and responsible people practices by adopting the ISO 26000 standards.

I thank all the employees and the leadership team who have taken ownership of this transformation in GFCL. We will continue to work together with all our stakeholders in our continuous endeavour to create value for them responsibly.

**Mr. Satish Kakade**  
Chief Executive Officer



# Highlights of the Year



People:

**2,216**

Employees

**36,227\***

Manhours of training

**1.783**

Lost Time Injury Frequency Rate (LTIFR) at Dahej

**INR 2.19 crore**

spent on community development

**1,77,424**

people benefitted from Corporate Social Responsibility (CSR) projects



Planet:

**12%**

wind power consumption

**14.5%**

reduction in purchased grid electricity

**8%**

reduction in water intensity

**96.62%**

of hazardous waste recycled

**100%**

organization covered for ISO14000



Profit:

**Presence in 75+ countries**

**11%**

of the global Polytetrafluoro-ethylene (PTFE) capacity accounted by our PTFE facility

**40%**

of high-risk high value suppliers covered by ISO20400 through self-assessment

**INR 3142 crore**

market capitalization as on 31st March 2020

\*This figure is for the period 1st September 2019- 31st August 2020

# Message from the Chief Operating Officer



GFCL recognizes that in order to succeed in today's global marketplace, sustainability must be embedded in the way we do business. **We strive to integrate the environmental, social, and economic dimensions of sustainability into our core business strategy.**



**Mr. Prashant Ogale**  
Chief Operating Officer  
– Fluorospeciality and  
Pharma Business

GFCL recognizes that in order to succeed in today's global marketplace, sustainability must be embedded in the way we do business. We strive to integrate the environmental, social, and economic dimensions of sustainability into our core business strategy.

Being a signatory of the UNGC, we are committed to the 17 UN SDGs as we believe that business plays an important role in developing solutions to these challenges. In the long run, globally, the Chemical Industry will have to operate within stringent environmental parameters, ensure to drastically reduce emission/wastage and conduct business in a socially and environmentally aware community. We at GFCL understand this global paradigm shift and are making our organization future ready.

As a company, we have integrated sustainability into all our business process from product development to distribution. GFCL continuously collaborates with all the stakeholders, including the community across the complete value chain. For us, sustainability is a journey which requires continuous learning, adaptation, and

improvement of our business processes. We are working aggressively to reduce our climate impact and waste generation, integrate green chemistry in our product development, improve and augment our health and safety processes, implement sustainable procurement practices across the supply chain and ensure that all our people practices are in accordance to global standards. We also ensured a structured Stakeholder engagement to come out with our "material topic" to make our sustainability efforts focused and effective.

It is matter of pride that we are a signatory to Science Based Targets Initiative (SBTi) and are working to define our long-term Greenhouse Gas (GHG) emission reduction targets. We are one of the few companies in India who are in compliance with the ISO 20400 – Sustainable Procurement Management Standards and the ISO 26000 – Social Responsibility Management Standards.

The top management of GFCL is completely committed to drive sustainability and positively impact the triple bottom line – Profit, Planet and People – and drive sustainable and responsible growth. Our role is not only to provide resources and drive sustainability initiatives but also to strongly influence organizational culture and company-wide decision-making processes through this commitment and leadership.

**Mr. Prashant Ogale**  
Chief Operating Officer –  
Fluorospeciality and Pharma Business





## Company at a Glance

We are one of the leading chemical producers in the world and a market leader in chloromethanes, refrigerants and PTFE. With over 30 years of experience in fluorine chemistry, we continue to leverage our core competencies to deliver unique products designed for diverse end-users. Our focus on clean processes and a continual commitment towards sustainable operations drive us to align our aspirations with the motto of delivering value through green chemistry.

## Our PTFE facility is India's largest and the world's fourth largest.

Further, our forward and backward integrated operations make us one of the most cost-competitive producers of these chemicals globally. We have successfully created a niche for ourselves in the chemicals business and are set to explore markets for more value-added products while strengthen our other diversified businesses.

We began commercial operations in 1989 with India's largest refrigerant manufacturing unit in Gujarat. Today, we have expanded and diversified our presence with two manufacturing units in India (at Dahej and Ranjitnagar), a captive fluorspar mine in Morocco, subsidiaries in Europe and United States of America (USA), and an extensive marketing network across the globe. We serve customers in 75 countries and our integrated and advanced manufacturing

facilities, best-in-class quality assurance laboratories and state-of-the-art Research and Development(R&D) facility are enablers in our quest for a cleaner, greener and sustainable future.

In the year 2019, we expanded our monomer and polymer capacity with the aim of catering to the rising demand for our product across geographies. After achieving success in the global PTFE markets, we extended our presence in other fluoropolymer products with gradual introduction of new fluoropolymers in our portfolio, leading us to become one of the preferred suppliers globally. Our backward integration provides us with a solid competitive base to compete in PTFE, Fluor elastomers (FKM), Fluorinated Ethylene Propylene (FEP), Perfluoro alkoxy (PFA) and Polyvinylidene fluoride (PVDF) markets with application in the top twenty industries globally.

Our sustainability ethos is firmly embedded in everything we do, and our sustainability goals are interwoven all across our operations and along our value chain. We are a member of the Indian Chemical Council (ICC), and a signatory to various global frameworks on sustainable development. Our focus on Health, Safety and Environment is reflected in the wellbeing and safety of our people. Multiple efforts towards sustainability across various facets of our operations make us a long-term partner for our customers across geographies.

Our goal is to create value for all our stakeholders while being a responsible corporate citizen. Focus on clean processes, continuous development of new applications, customised solutions and consistent services make us a reliable strategic partner for our global clientele. We create opportunities for professionals who make an impact through continual growth, while aligning our ambitions with Company's raison d'etre - Value Through Green Chemistry.



### Key Company Highlights

**75**

Total countries where we operate

**India, USA, Germany**

Major areas of operation

**2551**

Average number of Employees

**4 (product line)**

Total number of operations

**INR 2606 crore**

Net revenue

**INR 3142 crore**

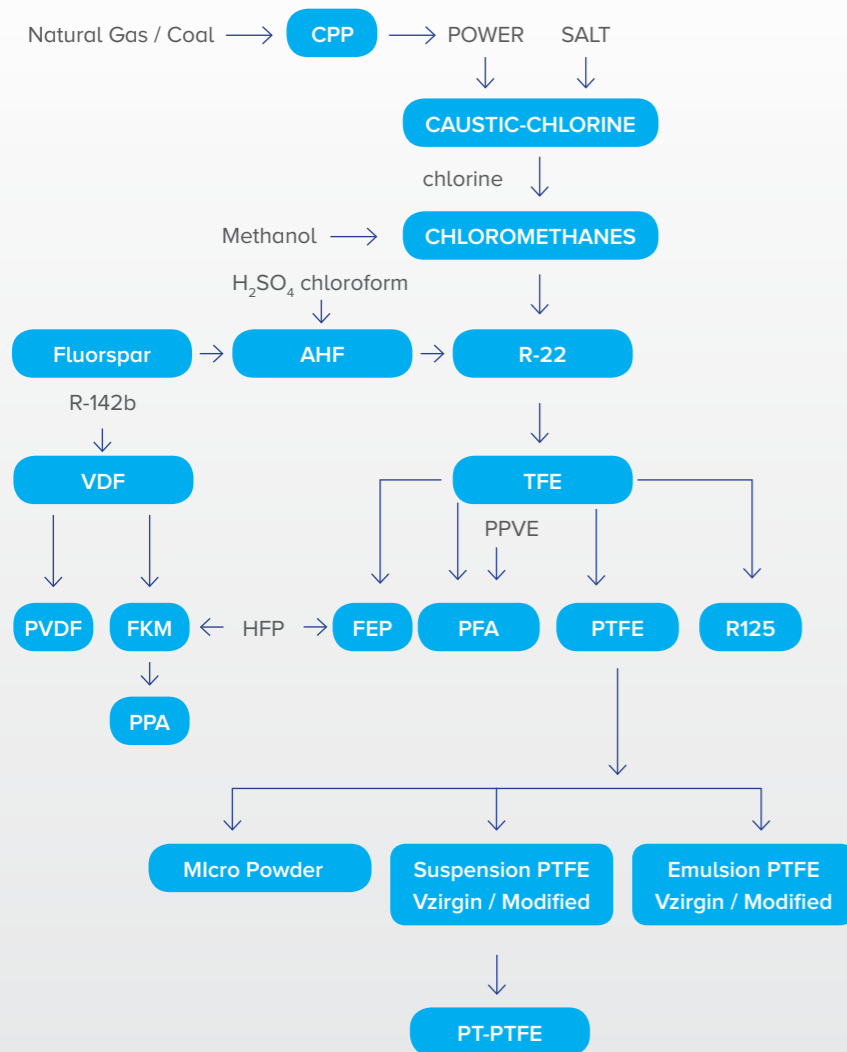
Total capitalization



## Company at a Glance

Besides being the country's largest manufacturer of chloromethanes, Hydrochlorofluorocarbon (HCFC) 22 refrigerant gases and PTFE, we have established a strong presence across our value chain through backward integration. Our strategic initiatives have enabled us to become one of the most efficient Fluoropolymer producers globally, offering a diverse range of Fluoropolymers including latest generation grades of FKM. Using basic materials like salt, sulphuric acid, methanol, coal and natural gas, we have built an entire value chain for our products. We produce HCFC 22 from AHF and chloroform, while AHF is made from fluorspar and sulphuric acid. Fluorspar is produced in Morocco and chloroform is made from chlorine in the Chloromethane plant at Dahej. Our captive power plant (CPP) is run on coal and natural gas.

### Integrated Operations of GFL's Plants



### Manufacturing Facilities

We operate in all the business segments through our state-of-the-art manufacturing facilities, which facilitates simpler and more cost-efficient manufacturing process. In the refrigeration segment, we operate with one of the largest and most efficient plant of refrigerant gases. We continuously carry out up gradation of all its facilities for quality specifications, recoveries, valorisation of by-products, energy conservation, environment and safety controls etc., through in-house technological improvement initiatives. We have two major manufacturing facilities situated in Ranjitnagar and Dahej. Ranjitnagar also houses our registered office, and additionally we have offices in Vadodara and Noida.



## Company at a Glance

### Summary of our Manufacturing Plants

Plant	District and State	Set up in	Location	Products
Ranjitnagar	Ghogambha District, Gujarat	1989	Located 57 kms from Vadodara near Halol	Refrigerants and Specialty Chemicals
Dahej	Bharuch District, Gujarat	2007	Located 45 kms from Bharuch	PTFE

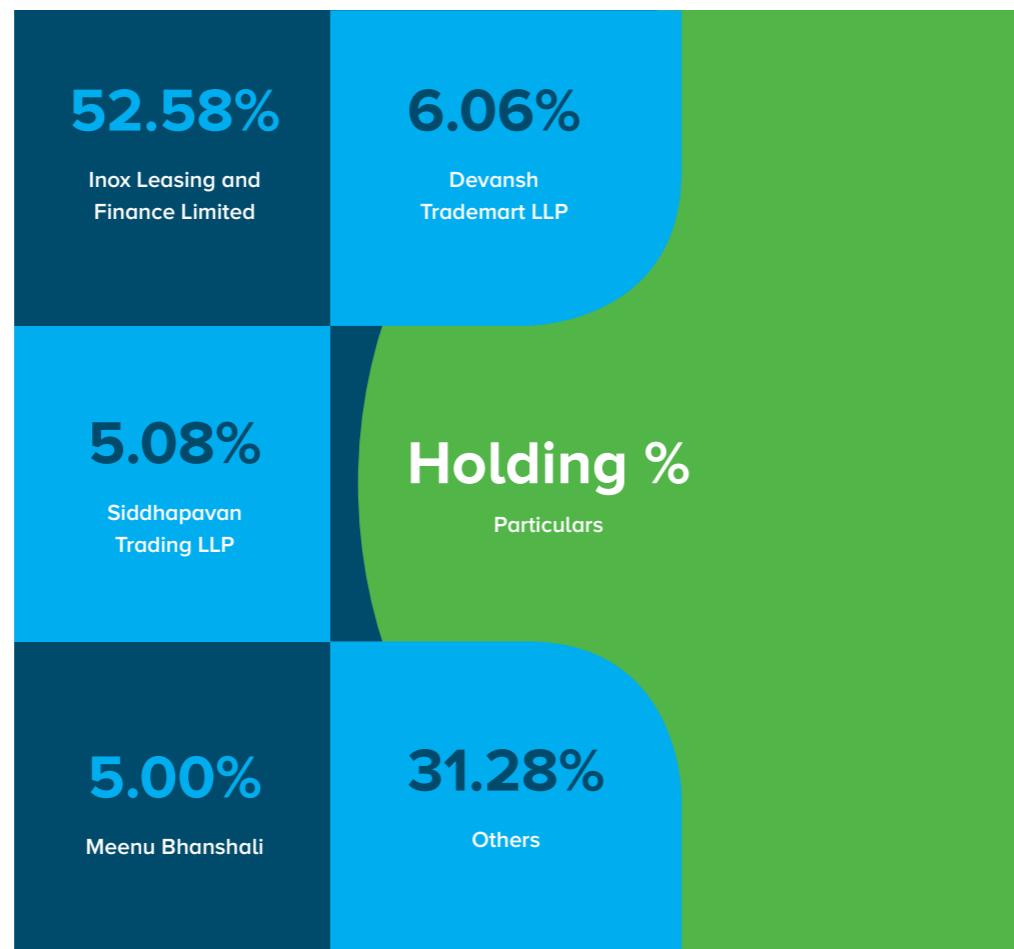
### Holding Structure and Subsidiaries

We are a listed Company in India and an overview of our shareholding pattern is presented below (further details are available in our Integrated Annual Report FY 2019-20).



Scan QR code to see our Integrated Annual report FY 2019-20

We are a part of the INOX Group of Companies. It is an Indian conglomerate with a legacy of more than 90 years. The Group is a frontrunner in diversified business segments comprising Chemicals, Cryogenic Engineering, Entertainment, Industrial Gases and Renewable Energy. With a strong workforce of over 10,000 people in over 150 business units across the country and a distribution network spread across 75 countries, each INOX Group Company is characterized by the growth DNA of the Group.



### Inox Leisure Limited:

INOX Leisure Limited (INOX) is amongst India's largest multiplex chains with 143 multiplexes and 595 screens in 67 cities as on 30th June 2019. INOX has redefined movie experiences in India, making it truly a 7-star experience. Each INOX property is unique with its own distinct architecture and aesthetics. Beyond the normal screens, INOX also has INOX INSIGNIA for the discerning audience or KIDDLES for young patrons or MX4D® EFX Theatre for an immersive experience or the panoramic viewing with ScreenX at select locations. INOX brings the very latest in projection and audio technology with INOX Laserplex, IMAX and INOX ONYX. Some of the key multiplex features include plush micro adjustable leather recliners with a butler on call facility, gourmet meal choices by celebrity chef and designer staff uniforms.

### Inox Wind Limited:

Inox Wind Limited is a fully integrated wind energy solution provider engaged in manufacture of wind turbines in India. It has a wind turbine manufacturing capacity of 1,600 MW and a cumulative installed base of more than 2.6 GW out of India's installed base of 34 GW. It has manufacturing facilities near Ahmedabad (Gujarat) and Barwani (Madhya Pradesh) for blades and tubular towers and at Una (Himachal Pradesh) for hubs and nacelles.

### Inox Renewables Limited:

Having commenced its operations in 2007, Inox Renewables Limited is engaged in business of wind farming. Presently, it operates wind farms with a total capacity of 31 MW.

### Joint Venture and Foreign Subsidiaries:

GFCL has strengthened its supply chain of critical raw materials through its investment in a joint venture in Morocco. It has also incorporated two subsidiaries to strengthen its presence in the international markets - Gujarat Fluorochemicals Americas LLC and Gujarat Fluorochemicals GmbH.

### Memberships in Industry Associations and Global Forums

Currently, we are an active member/signatory of the following industry associations and global forums, through which we participate in and contribute to topics relevant in our industry sector as well as on sustainable development:

- IMC Chamber of Commerce and Industry
- Corporate Membership of Asian Polymer Association (APA)
- Federation of Indian Chambers of Commerce & Industry (FICCI)
- Federation of Gujarat Industries (FGI)
- Baroda Management Association (BMA)
- Confederation of Indian Industry (CII)
- PHD Chamber of Commerce & Industry
- National Safety Council (NSC)
- British Safety Council (India) (BSC)
- Signatory to the ICC Charter
- UNGC
- SBTi
- Suschem
- Gujarat Employers Organization
- Panchmahal Industrial Association
- Baroda Productivity Council
- Achillus



# Message from the Chief Financial Officer



In the Business world which includes investors and financial institutes, **customers, regulators, community and Non-Governmental Organizations (NGO)**, and others are urging companies to think more holistically as to how they drive value, and about the impacts their operations and strategic decisions have on the environment and society.



All stakeholders are wanting to understand how GFCL is addressing sustainability issues which impact company performance and financial condition, and how those items affect operations and strategy. GFCL, understanding this shift in stakeholder expectation, has come out with its first Integrated Annual Report for the financial year 2019 -2020 as a first step.

Continuing with our relentless effort to provide our stakeholders with complete, reliable and transparent information, I am pleased that we have come out with our Sustainability and UNGC COP. GFCL understands how important it is to have positive impact on the Triple

Bottom Line – Profit, Planet and People. For GFCL, sustainability is now being taken as a finance priority not just because of regulations and the push for transparency — but to build robust, reliable and efficient business process across the company while ensuring business continuity and risk mitigation.

**Mr. Manoj Agrawal**  
Chief Financial Officer



# Financial Performance

**At GFCL, our focus revolves around maximizing stakeholder value by maintaining a strong balance sheet and an optimal capital structure. We ensure availability of funds to meet our operating needs and strategic objectives to efficiently manage cost and sustain liquidity, thereby fulfilling our endeavours to accelerate growth and enable disciplined capital allocation.**

We have adopted the following strategies to enhance our financial performance:

- Focus on growth:**  
At GFCL, we focus on capitalizing opportunities to grow our market presence and product portfolio. This enables us to deliver long-term, sustainable returns for our shareholders.
- Prudent working capital management:**  
Our relentless emphasis on effective and efficient management of working capital drives us to generate and maintain healthy cash flow. Efficient capital allocation also allows us to retain investor confidence, thereby driving our business expansion and growth plans.
- Attractive returns:**  
We consider the adequacy of returns generated for our shareholder community an able measure of our financial success. We strive to offer attractive return on investments, in comparison to industry averages, to ensure sustained profits for our stakeholders.
- Robust balance sheet:**  
We strive to maintain a strong and healthy balance sheet to efficiently fund our strategic priorities. We also aim to reduce debt and improve operating cash flow to further strengthen our balance sheet and successfully navigate uncertainties in our operating environment.
- Continuous cost optimization:**  
To ensure optimum utilization of our financial capital, it is imperative to ensure cost optimization across the organization. Accordingly, we undertake initiatives such as process automation, waste reduction and energy efficiency to boost productivity and effectively lower costs. It not only helps to increase our bottom line but, also creates better returns for our shareholders. Besides, to reduce our power costs, we are setting up captive wind power capacity to significantly reduce such expenses.

## Our Financial Performance:

A brief summary of our financial performance (GFCL standalone basis), including direct economic value generated, distributed and retained is provided in the table below:

Sr. No.	Financial Performance Details	FY 2019-20 (INR crore)	FY 2018-19 (INR crore)	FY 2017-18 (INR crore)
1	Direct Economic Value Generated: Revenue (A)	2717.66	2814.41	2187.33
2	Economic Value Distributed (B)			
2.1	Operating Costs	2106.65	1943.51	1364.08
2.2	Employee Wages and Benefits	186.60	165.12	138.35
2.3	Payment to Providers of Capital	101.38	55.71	47.62
2.4	Payment to Government	133.08	-603.80	148.99
2.5	Community Investments (CSR)	-	7.69	0.98
3	Economic Value Retained (A - B)	189.95	1246.18	487.31

With an aim to serve the society and the economy through our contributions, we take efforts to fulfil all our regulatory obligations in a timely manner. We ensure regular payment of taxes and avail benefits of various governmental schemes and policies. We have not received any direct financial assistance from the Government in the reporting period.

Further details of our financial performance are available in the Integrated Annual Report FY 2019-20.



## Product Offering

WE  
HAVE FOUR  
PRODUCT  
VERTICALS:

Fluoropolymers,  
Fluorospecialities,  
Refrigerants and  
Chemicals.

Our unwavering focus and expertise in fluorine chemistry enables us to develop and manufacture fluorine-based products while complying with the applicable regulatory requirements. Our vertically integrated operations and access to key raw materials have facilitated expansion into a wide range of Fluoro-products for varied applications in automotive, modern architecture, pharmaceuticals, chemical processing, energy and telecommunications industry. Committed to greener processes and practices, we constantly strive to make our products sustainable and environmentally friendly.



### Fluoropolymers

Fluoropolymers are one of the integral building blocks of modern world. Ranging from automobiles to telecommunications, their unique properties power inventions that lead industries towards efficiency and better performance. From chemical resistance to harsh outdoor exposure, Fluoropolymers can withstand a broad scope of aggression, while ensuring heat stability and good electrical properties. They are widely used in automotive, aerospace, semiconductors, electronics and common household appliances because of their unique non-adhesive and low friction properties as well as their superior heat, chemical and weather resistance and superior electrical properties compared to other polymers.

We manufacture and market following range of Fluoropolymers and Fluoroelastomers:



## Product Offering

### 1.1 PTFE

INOFLON® PTFE is an engineering plastic, designed for high performance under some of the most extreme conditions. Known for its exceptional chemical resistance, low coefficient of friction, outstanding weatherability, dielectric strength, thermal stability, flame resistance and a wide range of service temperatures, the companies PTFE resins are the material of choice for a broad range of industries. The INOFLON® brand of PTFE is widely used worldwide for various applications such as bearings and seals, pipes and tubes, weather-resistant architectural coatings, high quality cook wares, automotive fuel hoses, gaskets, wire insulation and for some of the most sophisticated defence and aerospace applications.

### 1.2. PFA

INOFLON® PFA resins provide excellent processability because of lower melt viscosity than PTFE along with excellent heat & chemical resistance, dielectric strength, flame resistance, and weatherability like that of PTFE. Being suitable for conventional melt processes such as moulding and extrusion, INOFLON® PFA resins are widely used for corrosion resistance in valves, pumps, and fittings as well as for tubing applications such as wires, cables, and tubes. INOFLON® PFA Dispersions and Powders grades find extensive use in a variety of coating applications.

### 1.3. FEP

INOFLON® FEP Resins are melt processable fluoroplastic processed by conventional melt extrusion techniques transfer and Injection moulding processes. Being highly melt-processable due to their lower melting temperatures compared to PFA, they are ideal for cable insulation, tube extrusion, and moulding for lining components application. A unique blend of properties such as low dielectric constant, transparency and UV resistance along with the characteristic resistance to corrosion, heat, and flame of Fluoropolymers, makes INOFLON® FEP highly applicable in the high-speed extrusion of flame-resistant coated wires, high-end LAN cables, high-frequency cables as well as cost-effective corrosion protection of valves, pumps, fittings, and vessels.

### 1.4. FKM

FLUONOX® Fluoroelastomers offer exceptional chemical resistance at a wide range of operating temperatures compared to conventional elastomeric materials. FLUONOX® FKM products are widely known for their long service life in demanding sealing applications for the automotive, aerospace, CPI, and oil & gas industries.

### 1.5. PVDF

INOFLARTM PVDF Resins are known for their high mechanical strength, exceptional abrasion resistance, and very good UV resistance while being highly non-reactive with a service temperature of up to 150°C. INOFLARTM PVDF homopolymer and copolymer products serve a variety of applications such as corrosion resistance in CPI, oil & gas and semiconductor industries, architectural coatings, membranes as well as flame-resistant wire and cable insulations.

### 1.6. ADDITIVES

INOLUB™ fluoropolymer additives are the ingredients that enable critical performance in the most demanding applications. Whether it's high-temperature grease, a rub-resistant ink or coating, wear-resistant and low friction plastic components, high transparency food packaging film, or a television housing meeting stringent fire regulation.



### Fluorospecialties

Fluorospeciality chemicals are compounds comprising fluorine with niche applications such as pharmaceutical intermediates and pesticide intermediates in pharmaceutical, agrochemical, pesticide and fungicide industry. We manufacture HF based, TFE based, KF based and Chloroform as our range of Fluorospeciality products.



### 2.1 HF Based Products:

- 2,6-Dichloro-4-trifluoromethyl aniline: Used in the synthesis of Gamma aminobutyric acid (GABA) receptor antagonists and insecticides.
- Difluoromethane sulphonyl chloride
- Bromotrifluoromethane: Used as fire extinguishing agent for oil, electrical equipment, organic solvent, natural gas and a variety of organics, especially for important military and civilian sites.
- Ethyl difluoroacetate: Used in pharmaceutical intermediates, pesticide intermediates, widely

used in acrylization oxidation and halogenating reaction of catalyst.

- Ethyl 1,1,2,2-tetrafluoroethyl ether: Used in pharmaceutical intermediates, pesticide intermediates, widely used in acrylization oxidation and halogenating reaction of catalyst.

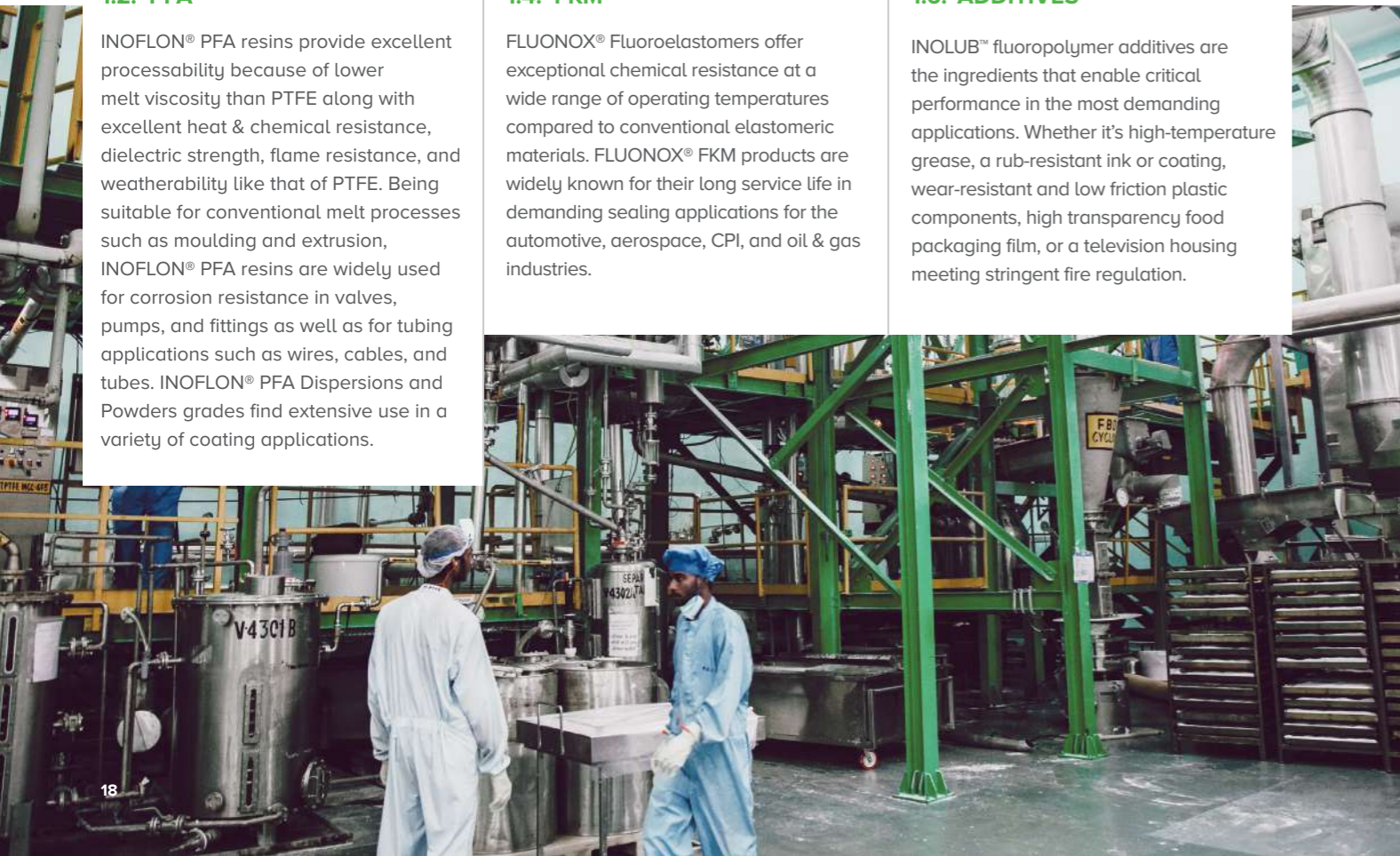
### 2.2 KF Based Products:

- 2,4-Difluorobenzylamine: Used in the synthesis of Ala-Aib (N-fluoroarylmethyl), nonpolar nucleobase dipeptide via Ugi four-component condensation reaction

- 1,3 Difluorobenzene(1,3-DFB): extensively used in the synthesis of pharmaceutical and pesticide intermediate

### 2.3 Chloroform:

- Triethyl orthoformate: Reagent for converting compatible carboxylic acids to ethyl esters. It is also added to ordinary esterification using catalytic acid and ethanol. TEOF helps drive esterification to completion by converting the by-product water formed to ethanol and ethyl formate.





## Product Offering



We are a leading producer of industrial chemicals used in varied applications. Our chemical business segment focuses on capacity utilisation and cost-efficiencies of the raw materials and produces commodity chemicals such as Caustic Soda Lye, Methylene Chloride, Hydrogen Gas, Anhydrous Hydrochloric acid, Hydrochloric Acid, and Sulphuric Acid.



### 3.1 Caustic Soda (Sodium Hydroxide)

Caustic soda is a versatile alkali with main uses in the manufacture of pulp and paper, alumina, soap and detergents, petroleum products and chemical production.

### 3.2 Carbon Tetrachloride

Carbon tetrachloride has been used in the carbon tetrachloride induced mouse model to study liver injury and regeneration.

### 3.3 Chlorine

Chlorine gas has been used to generate chlorine atoms via photolysis for molecular halogen photochemical experiments. It can be used as a reactant for the extraction of gold from an alluvial material via a pyrometallurgical process and to synthesize Carbide-Derived Carbons (CDC) from zirconium carbide.

### 3.4 Methylene Di Chloride

Methylene Dichloride is an important intermediate, used with other intermediate to manufacture quality products.

### 3.5 Hydrochloric Acid

Hydrochloric acid is an important chemical reagent and industrial chemical, used in the production of polyvinyl chloride for plastic. In households, diluted hydrochloric acid is often used as a descaling agent. In the food industry, hydrochloric acid is used as a food additive and in the production of gelatin. Hydrochloric acid is also used in leather processing.

### 3.6 Sodium Hydrogen Sulphate

Sodium bisulfate is used primarily to lower pH. It also is used in metal finishing, cleaning products, and to lower the pH of water for effective chlorination in swimming pools and hot tubs.

### 3.7 Hydrogen Gas

Hydrogen is used in various industrial applications; these include metalworking, flat glass production, the electronics industry and applications in electricity generation, for example for generator cooling or for corrosion prevention in power plant pipelines.

### 3.8 Fluorspar (Calcium Fluoride)

Fluorspar has multiple applications in fiberglass, ceramic, welding rod, and glass industry. Also used in blending with burned lime & dolomite for the steel industry.

### 3.9 Anhydrous Hydrogen Chloride (AHCl)

AHCl is a colourless gas and is readily absorbed in water to form hydrochloric acid. Being hygroscopic in nature, the gas forms white fumes in moist air attract moisture, which are a mist of hydrochloric acid.



Equipped with new generation manufacturing and stringent quality control backed by adequate storage facilities, our Chlorofluorocarbon range of Refrigerants is marketed under the "REFRON" brand. We are the largest manufacturer of HCFC 22 in India and the preferred supplier of leading OEMs and service partners globally. For more than 30 years, REFRON refrigerants have earned a reputation for delivering the highest quality and sturdiest performance.

Keeping up with changing dynamics of the Refrigerants market, necessitated by Montreal Protocol to gradually reduce uses and phase out of HCFC refrigerants, we at GFCL have ventured into new generation 400 series blends to replace HCFC. We work closely with distributors spread across the globe to market our refrigerants for various air-conditioning applications, currently offering following range:

HCFC 22

HFC 125

HCFC 32

HFC 134a

HFC 410a - (blend of R 125 and R 32)

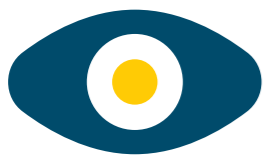
HFC 407c – (Blend of R 125, R 32 and R 134a)





# Governance

Being the global leader in chemical sector and a responsible and ethically committed corporate citizen, we consistently work towards achieving new benchmarks with our governance practices. Our governance philosophy is driven by the far-sighted vision mission and credo of the Company.



## Vision

To become preferred suppliers of Fluoropolymers, Fluoroelastomers and new generation refrigerants globally and achieve this through Technological, Operational and Service excellence.

- We shall endeavour to be a global player in our businesses.
- We shall constantly endeavour to delight customers, workforce and all the stakeholders.
- We shall do our business exercising utmost care of environment and society at large.



## Mission

We shall endeavour to, always be the market leader, by providing our customers the latest, the most innovative and the best available technologies, products and services. Through this, we shall provide our customers the best "Value for Money" by producing best in class quality products at most competitive prices. We shall conduct our operations keeping Safety and Environment in place along with upgradation of technology.



## Our Credo

- Quality:** To excellence in quality.
- Excellence:** Excellence in services and manufacturing practices to our all stakeholders.
- Integrity:** Building trust in dealings with all stakeholders.
- Innovation:** Enthuse our clients through our innovative approach.
- Customer value:** Delight the customer and deliver the value.



## Board of Directors

Our governance extends beyond regulatory and legislative requirement, as we strive to emphasise on an enterprise-wide culture of good corporate governance with an endeavour to ensure that decisions are taken in a fair and transparent manner, while considering its impact on all stakeholders. We actively monitor and revise our governance structure, practices and processes from time to time, to ensure the adoption and implementation of best practices.

Our Board of Directors are accountable to shareholders and other stakeholders and are responsible for setting and implementing sound corporate governance practices throughout our operations. Our Board of Directors are committed to assure adherence to the highest standards of corporate governance in the conduct of business. The nomination of the Directors, which is basis of their overall expertise and experience, qualifications and other positive attributes, and their remuneration is governed by the Company's Nomination and Remuneration Policy.

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149 (7) of the Companies Act, 2013 and Regulation 25 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Performance evaluation forms containing criteria for evaluation of



Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors and Chairperson of the Company, fulfilment of the independence criteria and independence of Independent Directors from the Management for the Financial Year 2019-20. Further, based on the feedback received, the Nomination and Remuneration Committee at its Meeting held on 14th February 2020 had noted that the annual performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

We strive to promote good governance practices that create transparent dialogue across the organizational vertical, enabling proper channels of communication with respective stakeholders. The Board members are entrusted with the responsibility to make overall strategy and policy decisions and supervise their implementation. They work as a team with a shared vision and are fully aligned to the Company's mid- term strategy and purpose.

An overview of our Board of Directors and Committees is presented below. Further details of our governance are available in GFCL Integrated Annual Report FY 2019-20.

## Governance



**a**

**Shri Devendra Kumar Jain**  
Chairman

Shri Devendra Kumar Jain is a graduate in History (Hons.) from St. Stephens College, Delhi, and possesses over 60 years of rich experience in business management and international trade. In recognition of his successful efforts to increase bilateral trade with Commonwealth countries, he was granted a Dignity of an Honorary Member of the Civil Division in the Order of the British Empire by Her Majesty, the Queen of England. Shri Devendra Kumar Jain has been a member of the Indian National Committee of the International Chamber of Commerce and has been an Associate Member of the World Economic

Forum, Geneva, Switzerland and a member of the Indian delegation to the Davos symposium on several occasions in past.

**b**

**Shri Vivek Kumar Jain**  
Managing Director

Shri Vivek Kumar Jain is a graduate of Commerce from St Stephens College Delhi and has a post graduate degree in Business Administration from the Indian Institute of Management Ahmedabad. He has over 42 years of rich business experience in setting up and managing several businesses. Shri Vivek Jain is

Managing Director of GFCL since its inception.

**c**

**Shri Pavan Kumar Jain**  
Non executive Director

Shri Pavan Kumar Jain is a Chemical Engineer from Indian Institute of Technology, New Delhi, with over 47 years of experience of handling several diverse businesses, of which the last 22 have been as Managing Director of Inox Air Products Limited. Under his stewardship, Inox Air Products Limited has grown from a single plant business, to one of the largest players in the Industrial Gas business in the country.

**d**

**Shri Deepak Asher**  
Director & Group Head  
(Corporate Finance) - Resigned w.e.f. 12th Oct 2020

Shri Deepak Asher is a Graduate in Commerce and Law, and thereafter took up Chartered Accountancy and Cost and Management Accountancy as professional qualifications. He is presently a Fellow Chartered Accountant and an Associate Cost and Management Accountant. He has been associated, in different capacities, with the INOX Group of Companies, a USD 3 Bn. business group.

**e**

**Shri Shailendra Swarup**  
Independent Director

Shri Shailendra Swarup is a law graduate and a Senior Advocate. He is practicing in the High Court and Supreme Court of India, at New Delhi. He has around 44 years of experience in handling various legal matters. He is also on the Board of several professionally managed companies. Shri Swarup was a member of the Task Force on Corporate Governance constituted by the CII under the Chairmanship of Shri Rahul Bajaj. He was a member of consultative Group constituted by the Reserve Bank of India under the Chairmanship of Dr. AS Ganguly.

**f**

**Ms Vanita Bhargava**  
Independent Director

Ms Vanita Bhargava is a Commerce and Law graduate of Delhi University and partner in the Dispute Resolution Group

of Khaitan & Co, New Delhi. Ms Vanita Bhargava has 17 years of experience as practicing advocate at Supreme Court, High Court, Company Law Board, National Green Tribunal, Mining Tribunal, Consumer Forums and its Appellate Authorities. Her Representative areas include Dispute Resolution, Domestic Tax, Environment, Indirect Tax, Infrastructure, Energy and Natural Resources, International Tax, Technology, Media and Telecom, Shareholder Dispute, Domestic and International.

**g**

**Shri Om Prakash Lohia**  
Independent Director

Shri Om Prakash Lohia is Chairman and Managing Director of Indo Rama Synthetics (India) Limited. He is a commerce graduate from Kolkata University and after graduation, joined the family textile business, which gave him management exposure in all disciplines of business management. Shri Lohia has been awarded Udyog Ratna award by the Madhya Pradesh Government in 2005.

**h**

**Shri Shanti Prasad Jain**  
Independent Director

Shri Shanti Prasad Jain is a leading Chartered Accountant and practicing since 1963. He has specialized in taxation matters of various reputed companies and banks.

**i**

**Shri Chandra Prakash Jain**  
Independent Director

Shri Chandra Prakash Jain is Chartered Accountant and is former Chairman and

Managing Director of NTPC Limited. He was also the Chairman of the Standing Conference of Public Enterprises (SCOPE) for the period 2003-05. He has been a past member of Standing Technical Advisory Committee of the Reserve Bank of India, Audit Advisory Board of the Comptroller & Auditor General of India. He has in the past headed the CII's National Committee on Energy. He is also a Member of Advisory Board of Axis Infrastructure Fund.

**j**

**Shri Sanjay Borwankar**  
Whole-time Director

Shri Sanjay Sudhakar Borwankar is Chemical Engineer and MBA and has over 25 years of experience in the field of Operations Management, Business Process Optimization and Technology Transfer and Assimilations.

**k**

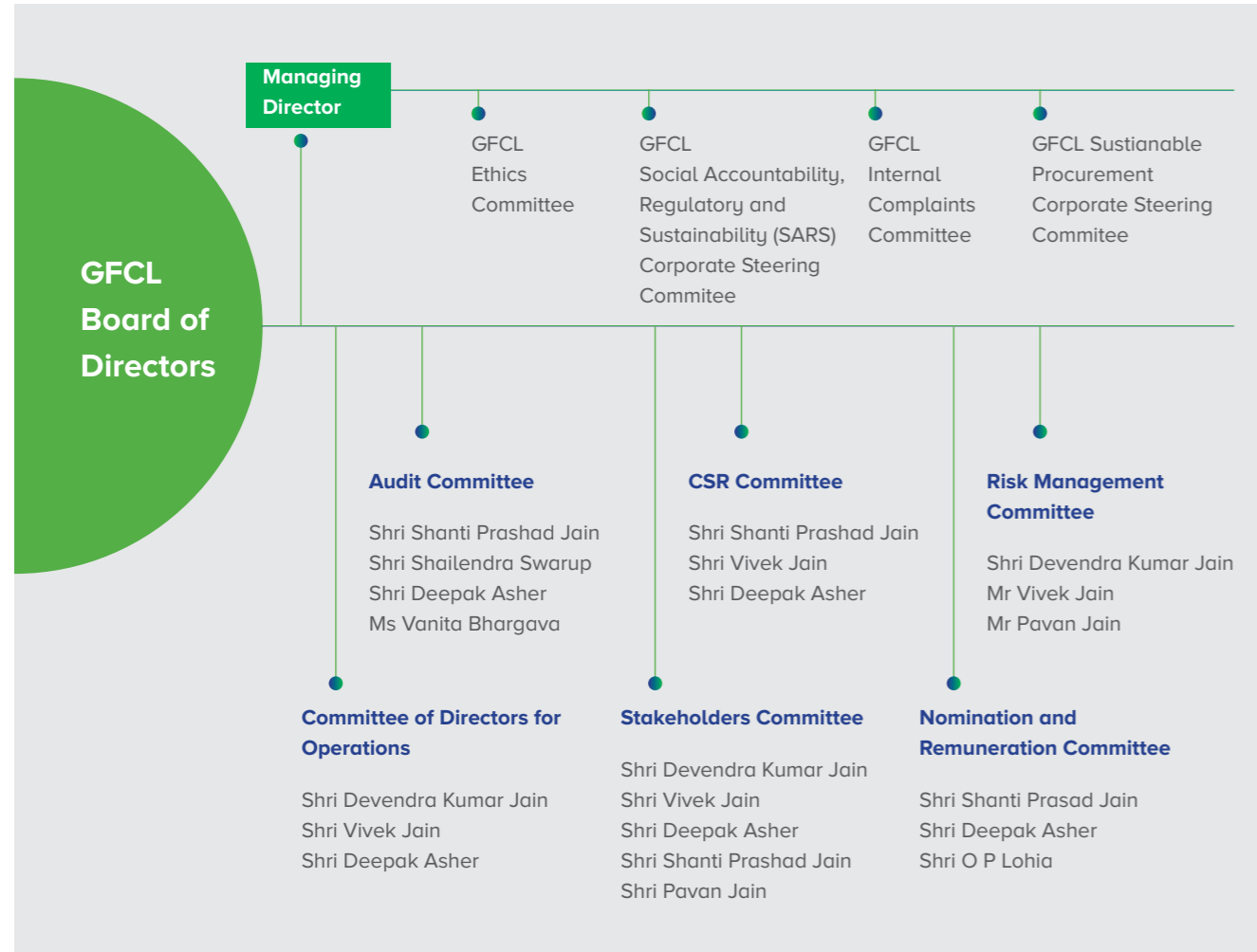
**Shri Sanath Kumar Mupiralla**  
Whole-time Director

Shri Sanathkumar Muppirala is Chemical Engineer and has over 33 Years in Petrochemical Plants – in Manufacturing, Projects, Strategic planning & commissioning).



# Governance

## Our Governance Framework



### We have formed various committees under the Board of Directors that assists in:

- handling a greater number of issues with better efficiency by having experts focus on specific areas
- developing subject specific expertise on areas such as compliance management, risk management and financial reporting
- enhancing the objectivity and independence of the Board's judgment

### The Company's key Board committees that look after governance practises include:

#### A. Social Accountability, Regulatory, and Sustainability (SARS)

We at GFCL are committed to conduct our business in an honest and ethical manner and in compliance with all applicable laws and regulations. We are also committed and aligned to UNGC principles, SA8000, ISO26000, National Voluntary Guidelines on Social, Environment & Economic Responsibilities and continue to improve

these practices over the years. The SARS Corporate Steering Committee is constituted with the objective to drive, review and provide direction to all Social Accountability, Regulatory and Compliance, Sustainability (including Safety, Health, Environment) and Responsible Care related activities and interventions across the Company.

#### Area of operations of the Committee

- Sustainability, including environment management, GHG emission control, water conservation and climate change;
- Workplace safety and hazard elimination through 'responsible care' and product stewardship;
- Workplace health and wellness;
- Social accountability;
- Regulatory and other compliance.

The Committee reviews unit level activities with the plant team(s) on a monthly basis. The Committee meets every month with the Top Management to appraise the progress made, identify gaps and draft plan of action, on all the related activities. The Committee is also required to publish a Monthly Sustainability and Social Accountability Dashboard.

#### B. Ethics Committee

We strive to ensure that the day to day management of affairs of the Company is being executed as per the various policies and guidelines and in a fair, honest, ethical, transparent and legal manner. To this end, the Top Management has constituted an 'Ethics Committee' which is responsible for the implementation of various Fair Business Practices, Policies and Guidelines. The Committee takes care of the following:

1. Anti-Bribery, corruption and fraud;
2. Non engagement of child labour, bonded labour, slavery, forced labour, anti-trafficking;
3. Anti-discrimination and equal opportunity;

4. Responsible sales and marketing;
5. Protection of human rights, gender equality, minority rights;
6. Code of conduct;
7. Whistle blower policy;
8. Conflict of Interest;
9. Anti-Competitive & Anti-Trust;
10. Prevention of Sexual Harassment.

#### Areas of operation of the Committee

1. Fair Business Practices (Bribery, Corruption, Fraud and Code of Conduct);
2. Social Accountability (Child Labour, Bonded Labour and Discrimination) practices;
3. Responsible Sales and Marketing process and procedures.

#### C. Internal Complaints Committee

We have zero tolerance for sexual harassment and have therefore, laid down policy and procedures to deal with sexual harassment complaints following the provisions of The Sexual Harassment

of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Rules framed there under. The Management has formed Internal Complaints Committee to consider and redress complaints of aggrieved women.

#### D. Sustainable Procurement Committee

At GFCL, we are committed to the principle 'We source responsibly' and are determined to ensure that we aggressively pursue 'Green Procurement' and work with our business partners in this regard. With a view to focus on social, environmental, and economic good and improve our collective effort in the areas of human rights, labour, environment and anti-corruption, the Top Management has constituted a 'Sustainable Procurement Committee'.

#### Areas of operation of the Committee

1. Sustainable Procurement;
2. GHG reduction in logistics;
3. Supplier Sustainability Evaluation;
4. Periodic Sustainable Audits.



# Governance

## Risk Management

Today's world is marked by uncertainty and volatility and as a result a robust and effective risk management framework is necessary for businesses to grow and thrive. Our success not only depends on our ability to minimise impact but also on our aptitude to transform challenges and uncertainties into opportunities to expand and establish our presence. To this end, we have an enterprise wide function backed by a qualified team of experts with deep domain knowledge and extensive industry experience. We have developed a framework and methodology for assessing and mitigating risks.

Our Enterprise Risk Management (ERM) Framework is derived from COSO ERM – Aligning Risk with Strategy and Performance 2016 (Draft) framework established by committee of sponsoring organizations. According to this, ERM is "The culture, capabilities, and practices, integrated with strategy-setting and its execution, that organizations rely on to manage risk in creating, preserving, and realizing value". We have therefore adopted residual risk approach and a revised Risk Reporting, and its Monitoring system has been approved by the Board. In the Board's view, one of the Internal Auditors of the Company have reviewed ERM and reported that there are no material or additional risks identified which may threaten the existence of the Company.

We also have a Board level risk management committee, which consists of the following members:

- **Shri Devendra Kumar Jain**  
Chairman
- **Shri Vivek Jain**  
Managing Director
- **Shri Pavan Jain**  
Director

### Risk Management Framework



The following table lists out our key identified risks, potential impact and our response to manage these risks:

Risk	Context	Impact on Value creation	Our response
<b>External Environment</b>	Our business transpires across geographies, exposing us to various geopolitical, social and economic risks. These risks are constantly evolving, creating multiple uncertainties. Factors such as policy uncertainty, access to funds, currency volatility, rising interest rates, social unrest and increased inflationary effects might also create impediments to potential growth	Our ability to successfully navigate through an uncertain and dynamic market environment creates an opportunity to further augment our growth, enhance returns and diversify our offerings	We constantly monitor the changing market environment in countries where we operate, thereby safeguarding us from potential risks. Further, owing to our diverse geographical presence, cyclic slowdowns in a geography or region does not have any major impact on our operations.
<b>Lower market demand for products</b>	Slow economic growth across the world has weighed significantly on consumer spending and demand. Moreover, the outbreak of COVID-19 has halted economic activities owing to countrywide lockdowns in different parts of the world. This has led to further decrease in consumer spending, resulting in a demand slowdown in various industries.	Lower demand for our products in the short- term might impact our revenue, profitability and return on investments, resulting in lower returns for our stakeholders	At GFCL, we have developed multipurpose plants and any sudden impact on demand due to circumstantial changes can be mitigated by a changing product mix. Moreover, our diverse and innovative product portfolio has helped us to establish a strong foothold in the market, thereby allowing us to minimise the overall impact on the business, if any
<b>Climate change and impact on Environment</b>	With rising awareness about climate change, businesses and consumers have become more conscious than ever. Consumers prefer brands that showcase an ecological concern and offer environment-friendly products and solutions. Further, an inability to abide by prescribed rules and regulations might result in penalties, stoppage of operations and loss of reputation.	Rising environmental concerns compel us to be cognizant of the impact of our operations on the environment. It has also given us the opportunity to explore and expand our portfolio of environment-friendly (green) chemicals	At GFCL, our R&D team is dedicated to make our existing product portfolio environment- friendly and constantly strives to develop green technologies for manufacturing. Our eco- friendly product range adheres to international compliance standards such as REACH 2020. We are one of the very few companies working in this segment, providing us an opportunity to constantly improve our offerings in this segment.
<b>Competition and entry of new player</b>	Given the scale of our operation, we face stiff competition from domestic as well as international players. Further, entry of new players in the market might reduce our market share	Competitive business landscape enables us to think differently and innovate better ways of serving our esteemed customers	The industry in which we operate has a high entry barrier due to high capex intensity, restricted access to technology, low availability of key raw materials and long & stringent product development & approval cycles. Further, our scale and capabilities for introducing specialized grades in each category of Fluoropolymers and PTFE is unique in itself. This enables us to increase our customer base and strengthen our relationship with existing customers. This, along with our ability to offer cost competitive solutions provide further impetus to our products and favourably place us against our competitors.



## Governance

Risk	Context	Impact on Value creation	Our response
<b>Attractions, development and retention of key talents</b>	To efficiently execute our strategy in an increasingly complex and uncertain environment, we need a diverse and engaged pool of talented and skilled employees. There is fierce competition to source the best talents in the industry, especially for certain technical or specialist positions. Therefore, it is crucial for us to attract, develop and retain key people.	A highly motivated and skilled workforce enables us to drive a performance driven and innovative culture. By offering a congenial working environment, we aim to motivate our employees to aspire for professional success while also retaining our position as an employer of choice.	At GFCL, we emphasize on talent management as part of our human resource strategy. We undertake various initiatives to better define and understand our talent supply and demand requirements. We also undertake various initiative to promote an open, inclusive and diverse workplace. We also intend to accelerate the development of high potential employees to make them future-ready. To retain and attract skilled employees, we offer competitive remuneration packages, commensurate to their expertise and experience.
<b>Product safety and quality</b>	Our products are used in various industries including agriculture, pharmaceutical and automotive. Our inability to provide safe and quality products as per domestic and international standards might have an adverse impact on our operations and hamper our brand reputation.	Our ability to provide safe and superior quality products underpins the trust of our stakeholders in our brand.	We take pride in delivering superior quality products to our customers. We undertake stringent quality control measures across our value chain, right from purchase of raw material to delivery of finished goods, to ensure adherence to the highest standards of quality. Our quality assurance team manages and controls all operating parameters and deviations, if any, in product quality, assuring the supply of defect-free and safe products
<b>Cost Competitiveness</b>	Rising price of key raw material might have an adverse impact on our profitability. Further, inability to provide products at a cost competitive price might also result in loss of key customers to competitors	Through our effective cost management strategy, our endeavour is to strike the ideal balance between affordability and quality. It is likely to ensure our long-term financial sustainability.	We leverage our economies of scale and forward and backward integration capabilities to emerge as one of the most cost competitive producers of green chemicals globally. We have successfully created a niche for ourselves in the chemicals and Fluoropolymers business and we remain motivated to explore markets for more value-added products that ensure competitive pricing
<b>Business Continuity</b>	Business Continuity risks arise from disruptions like natural disasters, pandemic, terror and unrest, which is likely to challenge or interrupt production, delay product launches and can ultimately impact our revenue and business sustainability.	This might cause disruption in our operations, leading to temporary slowdown	We have a robust balance sheet and strong liquidity position to mitigate or reduce the impact of any unforeseen and unprecedented challenge. Further, we have an effective business continuity plan in place to successfully navigate through challenging times.





# Responsible Growth – Our Commitment and Approach

Long term sustainable growth requires top leadership commitment, a strong value system and ethical orientation as the DNA of a company's corporate culture and be implemented and visible across all its business activities.

For GFCL, sustainability is intrinsically embedded as a core organizational competency and in its competitive positioning as well as stakeholder engagement. Contributing to sustainable development has always been and has become even more important an element of our overall corporate strategy. We are and will continue to be increasingly focussed on sustainable and socially responsible corporate behaviour in everything we do. We have re-committed ourselves to take the path of Profitable, Sustainable and Socially Responsible Growth, keeping in mind the interests of all our stakeholders as our central objective. We aim to grow and achieve higher returns, and while doing so we will ensure an increased positive impact on the environment and society at large.

We measure the impact of our business operations through three key pillars of sustainability, namely People, Planet and Profit. We continuously endeavour to enhance our performance and optimize efficiency across the environmental, social and governance aspects. We encourage involvement from all stakeholders and ensure that our sustainable framework policies are well communicated, implemented, monitored and reviewed on regular basis.




## Gujarat Fluorochemicals Limited Sustainability Policy


Gujarat Fluorochemicals Limited recognizes that sustainable development is an integral part of business and the value chain which includes customers, employees, shareholders, and society at large. The Company strives to achieve long term profitable growth keeping in mind the financial, ethical, social and environmental perspective by addressing sustainability issues that are relevant and meaningful for it as a Chemical Company and the geographies in which it operates.

The Company is committed to and shall strive continuously for sustainable profitable growth through -

1. **Fair Labour Practices and Social accountability -**
  - a. Act as a responsible, fair and ethical employer;
  - b. Ensure a safe and healthy work environment for the stakeholders, through a strong focus on occupational health and safety and a pronounced culture of continuous improvements;
  - c. Generate awareness about sustainability among associates, customers, investors and society and work continuously towards that;
  - d. Foster a climate of social responsibility and volunteering and take part in community engagement and upliftment.
2. **Genuine Care for Environment and Natural Resources while manufacturing safe products -**
  - a. Continuously optimize energy & water to reduce carbon foot prints & wastage;
  - b. Comply with all applicable statutory and regulatory requirements;
  - c. Practice procurement practices which ensure minimal environmental and societal impact;
  - d. Innovate and improve product safety and reduce environmental impact of the processes
  - e. Work towards green chemistry.
3. **Fair, Transparent and Ethical Business Practices -**
  - a. Ensure transparency in dealing with all Stakeholders and the public through disclosure of the Sustainability matrices and provide them with all information regarding business performance and product integrity based on International Standards requirement
  - b. Build robust business process to control and minimize risk to the practice of responsible and ethical business.
  - c. Integrate sustainability in all its business processes for long term profitable growth

The Corporate Social Accountability, Regulatory and Sustainability (SARS) Corporate Steering Committee shall drive the implementation of all Sustainability Initiatives across all locations and shall set objectives and targets and build governance structure across location to achieve the same. The Company shall put in place procedures and governance mechanism in line with international standards and collaborate with all Stakeholders, Customers, Suppliers and Business Associates, Employees to build a sustainable value chain.

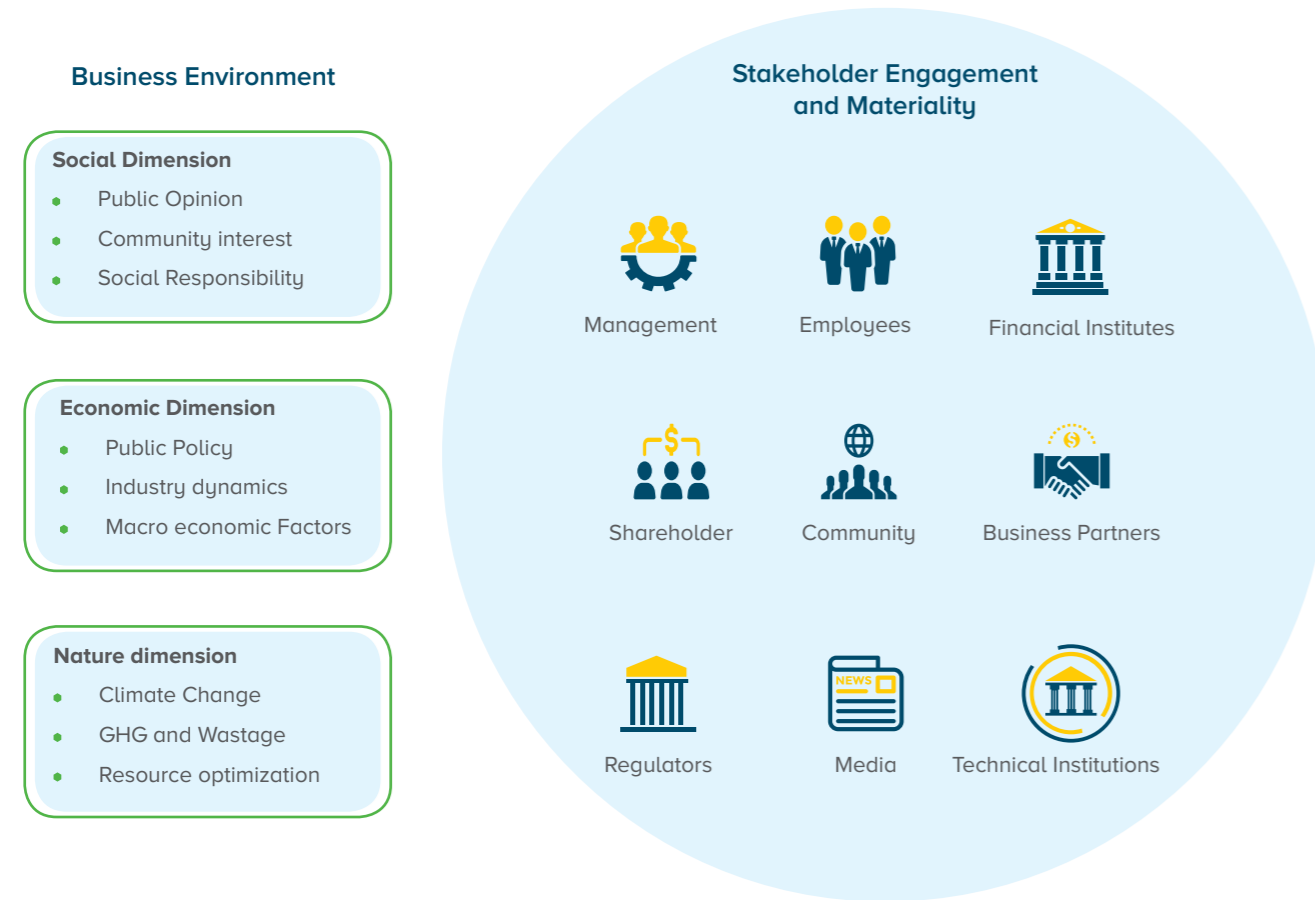
  
Satish Kakade  
Chief Executive Officer

  
Prashant Ogale  
Chief Operating Officer

Date: 7<sup>th</sup> July, 2020



# Responsible Growth – Our Commitment and Approach



## Responsible Growth – Our Commitment and Approach

### GFCL Sustainability Framework

Our renewed focus on sustainable growth is exemplified in us becoming a signatory of the UNGC. By joining the UNGC, we have taken a firm, important and public step to transform our business through principle – centric practices. This participation makes a bold statement about our values, and it benefits both to the society and our own long-term success. This sustainability report also serves as the CoP for the year 2019-20 and will be uploaded in the UNGC website.

COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

That we have put climate change at the centre of our operations is evident from our commitment to the SBTi. It will enable us to demonstrate leadership on climate action by publicly committing to science based GHG reduction targets. We are one of the few chemical sector companies in India who have committed to SBTi.

We have adopted the ISO 26000 (Social Responsibility) standards to design all our social responsibility systems and procedure and to implement targeted activities. By adopting this standard, we have demonstrated our committed to operate our business in a socially responsible manner. It signifies our respect to the society and environment, which we believe will be a critical success factory for our long-term sustainable growth.

At GFCL, sustainability extends much beyond our physical boundaries and encompasses our business partners as

well. We recognize that every decision of buying has a far-reaching impact on the environment, economy and society, ranging from the use of energy for our computers to the working condition of workers who have loaded our raw material at a supplier godown. What an organization purchases and who it purchases from can have far-reaching implications, not only on the supply chain and the end consumer, but on the wider community. The promotion of sustainable consumption patterns is one of the legitimate consumer needs set forth in the United Nations Guidelines for Consumer Protection and a key element in consumer protection policy. Realizing that true sustainability must be part of the strategy across the supply chain, we have adopted the ISO 20400 (Sustainable Procurement) standards, combining them with the company's overall sustainable strategy, risk management and more 'traditional' aspects of our procurement processes.

Our commitment to Safety, Health and Environment is clearly spelt out in our Integrated Management System Policy Statement.

### GFCL Corporate Integrated Management System Policy

CIN : U24304GJ2018PLC105479  
Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in  
Fax: +91-120-6149 610 Website: www.gfl.co.in

**GUJARAT FLUORO-CHEMICALS LIMITED**  
(Earlier known as Inox Fluorochemicals Limited)  
INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.), INDIA

**CORPORATE INTEGRATED MANAGEMENT SYSTEM POLICY**  
(Our Commitment towards Quality, Health, Safety, Environment, Sustainability, Security & Responsible Care)

Gujarat Fluorochemicals Limited, along with its subsidiaries - GFL Americas LLC., GFL GmbH, GFL GM Morocco, intends to be a market leader in the manufacturing and marketing of Caustic soda, Chlorine, Hydrogen, Chloromethanes, Polytetrafluoroethylene, Refrigerants and Fluorospecialty Chemicals. The Company is adopting the Integrated Management Systems Policy by making 'Responsible Care' an integral part in conducting business and operating facilities in a safe, environment friendly and sustainable manner and implementing its Principles by the following underlying philosophy:

- 1. Occupational Health & Safety**  
That a safe and healthy work place is built by preventing occupational injury and illnesses, eliminating hazards and reducing risks at workplace and encouraging consultation and participation by involvement of workers' representatives throughout the OH and S Management System.
- 2. Environment Protection**  
That every employee and all stakeholders in the extended supply chain is highly sensitive and committed to achieve pollution prevention, waste reduction, recycling, energy and resource conservation (water), environmental protection relevant in the context of the organization.
- 3. Product Quality**  
That products of desired quality meeting customer satisfaction are manufactured and supplied
- 4. Customer Satisfaction**  
All employees in the Company understand the need to focus on fulfillment of customer expectations as their primary objective
- 5. Interested Parties Expectations**  
That every employee of the company focuses on fulfillment of expectations of the interested parties, which includes customers, external service providers, regulatory authorities, investors, surrounding communities and employees etc.
- 6. Compliance Obligation**  
That the entire team complies with all applicable laws and other requirements that relate to quality, environment, occupational health and safety.
- 7. Security Management**  
That all assets are physically protected, inventory accounted and risk management measures are in place based on potential security risks, periodically reviewed and that all are aware of the security procedures and systems.
- 8. Continual Improvement**  
That systems and processes are continuously improved, through external benchmarking, adopting latest technologies and statistical and behavioral tools to improve safety, health, environment performance and fulfill customer expectation.
- 9. Learning and Development**  
That planned learning and developmental programmes based on the individual learning needs are an integral part of the company culture and operating system.
- 10. Business Integrity**  
That all business operations are conducted in an ethical manner and in compliance with the applicable laws and regulations including anti-corruption, bribery, fraud and with respect to human rights.
- 11. Leadership Commitment, Objective and Monitoring and Review**  
That the Corporate Leadership will have its Policies, strategic targets and objective for Safety, Health, Environment, Quality, Sustainability and Social Accountability in sync with the overall business objectives and will monitor, review and issue necessary directives issued to ensure the Company's continued commitment and exemplify felt leadership.

The above is applicable to all Contractors, Sub – contractors, Suppliers and to all Employees

**Through the implementation of this Policy the Company seeks to achieve**

- Long-term trust of its stakeholders
- Incident free, environmentally friendly and sustainable operation in the complete supply chain
- Respect of neighbours and society at large

V K Jain  
Managing Director

1<sup>st</sup> July, 2019


Regd. Office : Survey No. 16/3, 26-27, Ranjit Nagar, Taluka Ghogamba, Distt. Panchmahal - 389 380, GUJARAT Tel.: 02678-248 153  
Vadodara Office : ABS Towers, 2nd Floor, Old Padra Road, Vadodara 390007. Gujarat, India. Tel.: +91 265 6198111 / 2330057, Fax: +91 265 2310312



## Responsible Growth – Our Commitment and Approach

We are also now a signatory to the Principles of Responsible Care and have adopted the Responsible Care Policy.

### Responsible Care Policy



**Responsible Care Policy**

Gujarat Fluorochemicals Limited and its subsidiaries are committed to excellence and continual improvement in Health, Safety, Security and Environment [HSSE] performance at its manufacturing units, research & development centers and office by leveraging the Responsible Care Management System under the overall Social Responsibility and Sustainability Framework of the Company.

Our goal is to ensure that manufacturing, transportation, handling and use of our products are safe and do not pose risk to any of our stakeholders and the environment across the globe.

To achieve our goal, we shall

1. Endeavor to comply with all applicable national and international HSSE regulations and other requirements pertaining to HSSE as identified from time to time
2. Continuously work to design and develop, manufacture, handle, store and distribute our products in a manner that minimizes the risk to human beings and environment while satisfying the stakeholders' needs along the value chain – from development to disposal.
3. Ensure safe transport, handling and storage of our products.
4. Value the health and safety of people above all else and build safe and healthy working conditions.
5. Put in place proper security systems to protect all our employees, contractors, environment, property and company information.
6. Ensure all Environmental and Safety Emergencies are evaluated and addresses for their proper elimination/ mitigation/ management for no or minimal impact of Life and Environment.

The Corporate Social Accountability, Regulatory and Sustainability (SARS) Steering Committee shall drive the implementation of the Responsible Care Framework across all locations and shall set objectives and targets and build governance structure across location to achieve the same, conduct periodic reviews, publish achievements and demonstrate leadership. At the same time, every employee shall be held responsible for abiding by the Policies and Procedures implemented as per the Responsible Care Management System.

The Company shall engage with stakeholders to communicate the Responsible Care Performance and inspire them to adopt Responsible Care guiding principles.

*Satish Kakade*  
Satish Kakade  
Chief Executive Officer

*Prashant Ogale*  
Prashant Ogale  
Chief Operations Officer

Date – 31<sup>st</sup> March, 2020

In line with our commitment to the principles of Responsible Care, our manufacturing sites are committed to ensure a safe and healthy workplace for, not only our workforce, but also that of our contractors and any third-party present on our premises.

The SA 8000 Standard is the world's leading social certification programme. It provides a holistic framework allowing organizations of all types, in any industry, and in any country to demonstrate their dedication to the fair treatment of workers. We are committed to uphold social accountability principles across our supply chain, including all our vendors, contractors and business partners. Our commitment to uphold the UN Declaration of Human Rights is exemplified in our Social Accountability policy. Furthermore, our Dahej and Ranjitnagar manufacturing plants are SA 8000 certified.

Transparency and trust are the building blocks of any organization's credibility. Nothing undermines effective institutions and equitable business more than bribery. We strongly believe in ethical business practices. We are committed to the Principles of the UNGC, confirm to adherence to ISO 26000 and intend to strictly adhere to ethical and socially accountable behaviour in all actions we take in all the areas of business. All employees are expected to adhere to the various policies on ethical behaviour which not only relates to financial ethics but also social ethics. This commitment to our employees, clients, suppliers, and other business partners guides everything we do. It is because of our unwavering commitment to ethics, transparency, fairness in all our business processes that today we are ISO 37001 (Anti Bribery and Anti- Corruption Management System) certified.

In today's digital world, information flow and information technology are an important market differentiator. Our business processes are heavily dependent on IT infrastructure and we continuously explore opportunities to seek benefits from our information technology platform and integrate it with all business processes. We put utmost importance to our systems integrity and information security systems. Our data management system is, thus, ISO 27001 certified.

Our commitment to responsible growth is seen in our management approach while addressing the material sustainability topics. We have absolute clarity on where across our value chain each material topic is relevant and can impact the ESG metrics of the Company. For effectively managing all our material topics, we have implemented the following:

1. Robust governance and review mechanism, starting at the Board Level and cascading down to the location level.
2. Documented policies and procedures relevant to all locations of the Company
3. Goals and targets to be achieved
4. Resource allocation
5. Responsibility matrix

Material Topic	Functional Responsibility
Anti-corruption	Legal and Secretarial
Climate Change	Operations and Projects
Economic Performance	Sales and Marketing, Operations, Product Development
Energy	Operations and Projects
Environmental Compliance	Operations and Projects
Local Communities	Human Resources
Occupational Health & Safety	Environment, Health and Safety
Process Safety & Emergency Preparedness	Environment, Health and Safety
Product Safety & Stewardship	Product Development
Water	Operations

Objective criteria for measuring our performance in each of the material topic have been adopted and we regular review our performance, which is communicated to our stakeholders through variety of platforms:

1. Integrated Annual Report
2. Sustainability Report
3. Returns as per statutory requirements
4. Company disclosures through CDP and UNGC websites

### Awarded Certifications

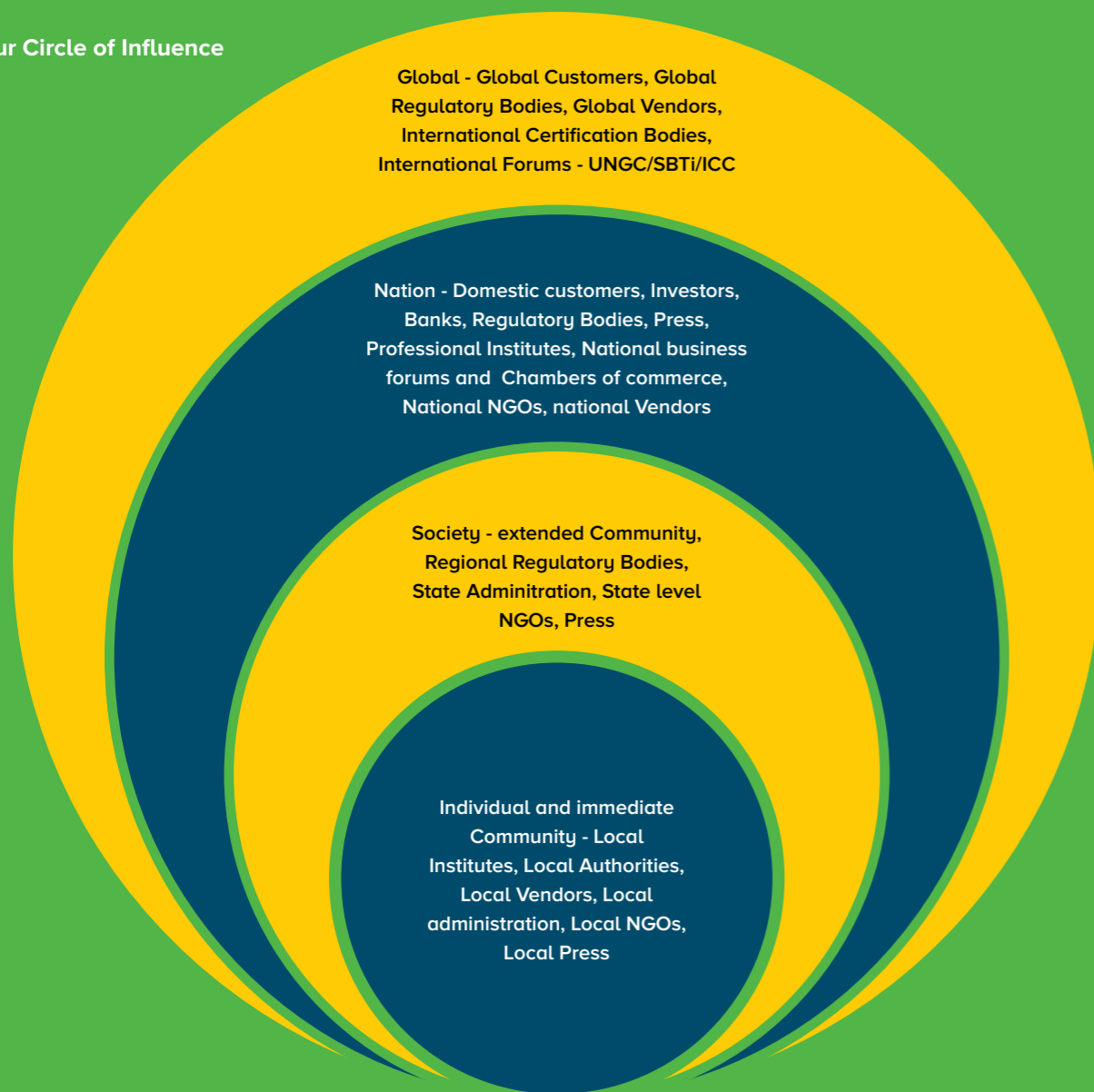
S.No.	Certification	Dahej	Ranjitnagar	Noida & Rest of India (ROI)
1	ISO9001:2015	✓	✓	-
2	ISO14001:2015	✓	✓	-
3	ISO45001:2018	✓	✓	-
4	SA8000:2014	✓	✓	✓
5	ISO37001:2016	✓	✓	✓
6	ISO27001:2013	✓	✓	✓

# Responsible Stakeholder Engagement and Materiality Assessment

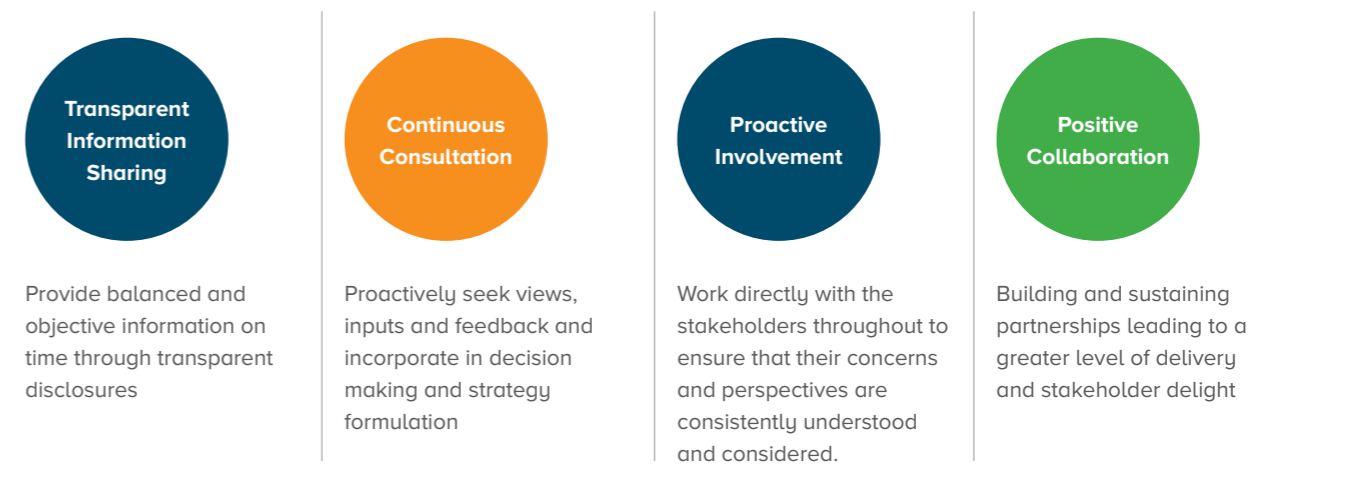
Stakeholder engagement is an important aspect in formulating our business strategy for achieving the triple bottom line objectives of ensuring Responsible Growth which is Secure, Sustainable, Green.

It is important for us to understand all our stakeholders and their expectations in order to achieve an agreement around solutions on complex issues and large projects. Our aim is to achieve outcomes that are beneficial for stakeholders across the business spectrum. Our continuous interactions, communication and consultations with stakeholders enable exchange of opinions and views, helping us in creating shared value and positive outcomes. To further strengthen our relationships, we participate in CSR activities, community development projects and viable environmental initiatives through various social platforms to foster effective communication and better engagement with stakeholders. Additionally, we have a Stakeholders Relationship Committee to address any complaints or grievances.

## Our Circle of Influence

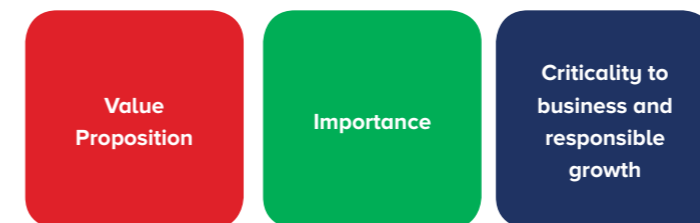


## Our Principles of Stakeholder Engagement



## Our Approach to Stakeholder Engagement

We have identified our stakeholders based on the following aspects:





## Responsible Stakeholder Engagement and Materiality Assessment

In an endeavour to conduct our business in a transparent and ethical manner, we have established a robust and all-inclusive stakeholder engagement process which helps us to develop a long-term mutually gainful relationship. Our identified stakeholders and mode of engagement and frequency are presented in the table below:

### Stakeholder Engagement Details

Stakeholders	Value Proposition	Why are they important to us	How do we engage with them and frequency	Key Topics & Concerns raised
Investors / Shareholders	<ul style="list-style-type: none"> <li>Return on Investment</li> <li>Growth in portfolio, customer base and geography for sustained profitable business</li> </ul>	<ul style="list-style-type: none"> <li>Funding and capital investment</li> </ul>	<ul style="list-style-type: none"> <li>Investor meetings – Quarterly</li> <li>General Meetings – Annual</li> <li>Annual Report - Annual</li> <li>Press Briefings – As and When required</li> </ul>	<ul style="list-style-type: none"> <li>Climate change</li> <li>Health and Environment protection</li> <li>Technology and product innovation</li> <li>Fair business practices</li> <li>New Product Launch</li> <li>New Capital Investments</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Strong Brand</li> <li>Quality products</li> <li>Competitive Price</li> <li>On time Delivery</li> <li>Technical services</li> <li>Required Product offerings</li> </ul>	<ul style="list-style-type: none"> <li>Helps to increase market share</li> <li>Revenue growth</li> </ul>	<ul style="list-style-type: none"> <li>Customer visits by Sales and Marketing team - Regular</li> <li>Technical support interaction - Regular</li> <li>Conferences – As per schedule</li> <li>Trade fairs – As per schedule</li> <li>Product brochures and website - Regular</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability in Supply Chain and green chemistry</li> <li>Health and Environment protection</li> <li>Safety at workplace</li> <li>New Products</li> <li>Product Quality</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Business continuity</li> <li>Capability Building</li> </ul>	<ul style="list-style-type: none"> <li>Cost optimization</li> <li>Operational leverage</li> <li>Lean Manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>Vendor Satisfaction surveys - Annual</li> <li>Vendor meetings - Annual</li> <li>Vendor capability webinars - Regular</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable procurement</li> <li>Ethical Business practices</li> <li>Health, safety and human rights</li> <li>Environment footprint</li> <li>Secured Business</li> <li>Fair Payment Terms</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Fair Wages</li> <li>Trustworthy relationship</li> <li>Well – being</li> </ul>	<ul style="list-style-type: none"> <li>Engaged and Empower employees drive business by achieving targets set for them</li> <li>Right Talent gives us competitive advantage</li> </ul>	<ul style="list-style-type: none"> <li>CEO talk - Monthly</li> <li>Employee Surveys – Annual</li> <li>Joint Committee forums - Monthly</li> <li>Company In-House Magazine – Bi-annual</li> <li>Let's Talk and Stay interviews - Monthly</li> <li>E-mail Communication - Monthly</li> <li>HR Buddy - Continuous</li> <li>Ethics Line - Continuous</li> </ul>	<ul style="list-style-type: none"> <li>Talent Retention</li> <li>Local Labour market</li> <li>Welfare practices regarding wellness facilities</li> <li>Job Security</li> <li>Career Growth &amp; Development</li> <li>Fair Treatment</li> </ul>



Stakeholders	Value Proposition	Why are they important to us	How do we engage with them and frequency	Key Topics & Concerns raised
Community	<ul style="list-style-type: none"> <li>Development and lasting betterment to communities around our operations</li> </ul>	<ul style="list-style-type: none"> <li>Engages community is, in a way, our social license to operate and depends on creating lasting value for the community</li> </ul>	<ul style="list-style-type: none"> <li>Public Hearing – When required</li> <li>Community meeting with Community leaders _ Regular</li> <li>CSR Cell engagement with community - Regular</li> <li>Community Development programmes and events – As per Plan</li> <li>Community Development Newsletter – Once in Two months</li> </ul>	<ul style="list-style-type: none"> <li>Water availability</li> <li>Environment protection</li> <li>Pollution Prevention</li> <li>Employment generation</li> </ul>
Regulatory and Government Bodies	<ul style="list-style-type: none"> <li>Policy Formulation resulting in shaping future business growth</li> </ul>	<ul style="list-style-type: none"> <li>To ensure business continuity we need to comply with regulations</li> <li>In regulated markets we have to comply with the same</li> </ul>	<ul style="list-style-type: none"> <li>Participation in Seminars and events organized by the Regulatory Bodies – As and when invited</li> <li>Making representations whenever required</li> </ul>	<ul style="list-style-type: none"> <li>Pollution Control</li> <li>Emission and waste management</li> <li>Energy efficiency</li> <li>Community development</li> <li>Compliance</li> <li>Transparent Disclosures</li> </ul>
Industry Bodies and Media	<ul style="list-style-type: none"> <li>Sharing of best practices</li> <li>Benchmarking</li> <li>Collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Understand trends in the industry and future trends</li> <li>Engage with industry colleagues to discuss matters of mutual interest including regulatory trends.</li> <li>Appropriate media coverage and company branding</li> </ul>	<ul style="list-style-type: none"> <li>Press Conferences</li> <li>Regional and national conferences and seminars of Industry Bodies</li> <li>Memberships</li> </ul>	<ul style="list-style-type: none"> <li>Transparent Disclosures and information sharing on emission, water, safety, welfare and other social accountability matters</li> <li>Opportunity for Participation</li> </ul>
Educational Institutes	<ul style="list-style-type: none"> <li>Future talent supply</li> <li>R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>Fulfil present and future talent requirement</li> <li>Intellectual partnerships to undertake R&amp;D of product and technology</li> </ul>	<ul style="list-style-type: none"> <li>Campus engagement - Annual</li> <li>Senior Management Lectures - Annual</li> <li>MOU</li> </ul>	<ul style="list-style-type: none"> <li>Employment opportunity</li> <li>Community involvement</li> </ul>

# Responsible Stakeholder Engagement and Materiality Assessment

## Responsibility for Engaging Stakeholder

Engaging with our stakeholders is an important part of our daily work and the responsibility matrix is well defined:

Stakeholder Group	Responsibility for engagement
Employees	Business Heads/ Location Heads/ HR Function
Customers	Business Heads/ Sales and Marketing Heads
Vendors/Suppliers	Business Heads/ Commercial Head/Logistic Head/ Procurement Head/ Buyers
Investors and Lenders	Director – Finance/ Head – Banking/ CFO
Industry Associations	Location Heads/ Location HR Head/Location HSEF Heads/Business Heads/ Corporate HR Head
Regulatory Agencies	Location Heads/ Location HR Head/Location HSEF Heads/Business Heads/ Corporate HR Head
Civil Society (NGO/Media)	Head – Secretarial and Legal/ Location HR Heads/ Corporate HR Head/ Head – Product Communication.

## Material Topics

A universe of 21 material topics was identified by us based on the following secondary research and consultations:

- 1) Study of reports by various companies in the chemical and polymer manufacturing sector to understand which topics they have considered as material;
- 2) Study of topics identified by our global customers and their past audit issues;
- 3) Regulations relevant to our Industry;
- 4) Interaction with industry experts to understand current state of sustainability within the Company and our outlook for sustainability;
- 5) Top Management discussions;
- 6) Study of sustainability topics defined by global frameworks, including GRI Standards and the SASB Materiality Map.

Based on the above study, the following topics were identified as Material under the three pillars of Planet, People and Profit:

## Material Topics for GFCL

Planet (Environment)	People (Social)	Profit (Economic)
Emissions, Effluents and Waste	Process Safety and Emergency Preparedness	Anti- Corruption
Water	Occupational Health and Safety	Economic Performance
Environmental Compliance	Product Safety and Stewardship	Market Presence
Energy	Employment Practices	Anti-Competitive Behaviour
Climate Change	Marketing and Product Labelling	Procurement Practices
Materials	Local Communities	Indirect Economic Impact
Biodiversity	Product Design for Use-Phase Efficiency Supplier Assessment	

## Stakeholder Engagement Undertaken to define GFCL's Materiality Matrix

We undertook a structured and independent stakeholder engagement by drafting the services of Ernst & Young (EY) as a consultant and to create a Materiality Matrix with an independent and objective view.

This detailed materiality assessment exercise was undertaken with the following objectives:

### 1) Input for GFCL's sustainability strategy:

- Outcome of this exercise will help in identifying key focus areas and adjusting commitments, targets and resource allocation with respect to sustainability activities;
- It will provide more information about the enablers and possible obstacles in attaining sustainable growth, enabling a realignment of the focus areas.

### 2) Enhanced stakeholder engagement:

- It will provide insights into the evolving expectations and perception among the different stakeholder groups, thereby enabling effective stakeholder management;
- The assessment will also help in better understanding of the differences and similarities in the expectation and priorities among various stakeholder groups.

### 3) Strengthen external disclosures and certifications:

- It will guide the development of the Company's external disclosures such as Integrated Report and Sustainability Report, making them more robust and relevant to stakeholders' information needs;
- The assessment will strengthen and streamline the adoption of other sustainability principles and certifications such as SA 8000, ISO 26000, UNGC, SDG, etc.

## Methodology of the Stakeholder Engagement Survey

A survey was developed to objectively capture the opinion of all stakeholder groups on the importance of each of the topics in the universe of material issues. The questions in the survey were self-explanatory and in a language that could be understood by all the stakeholders. The survey questionnaire was finalized with the help of our core sustainability team and was rolled out to about 230 individuals across the different stakeholder groups mentioned above, including those within and outside the Company. Out of these, a total of 128 individuals responded by giving a rating against each of topic based on their view about its importance.





## Responsible Stakeholder Engagement and Materiality Assessment

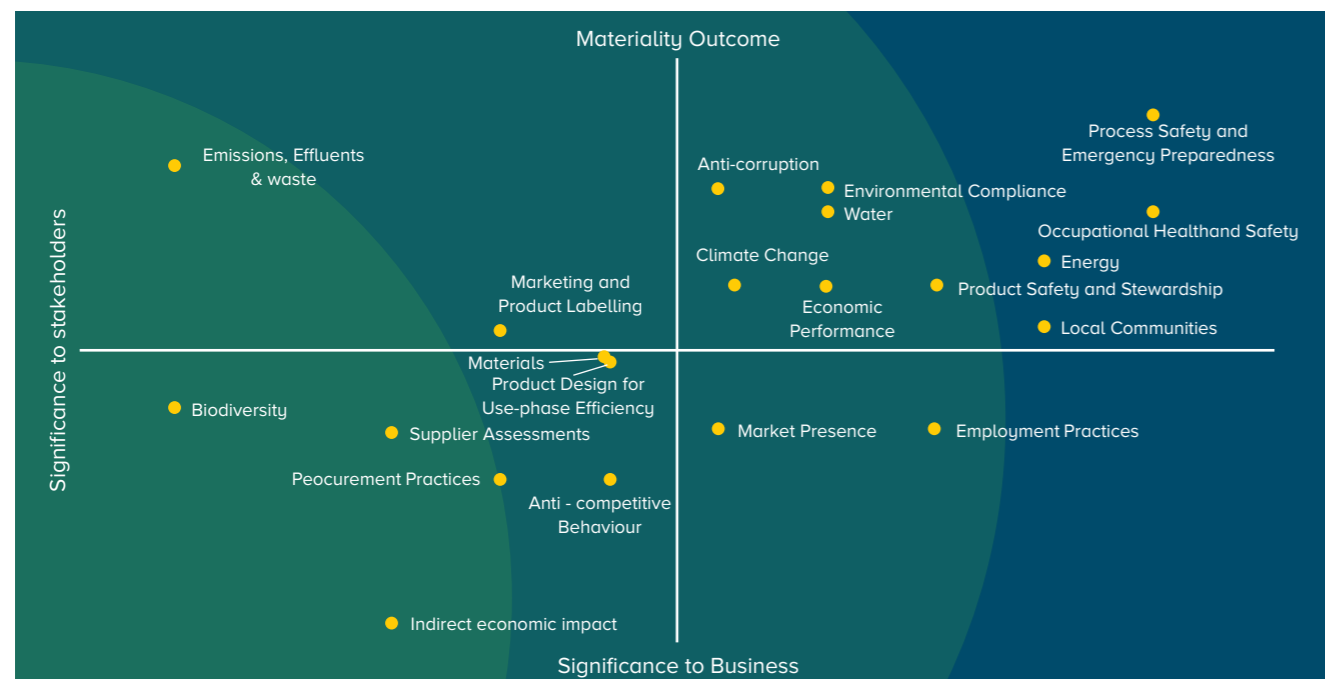
### Materiality Matrix

The topic-wise scores were calculated across all the survey respondents. A final materiality matrix was developed after analysis and discussion of the survey outcome with our core sustainability team. In this matrix, the response received from senior management is represented on the X-axis and response from the other stakeholders is represented on the Y-axis. This approach conveys the prioritization of material topics for GFCL from the business perspective v/s the stakeholder perspective.

The top right quadrant of the matrix contains topics which are of high priority from both the business and stakeholder perspectives. These priority topics and their impact boundaries are presented in the table below (in alphabetical order):

Sr. No.	Priority Material Topics	Impact Boundary
1	Anti-corruption	Within the Company
2	Climate Change	Within and outside the Company
3	Economic Performance	Within and outside the Company
4	Energy	Within the Company
5	Environmental Compliance	Within the Company
6	Local Communities	Outside the Company
7	Occupational Health & Safety	Within the Company
8	Process Safety & Emergency Preparedness	Within and outside the Company
9	Product Safety & Stewardship	Within and outside the Company
10	Water	Within and outside the Company

The above Materiality Matrix forms the basis of our strategy for Responsible Growth – Secure, Sustainable, Green. The subsequent sections of this Sustainability Report describe our approach, performance and commitments on the above material topics with a view to adequately address the information needs of all stakeholders.



## Message from Head - Group Corporate Human Resources

Organizations worldwide are becoming increasingly aware of the benefits of having **sustainability integrated into Company's strategic framework** both for the customer perspective as well as the bottom line.



**Mr. Kallol Chakraborty**  
Head – Group Corporate Human Resources

GFCL has earned a reputation as a people-centric organization and our human capital is pivotal to our success. Our people are not just our greatest assets but, are key differentiating factors and play a vital role in ensuring long-term business growth. We seek to bring together people with diverse skill sets, views and backgrounds to inculcate an inclusive culture and offer a conducive environment to grow and fulfil professional aspirations. Today our people practices are built on ISO 26000 standards and we are SA 8000 Certified, making it more socially responsible, as well as accountable.

By signing the UN Women and UNGC Women's Empowerment Principles, GFCL exemplified its commitment to Gender Equality and Women Empowerment. The company takes initiatives to drive human rights and fair labour practices

across the value chain which includes contractors, service providers and all business associates. Continuous training and awareness programmes are conducted for employees and contractors on social accountability, and responsibility.

In GFCL, the HR function plays a critical part in enabling the organization to improve effectiveness, to manage corporate governance and ethical issues beyond economic performance, and to support realignment of the organization's future direction and vision of new ways of operating. In GFCL, we believe that implementing sustainability strategies for the organization builds employee engagement, pride and loyalty, while building a stronger public image and improving business processes.

**Mr. Kallol Chakraborty**  
Head – Group Corporate Human Resources



# Responsible Social Accountability and People Practices

Being a globally responsible entity, we accept that organizational success requires stable economies and healthy, skilled and educated workers among other factors.

We believe our employees are the biggest strength and the most valuable asset. We provide a wide canvas where people are encouraged to unleash their innovative spirit to make the business win and grow. The Company offers not only a job but a calling - To build, to strive, to innovate, to contribute and to create a legacy. It is our continuous endeavour to attract the right talent, support them in developing the right capabilities and skills, and encourage them continuously by providing them the right culture and work environment so that they are inspired to bring out their best for achieving the Company's as well as their own professional goals. This chapter includes data for our plants in Dahej and Ranjitnagar, along with our offices in Noida, Vadodara and other regional offices in the rest of India.

By signing the UNGC, we have demonstrated our commitment for establishing a globally recognized framework for the development, implementation and disclosure of environmental, social and governance policies and practices. Through this, we aim to advance the broader developmental goals of the United Nations, particularly the 17 SDGs. We are now SA8000 certified and have reiterated a commitment to the conventions established by the Internal Labour Organization, the Universal Declaration of Human Rights and UN Convention on the Rights of the Child. We have also adopted the ISO 26000 Standards on Social Responsibility.

We believe that building and sustaining high trust and high collaboration requires an internal and external social environment for sustainable business delivery, for which we have adopted the '10 Guiding Principles for Human Resource Management at Gujarat Fluorochemicals Limited'.

## HR Principles and Sustainability Standards

Our HR Management Principles are the fundamentals of operational practices in the social domain to ensure social accountability and responsibility. These principles are heavily embedded in the foundation of the UNGC Principles, the ISO 26000 Standards and SA 8000 Standards and supports the Principles of the India's National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business. This ensures a holistic approach towards social accountability and responsibility which touches the life of all our stakeholders.

## Mapping of GFCL's HR Principles with Various Sustainability Standards

No.	GFCL's Human Resource Principles	UNGC Principles	ISO 26000 Standards	SA 8000 Standards	NVG Principles
1	Building safe, Healthy and Secure workplace with the involvement of all employees.		Health and Safety at work – 6.4.6	3. Health and Safety	Principle 3 – Businesses should promote the well – Being of all employees
2	Implement robust, fair, transparent and non-discriminatory process to attract, develop and retain Talent needed for business delivery and growth.	Principle 6 – elimination discrimination in respect of employment and occupation	Condition of work and Social Protection – 6.4.4	5. Discrimination	Principle 3 – Businesses should promote the well – Being of all employees
3	Uphold and respect Human Dignity, Equality, and Human Rights at the workplace.	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence; Principle 2: make sure they are non-complicit in human rights abuse, Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour	Human Right – 6.3 Due Diligence – 6.3.3 Human Rights risk situation – 6.3.4 Avoidance of Complicity – 6.3.5 Discrimination and Vulnerable groups – 6.3.7 Civil and Political Rights – 6.3.8 Economics, Social and Cultural Rights – 6.3.8	1. Child Labour 2. Forced or Compulsory labour 3. Disciplinary Practices	Principle 5 – Businesses should respect and promote human rights
4	Provide continuous learning opportunities for the growth and development of all employees	Principle 6 – elimination discrimination in respect of employment and occupation	Human Development and training in the workplace – 6.4.7	5. Discrimination	Principle 3 – Businesses should promote the well – Being of all employees
5	Ensure continuous two communication and participation of employees and respect their views and opinion and involve them in decision making	Principle 3 – Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining	Employment and Employment Relation – 6.4.3 Social Dialogue – 6.4.5	9. Management system 4. Freedom of Association and Rights to Collective Bargaining	Principle 3 – Businesses should promote the well – Being of all employees



# Responsible Social Accountability and People Practices

No.	GFCL's Human Resource Principles	UNGC Principles	ISO 26000 Standards	SA 8000 Standards	NVG Principles
6	Establish meritocracy without any bias or discrimination in connection to performance evaluation, career progression, rewards and recognition.	Principle 6: eliminate discrimination in respect of employment and occupation	Employment and Employment Relation – 6.4.3 Social Dialogue – 6.4.5		Principle 3 – Businesses should promote the well – Being of all employees
7	Pay for performance based on internal and external parity.	Principle 6: eliminate discrimination in respect of employment and occupation	Condition of work and social Protection – 6.4.4	8. Remuneration	Principle 3 – Businesses should promote the well – Being of all employees
8	Encourage creativity and innovation to fuel growth.		Social Dialogue – 6.4.5		Principle 3 – Businesses should promote the well – Being of all employees
9	Create an engaged work environment of teamwork and camaraderie with a bias for responsible execution and excellence.	Principle 4: the elimination of all forms of forced and compulsory labour; Principle 6: eliminate discrimination in respect of employment and occupation	Human development and training in the workplace – 6.4.7	5. Discrimination	Principle 3 – Businesses should promote the well – Being of all employees
10	Drive social accountability and responsibility and ensure ethical governance for responsible execution and excellence.	Business should work against all forms of corruption, including extortion and bribery.	Anti-corruption – 6.6.3 Responsible Political involvement – 6.6.4 Community Involvement and development – 6.8	9. Management System	Principle 1- Business should conduct and govern with ethics, transparency and accountability.



## Social Responsibility and Stakeholder Expectations

At GFCL, stakeholder engagement is designed and driven with an intention that stakeholder concerns are heard, understood and responded to through transparent and continuous two-way communication. We are externally oriented, and our social responsibility practices are based on due diligence to ensure relevancy.



## Social Responsibility Organizational Context and Boundary

Our social responsibility is defined in the following two contexts:

- The Organizational Context:** The context of the industry in which we operate, including the context of competition, technology and innovation occurring in the industry as well as the increasing and changing customer expectations resulting in operational and supply chain challenges.
- The Socio-economic Context:** The social context in which we operate, including the proximal communities and the challenges which are brought in with the same, the regulatory and legal context – both national and international as well as the interest groups which are observers of the industry. The

context of our business partners with whom we jointly endeavour to profitably grow our shareholder value.

The Company's business strategy and goals are tempered in the above context. To enable this strategy, human capital plays an important role to ensure that actions we take are socially responsible. Human capital operates within the social responsibility context. In the backdrop of the business strategy and the social responsibility context, the HR strategy is built and governed by the policies based on social responsibility standards such as the UNGC, ISO 26000 and SA 8000, driving the organization's performance.

Our social responsibility boundary is defined by the factors:

- The locations we operate in;
- The regulations and laws that govern our operations;
- Our business partners and their relationship with us – suppliers, vendors, logistic partners and service providers;
- The communities we operate in;
- Customers we serve both nationally and internationally, and
- The employees who work with us.

## Responsible Social Accountability and People Practices

### Talent Acquisition and Retention

We believe that our people are an essential asset for the Company's overall performance. GFCL has always been a sustainability leader and aims to provide new solutions for sustainable development while continuing to shape the business responsibly and increase our economic success. The Human Resource function has been playing an important role in this endeavour. This function has ensured that the foundation of GFCL's 'Talent Acquisition and Retention Strategy' is sustainable in the long-term and leads to profitable business growth. We continue to maintain this by creating a progressive work environment, bringing together the right people who are energetic, ethical, and believe in giving their best even in the most challenging situations, and by keeping them engaged, motivated by a steady and meritocratic HR framework.

### Talent Acquisition and Retention

Sr. No.	New Hires	Age Group			Gender		FY 2019-20 Total
		<30	30-50	>50	M	F	
1	Senior Management (L2 & above)	0	1	1	2	0	2
2	Middle Management (L3)	0	5	2	7	0	7
3	Junior Management (L4)	7	53	0	57	3	60
4	Workers (L6)	187	62	0	247	2	249
5	Staff (L5)	262	63	0	312	13	325

### Annual Employee Hiring Rate in FY 2019-20

Location (India region)	Total %	Age			Gender	
		<30	30-50	>50	M	F
Dahej	23%	18%	5%	0%	22%	1%
Ranjitnagar	54%	33%	20%	1%	53%	1%
Others	21%	8%	12%	1%	16%	5%

### Annual Employee Turnover Percentage in FY 2019-20

Location (India region)	Total %	Age			Gender	
		<30	30-50	>50	M	F
Dahej	21%	14%	6%	1%	21%	0%
Ranjitnagar	15%	6%	7%	2%	15%	0%
Others	20%	4%	15%	1%	14%	6%

### Employee Turnover in FY 2019-20

Sr. No.	Net Employment Turnover	Age Group			Gender		FY 2019-20 Total
		<30	30-50	>50	M	F	
<b>Senior Management</b>							
1	Resignation	0	3	3	6	0	6
2	Retirement	0	0	0	0	0	0
3	Absconding	0	0	0	0	0	0
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
	<b>TOTAL</b>	0	3	3	6	0	6
<b>Middle Management</b>							
1	Resignation	0	6	3	9	0	9
2	Retirement	0	0	3	3	0	3
3	Absconding	0	0	0	0	0	0
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
	<b>TOTAL</b>	0	6	6	12	0	12
<b>Junior Management</b>							
1	Resignation	5	48	4	54	3	57
2	Retirement	0	0	1	1	0	1
3	Absconding	0	3	0	3	0	3
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	1	1	2	0	2
	<b>TOTAL</b>	5	52	6	60	3	63
<b>Staff</b>							
1	Resignation	98	50	1	140	9	149
2	Retirement	1	0	0	1	0	1
3	Absconding	22	7	0	29	0	29
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	2	0	0	2	0	2
	<b>TOTAL</b>	123	57	1	172	9	181
<b>Workers</b>							
1	Resignation	113	39	0	151	1	152
2	Retirement	0	0	2	2	0	2
3	Absconding	30	5	0	35	0	35
4	Dismissal/Suspension	0	1	0	1	0	1
5	Death	1	2	0	3	0	3
	<b>TOTAL</b>	144	47	2	192	1	193
<b>OVERALL TURNOVER RATE</b>		<b>20%</b>					



## Responsible Social Accountability and People Practices

### New Hires in FY 2018-19

Sr. No.	New Hires	Age Group			Gender		FY 2018-19 Total
		<30	30-50	>50	M	F	
1	Senior Management (L2 & above)	0	1	6	7	0	7
2	Middle Management (L3)	0	6	1	7	0	7
3	Junior Management (L4)	13	42	2	56	1	57
4	Workers (L6)	243	69	0	312	0	312
5	Staff (L5)	253	59	0	298	14	312

### Employee Turnover in FY 2018-19

Sr. No.	Net Employment Turnover	Age Group			Gender		FY 2018-19 Total
		<30	30-50	>50	M	F	
<b>Senior Management</b>							
1	Resignation	0	0	3	3	0	3
2	Retirement	0	0	0	0	0	0
3	Absconding	0	0	0	0	0	0
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>Middle Management</b>							
1	Resignation	0	4	0	4	0	4
2	Retirement	0	0	0	0	0	0
3	Absconding	0	0	0	0	0	0
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
<b>TOTAL</b>		<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>
<b>Junior Management</b>							
1	Resignation	8	35	0	42	1	43
2	Retirement	0	0	0	0	0	0
3	Absconding	1	1	0	2	0	2
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
<b>TOTAL</b>		<b>9</b>	<b>36</b>	<b>0</b>	<b>44</b>	<b>1</b>	<b>45</b>
<b>Staff</b>							
1	Resignation	148	32	0	175	5	180
2	Retirement	0	0	0	0	0	0
3	Absconding	20	9	0	29	0	29
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
<b>TOTAL</b>		<b>168</b>	<b>41</b>	<b>0</b>	<b>204</b>	<b>5</b>	<b>209</b>

Sr. No.	Net Employment Turnover	Age Group			Gender		FY 2018-19 Total
		<30	30-50	>50	M	F	
<b>Workers</b>							
1	Resignation	121	28	0	149	0	149
2	Retirement	0	0	0	0	0	0
3	Absconding	19	3	0	22	0	22
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	1	0	0	1	0	1
<b>TOTAL</b>		<b>141</b>	<b>31</b>	<b>0</b>	<b>172</b>	<b>0</b>	<b>172</b>
<b>OVERALL TURNOVER RATE</b>		<b>26%</b>					

### New Hires in FY 2017-18

Sr. No.	New Hires	Age Group			Gender		FY 2017-18 Total
		<30	30-50	>50	M	F	
1	Senior Management (L2 & above)	0	0	0	0	0	0
2	Middle Management (L3)	0	10	2	12	0	12
3	Junior Management (L4)	3	31	1	33	2	35
4	Workers (L6)	190	62	1	253	0	253
5	Staff (L5)	192	47	1	234	6	240

### Employee Turnover in FY 2017-18

Sr. No.	Net Employment Turnover	Age Group			Gender		FY 2017-18 Total
		<30	30-50	>50	M	F	
<b>Senior Management</b>							
1	Resignation	0	0	0	0	0	0
2	Retirement	0	0	0	0	0	0
3	Absconding	0	0	0	0	0	0
4	Dismissal/Suspension	0	0	0	0	0	0
5	Death	0	0	0	0	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Middle Management</b>							
1	Resignation	0	0	0	0	0	0
2	Retirement	0	0	1	1	0	1
3	Absconding	0	1	1	2	0	2
4	Dismissal/Suspension	0	0	0	0	0	0

## Responsible Social Accountability and People Practices

### Employee Turnover in FY 2017-18 (continued)

Sr. No.	Net Employment Turnover	Age Group			Gender		FY 2018-19		
		<30	30-50	>50	M	F	Total		
5	Death	0	0	0	0	0		0	
	<b>TOTAL</b>	0	1	2	3	0		3	
	<b>Junior Management</b>								
1	Resignation	0	0	0	0	0		0	
2	Retirement	0	0	1	1	0		1	
3	Absconding	0	2	0	2	0		2	
4	Dismissal/Suspension	0	0	0	0	0		0	
5	Death	0	1	0	1	0		1	
	<b>TOTAL</b>	0	3	1	4	0		4	
	<b>Staff</b>								
1	Resignation	0	0	0	0	0		0	
2	Retirement	0	0	1	1	0		1	
3	Absconding	22	1	0	21	2		23	
4	Dismissal/Suspension	0	0	0	0	0		0	
5	Death	2	1	0	3	0		3	
	<b>TOTAL</b>	24	2	1	25	2		27	
	<b>Workers</b>								
1	Resignation	0	0	0	0	0		0	
2	Retirement	0	0	2	2	0		2	
3	Absconding	13	2	0	15	0		15	
4	Dismissal/Suspension	0	0	0	0	0		0	
5	Death	0	0	0	0	0		0	
	<b>TOTAL</b>	13	2	2	17	0		17	
	<b>OVERALL TURNOVER RATE</b>	<b>3%</b>							

We are an equal opportunity employer. Qualified applicants are considered based on their skill and knowledge, relevant experience and cultural fit, without any consideration of ethnicity, religion, geography or nationality, gender, disability or sexual orientation. We however give preference to the sons of the soil. We emphasize the importance of local hiring to optimize costs and efficiency, and to enhance employment generation in the areas where we operate. Our hiring is strictly based on merit, capability and exposure an individual carry specific to the job opportunity. Our selection process includes technical tests as well as psychometric profiling based on the position being hired. We also do a thorough antecedence check.

Our 'Guideline HR/2 – Recruitment & Selection of Candidates' provides details on our recruitment and selection process. The policy 'HR/64 - Guideline on Equal Employment Opportunity, Gender Equality & Protection of Human Rights' is in place to eliminate discrimination in respect of employment and occupation.

### Total Number of Employees

Employee category	As on 31-March-2020						As on 31-March-2019						As on 31-March-2018										
	Total Number	Age Group (no.)			Gender (no.)		Total Number	Age Group (no.)			Gender (no.)		Total Number	Age Group (no.)			Gender (no.)						
		<30 yrs	30-50 yrs	>50 yrs	M	F		<30 yrs	30-50 yrs	>50 yrs	M	F		<30 yrs	30-50 yrs	>50 yrs	M	F					
Permanent	L1	3	0	0	3	0	Permanent	L1	4	0	0	4	4	0	Permanent	L1	2	0	0	2	2	0	
	L2	21	0	2	19	21		0	L2	25	0	7	18	25		0	L2	22	0	7	15	22	0
	L3	85	0	46	39	85		0	L3	80	0	42	38	80		0	L3	72	0	39	33	72	0
	L4	314	14	255	45	298		16	L4	303	20	236	47	289		14	L4	266	11	217	38	256	10
	L5	918	475	408	35	887		31	L5	805	401	366	38	774		31	L5	722	338	349	35	697	25
	L6	875	273	565	37	875		0	L6	866	329	512	25	866		0	L6	802	276	504	22	802	0
<b>Total</b>	<b>2216</b>	<b>762</b>	<b>1276</b>	<b>178</b>	<b>2169</b>	<b>47</b>	<b>Total</b>	<b>2083</b>	<b>750</b>	<b>1163</b>	<b>170</b>	<b>2038</b>	<b>45</b>	<b>Total</b>	<b>1886</b>	<b>625</b>	<b>1116</b>	<b>145</b>	<b>1851</b>	<b>35</b>			

### Location-wise Details of Employees

Location.	As on 31-March-2020	As on 31-March-2019	As on 31-March-2018
Noida and Rest of India	135	142	116
Dahej	1508	1536	1391
Ranjitnagar	504	338	315
Vadodara	69	67	64
<b>Total</b>	<b>2216</b>	<b>2083</b>	<b>1886</b>

### Contract Labour –GFCL

GUJARAT FLUOROCHEMICALS LIMITED, RANJITNAGAR - CONTRACTUAL DATA													
Employee category	As on 31-March-2020				As on 31-March-2019				As on 31-March-2018				
	Total Number	Gender (no.)			Total Number	Gender (no.)			Total Number	Gender (no.)			
Contractual		M	F	Contractual		M	F	Contractual		M	F		
Skilled	39	39	0	Skilled	39	39	0	Skilled	44	44	0		
Semi-Skilled	11	11	0	Semi-Skilled	10	10	0	Semi-Skilled	11	11	0		
Unskilled	323	321	2	Unskilled	328	323	5	Unskilled	313	308	5		
<b>Total</b>	<b>373</b>	<b>371</b>	<b>2</b>	<b>Total</b>	<b>377</b>	<b>372</b>	<b>5</b>	<b>Total</b>	<b>368</b>	<b>363</b>	<b>5</b>		

GUJARAT FLUOROCHEMICALS LIMITED, DAHEJ - CONTRACTUAL DATA													
Employee category	As on 31-March-2020				As on 31-March-2019				As on 31-March-2018				
	Total Number	Gender (no.)			Total Number	Gender (no.)			Total Number	Gender (no.)			
Contractual		M	F	Contractual		M	F	Contractual		M	F		
Skilled	739	735	4	Skilled	643	637	6	Skilled	564	556	8		
Semi-Skilled	307	298	9	Semi-Skilled	420	420	0	Semi-Skilled	343	341	2		
Unskilled	28	25	3	Unskilled	11	3	8	Unskilled	12	12	0		
<b>Total</b>	<b>1074</b>	<b>1058</b>	<b>16</b>	<b>Total</b>	<b>1074</b>	<b>1060</b>	<b>14</b>	<b>Total</b>	<b>919</b>	<b>909</b>	<b>10</b>		



# Responsible Social Accountability and People Practices

## Hiring Young Talent

With the growth of Company's product portfolio and increase in the customer base across the globe, we have established a talent pipeline of bright and young leaders to ensure growth plans are sustained through a continuous induction of well-groomed talent.

Our culture is aimed at encouraging the young talent to play an essential role in our growth. At GFCL, Young Mind Career Development programmes are designed to guide and support the most promising college graduates right from the start. Through our schemes such as Leadership Trainee Scheme, Graduate Engineer Trainee Scheme, Management Trainee Schemes and Business Leadership Trainees, we induct young minds from management/technical colleges pan India for a year. They are imparted the required training and posted to different locations based on manpower requirement. We also absorb freshly passed out Industrial Training Institute (ITI) technicians as technician trainees.



## Trainee Details

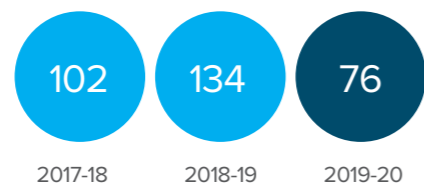
Trainee Category	2017-18	2018-19	2019-20
Technician Trainee	13	1	6
GET/DET	44	19	22
Business Leadership Trainees	0	12	0

## Sources of Recruitment

We activate various recruitment channels for cost effective and quality hiring. Hiring partners are engaged based on a

strict consideration of competency and experience and an assurance that they do not charge recruitment fees. Talent Hunter, the employee referral scheme is an important and effective platform for hiring.

## Number of People Hired through Talent Hunter



## Terms of Employment

We understand that providing fair compensation to employees is not

enough. It is the continuous focus on needs and well-being of employees while providing suitable benefits that induces improved employee productivity and builds a strong retention rate. We provide the best of amenities and employee centric policies. These policies and benefits apply to the Company employees globally at all levels of the organization. However, due to local laws and regulations, some policies and benefits vary by country and work location. Not all policies and benefits are available at all locations.

These benefits include Group Medical Insurance, Personal Accident Insurance, Leaves, Flexi Work schedule, Loans & Advances, Free Transportation, Canteen

Facility, Uniform and other Social Security benefits. The Company Medical insurance scheme voluntarily covers all employees and their immediate families under a Group Medical scheme. Employees are also covered under an Accident Insurance scheme. We have well defined policies in place in this regard – 'HR/33 - Group Medical Insurance' and 'HR/34 - Group Personal Accident' for all employees.

## Coverage of Group Medical Insurance and Group Personal Accident Insurance

Sr. No.	Benefit	Coverage	Total Number of Employees	Employee Covered	% Coverage
1	Group Medical Insurance	Employee, spouse, two Dependent children	2216	2154	97.10
2	Group Personal Accident Insurance	Accidental Death irrespective of location of employee	2216	2216	100.00

The above policies are a part of HR Operations Manual and Employee Handbook. All employees including trainees and employees on probation are covered under these policies.

All labour/workers of contractors who work in our premises are also covered under a group accident insurance scheme, the cost of which is borne by the Company as the principal employer.

In addition to other employee benefits, we also extend social security benefits to its employees which include employer's contribution to Provident Fund, Pension scheme and ESIC coverage for employees who are not covered under group medical reimbursement scheme. We also pay Gratuity under Payment of Gratuity Act, 1972 to our employees.

## Coverage of Social Security Schemes

Social Security Schemes	Employee Coverage
Provident Fund & Employee Pension Scheme	100%
Payment of Gratuity	100%

We also pay Bonus or Ex-Gratia at the rate of 20% of the basic salary.

## Coverage of Bonus and Ex-gratia schemes

Social Security Schemes	Number of Employees covered
Bonus	1646
Ex-gratia	538

All labour/workers of contractors who are working in our premises are also paid bonus.

We provide all the employees working at our manufacturing units with uniform, safety shoes and other Personal Protective Equipment (PPE) every year. We also ensure that all labour/workers of contractors are also provided uniform, safety shoes and other Personal Protective Equipment.

Employees can also avail free transportation facility from the nearest city to the unit location.

To facilitate better work-life balance and encourage punctuality and discipline

in regularity of attendance, we have an established leave policy for availing leaves as per the entitlement. Benefits on account of flexi-timing system, an

alternate Saturday extended weekend are also provided to employees working in specific offices. Leaves are generally of three types – privilege leave, sick leave and casual leave.



## Responsible Social Accountability and People Practices

### Details of Leaves Available to Employees

Net Employment Turnover	Age Group		
	Casual Leave	Sick Leave	Privilege Leave
Noida & Other Offices	8	10	22
Ranjitnagar	8	10	26 (level 4 and above) 20 (level 5 and below)
Dahej	8	10	21
Office in US	2	3	Up to 3 years of service - 10 3- 10 years of service - 15 More than 10 years of service-20
Office in Europe			25

We also ensure that all labour/workers of contractors are provided leaves as per the Factories Act, 1948.

In addition, we extend special leave when an employee joins or gets transferred to a new location to support them during relocation.

We have the following policies in this regard: 'HR/50 - Guideline on Working Hours', 'Late Attendance and Extended Alternate Saturdays Off' and 'HR/52 - Guideline on Over Time'. At manufacturing plants, we have a standardized process for the Administration of Overtime. All technicians and trainee technician in the technician grade/level, as applicable in the respective plants are covered in this policy. Further, all the women employees are entitled to avail child-care leave as per the Maternity Benefit Act.

### Details of Parental Leaves

Sr. No.	Parameter	Nos.	FY 2017-18			FY 2018-19			FY 2019-20		
			M	F	Total	M	F	Total	M	F	Total
1	Total number of employees who were entitled for parental leave	6	NA	2	2	NA	1	1	NA	3	3
2	Total number of employees who took parental leave	6	NA	2	2		2	2	NA	2	2
3	Total number of employees that returned to work in the reporting period after parental leave ended	3	NA	2	2	NA	1	1	NA	3	3
4	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	5	NA	2	2		2	2	NA	2	2
5	Return to work and retention rates of employees that took parental leave	100	NA	100	100	NA	0	0	NA	1	1

These matters are covered in the Employee Handbook and awareness sessions are held regularly. In addition to our employees, the contract workers are also given awareness programme on these subjects.

#### Working Hours

Working hours, rest periods, shift roster, spread over, compensatory day off rest and weekly day off rest are governed by the Factories Act, 1948. All employees

are given a day of rest following six consecutive days of work, and the normal work week does not exceed 48 hours. Overtime is paid as per the Factories Act, 1948. Overtime wages are calculated at double the gross salary.

All such conditions of service are also made applicable to labours/workers of all contractors. Plants follow the national laws regarding hours of work intervals, weekly off etc. of their respective countries.

Over and above the conditions of service as mandated by the statutes, we extend special consideration of extra leave and work from home facilities under special and genuine considerations in connection to any work life emergencies, such as personal illness, illness of spouse, children and family, natural calamity and for educational purposes.

#### Remuneration

At GFCL, good performance is encouraged and rewarded. We pay for performance and the pay structure is based on the principle of 'Equal Pay for Equal Work'. We believe in paying for demonstrated and sustained high performance. Individual pay levels shall reflect employee's contributions.

There is no disparity between salaries of men and women employees. We are an equal opportunity employer without any sexual discrimination based solely on the category of the work performed and in line with the Equal Remuneration Act, 1976.

We have in place a Nomination & Remuneration Policy pertaining to the nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement. The policy has defined criteria for identification and selection to become Directors, appointed in Senior Management on Board and Remuneration Committee Approval. The

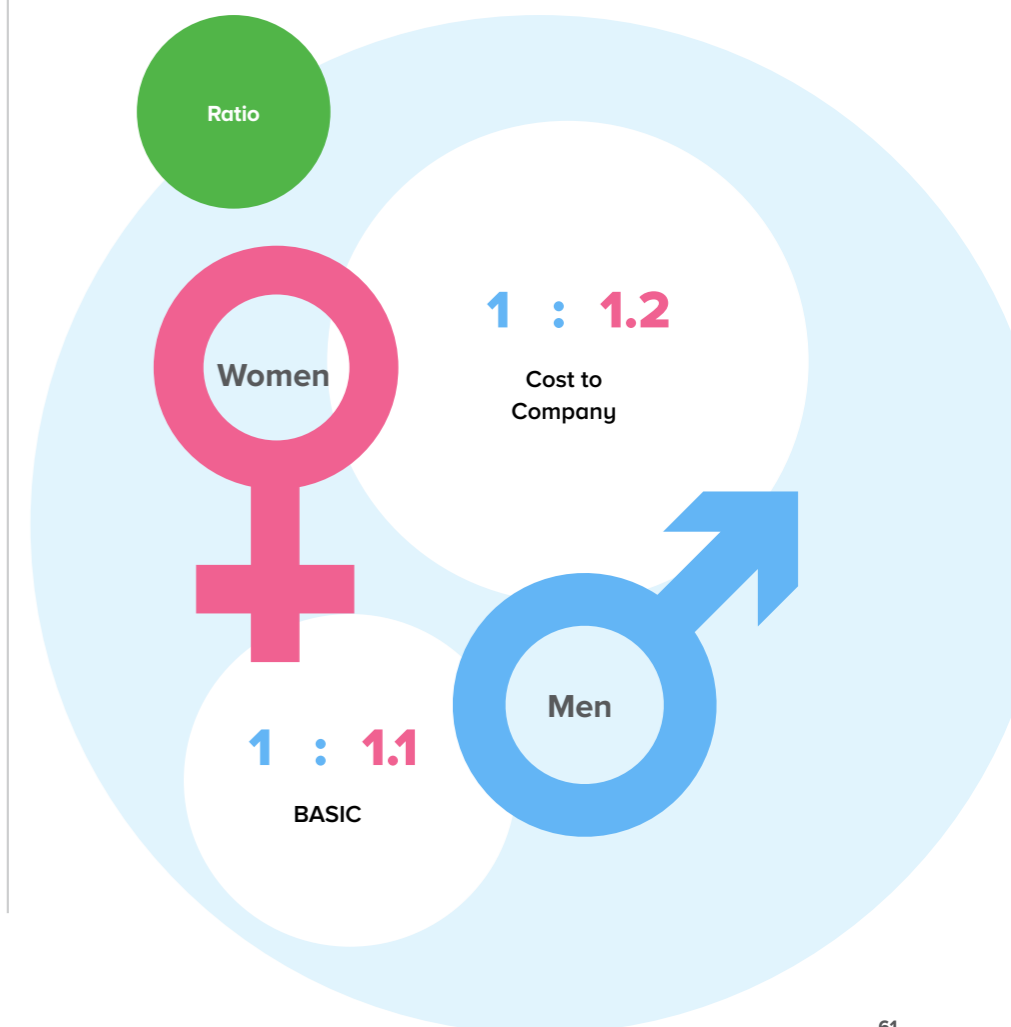
composition of remuneration to such persons is fair, reasonable and sufficient to attract and retain the personnel required for long term growth and success of the Company.

The policy is available on the Company's website at the link: [https://gfl.co.in/assets/pdf/gfcl\\_nomination\\_and\\_remuneration\\_policy\\_130820191.pdf](https://gfl.co.in/assets/pdf/gfcl_nomination_and_remuneration_policy_130820191.pdf)

Our Remuneration Policy is market driven and competitive. It supports continuous improvements and rewards performance. We participate in salary surveys conducted by remuneration consultants and specialists to determine market salary levels in the comparative industries.

During the reporting period the ratio of the annual compensation of the organization highest-paid individual to the median annual compensation of all employees (excluding the highest-paid individual) was 1:47. The ratio of percentage increase from the last year in annual compensation of the organization highest-paid individual to the median annual total compensation for all employees (excluding the highest paid-individual) was 1:1.2.

The ratio of salary and overall remuneration between men and women employee is given:





# Responsible Social Accountability and People Practices

## Principle of Wage and Salary Administration

The wage and salary administration of the Company is based on the following principles:

- |  |   |   |   |
|--|---|---|---|
| <p>a. Respect the right of personnel to a living wage and ensure that wages paid for a normal working week/month is adequate to meet the basic needs of personnel and to provide a living wage to allow employees to earn enough income for a satisfactory standard of living;</p> <p>b. Ensure that deductions from wages are made as per the provisions of law, and that the employees wage and benefits composition are detailed clearly at the time of appointment and regularly at the time of subsequent revisions;</p> <p>c. Ensure that wages and benefits are rendered in full compliance</p> | <p>d. Not use labour-only contracting arrangements, consecutive short-term contracts, and/or false apprenticeship schemes to avoid fulfilling its obligations to personnel under applicable laws pertaining to labour and social security legislation and regulations;</p> <p>e. Follow the principle of 'Capacity to Pay' and 'Region -cum- Industry';</p> <p>f. Maintain internal equity and shall be classified by position based on</p> | <p>with all applicable laws and that remuneration is rendered by cheque/bank transfer in a manner convenient to employees;</p> <p>g. No discrimination regarding wage and salary due to religion, caste, sex, nationality, region;</p> <p>h. Pay structure based on 'Equal Pay for Equal Work', and</p> <p>i. Individual salary to commensurate with skills and experience.</p> | <p>experience, responsibility, and physical and mental demands;</p> |
|--|---|---|---|

We ensure compliance to the law of the land related to wages and social security as mentioned below:

- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Equal Remuneration Act, 1976
- The Payment of Bonus Act, 1965
- The Employees' Provident Scheme, 1952
- The Employees' State Insurance Act, 1948
- The Employee Compensation Act, 1923
- The Payment of Gratuity Act, 1972

Our salary structure for highest governance body members and senior executives includes fixed pay, performance-based variable pay, joining/sign on bonuses, retention payments and social security payments. At GFCL, all social security benefits and contribution rates for the highest governing body, senior executives and all other employees are at par.

We pay more than the statutory minimum wages even at the entry level in all locations.

Category	Minimum Wages (INR per Month)	Entry Level wage as on 31st Mar 2020	
		Employee (in INR)	Contractor (in INR per Month)
Skilled	8486.4	12,000/- PM	8486.40
Semi-skilled	8278.4	Not Applicable	8278.40
Unskilled	8070.4	Not Applicable	8070.40

## Labour-Management Relations

We recognize the fact that employees have the inherent right to collective bargaining. We respect the rights of all our employees to form associations in accordance with the local laws as applicable to achieve a form of workplace democracy.

Through our HR guideline 'HR/43 – Guideline on Employee Relation', we uphold this right of all employees. This guideline is a reiteration of the Company to uphold the principles of the following ILO conventions:

Sr. No.	ILO Convention - Recommendation No	Issue Addressed
1	ILO Convention 87	Freedom of Association
2	ILO Convention 98	Right to Organize and Collective Bargaining
3	ILO Convention 135	Workers' Representatives

At each location, we have Work Committees as required under the Industrial Disputes Act, 1947, representing workmen, which engage periodically with the Management to discuss and resolve work and condition of service-related issues.

Over and above this, various other committees are established for workers participation in different areas of work life. These include:

- Social Performance Team (SPT)
- Canteen Committee

- Sports Committee
- Transport Committee
- Cultural Committee
- Magazine Committee
- Safety Committee
- Quality Circle

These committees regularly meet and discusses issues relating to respective areas along with Management Representative.

All employees, contract labour and sub-contractor are made aware of their

right to exercise Freedom of Association as part of the Social Accountability Workshop. They are extensively trained on the relevant guidelines and policies which are included in the Employee Handbook.

In addition to our direct workmen, we also recognize the right of association and collective bargaining by the contract labours and participate in bargaining meetings. The Contract Labours are represented by the Panchmahal Kamdar Union, which represents around 300 contract labours. The last settlement of

## Responsible Social Accountability and People Practices

the Union and the contractor was signed on 1st April 2009 and is applicable till 31st March 2020. No employees of the Company are covered under collective bargaining agreements.

The collective bargaining agreements provide for notice period for implementation of significant operational changes and specifies the provision for consultation and negotiation. The Union is in existence for the last 24 years. As per the terms of employment, the notice period for separation from services is as follows:

Particulars	Notice Period
All Confirmed Employees (Except level 6)	90 Days
Confirmed Technician (Level 6)	30 days
All Employees on Probation (Except level-6)	30 days
Technicians on probation (Level 6)	15 days

We adhere to the provisions of section 9A of the Industrial Dispute Act, 1947, in case of any significant change of terms of employment.

Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.

### 21 Days (Notice Period)

We recognize that the right to exercise freedom of association and collective bargaining may be at risk

in the operations of our suppliers and contractors. As such, under the Sustainable Procurement Governance structure of GFCL, all suppliers/vendors must provide the Company a declaration that such right are protected for their workmen. Moreover, awareness training programmes on various aspects of human rights and right to exercise freedom of association and collective bargaining are conducted for workers/labours of contractors who work in Company premises.

There are no operations where the right to exercise freedom of association and collective bargaining is found to be at significant risk.

For GFCL employees, annual salary raise is based on their performance, market trends and through mutual discussion in an atmosphere of mutual gain. All employees are covered under such annual salary increments.

### Performance Management and People Development

We recognize the value of a performance based organizational culture that promotes employee productivity, engagement and development by aligning individual and team performance goals with the Company's mission, strategic goals and objectives. The concept of normal distribution and relative evaluation is followed for the performance evaluation of all our employees.

We have adopted a digitized talent management system which is integrated with the annual target setting and performance evaluation process, which helps the Company in building a culture of fairness, transparency and meritocracy.

As a process, all employees at Assistant Manager and above levels receive performance feedback during mid-year review and final appraisal. For Level 4 and above employees, target setting is carried out at the beginning of the financial year. Mid-term review is carried out after six months where the status of the targets set is reviewed and if necessary be revised/modified. At the end of the financial year i.e. March, an annual performance assessment is carried out which includes Competency Assessment, Individual Development Planning (IDP), Relative rating and Performance/Potential (P/P) Matrix. The following Company policies are in place in this regard:

**HR/20 – Guideline on Performance Management System and Development Plan**

**HR/21 – Performance Evaluation & training need assessment for technicians**

**HR/22 – Performance Assessment of Engineer/Executive cadre employees**

For Level 5 and Level 6 employees, skills are defined for each process/job/plant. Skill matrix is being prepared for everyone across the sites. The annual performance assessment is carried out which includes skill and behavioural assessment. For Level 6, skill-will matrix is prepared showing the level of skill/will an employee possesses.

Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.				Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.				Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.						
FY 2017-18				FY 2018-19				FY 2019-20						
Employee category	M (%)	F (%)	Total (%)	Employee category	M (%)	F (%)	Total (%)	Employee category	M (%)	F (%)	Total (%)			
Permanent	L5	58.82	-	58.82	Permanent	L1	65.00	-	64.71	Permanent	L1	61.90	-	61.90
	L3	80.28	-	80.28		L2	91.00	-	91.14		L2	83.53	-	83.53
	L4	68.65	41.67	67.01		L3	94.66	69.23	93.15		L3	94.82	75.00	93.63
	L5	-	-	0.00		L4	97.64	83.33	97.25		L4	96.88	83.33	96.54
	L6	-	-	0.00		L5	99.84	-	99.84		L5	100.00	-	100.00

### Trainee Details

Sr. No.	Trainee Category	2017-18	2018-19	2019-20
1	No. of Employees Promoted	193	470	-
1	No. of employees upgraded	33	81	-

\*On account of COVID-19, promotions for FY 2019-20 are still under consideration.

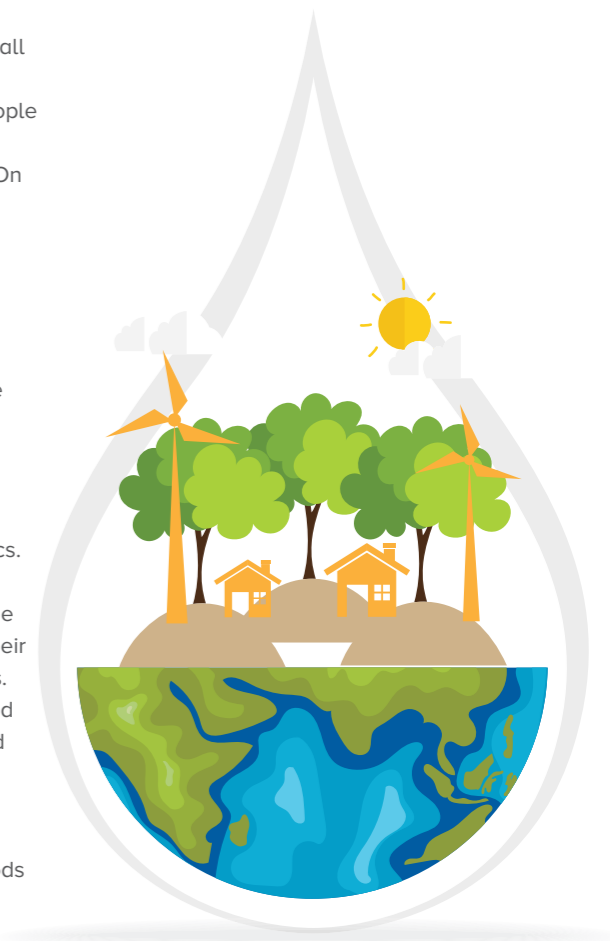
### Training and Education

We recognize the need to keep our people updated with varying market requirements and believe that as the organization grows, employees grow with it and thus the training and development need to change along with continuous updating of skills. A company growth cannot be delinked from employee growth.

Since we understand that sustainability can be achieved through high employee engagement, professional

and leadership development, and effective succession planning, we have taken small but steady steps towards continuous learning and people development by imparting training via various modes: On the Job, Classroom training, Self-study, Webinars and E-learning platform.

As a part of the Talent Management Process, the individual training needs are identified, and an annual training plan is prepared for each individual site. The plan consists of functional, behavioural and safety topics. In addition to this, we focus on leveraging the skills of the workforce and to develop their expertise on critical subjects. The following training related data includes our plants and offices in India along with international operations in USA, and Germany. This information pertains to periods 1st September 2019 to 31st August 2020.





# Responsible Social Accountability and People Practices

## Employee Training Details

Location	Training Man-hours				Training Man-hours		Total Training Man-hours	Training Man-hours				Training Man-hours	Total Training Man-hours	
	AGM & Above	Managers	Executive	Technicians	Male	Female		AGM & Above	Managers	Executive	Technicians			Male
Dahej	736	2455	6874	14484	24089	460	24549	15.33	18.05	12.23	19.52	16.32	41.82	16.50
Ranjitnagar	397	1270	4919	1349	7398	537	7935	15.27	15.49	14.09	14.66	13.57	134.25	14.43
Noida & Other Offices	646	1722	1220	-	2925	663	3588	17.00	18.32	18.21	-	17.41	21.39	18.12
International Locations	28	74	53	-	130	25	155	4.67	6.17	4.82	-	4.81	12.50	5.34

## Training Man-hours

Training Categories	Total Training Man-hours	Average Training Hours
Behavioural	5812	2.600
Technical	10616	4.750
Safety	7821	3.499
Management System Topics	6158	2.755
Social Accountability & Social Responsibility	1567	0.701
Prevention of Sexual Harassment (POSH)	251	0.112
Fair Business Practices	3096	1.385
Cyber Security	906	0.405

In order to gauge the learning reception, pre and post tests are conducted before and after the training session. Training feedback is also taken from the managers as a part of training effectiveness.

The dynamic nature of the markets requires our employees to constantly equip themselves with new skills and knowledge. We thus provide opportunities for constant up gradation of knowledge of our people. We continuously upgrade our training infrastructure, methodologies and programmes and make significant investment in these areas.

### Talent Development

To replicate high performance in existing employees and new hires, we have

developed a reliable competency model 'Role – Competency Continuum' (RC2) framework and have adopted robust performance management practices.

Based on the RC2 framework and 9-box grid, high potential employees are identified as 'Successors' for various positions. Both RC2 and 9-box matrix are actively used during the talent review process, based on which fast track career growth programme is recommended for High Potential (HiPO) employees.

Each site has got its Talent Review Committee which drives HiPO employee identification and their continuous nurturing process. Every year, such employees are identified and groomed to be the leaders of tomorrow. This

enables personal and professional development of the individual which ultimately contributes to the overall business requirement of the organization.

Number of High Potentials identified

34

HiPO employees are taken through special leadership programmes, technical projects, job rotation and psychometric tests for leadership development.

Mentoring Certification Programme: It is an initiative to build tomorrow's leaders, today. As a process, the selected successful leaders of the Company are certified as Mentors who are assigned to identify mentees for building the leadership pipeline. In total, 11 employees were identified as mentors with 22 mentees at Ranjitnagar site and 13 mentors and 25 mentees were identified in 2018-19. The identified mentees are undergoing specific programmes, both technical and behavioural, during the reporting period.



Mentoring Certification Programme at Ranjitnagar

We also identify high skilled technicians who are consistent high performers and take them through a higher education scheme for career advancement. Under this scheme, trade apprentice undergoes a diploma programme and diploma holders undertake a graduation programme.

Stream	Promoted in GFCL	Designation upgraded in GFCL
ITI to Diploma	2	9
Diploma to Degree	3	1

We have launched the Dronacharya Scheme under which highly skilled and competent executives and engineers are identified by the Unit Talent Review Committee and specially groomed as coaches in their area of expertise. They are then certified as 'Dronacharyas' who

are then assigned selected subordinates to be trained in their field of expertise. They are recognized after they complete the training.

We believe in creating a robust talent pipeline, for which we have initiated a Leadership Development Programme based on 360-degree feedback. More than 80% of the employees of General Manager and above levels have been covered in the 360-degree feedback. Based on the feedback, they are assigned to a Development Centre, leading to the creation of a detailed Individual Development Plan.

Number of employees covered in Leadership Development programme

32

## Employee Engagement At GFCL

A challenging environment results in greater employee engagement, allowing people to lead by example and showcase exemplary effort and talent. At GFCL, it fuels our growth and future success.

We believe that learning through fun-filled activities helps employees retain information better because the process becomes enjoyable and memorable. With this consideration, 'Teamagic' workshop is conducted for the employees at the corporate level to impart education through team games. Similarly, 'Moviemagic' uses movies for imparting leadership training, and it is a prevalent practice at GFCL.



Teamagic at Corporate Office

Sports and other team building activities are also encouraged across the Company to build a team spirit and camaraderie. Tournaments like cricket, chess and carom are held round the year. Employees also participate in city marathons and competitive cricket tournaments. For the sixth consecutive year, an inter-departmental cricket competition was organized at the plants.



# Responsible Social Accountability and People Practices



Cricket Competition at Ranjitnagar and Dahej

We boast of a very effective Quality Circle culture. Our Quality Circle teams have won state and national level awards.



Quality Circle Team at Dahej

Across GFCL, we celebrate togetherness. From festivals to conferences and ceremonies, we never miss an opportunity to celebrate social occasions, including the Independence Day, International Women's Day, Diwali Puja, employee birthday celebration and New Year Day, Family Day and Annual

Sports Day among others. We also welcome and integrate the employee families in these celebrations. Employee talent shows are a regular feature in our work-life.



Annual Family Day at Dahej

We extend our relationship with employees and their families beyond work. Meritorious children of our employees are annually recognized across locations.

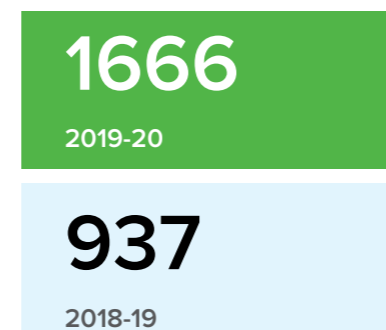
### Meritorious Children Award



### Employee Recognition

At GFCL, we identify and recognize people who do the right things. The digitized platform of 'Spot On' is a programme to spontaneously recognize people and build a culture of appreciation. The Management has identified 19 positive behaviours which when accentuated would create a culture of all-round sustainability.

### Total number of Spot On



Recently, a 'Value Champion' category has also been added to recognize employees who demonstrate behaviours of integrity, honesty and fair business practices.



Cricket Competition at Ranjitnagar and Dahej



Long Service Award at Corporate Office, Noida

### Employee Communication

At GFCL, every voice counts. We conduct an Employee Effectiveness and Employee Satisfaction Survey bi-annually to receive employee opinions and ideas which can be utilized to continuously innovate and upgrade our processes. We have introduced flexi-timing, extended weekends and various employee friendly initiatives based on the survey feedback.

Employee Survey	Employee Effectiveness	Employee Satisfaction
Participation %	76	75
Score (out of 5)	4.02	4.33

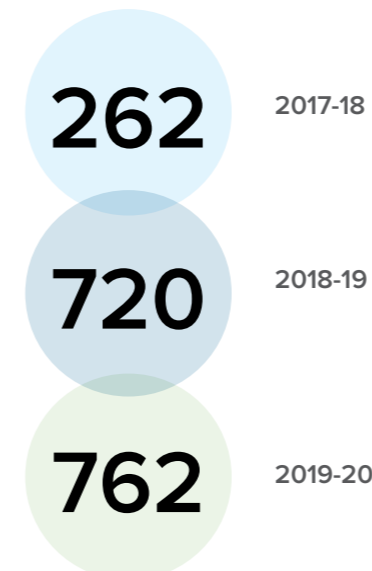
To be connected with the grassroots, we have several initiatives in place like, including Quarterly CEO Town Halls and monthly Skip Level Meetings across locations. We engage with our High Potential employees through Stay Interviews every quarter. For the new employees, till they are confirmed, a structured contact programme – Let's Talk – is in place at the Corporate level to ensure they settle in well in the organization. With an aim to increase employee connectivity and establish interpersonal relationship, PHRRO (Plant Human Resource Representative Officer) was launched at Dahej. It is a platform

Our employees are encouraged to give workplace improvement suggestions through the 'Prayas' platform – an employee suggestion scheme across sites. Our employees are partners in our progress where the relationship is built on long term mutually gainful relationship build on trust and transparency.



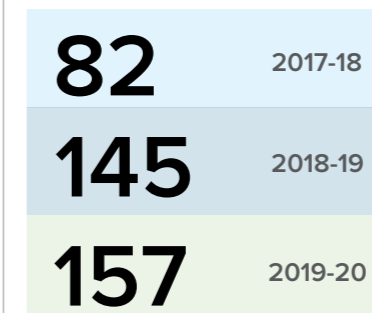
'Prayas' Recognition at Dahej

### Number of People recognized through Prayas



Rewarding loyalty and commitment by recognizing those who have dedicated their careers to GFCL is a proof of the Company's loyalty towards people who have added value to the Company. To commemorate their commitment, a Long Service Felicitation Programme is organized across the Company.

### Long Service Felicitation Winners





# Responsible Social Accountability and People Practices

wherein HR representative interact with employees to understand their personal and workplace related issues and resolve them.



CEO Talk/Town Hall

## Diversity and Equal Opportunity

We believe that having a diverse and dedicated workforce is important since it represents the business globally. We respect people from different background, culture, origin, religion, race and do not discriminate based on any individual differences – including gender, religion, caste and disability.

We are committed to foster a culture where diversity and inclusion is

celebrated, and people are fully engaged. We are focused in creating a workforce with diverse talent, background and expertise. Being an 'Equal Opportunity' employer, we believe in a fair and transparent process of selection which is based on meritocracy and suitability to identify the "right candidate". The gender ratio in our Company has been steadily increasing and we proud to now have young lady engineers in our workforce.

Employee Category	FY 2017-18	FY 2018-19	FY 2019-20	
Permanent women employees	L1	0	0	0
	L2	0	0	0
	L3	0	0	0
	L4	2	14	16
	L5	6	31	31
	L6	0	0	0

We support and create awareness on employing differently abled people. The total number of permanent employees with disability as on 31st March 2020 was 11.

Besides equal employment, all employees have equal access to relevant training and skill enhancement programmes.

## Women Empowerment

We strive to empower our women employees and allow them to thrive professionally while ensuring their work-life balance. By signing the UN Women and UNGC Women's Empowerment Principles, we have demonstrated our commitment to gender equality and women empowerment. We recognize women empowerment as an integral part of our people strategy which will benefit not only individuals but also society at large, contributing towards economic and social development.

In support of these standards, we are committed to having processes, policies, and procedures in place for promoting equality, safety, prevent discrimination and any kind of harassment, and help women advance at the workplace and in the society. We have an established guideline on Prevention of Sexual Harassment at the workplace especially for women to ensure that we conduct business ethically and in a manner that is respectful to women.

Continuous training and awareness programmes are conducted for all women employees on POSH at the workplace.



## Employee Training Details

Location	Training Man-hours				Total Female Training Man-hours	Average Training Hours				Total Training Man-hours	
	AGM & Above	Managers	Executive	Technicians		AGM & Above	Managers	Executive	Technicians		
Dahej	-	1	10	-	11	-	1.00	1.00	-	1	1.00
Ranjitnagar	-	-	4	-	4	-	-	1.00	-	1	1.00
Noida & Other Offices	-	15	8	-	23	-	1.00	0.50	-	0.74	0.74
International Locations	-	1	1	-	2	-	1.00	1.00	-	1	1.00
<b>Total</b>	<b>-</b>	<b>18</b>	<b>22</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>3.00</b>	<b>3.50</b>	<b>-</b>	<b>3.74</b>	<b>3.74</b>

We have participated in varied initiatives for promoting education, social entrepreneurship and women empowerment. The number of female employees in our Company has been steadily increasing and we celebrate diversity at our workplace on International Women's Day and Mothers' Day by felicitating our women employees across locations. Various wellness and self-defence programmes are organized for women at the workplace.

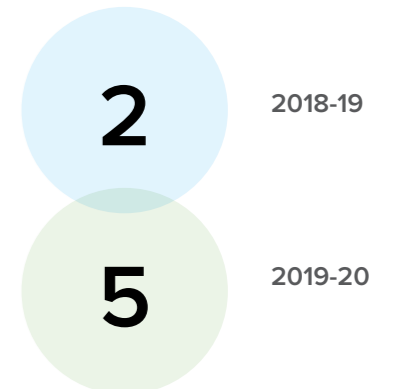


Safety defense session for women employee

To provide our women employees with the flexibility to meet their family needs, personal obligations and life responsibilities conveniently, we have extended a special facility across locations. This is not an entitlement but a special facility being extended to the women employees associated with the Company. We have in place

a provision of special leaves in case of genuine requests and emergencies. Work from Home and flexi-time facility is available to all the women employees under emergent situations of medical issues, location disturbances, parenting issues, extended maternity, post-natal complications etc.

## Number of Women who availed Special Leave/Work from Home/Flexi time



## Non-Discrimination Practices

GFCL and its subsidiaries are committed to the policy of equal employment. This commitment is an integral part of Company's mission to become an 'Employer of Choice', therefore all our HR policies and procedures reflect non-discriminatory practices and provide equal opportunity for all employees. We do not discriminate based on, but limited to, race, colour, gender, age, language, property, nationality or national origin, religion, ethnic or social origin, caste, economic grounds, disability, pregnancy,

## Responsible Social Accountability and People Practices

belonging to an indigenous people, trade union affiliation, political affiliation or political or other opinion. Emerging prohibited grounds also include marital or family status, personal relationships and health status such as HIV/AIDS status.

As part of this commitment, all employees are expected to treat their colleagues fairly, with mutual respect and without harassment at all levels.

We provide an equal employment opportunity working environment to all the stakeholders. This covers all the areas of recruitment, selection, appointment, training, learning and development, promotion, Company

activities and other terms and conditions of employment. We are committed to diversity and inclusion to drive business results and create a better future for diverse employees, global customers, partners, and communities.

Through our HR guideline 'HR/64 – Guideline on Equal Employment Opportunity, Child Labour, Gender Equality, Protection of Minority Rights', we follow this commitment in order to become an 'Employer of Choice'. The policy is part of an employee handbook. Declaration for acceptance and adherence of the policy is part of the joining process. The policy is based on the following ILO Conventions:

Sr. No.	Convention/ Recommendation No	Issue Addressed
1	ILO Convention 100 and 111	Equal Remuneration and Discrimination-Employment and Occupation
2	ILO Convention 131	Minimum Wage Fixing
3	The United Nations Convention to eliminate All Forms of Discrimination Against Women.	
4	The United Nations Convention on the Elimination of All forms of Racial Discrimination	

We have carried out awareness campaigns on social accountability across locations worldwide. All employees have been made aware on anti-discriminatory practices in these workshops. The Employee Handbook along with the Social Accountability pamphlets are distributed among all employees. In addition to the Company employees, the contract labours, sub-contractors, suppliers, business partners have also been taken through the training programmes.



Social Accountability Awareness Pamphlets distributed at locations after the Training Session

We treat all personnel with dignity and respect and do not engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel. No harsh or inhumane treatment is allowed. Our disciplinary procedure is based on 'Principles of Natural Justice' and without any discrimination or prejudice.

During the reporting period, there have been no incidences of discrimination reported from all sites of the Company.

### Prevention of Child Labour

We believe in protection of young and child population of the country and are committed not to employ child labour as per the local law on minimum age for work. We have a 'no child labour' policy as enumerated in the HR guideline 'HR/70 – Guideline on Child Labour'. This is a part of HR Operations Manual, Employee Handbook (of sites) and is reiterated in our commitment to the following ILO convention on the Worst Forms of Child Labour no. 182 (1999).

Convention/ Recommendation	Issue Addressed
ILO Convention 182	Worst Forms of Child Labour
The United Nations Convention on the Rights of the Child	

As part of our recruitment process, all prospective employees have to submit their age verification document along with their job application. All applicants whose age is below 18 are summarily rejected. To further augment the process

in the digitized joining process, no person can complete the joining process if his age is calculated to be below 18 years by the system the moment the person keys in his date of birth.

In addition to this, all employees are made aware on Prohibition of Child Labour in the Social Accountability workshops.

Contract labours engaged at our sites are allowed only after they submit their age verification proof. Clause 6 (d) of the HR Guideline 'HR/29: Guideline on Management of Contract Labour at Plant/Site/Office' in the HR Operations Manual mentions that no contract labour below the age of 18 years will be engaged in the Company. Every employee, contract labour, sub-contractor is extensively trained on the above guidelines which are included in the Employee Handbook.

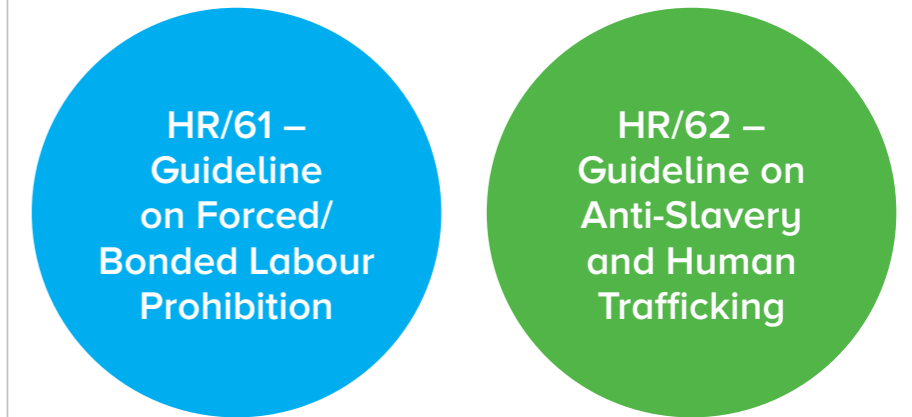
We ensure that no child labour is engaged by the suppliers and the service providers and a specific clause is mentioned in this regard in all the service contracts/purchase orders.

None of our operations and suppliers are identified to have significant risk of child labour or young worker exposed to hazardous work. There have been no incidences of child labour engagement across Company operations and in any of the locations of our business associates during the reporting period.

### Prevention of Forced / Compulsory Labour

We respect the dignity of labour and do not allow the use of forced/bonded/ compulsory labour including prison or

debt bondage labour. We have adopted the following policies in this regard:



The above policies are a part of HR Operations Manual and Employee Handbook and are in reiteration of our commitment to the following ILO convention:

Convention/ Recommendation No.	Issue Addressed
ILO Conventions 29 and 105	Forced Labour and Abolition of Forced labour

### As part of our non-discriminatory and/or anti force labour practices, we ensure the following:

- Do not retain original identification papers;
- Do not require personnel to pay 'deposits' to the organization upon joining the Company;
- Do not withhold any part of employee's salary, benefits, property or documents in order to force to continue working for the Company;
- Do not take any 'employment fees' or costs;
- Allow employees to leave the workplace, after completing the workday, and be free to terminate their employment if they give reasonable notice to their Company, and
- Do not engage in or support human trafficking.



# Responsible Social Accountability and People Practices

We follow eight hours shift and six-day work schedule and follows all the provisions of hours of work, weekly day off rest, extra wages for overtime, leave etc as per the Factories Act, 1948. These matters are covered in the Employee Handbook and awareness session are held regularly. All employees are made aware on Prohibition of Forced/ Compulsory Labour during the Social Accountability workshop. Contract labours are also given awareness programme on this subject. We strictly follow the Payment of Minimum Wages Act, 1948. Declaration for acceptance and adherence of the policy is part of the joining process.

Every employee, contract labour and sub-contractor is extensively trained on the above guidelines which are included in the Employee Handbook.

We are a free will company and the employee can quit their work at any point of time serving the requisite notice period as stipulated in their terms of appointment. Suggestion and grievance boxes have been installed at various locations through which employees can register complaints in this regard.

None of our operations and suppliers are identified to have significant risk of forced/compulsory labour exposed to hazardous work. There have been no incidence of forced/compulsory labour engagement across Company operations and in any of the locations of our business associates during the reporting period.

### Security Practices

We believe that security personnel can play an essential role in allowing an operation to operate in a safe and productive manner. At the same time, we are also sensitive to the fact that

inappropriate behaviour of security personnel can also have potentially negative impacts on local populations and upholding of human rights and the rule of law.

We have outsourced the security management of our locations to third party security agencies. Agencies that has been engaged for deploying security personnel in India are all registered under Private Security Agencies Regulations Act, 2005. All security personnel are deployed only after the agency has submitted a police verification report.

We arrange training for all the security personnel wherein they are briefed on the relevant Company policies on being the first responder and fire security at across locations. Special training is organized for security personnel on human rights policies and procedures and their application to security.

Sr. No.	Location	Number of Security Personnel			Total Participation
		Own	Contractual	Total	
1	Noida	1	6	7	6
2	Dahej	1	41	42	38
3	Ranjitnagar	1	42	43	42



Human Right Safety training for Security Personnel

### Local Hiring

We believe that work efficiency, cost optimization, and economic growth can only be achieved if the workplace diversity is managed properly in an organization. Through our policy 'HR/59 - Guideline on Employment Opportunity

to Sons of the Soil in Ranjitnagar', we extend preference to the local population. Through this, we focus on hiring employees even at the level General Manager and above locally i.e. from the communities surrounding our manufacturing unit.

Location	Local Community	Total Number of Employees – GM and Above
Noida	Noida, Ghaziabad, Delhi, Faridabad, Gurgaon	62%
Dahej	Bharuch, Vadodara, Surat, Narmada, Vapi	55%
Ranjitnagar	Vadodara, Mahisagar, Chhota Udaipur	89%
Vadodara	Anand, Panchmahal, Bharuch	100%

### Rights of Indigenous People

We believe that the rights of indigenous people should be protected, and indigenous cultures, customs and institutions should be encouraged to flourish. We have adopted the policy 'HR/59 - Guideline on Employment Opportunity to Sons of the Soil in Ranjitnagar' in this regard.

Location	Employment	Total Number	No from nearby villages	% of total manpower
Ranjitnagar	On roll + Contract Labour	504	310	37

As part of our commitment to protecting indigenous culture, we take active participation in Panch Mahotsav celebration which celebrates the exquisite beauty and magnificence of the heritage, architecture and culture of Champaner and Pavagadh in Gujarat.



GFCL pavilion in Panch Mahotsav

We also organize rest centres for the devotees who travel on foot to visit Mahakali Pavagadh during Chaitri Navratri, a local festival where devotees are provided food and drinking water.

We ensure that our operations do not occupy unauthorized territory of the

indigenous people, neither damages their property in any manner. In case of any expansion or acquiring of land, we take consent of the indigenous people through public hearing and addresses their concerns.



Public hearing

There have been no incidences of violation involving the right of indigenous people during the reporting period.

### Human Rights

We believe that human rights are the universal birth right of every person and all are entitled to it without discrimination of any kind. We have always respected and subscribed to the protection of internationally proclaimed human rights (as enshrined in the Universal Declaration of Human Rights). We encourage the protection of human rights through an organization wide policy 'HR/63 – Guideline on Human Rights', which is available in the HR Operations Manual and the Company website.

Recruitment at GFCL is based on the policy of fairness and non-discrimination and in compliance with the prevailing labour laws. There are several policies in relation to human rights issues, including:

1. HR/51 – Guideline on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace
2. HR/68 – Guideline on Equal Employment Opportunity, Child Labour, Gender Equality and Protection of Human Rights

## Responsible Social Accountability and People Practices

There are policies in place through which we ensure that the Company is not complicit in any form of human rights abuses. We are committed to treat individuals in all aspects of employment based on ability irrespective of nationality, race, caste, creed, religion, gender etc. We do not tolerate racial, sexual or any other kind of discrimination or harassment. There is no disparity between salaries of men and women employees, and we follow the principle of equal pay for equal work.

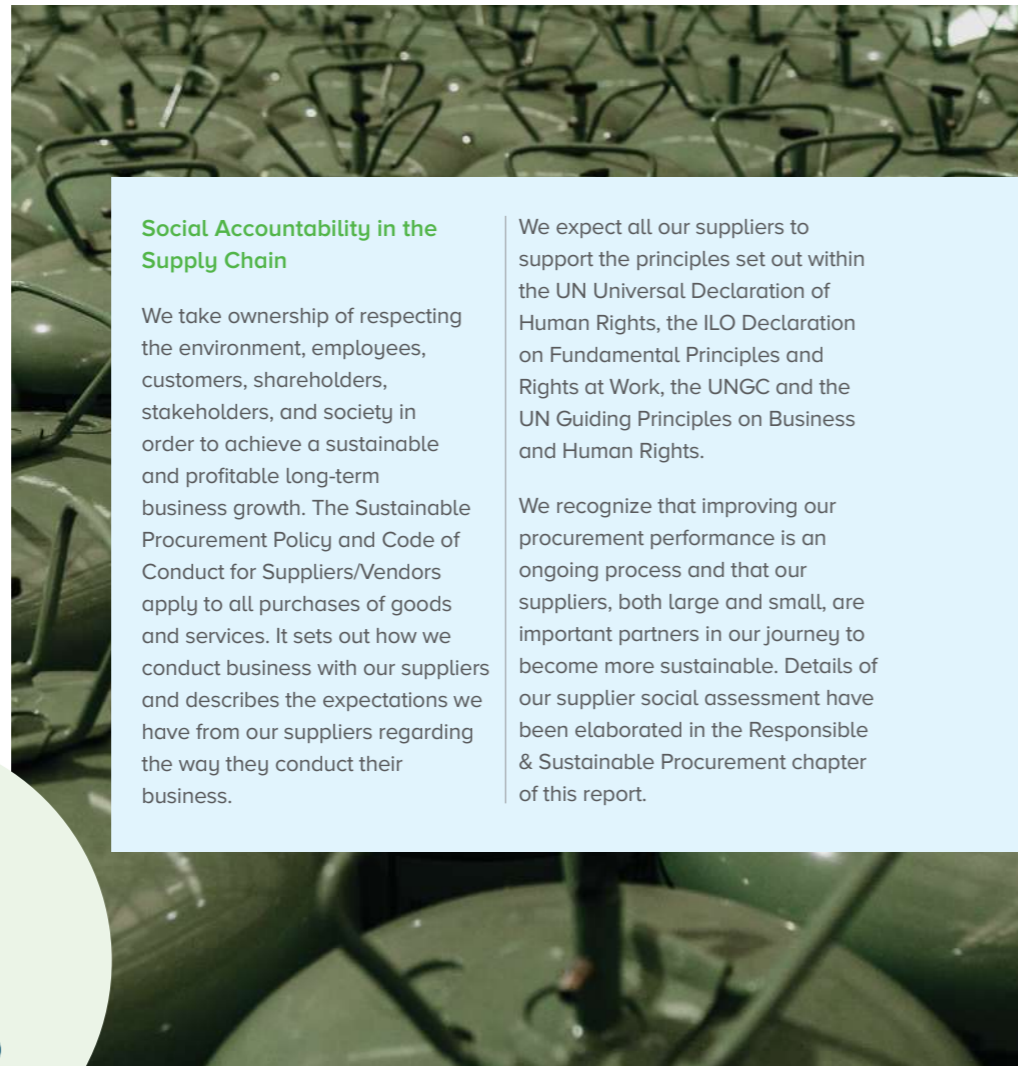
All employees are made aware about the protection of human rights during Social Accountability workshop. The Employee Handbook, which is distributed among all employees, also covers aspects of human rights of the Company. Not only the employees but also contract labours have been taken through the human rights awareness programme. All the above policies are part of an employee handbook. Declaration on acceptance and adherence of the above policies is part of the joining process.

We ensure that there is no human rights abuse in our entire supply chain. We are committed to ensure an inclusive growth of the society and protect the interest of indigenous people. Awareness programme on human rights and campaign on human rights laws and policies are conducted on regular basis.

Suggestion and grievance boxes are installed in various locations where employees can register complaints in this regard.

There have been no complaints, legal cases, rulings or fines against the Company in these aspects. During FY 2019-20, there was no complaint received from any stakeholder regarding human rights violation, sexual harassment and discrimination in employment reported from any site of the Company.

There was no comprehensive third-party human rights assessment conducted during the reporting period since there was no significant project or new acquisition related investment during the reporting period.



### Social Accountability in the Supply Chain

We take ownership of respecting the environment, employees, customers, shareholders, stakeholders, and society in order to achieve a sustainable and profitable long-term business growth. The Sustainable Procurement Policy and Code of Conduct for Suppliers/Vendors apply to all purchases of goods and services. It sets out how we conduct business with our suppliers and describes the expectations we have from our suppliers regarding the way they conduct their business.

We expect all our suppliers to support the principles set out within the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UNGC and the UN Guiding Principles on Business and Human Rights.

We recognize that improving our procurement performance is an ongoing process and that our suppliers, both large and small, are important partners in our journey to become more sustainable. Details of our supplier social assessment have been elaborated in the Responsible & Sustainable Procurement chapter of this report.

Total number of hours spent on training on Human Rights

1567

% Employees covered on training on Human rights

70%

### Governance Mechanism

Our SPT is overall responsible for the implementation and maintaining the adequacy of the SA 8000 requirements. SPT conducts a written risk assessment for all the elements of the standard, which may affect an individual, a group or whole organization, in general. It meets at regular intervals with a defined agenda to ensure healthy system implementation. The agenda includes: follow up of previous SPT meetings, internal/external monitoring results, inputs from stakeholder engagement, discussion on any received complaint/ suggestion or feedback H&S Committee minutes, discussion of each element of the standard, output of Workers Committee legal compliances, status of social performance indicators, adequacy of defined policies resource requirements and changes that may affect the Social Accountability Management System. SPT is also responsible for liaising with the statutory bodies to ensure compliance with local laws and standard requirements.

### The SPT effectively monitors workplace activities for:

- Compliance with this Standard;
- Implementation of actions to effectively address the risks identified by the SPT; and
- Effectiveness of systems implemented to meet the organization's policies and the requirements of this Standard.
- Holding periodic meetings to review progress and identify potential actions to strengthen implementation of the Standard.

### Social Accountability Risk Assessment

The SPT conducts periodic written risk assessments once in a year (at 12 months interval) to identify and prioritize the areas of actual or potential non-conformance to the SA 8000:2014 standard. It covers all elements of the Social Accountability Management System which includes child labour, forced labour,

discrimination, human rights, freedom of association etc.

The SPT conducts these assessments based on their recommended data and data collection techniques and in meaningful consultation with interested parties. Changes (or impending changes) in legislation governing labour, trade union, health and safety, environmental protection, pollution control, etc. are also assessed.

### Awareness and Training

We have carried out awareness campaigns on Social Accountability and Social Responsibility across all our locations worldwide. All the stakeholders have been taken through these programmes which are based on the protection of human rights. The employee handbook along with the Social Accountability pamphlets were distributed to all employees. In addition to employees, the contract labours, sub-contractors, suppliers and business partners have also been taken through the human rights awareness programme.



Contractors Training at Site





## Responsible Social Accountability and People Practices

### Location-wise Contractor Training

	Location	Total man-hours		Total Average Training hours			
		Male	Female	Male	Female		
Contractual	Dahej	13217	188	13405	12.49	11.75	12.48
	Ranjitnagar	2280	20	2300	6.15	10.00	6.17

### Location-wise Contractor Training

	Location	Total man-hours		Total Average Training hours			
		Male	Female	Male	Female		
Contractual	Tech	6411		6411	4.49		4.43
	Safety	6300	57	6357	4.41	3.17	4.39
	MST	2786	151	2937	1.95	8.39	2.03
	Total	15497	208	15705	10.84	11.56	10.85

### Employees Training on Social Accountability & Social Responsibility

Location	Training Man-hours				Training Man-hours		Total Training Man-hours	Average Training Hours				Average Training Hours		Total Average Training Hours
	AGM & Above	Managers	Executives	Technicians	Male	Female		AGM & Above	Managers	Executives	Technicians	Male	Female	
Dahej	29	96	268	565	947	11	958	0.60	0.71	0.48	0.76	0.64	1.00	0.64
Ranjitnagar	22	72	280	78	448	4	452	0.85	0.88	0.80	0.85	0.82	1.00	0.82
Noida & Other Offices	23	64	46	-	109	24	133	0.61	0.68	0.69	-	0.65	0.77	0.67
International Locations	4	12	8	-	21	3	24	0.67	1.00	0.73	-	0.78	1.50	0.83
<b>Total</b>	<b>78</b>	<b>244</b>	<b>602</b>	<b>643</b>	<b>1525</b>	<b>42</b>	<b>1567</b>	<b>2.72</b>	<b>3.26</b>	<b>2.69</b>	<b>1.61</b>	<b>2.89</b>	<b>4.27</b>	<b>2.96</b>

The Social Accountability & Social Responsibility Training programme covers the elements of child labour, forced labour, freedom of association, discrimination, human rights etc.

We have taken an initiative to create internal knowledge champions in the area of Social Accountability and Responsibility Management & Reporting

Systems. A cross-functional team of senior managers from different locations have undergone GRI awareness workshop. Furthermore, we now have a team of certified internal auditors under the SA 8000 standard.



Awareness Training on GRI standards at Baroda



Awareness Training on SA 8000 standard at Ranjitnagar

A declaration for acceptance and adherence of the policies related to Social Accountability & Social Responsibility is part of the joining process. All our employees have given this declaration.

#### Grievance Mechanism

We provide a digital platform 'Ethics Line' to our employees to raise concerns/issues and seek guidance about possible violations of laws or violation of the Social Accountability policy of the Company. Employees can also raise concerns and give suggestions through

our online platform 'HR Buddy'. Any stakeholder if confronted with any such violation may report the concern on Ethics Line ethicsline@gfl.co.in.

Employees who report potential misconduct or who provide information or otherwise assist in any inquiry or investigation of potential misconduct

are protected against retaliation. All grievances and complaints are taken seriously and treated with sensitivity and fairness. During the reporting period, we had received three complaints from our investors related to non-receipt of dividend, shares etc, and all the three complaints were resolved.

Compliance	Number of Complaints received
Sexual Harassment	Nil
Child Labour	Nil
Bonded Labour	Nil
Discrimination	Nil
Human Rights	Nil
Minority Rights violation	Nil

Suggestion and grievance boxes have been installed at various locations through which our employees can register complaints in this regard.



## Responsible Social Accountability and People Practices

Sr. No.	Grievance Handling Platform	Number of Grievances Received		Number of Grievances Resolved	
		2019-20	2019-20	2019-20	2019-20
1	HR Buddy	157		146	
2	Ethics Line	5		5	
3	Suggestion Box	12		12	

Additionally, we conduct multiple mandatory trainings through various forums and workshops for our suppliers and employees specifically to identify such issues in the Company and respond in accordance with the applicable laws.

Awareness programmes are organized for all employees of the Corporate Office which provided valuable tools, insights and information to help identify, prevent and eliminate sexual harassment from the workplace.

### Prevention of Sexual Harassment Trainings

	Training Man-hours				Training Man-hours		Total Training Man-hours	Average Training Hours				Average Training Hours		Total Average Training Hours
	AGM & Above	Managers	Executives	Technicians	Male	Female		AGM & Above	Managers	Executives	Technicians	Male	Female	
Dahej	2	8	23	47	69	11	80	0.04	0.06	0.04	0.06	0.05	1.00	0.05
Ranjitnagar	2	8	30	8	44	4	48	0.08	0.10	0.09	0.09	0.08	1.00	0.09
Noida & Other Offices	20	52	38	-	87	23	110	0.53	0.55	0.57		0.52	0.74	0.56
International Locations	2	6	5	-	11	2	13	0.33	0.50	0.45		0.41	1.00	0.45
<b>Total</b>	<b>26</b>	<b>74</b>	<b>24</b>	<b>55</b>	<b>211</b>	<b>40</b>	<b>251</b>	<b>0.98</b>	<b>1.21</b>	<b>1.15</b>	<b>0.15</b>	<b>1.05</b>	<b>3.74</b>	<b>1.14</b>

The breach of these policies can result in disciplinary action leading to and including separation from service. We have adopted a structured and elaborate compliance framework to address and redress various aspects of discrimination.

We have a Human Rights Protection & Compliance framework which supports employees in raising any issue related to human right violation. It also reiterates the no retaliation philosophy of the Company.

There was no complaint received from any stakeholder regarding violation of guidelines on sexual harassment and discrimination in employment during the reporting period.



### Compliance to Laws of the Land in the Social and Economic area

GFCL has always been a good corporate citizen and ensures that all the national, international, regional and local laws and regulations are followed in the economic, social and environmental areas. There have been no cases bought through dispute resolution mechanisms during the reporting period.



### Summary of the Fines and Penalty

Laws	Particulars	2017-18	2018-2019	2019-2020
Company Laws	Total Monetary value of significant fines	Nil	Nil	Nil
	Total number of non-monetary sanctions	Nil	Nil	Nil
Finance and Business Laws	Total Monetary value of significant fines	Nil	Nil	INR 2,16,0481
	Total number of non-monetary sanctions	Nil	Nil	Nil
Commercial Laws	Total Monetary value of significant fines	Nil	Nil	Nil
	Total number of non-monetary sanctions	Nil	Nil	Nil
Labour Laws	Total Monetary value of significant fines	Nil	Nil	Nil
	Total number of non-monetary sanctions	Nil	Nil	Nil
EHS Laws	Total Monetary value of significant fines	INR 3,25,000	Nil	Nil
	Total number of non-monetary sanctions	NIL	Nil	Nil

NOTE: It may be noted that none of the fines and penalties did not have or will not have any effect on business continuity of GFCL

### Way Forward:

1. Improve Employee Satisfaction Survey and Employee Effectiveness score with 80% employee participation.
2. Cover 100% employees & Contract Labours across sites in Awareness Programmes on Social Accountability & Social Responsibility.
3. Conduct Internal Audits on Social Accountability & Social Responsibility to be performed in significant locations of Operations of the Company
4. Conduct Human Rights Assessments in significant locations of Operations of the Company
5. Increase Training Man-hours in significant locations of Operations of the Company



## Message from the Whole Time Director and Unit Head – Dahej Plant

“ We at GFL have achieved tremendous progress in the business front and are **continuously striving towards excellence** in all spheres of its operation.



**Mr. Sanath Kumar**  
Whole Time Director and Unit Head – Dahej Plant

This could be achieved by untiring effort of all the employees and business partners. We are Committed to improve the site Safety performance on a continuous basis and ensuring that the results achieved are sustainable. To achieve this various Practices and systems are put in place. All the leadership team members are committed to do safety rounds on a regular basis with clear focus on Behaviour improvement. The Mechanical integrity and quality assurance program enabling us to proactively identify and correct any potential quality issues or mechanical integrity concerns. We have also put in place the quality systems so that all the good engineering standards are followed from the project Conceptual stage. As a team we are

committed go beyond the statutory requirements and have become adept in using the best Practices.

Our thrust and focus has been:

- Implementation of all safety initiatives with clear focus and commitment
- Serious efforts to achieve water conservation.
- Proactive steps to avoid any health Hazards.

With all the very best

**Mr. Sanath Kumar**  
Whole Time Director and Unit Head – Dahej Plant



## Message from the Whole Time Director and Unit Head – Ranjitnagar Plant

“ Meeting the needs of the present generation **without compromising the ability of future generations** to meet their own needs.



**Mr. Sanjay Borwankar**  
Whole Time Director and Unit Head – Ranjitnagar Plant

The most common (and simple) definition of Sustainability written in 1987 by the United Nation's Brundtland Commission, is "Meeting the needs of the present generation without compromising the ability of future generations to meet their own needs." The onus is both on each person and organization to understand the interdependency of three Ps; People, Planet and Profit and modify behaviours ensuring sustainable and healthy future. At GFCL, we believe that the Leaders' role in this is to Define the Purpose by understanding connects between three Ps and the organization, Ignite the Change, Set Priorities, Facilitate Resources, involve personally and Empower people by

letting go the control. At Ranjitnagar Plant, Sustainability is integrated in all the Manufacturing processes – be it product development, operations, logistics or human resources. The Unit Leadership is also in continuous touch with the surrounding community and we have been able to build a relationship of mutual respect and trust. Our Plant is "Zero Discharge" and we continuously strive to reduce emissions.

**Mr. Sanjay Borwankar**  
Whole Time Director and Unit Head – Ranjitnagar Plant



# Responsible Community Development

## Introduction

GFCL aims to 'Energize, Involve and Enable Communities to realize their Potential' through its CSR initiatives. We undertake projects and schemes for social and economic development of the communities in and around the areas where our plants are located.

## Vision and Objective of Community Development

At GFCL, through our CSR initiatives we continue to enhance value creation in the society and in the community in which we operate, to promote sustained growth for the society and community, in fulfilment of our role as a socially responsible corporate. The objective of our CSR initiatives is to:

- ensure an increased commitment at all levels in the Company, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- directly or indirectly take up programmes that benefit the communities in and around its work centres and results, over a period, in enhancing the quality of life and economic well-being of the local populace.
- generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

## CSR Projects

GFCL's CSR activities are undertaken within the territory of the Republic of India and are aimed at building better

lives and improving the livelihood of the people for a stronger and inclusive India. This is done by undertaking CSR projects and proactively responding to the needs of the community, preferably in the economic proximity of the Company's operations.

## Leadership

### Top Management

The CSR policy, programmes and activities are implemented, managed and supervised by the CSR committee that is appointed by the Board of Directors of the Company. The Top Management demonstrates commitment and leadership as follows:

- Taking accountability of the effectiveness of the CSR activities and review Company objectives and functional objectives;
- Taking all decisions which are compatible with the CSR guidelines;
- Ensuring that the resources needed for implementation of CSR activities are available;
- Ensuring that the CSR team achieves its intended results and verifying the same with the help of internal audits and objective reviews;
- Reviewing the activities once in six months.

### Roles and Responsibilities of the Board

- The Board considers the recommendations of the CSR Committee and provide appropriate instructions / directions to the CSR Committee when required.
- The Board considers the CSR Policy formulated by the CSR Committee

and approves the same with or without modifications, if required.

- The Board ensures that activities included by the Company in the CSR Policy are in accordance with Schedule VII of the Act.
- The Board considers the budgetary allocation proposed by the CSR Committee and approves the same with or without modifications, if required.
- The Board ensures that the CSR activities undertaken by the Company are in accordance with the CSR Policy of the Company.

### Constitution of Location CSR Committee

All CSR programmes are implemented, managed and supervised by the CSR committee. Each Location CSR Committee consist of at least five members:

- Chairman of the Committee – Unit Head/ Site Head
- Secretary of the Committee – Location HR Lead, where there is no designated CSR Manager or CSR Manager, if available
- Members – at least two employees not below the level of COO, HOD or Functional Head as available at the location.
- Corporate HR representative.

### Roles and Responsibilities of the Location CSR Committee

The Location CSR Committee is responsible for:

- Deciding the CSR projects or programmes to be taken up by the Company either directly or through registered trust or registered

society or a Company established by the Company or its holding or subsidiary of associate Company under Section 8 of the Act or otherwise.

- Placing before the Board, the CSR projects or programmes proposed to be taken up by the Company for approval, each year.
- Overseeing the progress of the CSR projects or programmes rolled out under this Policy on a quarterly basis.
- Defining and monitoring the budgets for the carrying out the projects or programmes.
- Submitting a report to the Board of Directors on all CSR activities undertaken during the Financial Year, on quarterly basis and displaying CSR Policy on the Company's website.
- Monitoring and reviewing the implementation of the CSR Policy.

### Geographical Coverage of Location CSR Activity and Programme Selection

The CSR activities are largely confined to areas in and around our plants. Selecting villages or locations for CSR activities is based on the statistical profile of the locality, based on demographic profile, agriculture production, land-use pattern, incidence of basic amenities, incidence of weaker sections, agriculture and allied sector, performance in implementation of welfare/development programmes etc. Before finalization of the location, the following characteristics are evaluated:

- Socio-Economic condition of the village (e.g. No. of Below Poverty Line (BPL) families)

- Arial distance from the GFCL plant
- Availability of health, educational, sanitation facilities and backwardness in terms of accessing government sponsored development/welfare programmes etc.
- Population of the village (presence of disadvantaged groups e.g. ST, SC, OBC)
- Educational accessibility and status of facilities (Primary School, High school and Anganwadi)

### Implementation of Programmes and Projects

Each long-term project is broken up into annual targets and activities to be implemented sequentially on a yearly basis, and the budget would have to be allocated for the implementation of these activities and achievement of targets set for each successive year, till the final completion of the project. The Company then takes up the implementation of CSR project with its own manpower and resources, if the CSR Committee is confident of its organizational capability to execute such projects. All projects are essentially implemented through:

- The Panchayat members and their involvement
- In a Private – Public partnership model
- In a Self – Sustaining model
- If a Partner or NGO (Registered Trust/Society or Company established under Section 8 of the Companies Act) is engaged, it has an established track record of three years in undertaking similar programmes or projects.

## GFCL CSR and SDGs

GFCL firmly believes that corporate who understand their social responsibilities begin to adequately explore how they can build CSR into strategy and reap the rewards of improved competitive position in the future, not only to the benefit of their shareholders, but also to the benefit of the society at large. Our CSR model is based on the following principles:

- Community Participation** – All our projects are identified and implemented in collaboration with the public, local panchayats and involve mutual contribution of people
- Self-Sustenance** – The programmes are self-sustaining - be it skill development or environmental protection, and;
- Strategic partnership building** – We partner with specialized agencies to ensure effective and efficient implementation of our projects

GFCL is one of the few large chemical companies which is signatory and committed to the UNGC. Our CSR focus areas now revolve around the SDG goals and UNGC principles. As a Company we have adopted the ISO 26000 standard and all our Social Responsibility policies, procedures and activities are aligned to the same. The following table gives a list of our key CSR focus areas and activities along with the relevant SDGs.





## Responsible Community Development

Area	Activities	SDG
<b>Education</b>	<ul style="list-style-type: none"> <li>Adhoc Teachers at High school</li> <li>Menstrual Education for adolescent girls</li> <li>Khel Mahakumb (District Level Sports Event)</li> <li>Seva Setu Programme (Govt. Administration Service at doorstep)</li> <li>Essay Competition on Environment Protection</li> <li>Scholarship to meritorious Students</li> <li>Notebook, School bag and School Dress, Cultural Dress</li> <li>Sanitary Pad Wending Machine</li> <li>Ball Pen &amp; Flower Distribution</li> <li>Science and Mathematics Fair</li> </ul>	
<b>Vocational training</b>	<ul style="list-style-type: none"> <li>Tailoring class Training</li> </ul>	
<b>Agriculture</b>	<ul style="list-style-type: none"> <li>Awareness Programme on Agriculture Scheme by Government of Gujrat (GOG) &amp; Government of India (GOI)</li> <li>Organic Farming Awareness Programme</li> <li>Integrated Pest Control Management</li> <li>Drip Irrigation Awareness Programme</li> <li>Training on Agriculture and Animal Husbandry</li> <li>Zero Budget Natural Farming Training Programme</li> <li>Training on vermi-compost making under Organic Farming</li> <li>Training on Productivity Enhancement of the crop</li> <li>Agriculture Expert Visit</li> <li>Farmer Exposure Visit on Agri Asia Prime Exhibition - Gandhi nagar</li> </ul>	
<b>Animal Husbandary</b>	<ul style="list-style-type: none"> <li>Scientific Animal Husbandry Training Programme</li> <li>Green Fodder Management Training in Animal Husbandry Business</li> <li>Training on Profitable Animal Husbandry</li> <li>Exposure Visit at Animal Husbandry and Management</li> <li>Cattle Camp</li> <li>Animal Husbandry Expert Visit</li> <li>Dairy Coupons for cattle treatment</li> </ul>	

Area	Activities	SDG
<b>Water Management</b>	<ul style="list-style-type: none"> <li>Water Distribution Stand Post</li> <li>Roof Rainwater Harvesting</li> <li>Water Storage underground tank</li> <li>Pond Desilting</li> <li>Check dam</li> </ul>	
<b>Human health</b>	<ul style="list-style-type: none"> <li>Ophthalmologist Camp</li> <li>ANC And PNC Mega Camp</li> <li>Mobile Health Care Unit</li> <li>Special Health Camp for Gynec, Paediatrician, Dermatology, Dental and General Check Up</li> </ul>	
<b>Plantation &amp; Forestry</b>	<ul style="list-style-type: none"> <li>Plantation in surrounding villages</li> </ul>	
<b>Social Infrastructure</b>	<ul style="list-style-type: none"> <li>Financial Help to be paid for Widows and Handicapped</li> <li>Financial Help to the mango farmers</li> <li>separate toilet blocks for boys &amp; girls in schools</li> <li>School Sports Ground Development</li> <li>Community Hall</li> <li>Community Hall cum Skill Development centre on PPP model</li> <li>Financial Help is to be paid to the Widows</li> <li>Utensils Support to Community Kitchen</li> <li>Funeral Assistance</li> <li>Navratri contribution</li> <li>Madhya Gujarat Vij Company Ltd (MGVCL) electricity bill</li> <li>Water Collar Support</li> <li>Cricket kits provided to the youth</li> <li>Blood Bank Support</li> <li>Mid-day meal Shed</li> <li>Printer Support to Village panchayat</li> <li>Swachh Bharat Abhiyan (Single use Plastic Free campaign)</li> <li>Provision of Solar Panel lightning in common area</li> </ul>	



# Responsible Community Development

## Social Responsibility and Core Issues:

### 1. Community Outreach

Community outreach helps us to engage with the local community and understand their needs and aspirations. It is aimed at preventing and solving problems, fostering partnerships with local organizations and stakeholders, while aspiring to be a good corporate citizen. It is a key part of our overall approach towards CSR and helps in maximizing impact of our projects

Over the years, we have built strong relationships with multiple stakeholders. We engage with stakeholders in to

find out what social and environmental issues matter the most to them and involve stakeholders in the decision-making process. Through regular dialogue, we have aligned our business to such social and environmental needs. We have partnered with a wide range of local organizations to shape and extend the reach of our CSR programmes, including governments, non-profits, multilateral organizations, and peers. Engagement with the partners provides us with world leading insights, influences CSR strategy, and enables to learn from others and share best practices, enabling us to efficiently help the society.

### Need Assessment and Response

We follow a holistic development approach that involves an intensive and deep level of engagement, which includes identification and delineation of needs and aspirations of our stakeholder communities in our locations. For on-going projects, such an exercise helps in gauging if the current set of interventions is valued by the communities and to understand if any course correction is required. Comprehensive stakeholder engagements were undertaken in 2019-20 comprising of 40 Participatory Rural Appraisals (PRAs), covering core villages.

Need Assessment site	Challenges Identified	Our Responses
Ranjitnagar, Nathkua, Kankodakui, Jitpura, Ambetha	Unemployment of youth in the age group of 18-35 years.  Poor community sanitation and drainage facilities in most of the villages and urban wards.  Largely rainfed agriculture, leading to low cropping intensity.  Insufficient veterinary service delivery.  Shortage of drinking and irrigation water during summer months - March to June.	Vocational training of youth (male and female) on market relevant skills.  Focus on Water, Sanitation and Hygiene (WASH) intervention in school  Understand significance of agriculture related livelihoods further and plan accordingly.  Initiative focus on integrated Water Management

In addition to the need assessment surveys conducted as part of stakeholder engagement, GFCL also engages in regular and ongoing interactions with various stakeholders

including Governments, development agencies, research organizations and communities. Such multi-disciplinary engagement processes stimulate deeper and nuanced understanding of

challenges and enable the emergence of customized solutions. Several such stakeholder consultations were held during the year.

## Identification of Key Concerns/Issues

Consulting Mechanism	Key Issues
<b>Farmers</b>	
Regular formal / information conversation	Sustainable and accelerated growth in livelihoods and farm incomes
Farmer training programme and workshops	Know - how on improvement of productivity and profitability
Exposure visits	Capacity development for enabling further investment
Participatory rural appraisals to identify needs and Challenge	Easy, affordable and reliable access to inputs such as quality seeds, fertilizers, pesticides etc.
Exposure visits	Regeneration and replenishment of common resources like water, village commons, biomass and biodiversity
<b>Civil Society</b>	
Partnerships for implementation of CSR programmes	Financial support for community development programmes
Discussion on community issues with civil society Organizations	Managerial Support
	Environmental impacts
	Safe products and services
	Responsible corporate citizenship
<b>Local Communities</b>	
Community needs assessment activities undertaken in collaboration with independent parties / civil society	Community development programme based on local communities' needs
<b>Organization</b>	Strengthening of livelihood opportunities
Formation of villages institution and regular meeting Thereon	Improvement of social infrastructure for hygienic and healthy living environment
Public hearings	Dignity of life through economic and social
Assessment of direct and indirect impacts of GFCL's social Investments on Communities	Dignity of life through economic and social empowerment





## Responsible Community Development

### 2. Education and Culture

Quality education and Culture play a major role in building a bright future as they are the foundation for social and economic development and part of community identity. Preservation and promotion of culture and education, compatible with respect for human rights, have positive impacts on social cohesion and development. GFCL has taken various initiatives for enhancing quality learning and conducting various awareness programmes in 47 schools located in nearby areas, reaching about 3600 students.

Ranjitnagar High School is the only school which caters to secondary and higher secondary education in the surrounding five km radius villages, where 95% of the students belong to tribal and backward community. The school had limited funds, therefore through GFCL CSR initiative eight classrooms, Reinforced Cement Concrete (RCC) flooring, internal road was constructed, besides provision of computer system, furniture, 15 RO plants, sanitation complex, CCTV cameras, library and plantation support. With an aim of imparting proper and valuable education, three teachers were hired by GFCL in last five years and 450 students have been benefitted by these initiatives. GFCL has supported Block level Science- Mathematics and Environment fair giving students an opportunity to showcase their knowledge.

With continuous efforts and initiatives, Ranjitnagar High School has developed as a model school in surrounding areas and parents prefer this government school for higher education. From time to time promoting learning opportunities to vulnerable or discriminated groups has been a matter of concern, thus,

GFCL has established scholarship programmes to provide higher education for students from weaker sections. A total of 20 students got benefit through this scholarship. GFCL jointly celebrated World Ozone Day with Gujrat Pollution Control Board (GPCB) at Ranjitnagar High School with 400 Students, where focus was on protection of environment and reduction on single use plastic.

In a step towards creating awareness about women's health, we organized training and awareness programmes on menstrual hygiene for 300 adolescent girls at the school. To maintain hygiene among the adolescent girls the Company's CSR team installed sanitary pad wending machine and an incinerator in Ranjitnagar High school. Students can buy a sanitary pad at subsidized cost of only two rupees. Also, girls and female teachers are provided with easy access to sanitary napkins in schools.

GFCL have been an active participant in the GOI's national level or state sponsored social development project like Swachh Bharat Mission, swachhata hi sev, kala mahakhumb programme on the importance of cleanliness, hygiene and sanitation. Under the stewardship of GFCL, the initiative was driven by a pool of more than 2000 volunteers ranging from employees and community members to children, with the focus on promotion and education of the local society about the benefits of these programmes.

GFCL is working towards making women employable by providing skills and livelihood training, career guidance and life-skills, making them economically, socially visible along with on-the-job training in both formal

and informal sectors. This effort has reduced poverty and vulnerability of marginalized households, enabling them to access gainful self-employment and skilled wage employment opportunities, resulting in an appreciable improvement in their livelihoods. We started our first Vocational Training Centre in Ranjitnagar, Gujarat. This centre organizes tailoring classes to empower unemployed girls and women. It has helped build their self-confidence, self-support and self-reliance. We have developed a three-month training course which is affiliated with Ministry of Skill Development and Entrepreneurship (through Jan Sikshan Sanstha). 40 women have been benefitted so far in the first batch.

#### Achievements:

- Total **2400** students were benefitted by study materials. (Books, school bags and cultural bags)
- Total **300** adolescence girls benefitted from menstrual awareness, sanitary pad wending machine and incinerator.
- Total **531** students benefitted through additional teacher support.
- Government collaboration through which **2250** students were benefitted.
- Total **1410** students benefitted from awareness programmes and educational activities (Essay competition and drawing competition)
- Total **90** Women benefitted through Skill Development Centre.



**Ashmita Hanshraj was blessed with a small family. Her husband was working as a helper in a shop. Their income was insufficient to take care of the family needs. She decided to enrol herself in vocational Skill Development Centre running by GFCL in Ranjitnagar.**

**After completion of the three-month training, she has started tailoring work independently. Her little contribution helps her family to live a better life.**

#### Ashmita Hanshraj

Ranjitnagar  
Ta. Ghoghamba, Dist: Panchmahal, Gujarat



### 3. Environment

Water is an essential necessity for any society to survive and grow. GFCL endeavours to create necessary infrastructure and means for water conservation and bring about attitudinal change among communities. In the current scenario scarcity of drinking and irrigation water is one of the biggest problems faced by farmers and villagers. Clean water is the best way to prevent the spread of the many diseases that can cause havoc in a closely packed society. With this in mind, we started construction work for a check dam at a proposed site. The dam has a storage capacity of 18215 CUMT and benefitted a total of six villages (covering 4.37 sq.km) with ground water and provide irrigation supply to 379.26 acre of land. This initiative offered direct benefit to nearly 200 farmers in the region.

To overcome drinking water scarcity during summer, we have constructed

underground water storage tank with the objective to supply safe and wholesome water. Total 9986 people benefitted from this scheme, eliminating water scarcity for villagers and cattle. Timely maintenance of public water distribution system will save water and provide 24\*7 drinking water service to the community. In line with this understanding, our project activity provided benefit to the residents of Nathkua, Jitpura and Kankodakui villages. Further, the Company organized "jal aaj kal seminar" for creating awareness for save water.

In the wake of climate change, air pollution, and water scarcity every small effort to counter these phenomena counts. GFCL has contributed towards cleaner environment through CSR project like tree plantation. The Company has planted more than 2000 forestry plants in 1-acre land in Ranjitnagar village. This effort had led to increase in green cover,

along with enhanced biodiversity and replenishment of water table.

GFCL along with village panchayat of Ambhetya and Galenda villages initiated "GO GREEN" campaign to develop forestry through village plantation activity. The overall density of the forest is beneficial in lowering temperature, making soil nutritious, supporting local wildlife and sequestration of carbon.



Tree plantation at Ranjitnagar

## Responsible Community Development

### Achievements:

- The water distribution channel benefitted a total **9657** villagers through clean and safe drinking water.

- Through check dam and pond de-silting, **2124** people got benefitted by ground water recharge.
- Total **5766** people benefitted from tree plantation, green belt development and garden

development programme. Through plantation and forestry initiative, the community benefitted from increase in soil nutrition, lowering of temperature, besides clean and safe environment.

Jitpura village has a pond spread over 67 acres for the purpose of irrigation and water harvesting. Over the years, pond has filled with mud, silt and plant material turning it to marsh and land.

With the jointly efforts of gram panchayat jitpura and GFCL, a drive was conducted to clean water resource channel and desilt the pond. Due to this initiative, in second rain the pond has been filled up with 70% of water which will cater to the irrigation needs of the area in a two-kilometre radius for one year. It has improved the ground water quality, recharge of wells and helped farmers in growing crops.

**Pond cleaning and de-silting - Shramdan Drive (Jitpura village)**



### 4. Wealth and Income Creation:

To promote sustainable farming practices, agro-based livelihoods and transform rural communities, GFCL has built an agriculture programme to help families obtain better yield and enhanced profitability. Almost 80% population living in surrounding villages of GFCL, Ranjitnagar derives its livelihood from agriculture. GFCL continues its effort for promoting sustainable agriculture through expert

advice, krushi mahiti kendra, organic farming, drip irrigation and various onsite and classroom trainings and exposure visits. The programme benefitted approximately 600 farmers in 4 villages.

To promote enhanced productivity, high-tech agricultural technology, crop management and water management practices are made available along with expert advice to farmers on agriculture. This initiative has helped in development of the agriculture sector as the farmers

have become more aware of the technological advancements in farming and about the various government schemes.

Considering the needs of the farmers, financial assistance is available across four villages surrounding the GFCL plant. Financial assistance to the farmers for livelihood and income augmentation is a support scheme for small farmers, cultivators and marginal farmers located near the plant. The scheme involves

payments to encourage cultivation of various crops like maize, cotton, tuver, soya bean and wheat cultivation, along with promotion of allied activities like calf rearing and procurement of agriculture machinery and equipment.

To enhance farmer skills, capacity building programmes are organized on various agricultural marketing reforms, modern marketing methods, direct marketing, group marketing, interface with commodities specialist and marketing personnel experts, organic farming, vermi-compost, ware housing, pledge financing and scientific storage of agricultural commodities in India. In addition to this, exposure visits were organized for to demonstrate and enhance farmer knowledge on high tech practices about agriculture, horticulture and animal husbandry. This helped them to improve the quality of work and implement advanced ways to do agricultural activities, while improving their income and their lifestyle.

GFCL has always been concerned about the problems of soil fertility in the nearby villages. We have undertaken an organic farming campaign under agriculture development in which four farmers were identified based on advice of an agriculture expert and provided training on vermi-compost development. As a result, the farmers adopted vermi-compost technology under the guidance of expert. This helped in improvement of crop performance and yield, and preservation of the environment.

Additionally, animal husbandry plays an important role in transformation of rural livelihood. In association with Government Veterinary Department, we started a campaign of artificial insemination for better breed of cattle. We engaged veterinary expert for guidance on better livestock management and also provided on-call

veterinary doctor services for treatment of cattle, besides organizing infertility, de-worming and primary treatment camps for livestock along with expert agencies. These initiatives benefitted nearly 795 cattle.

With a view to provide health coverage to the milk animals of the farmers of surrounding villages (Ranjitnagar, Kankodakui, Nathkua and Jitpura), emergency veterinary services visits were initiated by GFCL with help of Panchmahal District Cooperative Milk Producers' Union Ltd. Further support was provided to the Milk Cooperative for animal treatment through veterinary doctors and benefitted more than 5000 animals. We organized an exposure visit to Bavaliya Moras Dairy Farm with 50 cattle owners from Ranjitnagar and Nathkua village to help them understand the latest hi-tech animal husbandry practices.

GFCL CSR initiatives include regular trainings and seminars on scientific

livestock rearing, dairy farming, enhancing knowledge of farmers and cattle owners. These majorly focus on empowering farmers in commercialized farming with due emphasis on scientific management practices for resource friendly, sustained and safe production. GFCL also conducted the following trainings:

- Scientific Animal Husbandry Training Programme
- Green Fodder Management Training for Animal Husbandry Business
- Training on Profitable Animal Husbandry

With the help of Technical Support from BAIF, we organized cattle treatment and infertility camps in Ranjitnagar and Jitpura Villages. During the camp, BAIF provided technical guidance and medicine to the beneficiaries for promoting better animal husbandry practices.





## Responsible Community Development

### Achievements:

- Total **2308** farmers benefitted from visit by agriculture expert.
- Total **415** farmers benefitted from capacity building programme. Farmers got aware about the government schemes and started using new methods in their farm.
- Total **18** farmers benefitted from exposure visit.
- Total **10** farmers benefitted through sustainable agriculture programme.
- **Four** farmers adopted organic farming.
- Total **250** cattle owners and **5000** cattle benefitted through cattle camp and emergency Care
- Total **295** cattle owners benefitted through capacity building programme.
- Total **225** cattle owner and **410** cattle benefitted through cattle camp.
- Total **1118** cattle owners benefitted from veterinary expert visit.
- Total **50** cattle owners benefitted through exposure visit.



GFCL integrated agriculture development programme had provided him with the knowledge of various hi-tech technological agricultural practises and created awareness about organic farming and its benefit through various experts, trainings and exposure visits.

He has now started organic farming trial in two acres of his land. He believes that organic farming provides better quality of crop for the society with lesser cost and is thankful to GFCL team.

**Mahipatsinh Parmar**

Jitpura  
Ta. Ghoghamba, Dist: Panchmahal, Gujarat

### 5. Health and WELLBEING

We at GFCL, provide a comprehensive range of healthcare services to benefit the community through our CSR initiatives and thereby ensure that community is productive and safe. GFCL has been an active investor in community healthcare and has collaborated with non-governmental organizations as well as government authorities in its efforts to improve access to quality healthcare and immunization facilities. With an aim to improve quality of life through prevention and treatment of diseases

through a Mobile Health Unit, we help in delivering preliminary health check-up services in terms of preventive, primitive and curative medicine especially to poor women, children and the elderly.

We organized a major behavioural change awareness programme at local community level to promote and educate people on healthcare and personal hygiene. Topics covered included fight against diarrhoea through hygiene and hand washing and ways to deal with physiological changes experienced by female students during adolescence. A total 1450 students

benefitted through these awareness programmes.

Through our CSR activities, we aim to enhance the availability of healthcare services for all, particularly in rural and remote areas where district hospitals and public health centres are few and sometimes even non-existent. In line with this endeavour to ensure 'Good Health for All', we conducted various health camps: ophthalmologist camp, ante natal and pre-natal mega camp, gynaecologist camp, paediatric camp, dermatologist camp and dental camp. These camps provided free medical

services to poor communities living near GFCL plant areas and benefitted a total of 1738 people. These camps are conducted by health professionals who provide limited health intervention to underprivileged communities and people attend these camps to get free check-up and treatment. Further, 20 physically and mentally disabled, elderly individuals have been adopted

and provided with free accommodation, food, clothing and health care.

### Achievements:

- Total **21748** community people got benefitted from Health camp.
- Total **1450** Students got benefitted from programme on Health and Hygiene.
- Total **14657** people got benefitted from Health care equipment support in Community health centre.
- Through Human Health Care Initiative people get aware about their health. **People got preventive and curative treatment at their doorsteps.**



I suffered immensely due to cataract in both my eyes. I couldn't see beyond a few feet and found great difficulty in doing basic work. I had given up hope of getting my vision back at this age. Then I came to know that free eye check-up camp was being conducted by GFCL. I was diagnosed with cataract and recommended for a surgery. I was taken to the hospital and doctors performed the surgery free of cost.

My life has improved after the surgery. I am able to do what I want and I am not dependent on anyone now. I am grateful to GFCL for giving a new vision in my life.

**Shabhai Nayak**

Ranjitngar, Ta: Ghoghamba  
Panchmahal



## Responsible Community Development

### 6. Social Investment and Infrastructure Development

We make conscious efforts to address matters of social concern through our CSR initiatives. We have identified need of the villages and accordingly supported the required infrastructure such as community halls, common washing areas and boundary walls etc. Over the year one community hall was constructed at Chelavada village, while a school compound wall, dairy cooperative building and sports ground were renovated at Dahej and Jageshwar villages.

Further, we provided support to the gram panchayat office, monetary support for mass marriages, transportation facility for padayatra pilgrimage, community kitchen and cricket kits for the youth. Another important initiative that we have been undertaking along with Indian Red Cross Society is aiding a blood bank in the nearby community. Godhra and Jalaram Blood Bank Baroda are the major blood bank stations. These blood banks have benefitted patients of thalassemia, cancer, leukaemia, renal diseases, burns, besides various patients who have major surgeries and emergencies from road accidents. Also, as blood can be stored only for a limited time, regular blood donation camps are organized to meet the requirement.

We have also been working tirelessly to promote and educate people about the importance of renewable resources for a better future. We have installed and maintained solar streetlight in the three villages (Jitpura, Nathkua and Kankodakui), providing a long-awaited freedom from darkness, especially for the women of these villages who feel an increased sense of safety and security at night.

Most government schools lack basic infrastructure like drinking water filters, sanitation systems or hand washing stations. We have provided mid-day meal shed at Shree Maneklal Maganlal Unnat Buniyadi school located at Narukot Village, which benefitted 80 students. We also identified 15 schools where clean and potable water was required and installed 15 RO units in the school, benefitting a total of 9477 students. We also supported celebration of cultural events like Navratri and Panch Mahotsav, which promote social inclusion

We have always inspired communities when it comes to healthy living. Sports is a means of maintaining a healthy life. We support and provide infrastructure and equipment to nearby villages to encourage rural sports. We sponsored Ambheta Premier League Cricket Tournament, where about 450 youth participated. Based on the requirements from the school management, we cleaned the ground and constructed compound wall in Ranjitnagar High School to develop a culture of sports in the students. Additionally, we provided Abhetva Primary School transportation and catering facilities for education tour, which benefitted 60 students.

#### Achievements:

- Total **1475** people benefitted from sponsorship, sports infrastructure development, golf training and sports equipment.
- Total **83314** people benefitted through need-based infrastructure development.
- Total **11662** students benefited from school infrastructure development.

GFCL CSR initiatives were covered in the Economic Times CSR compendium as one of the best. The same can be accessed online through the link given below:

[https://economictimes.indiatimes.com/spotlight/csr\\_gujaratfluorochemicals.cms](https://economictimes.indiatimes.com/spotlight/csr_gujaratfluorochemicals.cms)

#### Way forward:

- Increase number of Employees and their Families in Company led CSR Voluntarism;
- Continue Women Empowerment by increasing Vocational Training and focus on Women Health & Hygiene awareness among Village women;
- Improve Education Infrastructure by renovation of schools in backward tribal areas;
- Drive formation of district level Corporate CSR Committee by involving all industries in the region, and
- Complete Water Shed Management project to increase groundwater level in nearby village



## Message from the Chief Operating Officer - Refrigerant Business

GFCL is committed to sustainable growth with special focus on climate protection through Energy and Water conservation, optimising Raw material and utilities specific consumptions, using **3 R principles (Reduce, Reduce and Recycle) in our plant operation** where each and every step is tightly monitored and controlled to reduce wastages, emissions etc.



**Mr. Rajiv Jain**  
Chief Operating Officer -  
Refrigerant Business  
Ranjitnagar

Implementing solutions to address climate change is important to the future of our Company, customers, consumers and all our stake holders. We have strong interest in reducing GHG emissions as we believe that climate change presents risk to our business and communities where we operate. These challenges and opportunities are unique due to interconnected nature of climate change and other sustainability priorities.

GFCL is signatory of SBTi which is a joint initiative of CDP, UNGC, World Resources Institute and WWF in which we are committed to take target to reduce GHG

under Scope 1 and Scope 2 significantly. This is in line of SBTi's global target to limit the global temperature rise to 1.5 oC rise.

GFCL believes that this can be achieved with the support of all stake holders across all our business lines which include all employees, direct and indirect contract workmen, society, neighbours, service providers, suppliers and customers among others.

**Mr. Rajiv Jain**  
Chief Operating Officer -  
Refrigerant Business  
Ranjitnagar





# Responsible Environmental Care

## Environment Management and Compliance

At GFCL, sustainability goes much beyond fulfilling economic, legal or regulatory requirements. It is one of the many ways in which we create enduring value for our stakeholders, natural environment and the society at large, and become part of resolving the most unyielding causes through awareness and engagement. We consider ourselves responsible for mitigating not just the social and environment impact of our business but also helping resolve various social and environmental issues present in our society. We aim to follow and promote sustainable business practices and co-create sustainable business value for our stakeholders.

We measure the impact of our business operations through the three key pillars of sustainability, namely People, Planet and Profit. Hence, we make continuous efforts to optimize efficiency across these aspects. This encourages involvement from all stakeholders and ensures that sustainable framework policies are well communicated, implemented, monitored and reviewed on regular basis. In order to further strengthen this cause, we have implemented a Corporate Integrated Management System (IMS) Policy for all our operations which makes environmental protection a key pillar in the Company's operations and strengthens better stakeholder relationship. As per the IMS policy, we are committed to achieve pollution prevention, waste reduction, recycling, energy and resource conservation (including water) and overall environmental protection relevant in the context of our business.

We have taken up Responsible Care activities as one of the most important management pillars. Based

on the core principle of 'Safety in not only a priority but a Value' of our Company, the Management has aggressively taken action based on the Responsible Codes pertaining to pollution prevention, process safety, employee health and safety, community awareness and emergency response, product stewardship and security. Our Commitment to Responsible Care is part of the Company's sustainability initiatives to positively impact People, Planet and Profit. We formally pledged our commitment to the Responsible Care Guiding Principles in February 2020.

We are accountable for our products and their effects on environment and this is the primary reason for conducting life cycle assessment (LCA) studies. The main objectives of life cycle thinking are to reduce a product's resource use and emissions to the environment as well as improve its socio-economic performance throughout its entire life cycle. This facilitates linkage between the economic, social and environmental dimensions within an organization and throughout the product's entire value chain, while also enabling environmentally sound policies to be adopted.

Our eco-friendly product range adheres to international compliance standards such as REACH 2020. As we have operations majorly in India, REACH applies to some of our products (such as fluoropolymers) which we produce and export in quantity greater than 1 MT to the EU region. For our fluoropolymers, all monomers are registered for REACH. It also applies to some chemical substances we buy, for which we ensure that our suppliers are complying with REACH regulations for that product.

We have set up a SARS Committee to address climate-related issues. The prime responsibility of SARS is to

drive, review and provide direction to all social accountability, regulatory, compliance and sustainability (including health, safety and environment aspects) initiatives. It also looks after the Responsible Care related initiatives, activities and interventions across the Company. It identifies strategic initiatives and executes them in the Company along with constant monitoring of the progress. The Committee has 10 members and is chaired by the CEO of the Company. It also has representation from different verticals of the Company along with some C-suite level officers. From each plant, two senior representatives including the Plant Head are also members.

The Committee reviews the unit level activities with the site-level teams on a monthly basis. The Steering Committee also meets every month and appraises the gaps identified, plan of action, etc. on all related activities. It also publishes monthly Sustainability and Social Accountability Dashboard for continuous monitoring of our sustainability performance.

In our management initiatives, we place the highest priority on ensuring environmental compliance by maintaining a check system based on our original environmental audits as well as through environmental education and other HR development programmes. In addition, we also focus on improving information disclosure, developing networks with stakeholders to propagate positive environmental actions, and conserving environment. We have developed an Environmental Management Information System for collection and analysis of environmental data required to promote sound environmental management.

These management systems have also helped us in adopting targets for all

key environmental parameters which are strictly followed and continuously monitored by top Management through regular updates and surprise visits. As a Company that is conscious of the potential risks associated with climate change, we have become signatories of the SBTi.

Hazard Identification and Risk assessment (HIRA) is conducted every year for both the plants for continuous monitoring and assessment of risks. In addition, we also conduct various other environmental risk and impact studies. We also make an 'Environmental Aspects/Impacts, Occupational Health and Safety Hazards and Quality Risk & Opportunity Matrix' on a regular basis covering the different type of risks, their severity and control measures in place for various activities that may have an environmental impact. For further strengthening our commitment towards environment protection, our key pollution prevention equipment has an emergency backup system. In the rare case that there is a failure in backup system, operations are stopped, and corrective actions are taken immediately.

To manage and continuously monitor all environment and safety parameters, a monthly review is done by top Management along with other stakeholders to analyse and further motivate employees to improve the environmental performance. For integrating environmental stewardship principles, our APEX Committee has an Environmental Sub-Committee which, under the guidance of top Management, monitors and controls all new environment initiatives and tracks their progress on monthly basis. It is also responsible for resolution of any issue/grievance from employees and local community towards any type of

environmental impact in or around our plants.

We believe in over-achieving our targets and compliance requirements, which ensures that we are always much below our environmental compliance limits. During the reporting year, there were no instances of monetary fines or non-monetary sanctions or cases brought against the Company through dispute resolution mechanisms pertaining to environmental non-compliance. The total monetary value of significant fines pertaining to environmental non-compliance during the year 2017-18 was INR 3,25,000.

One of the most important aspects of forming policy and setting up targets is ensuring its awareness among all employees and other stakeholders, for which we conduct regular training sessions / seminars. In addition, we also celebrate various occasions like Ozone Day, Environment Day and Safety

Week. All our employees must complete Environment, Health and safety (EHS) training during induction. We conduct regular stakeholder consultation every 15 days with local community around our plants to address any grievances related to environment.

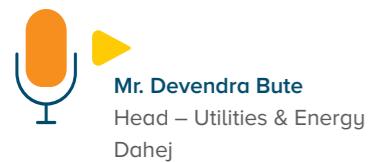
We not only believe in forming policies and committees but also in effectively implementing actions and achieving targets. We have ISO 14000 certification for our entire Company. All our plants have conducted environmental risk assessment and have implemented Environmental Management System (EMS). We participate in various local, regional, national and international forums on the environmental topics in order to showcase our work and participate in knowledge exchange.

With these key initiatives, we are known in the industry for not just our products but also for the responsible growth we have achieved.



# Message from Head – Utilities & Energy – Dahej

At GFCL, we are committed to sustainable growth through **integration of sustainability with our Operations**. The objective of our Energy Conservation & Management programme is a continual improvement on YoY basis, so that we can achieve best in class energy efficiency with minimum specific energy consumption.



We are also one of the designated consumers in Chlor Alkali sector. The organization's directions are being set through various means of target setting. Existing performance levels are continuously compared against those of previous years, current targets and benchmarking of other similar operations, elsewhere. The comparative outcome is discussed thoroughly and further improvement plans and targets for the next year are based on the outcomes of such interactions for continual improvements in Energy Optimization. Apparently, our Primary goal is to achieve / surpass given targets of Perform Achieve and Trade (PAT) by Bureau of Energy Efficiency (BEE), India to meet the specific energy consumption for our products to achieve the international industry standards.



Major activities involved meeting challenges & goals of Energy and Water conservations are through: Setting plant wise challenges and goals, Improvement of plant productivity and equipment efficacy, stop wastage of energy, modify and install energy efficient equipment to reduce specific energy consumption, find innovative method, process and technology that are less intensive, lower cost, less polluting and optimistic energy usage. Continuous process of educating and training all associates on energy usage in various plants and their roles in reducing wasteful energy.

Our long-term energy conservation strategy has been developed taking into consideration all these inputs. The sustainability report serves as a platform to share our performance, achievements and best practices on Energy and Water conservations.

**Mr. Devendra Bute**  
Head – Utilities & Energy  
Dahej

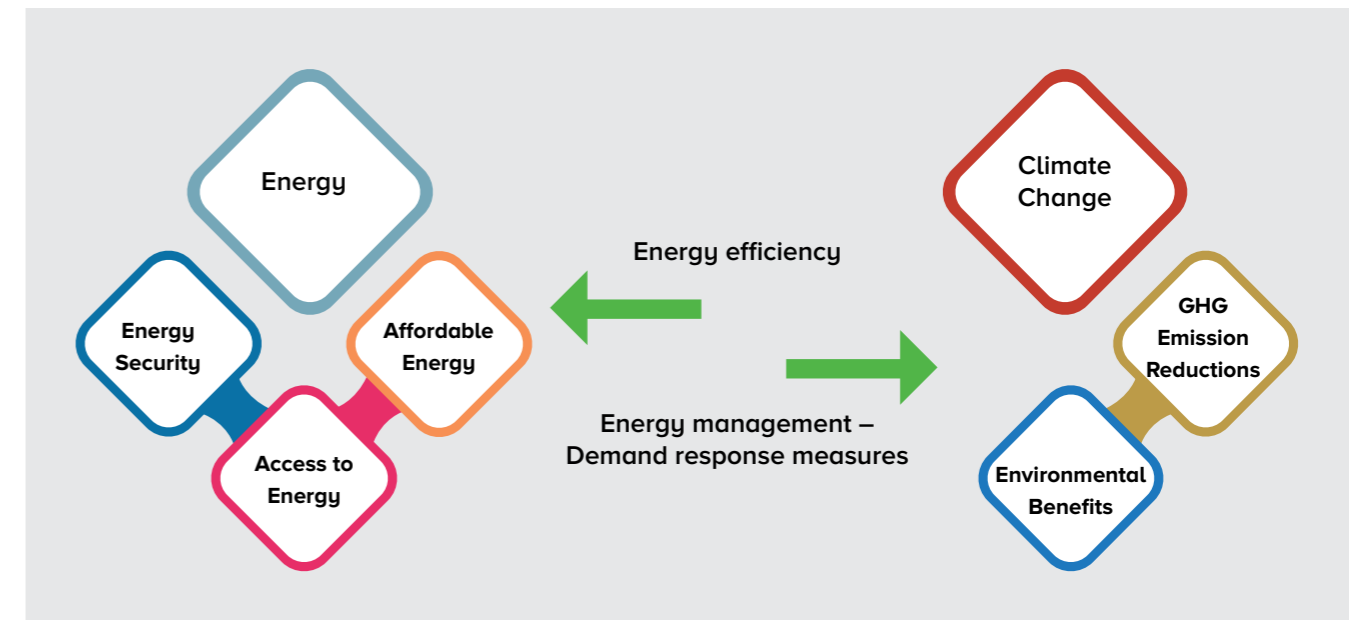
# Energy Management

We are driven by the principle of 'conservative Aggression'. Our dynamic senior leadership very meticulously identifies and plans new energy conservation, cost saving projects and growth opportunities, which, once selected, are aggressively implemented by a professional management team. We believe that strategic energy conservation and cost saving is key

to achieving the main objectives of sustainable development. As part of chlor-alkali industry that we are part of, we have implemented the PAT scheme and have over-achieved our targets in the last cycle.

For finalization of energy conservation/ cost saving projects, brainstorming is being done at all levels throughout the

Company which ensures systematic work process management and benchmarking against our own best achieved figures on process parameters, utility consumption norms, production norms etc. This is continually monitored at individual plant level by the nominated Energy Coordinator of the respective plant.



Key measures for environmental sustainability are as elaborated below:

Description of Key Measures	Monitoring Mechanism	Outcomes / Examples
Changes in Projections	Monthly variance & performance review meeting with Unit Head	Based on changed business scenario and market demand the monthly projections are being changed / altered with respect to annual production plans. This is being done to meet the monthly business targets & enhance overall profitability.
Innovative changes	Monthly performance review with Unit Head	Installation and commissioning of Effluent Recycling System (ERS) to save fresh treated water make-up to individual cooling towers(CTs) resulted in the savings of raw water intake bill apart from the quantity of treated effluent discharge to GIDC (Gujarat Industrial Development Corporation) pumping station. TFE-2 Utilities: To meet the plant's (-35) OC Brine system demand by operation of one (-35) OC and one (-15) OC chillers, instead two (-35) OC chillers, to achieve power savings of 183 Kwh.



# Energy Management

Description of Key Measures	Monitoring Mechanism	Outcomes / Examples
		Installation and commissioning of sulphate recovery system has been done at the Chlor-Alkali (CA) plant to reduce the daily brine sludge generation. Also, its electrolyzers membranes have been changed from original to zero gaps type membranes, resulting in substantial power savings at CA plant. Also, most of the critical CTs fans have been changed with ENCON fans to save power along with various energy conservation and cost saving projects.  Power and steam savings through replacement of AVAM (Ammonia Vapor Absorption Machine) by Vapor Compression Systems, thereby achieving substantial cost savings on account of reduced steam and power.
Environmental consideration	Monthly IMS review with Unit Head	Desired compliances pertaining to GPCB / (Central Pollution Control Board) CPCB are being achieved through online monitoring of complex key parameters of water and air via centralized server of CPCB linked to their main controlling / monitoring office. Beyond it, the Effluent Water Recycling Project has been commissioned. Utilities Loss Survey (ULS) system is in place to ensure zero lead complex and its status are being regularly monitored throughout the complex against all major utilities.

## Schemes Implemented for Sustainability and Overall Performance Improvement in Energy Conservations:

- Advanced Process Controls – e.g. SCADA & Operating Guideline software from General Electric (GE); This is being used for input data analysis to conceive energy conservation scheme.
- Strengths, Weaknesses, Opportunities & Threats (SWOT) is done to analyse the energy conservation schemes.
- Electronic Talent Management System(e-TMS), Individual KPI's related to energy conservation.
- Quality Circle – Quality Improvement Programme, Energy conservation by waste reduction.
- PRAYAS – Employee Suggestion Schemes for Energy Optimization.

- SPOT ON – For various sustainability improvement at shop floor.

### Details of Total Energy Consumed within the Company Boundary

We have all the required energy monitoring and measuring mechanisms in place in our Company. Our energy consumption data for this year is reported below.

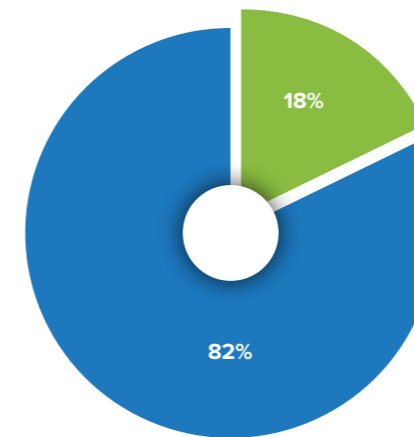
### Fuel Consumption

Fuel Type	Energy (in MWh)
Coal	32328529.04
Natural Gas	323146.34
Diesel	195.32
Total Fuel Consumed	32651870.70

Our Dahej plant uses Regasified Liquefied Natural Gas (RLNG) as one of the fuels for its operations which is considered as one of the cleanest fossil fuels. At Ranjitnagar plant, captive power generation is from RLNG and process heating is also from RLNG. We do not purchase or consume heating, cooling or steam. We purchase renewable and non-renewable electricity, the details of which are given below. Energy Consumption is monitored on daily basis.

### Total Purchased Electricity

Type of purchased electricity	Energy (in MWh)
Renewable electricity	77,364.81
Non-renewable electricity	353,440.61
Total electricity purchased	430,805.42



- Renewable electricity
- Non-renewable electricity

The renewable purchased electricity component covers around 18% of our total electricity purchased. We do not sell electricity, heating, cooling or steam. The electricity generated through CPP is used within the Company itself.

### Total Energy Consumption

Fuel Type	Energy (in MWh)
Coal	32,328,529.04
Natural Gas	323,146.34
Diesel	195.32
Electricity	430,805.42
Total Energy Consumed	33,082,676

For the calculation of energy consumption, we have obtained the conversion factors from government databases and had calorific values in place for all the types of fuel used by us. Monitoring of direct as well and indirect energy consumption is done on daily basis.

### Energy Intensity

Our energy intensity is 81.84 MWh/MT of production. The energy value

used in the calculation comprises of energy consumed from fuels (Coal, Natural Gas and Diesel) and electricity (renewable and non-renewable). The energy intensity ratio reflects the energy consumed inside the Company.

### Waste Heat Recovery Systems & Combined Heat and Power (CHP) unit

At our Ranjitnagar plant, we have three gas-based gensets installed (2 gensets of 1365 KW capacity each and one genset of 1021 KW capacity). The fuel utilization efficiency of the gas-based power plant at 90% load is as below:

- Fuel energy input utilized to generate Electricity: **36.5 %**

- Fuel energy input utilized to generate Steam: **24.5 %**
- Fuel Utilization Efficiency: **61 %**

Rest 39% fuel energy was lost in the form of heat - approximately 19% in flue gas going out of the chimney and remaining 20% in engine jacket water cooling system. The system is implemented to recover heat from gas engine jackets as hot water at 82oC, distributed and utilized this heat in place of steam in AHF, HCFC and Effluent Treatment Plant (ETP) plants. The recovered heat in the form of hot water is completely utilized to replace steam as heating media in the plants, where reduction in steam requirement to the tune of 72 TPD is achieved.

### Energy Consumed from Renewable (Wind Power)

Wind energy consumption	FY 17-18	FY 18-19	FY 19-20
Total wind power purchased KWH	84,014,426	100,016,014	77,364,806
Percentage of wind power	14%	16%	12%



## Energy Management

### Energy Conservation Projects

Sr. No.	Energy Conservation Initiatives	Outcome FY 19-20
1	Replacement of AVAM by Vapor Compression Systems	Substantial cost saving for steam and power
2	S&A CTs CW Pump - P812C main driving motor replacement from existing 90 KW/2900 rpm to 55 KW/1440 rpm	Power savings of 353 MW per annum
3	TFE1 Utilities' (-35) oC Primary Pump's Impellers Trimming Viz. P805C for Pumping Energy Optimization	Power savings of 98 MW per annum
4	Stoppage of TFE-3 Utilities (-35) oC Brine supply to 8 & 9th Reactors and additional loading of TFE-1 Utilities (-35) oC Brine system, to serve the purpose of energy conservation due to reduced throughput of Polymer complex	Power savings of 2932 MW per annum
5	Meeting the plant's (-35) oC Brine system demand by operating of one (-35) oC and one (-15) oC chillers, instead of two (-35) oC chillers, to save power	Power savings of 183 Kwh in TFE-2 Utilities
6	TFE-2 Utilities' (-35) oC Primary Pump's Impeller Trimming Viz. P805A & P805B	Power savings of 218 MW per annum
7	Replacement of Condensate Extraction Pump (CEP) Pump of STG-1 with High Efficiency Pump to save Operational Power	Power savings of 67 MW per annum
8	Installation and commissioning of VFD at Boiler-2 PA (Primary Air) Fan-1	Power savings of 126 MW per annum
9	Installation and commissioning of bigger size Condensate Transfer (CST) Pump for De-Mineralized (DM) Water pre-heating and stoppage of one pump to save power through Pumping Energy optimization	Power savings of 142 MW per annum
10	Optimization of Service Air Usage at Ash Handling System to save Air Compressor Power	Power savings of 58 MW per annum
11	Stoppage of C-4214 Column Feeding pump by feeding of Crude R-21 directly from C-4224 bottom to C-4214 by Pressure Difference at A&H process	Power savings of 70 MW per annum
12	Replacement of HPMV Well Glass 125 W Electrical lights with LED Well Glass Fitting (45 Watt, Qty-110), and replacement of HPMV Halogen lights with 100W LED lights	Power savings of 38945 KWH per annum
13	Motor replacement of 90KW chilled water Compressor X-201C to 132 KW	Power savings of 140000 KWH per annum
14	New Energy efficient Motor installed in P-215A/B (30KW), L106 (15KW), SFD Fan of Coal Boiler (7.5KW), Active load. old conventional motors with efficiency of ~85% was replaced.	Power savings of 18000 KWH
15	Energy Efficient Motor Replacement in X-201D	Power savings of 24000 KWH
16	Energy saving through increased production and behavioural changes	Power savings of 2843012 KWH
17	Maintaining near to unity Power factor with the addition of APFC Panel /additional Capacitor banks with increased Load to receive cost rebate from MGCL	Cost saving of 16.51 Lac per annum
18	Traded 6368640 KWH through GEB Power Trading Initiatives in 2019	Cost savings through trading H 56 Lacs

### Emissions

Our management approach is to reduce all kind of emissions, pollution, maximize the share of renewable energy, and continuously optimize energy and water to reduce carbon footprints and wastage. To ensure no failure occurs in our pollution control equipment, a double seal mechanism is used. Further, Preventive Maintenance (PM) of all equipment is controlled through SAP. These equipment maintenances are done as per the PM schedule and monitored on a monthly basis. Each machine has a PM checklist which ensures that no equipment failure occurs. Optimization of layout of the distillation condensers has been taken care in design stage. Any further changes that are required to be done are taken during shutdown and these points are also covered in our PM checklist.

A legal compliance portal designed by KPMG named Vision 360 is in practice for last few years. In this portal all relevant laws related to environment are being regularly monitored. These requirements are given specific number with its detailed description, location like Ranjitnagar, Dahej, Corporate office etc. is finalized, frequency of compliance, department applicable, and person responsible are defined. This portal needs to be updated regularly by the person responsible, necessary certificates are to be uploaded. Any non-compliance is directly escalated to the next level after a specified duration. If still there is non-compliance, then it is automatically escalated to the Board level.

At GFCL, we have established a Board-level sustainability committee (SARS Committee) which is primarily responsible to take all the sustainability and climate-related initiatives. The

chairperson of the committee is the CEO and there are other nine members represent different functions and units. The role of Sustainability Committee is to integrate both business and sustainability priorities so that the Company can thrive. The committee also helps in addressing the climate-related issues raised in the business, managing carbon emissions, and integrating triple-bottom line i.e. social, economic and environmental aspects in business strategy. It also oversees the health and safety dimension for the Company in order to provide a safe workplace environment.

Apart from the Board level Committee, we have also established an Apex Committee which looks after site level sustainability aspects such as climate change, safety, regulatory, legal and other issues of the site. There are site-level people in the Committee, and it is spearheaded by the plant head. To facilitate and support the functions of the committee, there are Sub-Committees for different functions, such as:

- Canteen committee to address the reduction of food wastages, reduce cooking gas consumption, etc.
- Transport Committee addresses route optimization, optimization of transport vehicles, etc.
- Department level Safety Committees
- Water Conservation Committee

Along with the responsibilities of sustainability committee and apex-level committee, there are some individual climate-related responsibilities given to domain experts for ensuring the effective management of environmental parameters. Some examples are listed below:

- GFCL owns a CPP for generating energy for the plants and a Head is appointed to look after processes and overall efficiency of CPP. One of his major roles is to maximize the efficiency by maintaining optimum consumption of fuel. Apart from fuel consumption, responsibilities also include managing power consumption and emission management of CPP.
- The Head of Utility Department is primarily responsible for looking after water consumption. Furthermore, he devises the strategies for reusing and recycling wastewater.
- The Head of Technical Department assists in optimum use of resources across other departments. Furthermore, the members of all departments which consume resources are responsible for optimizing the use of resources, minimize their carbon emissions, and waste generation objectively.
- The Factory Manager/CSR committee directly reports to the COO/Group Head HR on matters such as green belt development, management of vehicular emissions, and CSR projects.

The Sustainability Committee meets at least once in a quarter. In the meetings, the status of sustainability objectives, action plans, future strategies, and other sustainability aspects including climate-related matters are discussed. The action plans developed are further reviewed and revised in order to enhance their effectiveness. Post the meeting, minutes are circulated among all members of the Committee to keep everyone abreast with the developments.



# Energy Management

One of the prime examples of effort to manage climate issue is that we have become signatory of the SBTi and are aspiring to obtain Responsible Care logo.

For monitoring the climate-related issues, the Committee reviews the unit level activities with the site-level teams on a monthly basis. The Steering Committee meets every month and appraises the gaps identified, plan of action, etc. on all the related activities. It also publishes monthly Sustainability and Social Accountability Dashboard for constant monitoring of our sustainability performance.

We also have Corporate Integrated Management System Policy in place and has made 'Responsible Care' an integral part in conducting business and operating facilities in a safe, environment friendly and sustainable manner. This policy covers 10 broad verticals including Occupational Health & Safety, Environment Protection, Product Quality, Compliance Obligation, etc. By the policy, Company seeks to achieve the following objectives:

- Long-term trust of its stakeholders
- Incident free, environmentally friendly and sustainable operation in complete supply chain
- Respect of neighbours and society at large

We also have multiple Environment Management Plans being planned and implemented, some of them are as follows:

- Minimizing fuel consumption through ENCON measures and maximizing use of cleaner fuel.
- Sourcing and use of sulphuric acid with low SO<sub>2</sub> content and provision

of standby SO<sub>2</sub> scrubber in the AHF plant.

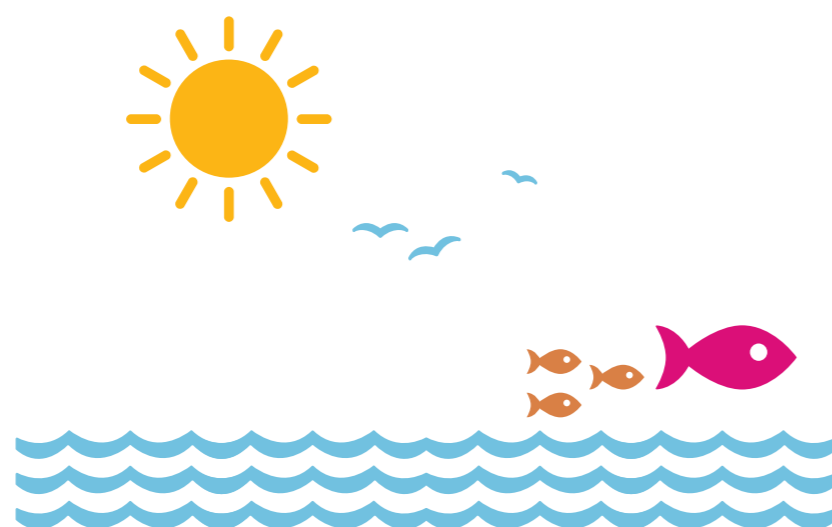
- Maximizing efficiencies of in-process scrubbers for recovery and recycle of low volatile gases.
- Continuous monitoring and improvement in bag filter efficiencies.
- Providing electronic detectors and alarms for corrosive gases at different locations for timely detections of leaks.
- Providing a close loop sampling system.

Since inception we always strive to keep a check on our air emissions and

have introduced cleaner fuels and efficient designs which would not only help us keep environment clean, but also ensure continuous improvement of our systems. We keep ourselves abreast of the developments in the field of clean environment and are always on the lookout for schemes and new technologies which can further improve our environment. This has enabled us to remain well within the statutory limits for criteria pollutants. In addition to our routine monitoring, the SPCB (State pollution Control Board) does frequent monitoring at random intervals of our air emissions and has found that we have adhered to the strict norms imposed.

## GHG Emissions

Fuel Type	Emissions (in tCO <sub>2</sub> for FY 2019-20)
Scope 1	635,054.32
Scope 2	289,821.30
Total	924,875.63



We have all the required mechanisms for monitoring and measurement for calculating GHG emissions of the Company. This is the first year of our GHG emissions reporting and we have used The GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) for calculating our emissions. Starting from the next year, i.e. FY 2020-21, we shall start reporting the trend of our GHG emissions, considering FY 2019-20 as the base year

HCFC-22 process leads to the generation of by-product HFC-23, having a Global Warming Potential of 11,700, which was earlier being thermally destroyed. The thermal destruction used to result in consumption of utilities and emissions generation. We are now utilizing HFC-23 for producing BTFM, which is raw material for various insecticides, thereby reducing several negative environmental impacts. Any leftover R23 is destroyed in the Thermal Oxidiser using RLNG. During thermal destruction, HF gas is produced which is quenched in water to produce 20% DHF (Dilute Hydrofluoric Acid) and this DHF is a raw material for Ethyl difluoroacetate (EDFA).

In our efforts to fight climate change, we have adopted several initiatives to increase our energy efficiency and thereby reduce GHG emissions:

- Sourcing and use of sulphuric acid with low SO<sub>2</sub> content and provision of standby SO<sub>2</sub> scrubber in the AHF plant;
- Multi-cyclone dust collector followed by bag filter has been provided to control the particulate matter;
- Installed close loop sampling system to avoid emissions;
- Switching to energy efficient machineries and processes such

as replacement of motors, reduced throughput, flash steam recovery systems, etc.;

- Use of condensate water for regeneration of caustic washing / water washing columns instead of fresh DI water;
- Recycling treated water from ETP in scrubbers.

## Emission Intensity

Parameters	Value (for FY 2019-20)
Emission Intensity (in tCO <sub>2</sub> /MT)	2.288
Total Production (MT)	404,199.81

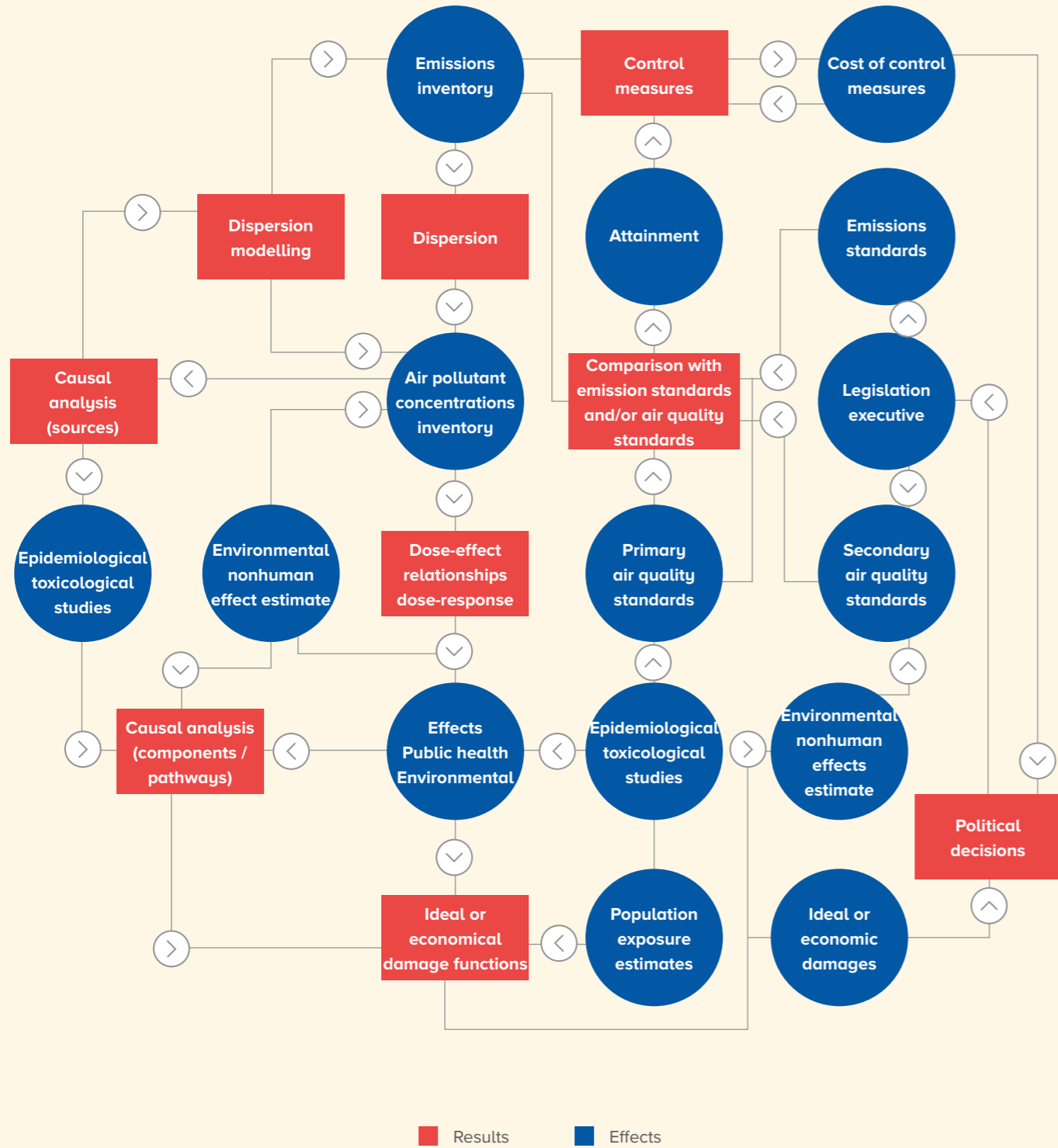
## Scope 3 GHG Emissions

Parameters	FY 2019-20
Scope 3 Upstream T&D	132,167.17
Scope 3 Downstream T&D	5,313,578.54
Scope 3 Use of Sold Products	2,307.12
Scope 3 Total (tCO <sub>2</sub> )	5,448,053.83

This is the first year where we have calculated our Scope 3 emissions. As of now we have reported emissions data for three emissions categories. Going forward, we intend to establish mechanisms that will help us account other Scope 3 emissions. One of the initiatives undertaken by us to decrease our emissions is to increase the use of telecon, WebEx and other media for conducting internal discussions and reviews in place of physical travel to our plants.



# Energy Management



In order to reduce emissions caused by upstream and downstream transportation and distribution emissions, we have started using Hazira port (Surat) as our primary port for transportation, which is comparatively near to our manufacturing facilities as compared to Kandla port, which was used earlier. Due to this change, we have saved road travel distance (approximately 400 kms) without any significant increase in ship travel distance. As emissions factor for road transportation is significantly higher than that of ship transportation, this has helped us further curb our GHG emissions.

### NOx, SOx and Other Significant Air Emissions

We have necessary measures and controls in place to monitor and manage SOx, NOx and particulate matters well within the permissible limits. Each of our plants have necessary controls and measures in place to manage these emissions well within the permissible limits. Our Dahej plant has a coal-based

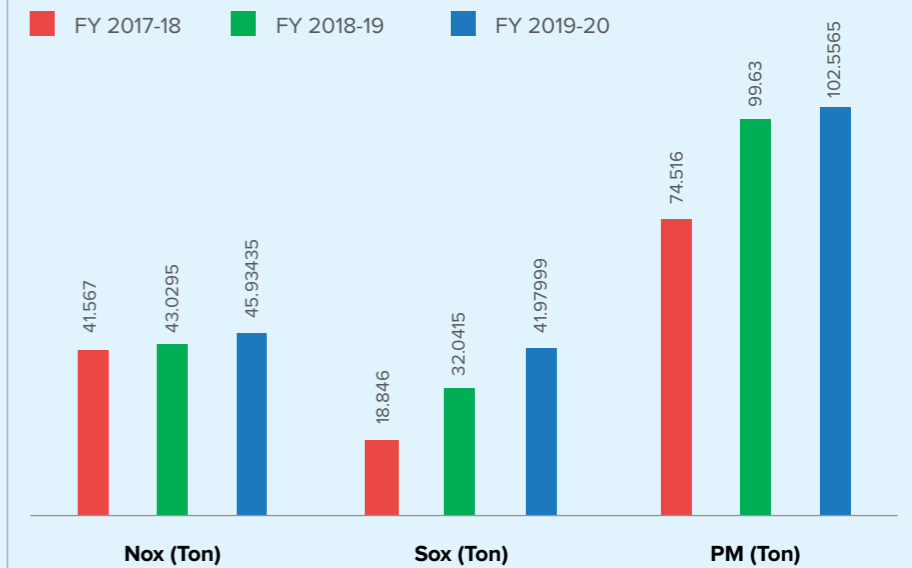
power plant where an electrostatic precipitator has been installed in the power plant for removing fine particles, dust and smoke from flue gas stack. Dahej also has installed cyclone separator, bag filter, Low NOx burner and scrubbing system in production process for reduction of air pollution. Ranjitnagar plant has a gas-based power plant with low NOx burner. At Ranjitnagar, Atmospheric Fluidised Bed Combustion (AFBC) has a low NOx design and cyclone separator, dust collector, reverse pulse bag house to reduce the emission to atmosphere. Both Ranjitnagar and Dahej have online continuous stacks/

vents monitoring system for continuous monitoring of stacks/vents emission. To control the dust emissions during coal handling, a water spray dust suppression system is in place to improve air quality. Further, we have installed a dust collection system at the limestone handling facility and made provision for water spray system on grizzly to control coal dusting. We conduct ambient air monitoring twice a week through third party to ensure the quality of ambient air is within the limits prescribed in the National Ambient Air Quality Standards.

### Air Emissions

Air Emission	FY 2017-18	FY 2018-19	FY 2019-20
Nox(Ton)	41,567	43,0295	45,93435
Sox(Ton)	18,846	32,0415	41,97999
PM(Ton)	74,516	99,63	102,5565

### Air Emissions (MT)





## Energy Management

### Emissions of ozone-depleting substances (ODS)

We have modified our processes in order to reduce our emissions from ODS. HF (Hydrofluoric Acid) is key raw material for HCFC and is due for phase out as

per the Montreal Protocol, due to which we are reducing HCFC production for refrigerant. Some of the extra capacity of plant is being utilized for making HCFC for feed stock purpose which is PTFE. Since the overall HCFC production is reduced, more quantity of HF (produced

in-house) is now available, which will be used in making various Fluoro-speciality products for which plant installation is in progress. This complete strategy of reducing HCFC will lead to lowering of our emissions.

### ODS Emissions

Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.

Unit	FY 2017-18	FY 2018-19	FY 2019-20
HCFC-22 (R-22)	14,176	17,999	20,217
Carbon Tetrachloride	5,190.36	4,664.78	4,764.45
BTFM	67.68	104.01	168.53

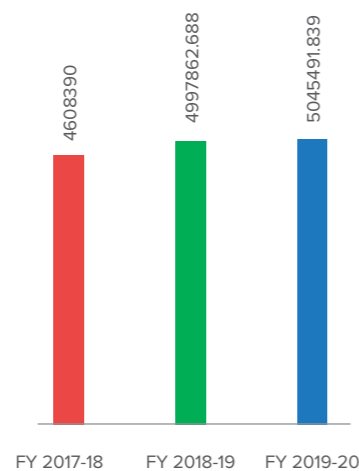
### Water Management

Our source of water is surface water from the Narmada river through an express pipeline for both Dahej as well as Ranjitnagar plants. At Dahej, the water is being pumped through Narmada river by GIDC to their water reservoirs, which is located at about 12 kms from our plant. At GIDC reservoir's RCC channel, we have our own pumping station with reliable submersible pumps having standby facility, from where the water is being pumped to fulfil our daily average water requirement of about 12000 cum/day. For interim storage, we are also having water storage reservoirs having storage capacity of 60000 cum. At Ranjitnagar, for our regular water requirement we are procuring water from GWSSB (Gujarat Water Supply & Sewerage Board) through the pipeline from their canal. Average daily water requirement of Ranjitnagar plant is about 750 cum/day. For interim storage, we are also having water storage reservoirs with a storage capacity of 1890 cum. At our both our plants, we do not use ground water considering the low water table in the area and the problem of salinity.

In addition to this, we have installed rainwater harvesting modules within Ranjitnagar plant. The area covered under rainwater harvesting is 0.5 acre and a capacity of 450 cum, which helps increase the surrounding ground water table. In order to address water-related risks, we have adopted a strategic approach in our operations. As part of the approach, we have taken a holistic view of our water management to encompass fresh and recycled water consumption, water conservation

efforts and efforts on water reusing and recycling. Water is considered as raw material for our plant operations thus its utilization is directly linked with the production targets. Water conservation is a critical part of our IMS and Responsible Care Policy. Considering water as scarce resource, its consumption is being monitored at all consumption points by installing water flow meters. We are also tracking specific water consumption on a year-on-year basis.

### Total Water Consumption



### Water Withdrawal

Water withdrawal from GIDC for Dahej plant and GWSSB for Ranjitnagar plant against for the last three year is shown below:

### Details of Water Withdrawal (cubic meter)

Plant	FY 2017-18	FY 2018-19	FY 2019-20
Ranjitnagar	161789	180380	216303
Dahej	4343958	4517117	4199964
Total	4505747	4697497	4416267

### Following are some of our key responsible water consumption principles adopted by us:

- Continual improvement in our specific water consumption;
- Ensuring a 'near zero water leak' complex through the drive of ULS and Leak Detection and Repair (LDAR);
- Consistently ensuring leak-free systems for water withdrawal from source to our plants.

it with recycled water based on its feasibility and suitability.

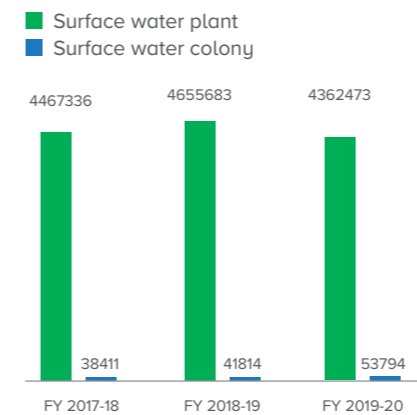
The key steps taken to reduce water consumption are as listed below:

- Increased focus on water recycling;
- Substantial increase in recovery of steam condensate from various processes and utilities. Steam condensate recovery of Ranjitnagar plant has been improved in last three years from 23280 cum to 39264 cum, i.e. the condensate recovery has been improved by 68%;
- Auto level controllers has been installed at various overhead

domestic water storage tanks at both plants;

- Auto control water level make up has been implemented at all the CT sump at both plants;
- At Ranjitnagar plant, we have taken CPP and Electrical MCC block's RCC roof top overflow water as rainwater harvesting in monsoon season, which is being diverted to water reservoirs, resulting in reduced water withdrawal from GWSSB;
- Sewage Treatment Plant (STP) treated water is being used for the purpose of green belt development at both plants (Ranjitnagar - 30 cum/day and Dahej - 40 cum/day)

### Water withdrawal at GFCL (M<sup>3</sup>)



### Water Consumption and Water Conservation

We are consistently working to optimize consumption of raw water throughout our operational activities by substituting



## Energy Management

Sr. No.	Water Conservation Initiatives	Outcome FY 2019-20
1	De-ionization Water Treatment Plants to recover water from Ultra Filtration (UF) & RO rejects at CTs, to facilitate optimum water consumption across processes	Water savings from pt. no. 1 and pt. no. 2 by 2719 KLD
2	Increased throughput of ERS and utilization of treated water for most of the CT	Total water saving of 3136 KLD
3	Replacement of Honeycomb PVC fills to improve efficiency of CTs of S&A/PTFE cooling towers	Cooling efficiency of circulating cooling water was drastically improved
4	Reduction in Steam consumption from 1.15 to 1.14 Mt/Mt of NaOH	Steam savings of 0.01 Mt/Mt of NaOH through better insulation
5	Use of Condensate water for regeneration of Caustic washing / Water washing columns instead of fresh DI water in TFE-2 plant (Steam saving by heating DI water up to 65 oC)	Steam savings of 175 MT per annum
6	Installation & Commissioning of Boiler blow down Flash Steam Recovery	Steam savings of 2436 MT per annum
7	Overall Increase in Cycle of Concentrations (COC) of Cooling Water at identified CTs	Helps to save treated water

### Water Recycling

We conserve water by reusing and recycling effluent water, wherever possible at both plants. Recycled water forms a significant portion of water consumed in our plant operations. Treated water from ETP, Reverse Osmosis and STP is recycled in process scrubber, CTs make up and gardening. Entire steam condensate from steam traps and heat exchangers is fully recycled back to steam boilers. We have considerably increased our water recirculation and recycling rate. Keeping in view the Responsible Care and IMS policies and guidelines, we ensure that all our facilities meet or exceed requirements for release of effluents. The details of water recycled at our plants are given below:

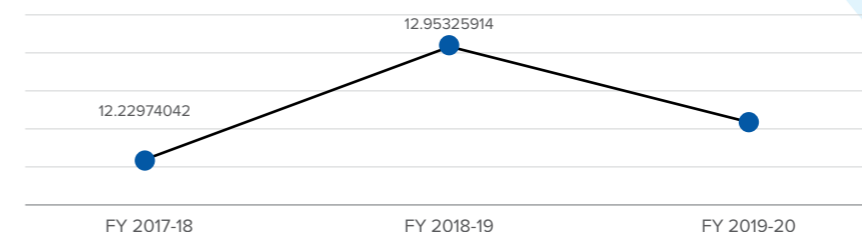
### Water Recycled in FY 2019-20

Plant	Quantity of Water Recycled (m <sup>3</sup> )	Water Recycled as a % of Water Withdrawal
Ranjitnagar	51732	23.92%
Dahej	152636	3.63%
Total	204368	4.63%

### Water Intensity

We have adopted a process-based approach to arrive at the values for water intensity. We aim to accomplish the target of reducing specific water consumption by maximum extent possible on year on year basis. At Ranjitnagar, overall water consumption has increased due to overall increase in production volume. However, during the reporting period, we have reduced the water intensity by about 8% compared to previous year, as per details captioned below. At Dahej plant, the water consumption pattern has been decreased substantially due to various initiatives taken for conservation of raw water which has resulted in reduction in specific water consumption by 10% in FY 2019-20 compared to the previous year.

### Total water intensity (m<sup>3</sup>/MT)



### Impact on Local Water Bodies

Since there is no water discharge from our plants to local water bodies, there is no polluted / contaminated at any local water bodies. Ranjitnagar is a zero-liquid discharge (ZLD) plant and at Dahej, the discharge of treated effluent is to deep sea through GIDC pipeline. To improve the local water bodies, a scheme of large check-dam is being implemented in Nathkuva village near Ranjitnagar plant, which will increase the ground water table by surrounding area of about 3 km radius. We have conducted evaluations of all our facilities to determine proximity of our plants to ecologically sensitive or significantly important biodiversity areas. Aquatic evaluations are also completed at the corporate level to determine if any of our plants are located near rare, threatened, or endangered species, sensitive habitats, or the International Union for Conservation of Nature's (IUCN) Red List species. Water withdrawals from our facilities do not exceed volume thresholds and/or do not extract from Ramsar Wetlands sites or other highly sensitive water resources.

### Water Discharge

The volume and nature of the wastewater we generate depends on the type of production at our locations.

We have therefore installed wastewater / effluent treatment techniques that are appropriate for each plant's production processes. Our Effluent data is monitored online and is made available to the Regulatory Authorities (Gujarat Pollution Control Board). Latest technologies are being implemented for the treatment of waste sewage water also at STP of both the plants. These techniques include physical, chemical as well as biological wastewater treatment. Ranjitnagar plant, being a ZLD facility, its entire wastewater is treated, recycled and reused, and the concentrate generated from the wastewater treatment is evaporated in spray dryer. A separate stream has been maintained for treatment of chloro-methane effluents (biological waste) which is treated biologically through aeration technology in ETP and no waste is moved out, where in Mixed Liquor Suspended Solids (MLSS) and Mixed Liquor Volatile Suspended Solids (MLVSS) are being monitored.

There has been no incident of non-compliance associated with water quality permits, standard and regulations in the reporting year.

### Water Management Risks and Strategies for Mitigation

Both our plants have only one major source of water each, which have very

reliable and so far, there have been no major interruptions in water supply from both GIDC as well as GWSSB. However, being dependent on a single source, water unavailability risks due to failure in supply from GIDC and GWSSB, major breakage of transmission pipelines and force majeure exists. In order to mitigate any future risks, we have built adequate water storage to cover for any manage minor interruptions.

### Closed Water-Cooling Systems

We have a total of 29 closed water-cooling systems to cater for various processes as well as associated utilities operations. These CTs are of various designs / capacities (details provided below) and are installed throughout the complex as per plant specific requirement. These CTs are being used to cool the return hot water from various processes / utilities help it get reused in the systems.

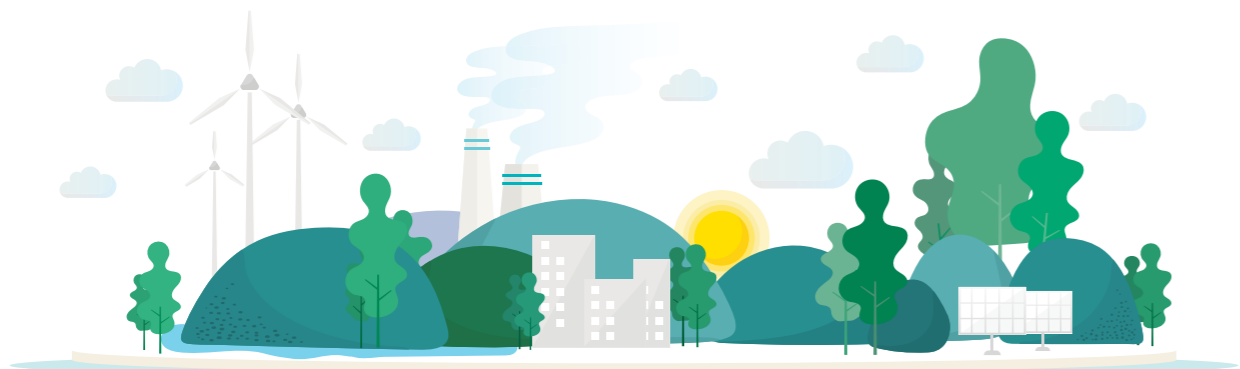


# Energy Management

CMS – 1 & 2 PLANT (5)					CA PLANT (7)							
CMS	CMS	CMS-1	CMS-11	CFM	CA	CA	CA	CA	CA	CA	CA	CA
I	II	VAM	VAM		New	Old	Flaker	A-VAM	Freon	China VAM	600-TR VAM	
3300	3200	825	1050	450	2400	2400	600	300	300	300	730	
600	600	150	150	150	500	500	100	50	50	50	120	
5	5	5	5	5	5	5	8	5	5	5	5	
Counter-w	Counter-w	Cross-w	Counter-w	Counter-w	Counter-w	Counter-w	Counter-w	Counter-f	Counter-f	Counter-f	Counter-f	
4	3	2	1	1	3	3	1	2	1	1	4	

Designed system details	Units	A&H Plant (2)		FI (1)
		AHF Non Acidic	AHF Acidic	Plant + Uti
Design Circulation Rate	Dahej-A Complex Design Circulation Flow Rate of CW System	45506	m <sup>3</sup> /Hr	2250 1250 300
CT Sump Hold up Volume	Total Dahej Complex Design CT Sump Hold Up Volume	8338	m <sup>3</sup>	436 292 50
Design "Delta # T"	Dahej-A Complex Design "Delta # T" (average value in Deg C)	5.4	°C	5 5 5
Type of the cooling tower	Include Draught Cross Flow / Induced Draught Counter Flow	w-wood, f-frp	Cross Flow / Counter Flow	Counter-w Counter-w Counter-f
<b>No. of cells / fans in CT's</b>				<b>3 2 2</b>

Power Plant		Polymer Complex (11)											
New CPP	CCGT	D-PTFE	DPTFE	DPTFE	DPTFE	TFE	TFE	TFE	TFE	FKM/S&A	VDF	New Polymer	PTFE/PT-PTFE
		5 <sup>th</sup> Reactor	6 <sup>th</sup> Reactor	7 <sup>th</sup> Reactor		1	2	3(LP)	3(HP)				
4950	5000	1300	250	250	250	3300	2475	1200	2475	726	1650	825	1200
600	700	320	50	50	50	600	500	300	500	150	300	120	300
10	8	5	5	5	5	5	5	5	5	5	5	5	5
Cross-w	Counter-f	Cross-w	Counter-f	Counter-f	Counter-f	Cross-w	Cross-w	Counter-f	Counter-f	Counter-w	Cross-w	Counter-f	Cross-w
3	6	2	1	1	1	4	3	4	8	2	2	4	3



## Case Studies on Water Conservation

### Case Study: Installation and Commissioning of ERS at Dahej

#### 1. Project overview:

Conservation of process water by efficient recovery through membrane separation process has been designed and developed. This has reduced the raw water procurement from GIDC and also decreased associated pumping charges.

#### 2. Existing Situation:

Daily, around 4000 KLD effluent is getting collected at Centralized ETP in various streams depending on the influent quality parameters. We have a total of six streams for treatment of the said effluent to meet the statutory norms.

#### 3. Intervention:

Effluent generated from various streams is collected and separated based on its quality like high Total Dissolved Solids (TDS) and low TDS. For treatment of high-high TDS streams, a separate facility has

been installed, which is being used for the reject water of the ERS through membrane separation process.

With this intervention, about 4000 KL effluent is being bifurcated as below:

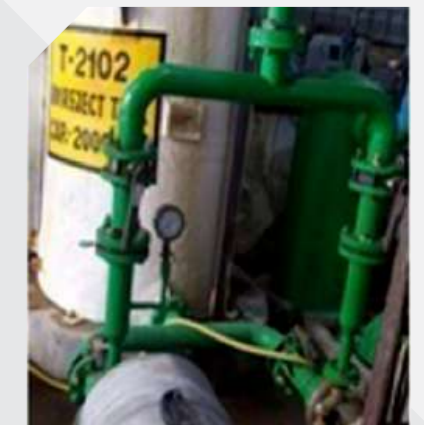
- 1) Total Incoming Effluent Quantity from the various plants / day to ETP = 4000 KL,
- 2) Total Quantity of low TDS effluent receipt / day at ETP = 2165 KL,
- 3) Total Quantity of high-high TDS effluent receipt / day at ETP = 200 KL,
- 4) Total Quantity of high TDS effluent receipt / day at ETP = 1635 KL,

Therefore, the ERS has been installed for the treatment of 2165 KLD of Low TDS effluent having design capacity of 2400 KLD, which is used to generate 1800 KLD of process water, which is being used as make-up water of most of the critical CTs apart from feed to various processes at Dahej plant. This action has

resulted in savings of around 1800 KLD raw water procurement from GIDC in addition to other benefits.

#### 4. Outcome & Benefits:

- 1) Recycling / In-house generation of 1800 KLD process / raw water from effluent;
- 2) Reduction of 1800 – 2100 KLD effluent discharge to CETP of GIDC, Dahej;
- 3) Cost savings on account of 1800 KLD raw water procurement and saving of water cess charges of 1800-2100 KLD effluent discharge to GIDC;
- 4) Savings on treatment and pumping cost of 1800 KLD of process water from centralized pumping station of common utilities;
- 5) Overall reduction in handling of effluent discharge to GIDC by about 40%.



## Energy Management

### Case Study: Installation and Commissioning of 75 KLD Reverse Osmosis (RO) Plant at Ranjitnagar

#### 1. Project overview:

A 75 KLD RO plant has been newly procured from a local manufacturer, installed and commissioned in the reporting year to treat the CT and boiler blow down water to reduce the effluent quantity which was earlier sent to ETP for evaporation.

#### 2. Existing Situation:

Due to continuous expansion of specialty chemicals, the load on boiler and CTs was increasing, thereby resulting in higher blow down and increased load on ETP. Being a ZLD facility, the entire effluent had to be treated and evaporated thus consuming more energy and resources.

#### 3. Intervention:

The project is installed by largely using existing infrastructure like tanks,

existing buildings etc. and only main equipment and instruments of the plant were purchased. It was installed in the existing utility section thereby utilizing existing resources like same manpower, building pipelines etc.

#### 4. Outcome & Benefits:

The installation of RO plant has resulted in treatment of 75 KL water in which 60 KL water is pure and suitable for CT make up and other uses. This has resulted in reduction in load on ETP thus reduction in consumption of on average of 3 SCM / day of natural gas.



### Effluent Management

Furthering our efforts towards environmental stewardship, our Ranjitnagar plant is a ZLD facility where final effluent after recycling is evaporated in spray dryer. We have adopted a strategized approach of effluent discharge at Dahej plant to ensure that water quality parameters such as pH, Biological Oxygen Demand

(BOD), Chemical Oxygen Demand (COD), colour, fluorides and Total Soluble Solids (TSS) are kept within permissible limits. We have a continuous online monitoring system which is linked with CPCB servers.

The effluent generated from the site is treated in-house as primary, secondary, tertiary and RO treatment. We further reuse RO permeate in cooling towers

and the treated sewage water is used for gardening and for coal dust suppression. The treated effluent is discharged into deep sea through GIDC drainage line after achieving norms prescribed by Pollution Control Board. There is no discharge of wastewater outside the premises in any case. Effluents discharged from our plants do not affect any water bodies in our surroundings.

## Message from Head – Environment, Health, Safety & Fire - Ranjitnagar

▲▲ An integral part of GFCL’s philosophy is its commitment to ensure we focus on all aspects of sustainable growth - **People, Planet and Profit.**



Dr. Sanjay P. Gandhi  
Head – Environment, Health,  
Safety & Fire  
Ranjitnagar

We believe that having a robust Environmental & Safety Management System is essential to build the sustainability of our enterprise in the face of emerging risks while capitalizing on opportunities presented. “Zero Effluent Discharge” has been our target and waste reduction as a achieve operational excellence. This is imbibed in our DNA. As a part of our ongoing efforts in improving effluent treatment processes, we developed and innovative Multiple Effect Evaporator with an objective of zero discharge facility. We have also developed and implemented a process for Fluoride reduction in aqueous effluent using ion exchange technique. This has helped in recycle and reuses of low TDS water stream from utilities back to process.

Effective waste management across facilities is an integral part of our sustainability strategy. We focus primarily on waste minimization to reduce our overall waste generation. We also emphasize on efficient and environmentally friendly end-of-life disposal methods to minimize the waste generated, thereby reducing waste that enters landfills.

Dr. Sanjay P. Gandhi  
Head – Environment, Health,  
Safety & Fire  
Ranjitnagar





# Waste Management

As a responsible Company, our approach is to eliminate, reduce, reuse and recycle waste across all our operations. Our 'Value from Waste' initiative systematically collects scrap and thereby ensures safe storage / disposal of all kinds of waste generated. This is aimed at reducing the quantity of waste produced by our operations by following the principles of reuse and recycle, in an environmentally friendly manner. To achieve the objectives of waste management and reduction, we have designated teams at both the plants who continuously implement the requirements of Pollution Prevention Code of our Responsible Care management system. We have been making consistent efforts to apply the waste management hierarchy to all our waste.

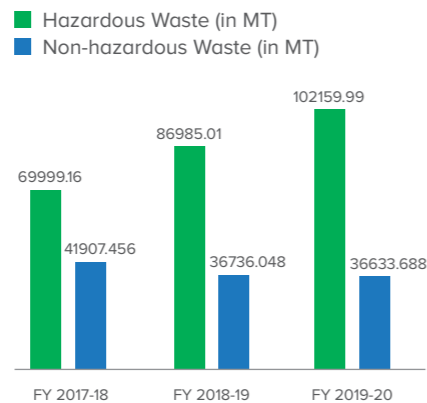
Refining our management governance structure to further strengthen our waste management, we have formed Waste Management Task Forces. These task forces serve the purpose of developing a structured approach for prevention and reduction of waste generation. Further, they also take efforts towards creating some value from the generated waste, which is an extension of our 'Value from Waste' initiative that aims at achieving 100% utilization of key wastes by 2025. These task forces are formed separately for each plant. The assessments made by the task forces are presented to Management for providing resources for executing the recommended actions. The line managers are responsible for strategizing waste reduction and waste disposal methods, following the waste management hierarchy for increased recycling and reusing of waste produced.

## Key improvements by Waste Management Task Force:

- Identification of leakages from utilities line, which has resulted in reduction of five KLD of effluent load and reduced excess water consumption;
- Identification and replacement of leaky taps in toilets which has resulted in reduction in STP load by three KLD and has also reduced excess water consumption;
- Replaced regular water taps with push cocks to reduce the effluent load on STP as well to reduce the freshwater consumption by around one KLD.

We also turn all our canteen waste to compost, thereby reducing the burden on landfill sites.

## Waste Generated



We monitor the soil environments of worksites, strictly prevent the diffusion of pollutants, and actively work to prevent contamination. To achieve this goal, every quarter we analyse the groundwater at the boundaries of our worksites in nearby villages to confirm

that levels of hazardous materials are below those stipulated by standards. To prevent soil contamination, we have established rules regarding the construction standards along with regular inspections of various equipment, including the gutters, floors, plumbing, and bund walls of facilities handling chemical substances. We are working to prevent soil contamination from leaks by thoroughly complying with these rules. Regular soil sampling is done for plant premises as well the surrounding villages to monitor the soil quality and to confirm if there is any diffusion of pollutants into soil.

An LDAR programme has been implemented to locate and repair leaking components, including valves, pumps, connectors, compressors, and agitators, in order to minimize the emission of fugitive Volatile Organic Compounds (VOCs) and Hazardous Air Pollutants (HAPs). Our entire manufacturing system is designed in closed piping, thus the chances for odour are very rare.

Chemical manufacturing may create noise in many ways, for example by; operations of compressors and vacuum pumps, moving raw materials and goods to and from plant and using vehicles on site, especially if they have reversing alarms. We have a process to control and reduce the noise level below the standard requirement of Ambient Air Quality Standards as per Environment Protection Act, 1986. Noise or vibration from our activities does not cause a nuisance to the surrounding community. We have a yearly environmental monitoring plan wherein we have defined the frequency of samples to be taken internally or externally by third party for Ambient Air, Stacks, ETP and Noise Monitoring.

## Non-Hazardous Waste:

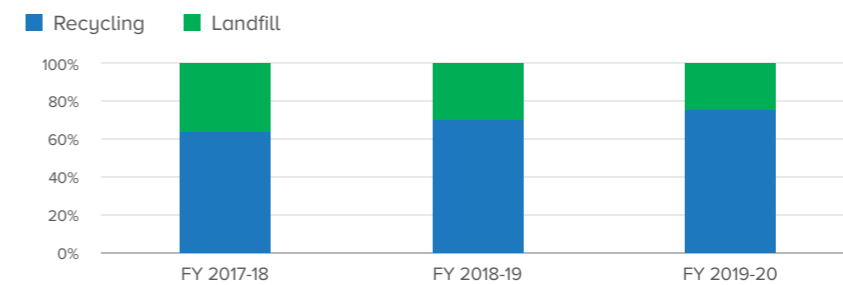
At GFCL, non-hazardous waste is either recycled or reused by third parties. Fly ash, metal scrap, plastic scrap, paper and wooden material scraps are a few major contributors of non-hazardous waste.

Further, we are highly committed about minimising plastic waste and littering. Hence, the products are packaged in bulk quantity and in tankers, which considerably reduces the Company's consumption of packaging materials. We believe in supporting circular consumption patterns of re-using, re-storing and re-pairing rather than buying new products; e.g. Some products are sent in drums and carboys, which are reused wherever feasible.

## Classification of Non-Hazardous waste

Non_hazardous Waste	FY 2017-18	FY 2018-19	FY 2019-20
Recycling	26,802.46	25,932.05	29,411.85
Landfill	15,105	10,804	9,394
Total	41,907.46	36,736.05	38,805.85

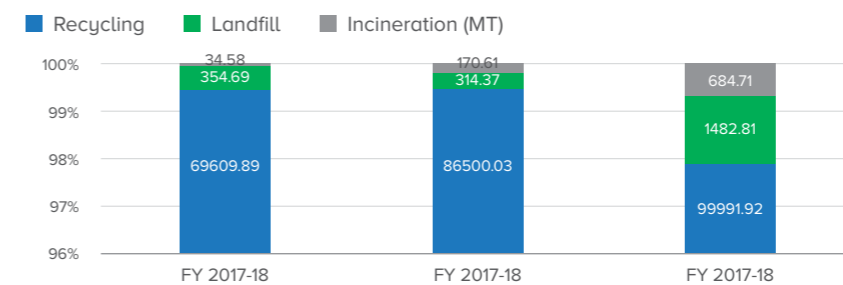
## Non Hazardous Waste



## Classification of Hazardous waste disposal

Hazardous Waste disposal	FY 2017-18	FY 2018-19	FY 2019-20
Recycling	69,609.89	86,500.03	99,991.92
Landfill	354.69	314.37	1,482.81
Incineration	34.58	170.61	684.71
Total	69,999.16	86,985.01	102,159.44

## Hazardous Waste Disposal



## Hazardous material and waste:

Hazardous waste generated during production is sent to the SPCB approved agencies and cement industries as co-fuel. This reduces the use of non-renewable fuel and reduces the net overall GHG emissions. All other waste is segregated based on their characteristic and then disposed of as per the hazardous waste authorization issued by the GPCB.

There are two methods for storing, labelling and handling hazardous material. Liquid effluent is directly transferred to suitably designed storage tanks with dyke walls. This liquid effluent is transferred through pumps to designated tankers supplied by authorised waste collector for co processing in Cement industries. Solid hazardous waste is collected in suitably designed, leak proof bags and stored in approved hazardous waste godown. These bags are sealed, properly labelled and sent for disposal to an approved waste collector.

E-waste, decontaminated drums, used oil, corrugated box waste, used batteries and plastic waste and other recyclable waste is sent to SPCB approved agency for recycling. Bio-Medical waste generated from Occupation Health Centre (OHC) is sent to SPCB approved agency for safe disposal as per Bio Medical Waste Management Rules 2016. We always send our waste through GPS system equipped vehicles to track their route.

In case of domestic transportation and disposal of hazardous waste, we make efforts to appropriately transport and dispose hazardous waste to prevent the exposure of toxic materials. Below are some precautions we take during the transportation of Hazardous material;

## Waste Management

- Every goods carriage carrying dangerous or hazardous goods shall display a distinct mark of the class label appropriate to the type of dangerous or hazardous goods.
- Every package containing dangerous or hazardous goods shall display the distinct class labels appropriate to the type of dangerous or hazardous goods.
- In the case of packages containing goods which represent more than one hazard, such packages shall display distinct labels to indicate the hazards.
- Every goods carriage carrying goods of dangerous or hazardous nature shall be fitted with a GPS to record the lapse of running time of the motor vehicle; time speed maintained, acceleration and deceleration etc., along with a spark arrester.

### Classification of Hazardous waste transported

Total weight- Dahej (MT)	FY 2017-18	FY 2018-19	FY 2019-20
Hazardous waste transported- Dahej	148.6	388.73	1338.88
Hazardous waste transported- Ranjitnagar	69850.56	86596.28	100821.11

Our guidelines and procedure for managing, labelling, packing, handling and transporting of hazardous material is based on regulations, including Central Motor Vehicles Rules, 1989, Explosive Rules, 2008, Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 and Hazardous Waste Management Rules – 2016. Various training programmes are conducted on Handling of Hazardous Chemicals on regular basis, including training on packaging, handling and transportation of hazardous material, especially for the drivers. The Company lays emphasis on controlling air pollution primarily at sources rather than on end of the pipe treatment. We aim at going beyond compliance on air emission norm which is reflected by our air pollution control measures.

Regular evaluations of chemical storage safety and security risks are conducted. These evaluations consider the hazards of the material, the likelihood of accidents / incidents, and the potential for human and environmental exposure

from release of the material over the route of transport and handling in the distribution chain as well during storage and handling of hazardous material inside manufacturing unit.

A first step in prioritization is to identify hazards which are likely to occur due to loss of containment associated with existing and new materials or wastes in transit and during off site handling. This includes hazards from exposure, fire, explosion etc., to the general public and also to the environment. The UN international classification system and Central Motor Vehicles Rules, India are useful in this prioritization. This information is included in Material Safety Data Sheets (MSDS) and Transport Emergency (TREM) Cards, along with signages in local languages that installed at various designated locations inside the factory. The materials are then be ranked by hazard, from higher to lower.

At GFCL Hazardous Material Management activity begins with listing

all chemicals including raw materials, intermediates, products, and wastes. It ranks these chemicals by hazard, from higher to lower, based on UN Class / Division and Packing Group, considering factors such as inhalation toxicity, explosivity, flammability, environmental impacts, etc from Global Harmonized Material Safety Data Sheet. It then evaluates them based on storage quantity, standby storage tanks, instrumentation involved with storage tanks, tonners, cylinders and sheds, movement, exposure, considering the volume per trip, number of trips, and trip distance.

Training is given to Company employees and contractor employees to meet regulations and internal Company requirements for safe handling of materials. Once the applicable regulations have been identified, employees and contractors performing the regulated functions are identified and trained in those regulations. Additionally, Company has established a training programme based on job descriptions / function of individual employee (own or contractual). For each training class, the time between subsequent trainings is specified.

In case of regulatory requirements related to training, we follow the requirements of the specific regulation. We give more emphasize to in-person training rather than computer-based training. Also, we have assigned responsibilities to keep training materials up to date according to changes to the regulations or Company requirements.

Trainers are trained to give trainings and they hold a competency certificate. The external trainer's competency certificates are kept along with the training records. We have established a training matrix for each site, to ensure employees requiring certain training are

identified. Adequate training records are kept demonstrating that training has taken place, including date, time, place, and names of the participant and trainer. Effectiveness of training is measured, in addition to tests that may be administered after the completion of training, through other ways to evaluate if the person is performing in accordance with his or her training (field observation, incidents, etc.)

All documented loading procedures and checklists are in place for each chemical, and personnel responsible for loading are fully trained in the procedures. It also includes proper PPE to be worn, fall protection and ergonomics for loaders, vapour and emissions recovery, overfill protection, spill containment, protection from movement of the equipment being loaded, gas detectors as applicable; automatic or emergency shutdown in the case of hose breaks or other emergency, and emergency response to incidents. Before loading commences, the operator checks that the equipment is the correct equipment / specification for the product, is in good condition, and all its regulatory required tests are up to date. It is also ensured that adequate procedures are in place for proper loading of products so that they can be safely unloaded at customer site.

We continuously work towards keeping the environment clean and safe for working in the plant, preventing corrosion to the structures and equipment, ensuring that the flora and fauna flourish in the vicinity. There is continuous effort to improve and achieve the above objectives by identifying the opportunities of air pollution abatement and converting them into Environment Management Programmes (EMPs) and implementing them systematically within the framework of the existing Environment Management System.

Monitoring, measurement and implementation status of Quality EHS Management Programmes is evaluated every month and presented in the form of Monthly Report.

### Waste Management initiatives taken by GFCL:

- Equipment process are properly maintained and monitored through Leak Detection and Repair Technique which reduces air emission.
- Plant has confined storage area for raw material, product and waste which reduces the risk of spill, leakage and chemical reaction.
- Generated waste is monitored regularly and sent to disposal facilities in a secured way.
- We have established internal technical standards to voluntarily reduce hazardous substances.

### Opportunity to Use Waste Generated as a Raw Material for Other Industries

While minimum waste is being generated as our manufacturing facilities, we believe in following the Circular Economy approach and we have identified opportunity for utilization of waste generated from our industry as a raw material for various other industries. The Organic Solvents containing Copper solution and 5%-20% Ammonia Solution are generated from our Fluoro Intermediate Plant. Earlier we were sending waste to Pre-Processing industries for converting it into Alternate Fuel Source. We have seen valuable resources in Copper solution and 5%-20% Ammonia solution and will be selling to other industries as a raw material for 100% utilization after getting due approvals.

As part of our collective approach, we undertake tasks such as management of waste inventory (hazardous and other wastes), categorization, benchmarking and target setting. We are focused on minimizing waste generation and maximizing waste utilization. To realize our goals of efficient waste management, we also set yearly targets for waste disposal.

### Spill Management

At GFCL we know there always exists possibility of spillage of chemicals during handling, storage and use of chemicals. Significant spills are considered based on severity level based on chemical characteristic and as defined by ISO 14000. As a Company policy we have taken measures to prevent unintentional release of chemicals within and outside the boundaries of the factory.

With an objective of minimizing the impact of spillage on-site, off-site and to protect the factory personnel, environment and public in the vicinity of the site, we have established an emergency response plan. The plan sets out Standard Operating Procedure to be implemented in case of any chemical spill in the premises. We have also provided dyke walls and sandbags to contain spillage. Safety Manual and MSDS readily available with Incident Officer and in Shift Executive's Office. There were no significant spills in 2019-20 from both plants i.e. Ranjitnagar and Dahej.

### Fly Ash Utilization:

We focus on maximum utilization of fly ash generated from power plant and boiler. We are sending fly ash to brick manufacturing industries for maximum utilization. Following the waste mitigation hierarchy, we adopt an on-



## Waste Management

site management strategy for the fly ash generated during the operations. These are being updated considering international best practices and guidelines to enhance our process of fly ash management as per law of land. To prevent dusting of stored fly ash we have installed a water precipitating system in storage warehouse. While transporting the fly ash to brick industries we take utmost care by covering the vehicle entirely with tarpaulin, beside continuously tracking it.

### Fly ash generation and disposal

Total weight- Dahej (MT)	Unit	FY 2017-18	FY 2018-19	FY 2019-20
<b>Ranjitnagar</b>				
Waste generation	MT	160.82	297.65	390.08
Landfill	MT	0	0	0
Reuse in cement and brick kiln	MT	160.82	297.65	390.08
<b>Dahej</b>				
Waste generation	MT	24,289	22,215	26,451
Landfill	MT	0	0	0
Reuse in cement and brick kiln	MT	24,289	22,215	26,451

#### Project overview:

'FOODIE' is a fully automatic composting machine, which converts all kinds of organic waste into compost within 24 hours at our premises and solves our canteen waste management problems completely. 'FOODIE' satisfies the 3R Principle: Reduces garbage at source, Recycles organic waste into compost, Reuse compost for garden, plants.

#### Problem Statement / Existing Situation:

Handling and managing left out food material and vegetable remains was a huge challenge. It generated bad odour and had the potential to affect the health of people responsible for handling and managing of waste.

#### Project / Intervention:

'FOODIE' is a fully automatic and highly compact composting machine which uses special microorganisms to break down and decompose all kinds of organic waste into compost within 24 hrs with a volume reduction of 85-

90%. The entire process is natural and biological. Th special microorganisms thrive in high temperature and are effective even in high acidic or salty conditions. The 'FOODIE' has a U-shaped composting tank, with a humidity sensor, heater, mixing blades and an exhaust system.

When organic waste is added to it, moisture is sensed by the humidity sensor, due to which the heater turns ON and the composting tank gets heated. Due to this, the water content in the organic waste is evaporated and it goes out to the atmosphere as water vapor through the exhaust system. As any organic waste contains 70-80% water content, we achieve 70-80% volume reduction at this stage itself.

At the same time, special microorganisms then decompose the organic waste into compost within 24 hours. That's how we achieve 85-90% volume reduction. The process is completely noiseless as there is no crushing or grinding involved. The blades are just for evenly mixing the waste.

#### Outcome & Benefits:

- Saving in cost of collection, transportation & disposal of waste.
- Help in creating zero garbage in factory.
- Preserving landfills space
- Protects the environment.
- Reduces water pollution.

#### Intervention Highlights:



Organic waste



Fully Automatic Mechanized Composter



Final Compost

### Biodiversity

From our early days, we at GFCL have always encouraged taking positive steps towards environment, which includes protecting the atmosphere and aquatic environments, conserving resources and managing waste, properly managing chemical substances, protecting biodiversity, and protecting soil environments. Our efforts for ecosystem and biodiversity management contribute towards the achievement of UN's SDG 15 - "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss". Each worksite is striving to enhance its initiatives aimed at achieving these goals. At an organization level all key decisions and initiatives for biodiversity are taken by SARS committee, which is headed by our CEO.

Ranjitnagar has a total area of 54 Acre of which 38 % is green belt, while Dahej has 101.4 Acre total area with 11% green belt. Our Dahej plant Lies in industrial area and Ranjitnagar plant in non-Industrial area. Apart from this, GFCL regularly monitors the impact of its operations on the surrounding ecosystem by conducting periodic environment impact studies through external experts. It also carries out environment impact assessments for all greenfield and brownfield projects to understand and mitigate their impacts on the surrounding environment and ecosystem.

Both the plants had their assessment to identify the representative spectrum of threatened species, population and ecological communities as listed by IUCN, ZSI, BSI and in Indian Wildlife Protection act, 1972. As per study conducted, no endangered or listed

flora and fauna was found in the area. Base line study for the evaluation of the flora and fauna biodiversity of the terrestrial environment of the study area was done within 10 Km radius of GFCL site which indicated no adverse effect on flora, fauna, natural habitat etc due to its operation. Training programmes for the conservation and sustainable use of biodiversity are arranged by GFCL. Apart from that, promoting public education and awareness of the conservation and sustainable use of biodiversity is also done by GFCL during environment day and ozone day celebration. During plantation drives in and around plant areas and in the neighbouring villages importance of biodiversity is explained.

We have always taken extra steps for ensuring no damage is done to biodiversity due to the Company's operations, this is done by various initiatives including continuous monitoring and regulating noise level within plant and around factory premises. Units have installed continuous fugitive pollution monitoring devices running all the time to monitor and control the air pollution outside Company. Also, training to villagers and young minds in the school is given on this subject. Ambient Air quality is monitored in neighbouring villages and the same was found to be within the permissible limits in a recent evaluation.

Few of the Initiatives taken include:

- GFCL is working on Miyawaki Methodology, a Japanese methodology of dense plantation proven to work worldwide, irrespective of soil and climate conditions. Some highlights of this methodology which include
  - 1) Approximately 30 times denser, as compared to conventional plantation techniques.
  - 2) Up to 30 times or more carbon-dioxide absorption as compared to conventional forest.
  - 3) Around 30 different native species planted in the same area in cluster plantations.
- Controlling Noise levels- Continuous noise monitoring is done in all operation and non-operation areas and noise levels are maintained below as defined in The Noise Pollution (Regulation and Control) Rules, 2000. Necessary enclosures, buildings, sheds are made in the plant areas where noise level do not meet the standard criteria.
- Conservation steps for flora and fauna inside campus. - There is continuous drive to increase tree plantation on continuous basis. It is made sure that native species are used while planting the trees.
- Tree plantation of 2000 native trees in which 90% survival rate was observed. There are over 10,000 trees of various sizes in the Ranjitnagar plant and some are as old as the plant itself.



## Waste Management

### Material

At GFCL, we aim to procure raw material in the most sustainable manner, and this is rooted in the commitment of the Company towards Sustainability. Priority is always given to usage of recycled products, material manufactured using least energy and most optimized process. By following this thinking, we ensure that the product manufactured by GFCL have the least environmental impact. Along the same line, all employees responsible for sourcing are given continuous technical trainings and suppliers are also trained on latest trends and knowledge by conducting various seminars.

Non-renewable materials are primary source of our input material. Major

raw materials used by GFCL include Fluorspar, Sulphuric acid, Methanol, Oleum and Salt. Special focus is laid on Packaging material, where after doing feasibility study wooden pallets are preferred in place of plastic or glass. Due to good integration and process optimization we can produce many raw materials inhouse, for example Hydrogen, Caustic Soda, Chlorine, DHF etc are released as by products which are internally transferred from one unit to another for better utilization. As most of the raw materials used in our operations are hazardous due care is taken from safe storage to transportation. Manufacturing, storage, and import of these materials are governed by the Manufacturing, Storage,

and Import of Hazardous Chemicals Act 1989. Furthermore, several vendors are engaged simultaneously to ensure steady and timely supply. HFC 23, DHF are two recycled input material used in our products. In the reporting year 94% of the DHF utilized by us was sourced through in-house recycling.

This year a total of 4,72,564 MT of Raw material was consumed which is 6% less than FY 18-19, along with increase of Renewable material consumption by 20%. This reduction is only possible due to process optimization along with better utilization of material inside the Company.

### Classification of raw material consumption

Raw material consumption	Unit	FY 2017-18	FY 2018-19	FY 2019-20
Non-renewable material	MT	4,53,154.70	5,03,146.36	4,72,564.71
Non-renewable material	No.	3,27,514.00	4,69,300.00	4,63,323.00
Renewable material	No.	13,475.00	18,853.00	22,599.00

We have always focussed on manufacturing responsible products which require least amount of resources. We aim to locally source most of our raw materials, this helps us in having better interaction with suppliers and thus optimize and innovate through joint. Purchase and consumption of materials is recorded and monitored through SAP.

In last couple of years our Custom port base has changed from Nhava Sheva and Kandla to Hazira which is much closer to our operation thus reducing significant carbon footprint during inland transportation.

Our entire process for new products is designed in such a way that output of one process is used as raw material

for another product, thus reducing the transportation in sale and purchase. For example, BTFM product is produced at Ranjitnagar uses the available HFC 23 which was being incinerated earlier.

Our well-set R&D focuses on process improvements to achieve efficiency in material consumption. Achieving material efficiency helps in reducing cost of operations and reduces environmental footprint. Moreover, our R&D team continuously tries to use environment friendly raw materials for new products. There is always a great focus on reducing specific raw material consumptions across all stages of value chain starting from design to disposal to improve efficiency and reduce associated carbon footprint.

### Way Forward:

- GFL will continue to train all stake holders in all aspects of Environment sustainability.
- GFL will strive to reduce its fugitive emissions for which targets are given.
- GFL is implementing LDAR (Leak Detection and Repair) methodology to identify all leakages to save material and reduce fugitive emissions.
- We will strive to align our Emission reductions in through Pollution Control pillar of Responsible care to bring everyone in line with this goal.
- Emission reductions will be integral part of employees' KRA to put more focus on this aspect.

## Sustainability Message on Product Safety

At Gujarat Fluorochemicals Limited, **Product Safety and Stewardship** is an integral part of our sustainable and ethical business practices.



**Rajeev Chauhan**  
Head – Quality Assurance & Technical Services  
Dahej Business

We believe in green chemistry and are committed to produce products that meets the global demand with best quality & least impact on the health, safety, environment and society at large. Our Commitment to Responsible Care is part of the Company Sustainability Initiative to positively impact – Planet-People-Profit.

While manufacturing, we ensure all efforts are taken to protect the health and safety of our employees and members of the local community by improving our production processes by implementing chemical pollution prevention, waste reduction and their proper disposal, water over consumption, waste generation, water and air emissions and increasing the use of renewable energy by investing

in research and development to design innovative & safer products.

We proactively engage with our stakeholders and communicate about the environmental impacts, product safety features, potential hazards of the products and the risks associated with their handling.

Our Product Safety and Stewardship strategy has been developed taking into consideration all the above inputs and green principles. The sustainability report serves as a platform to share our performance, achievements and best practices on Product Safety.

**Rajeev Chauhan**  
Head – Quality Assurance & Technical Services  
Dahej Business





# Responsible People Care – Occupational Health and Safety

For GFCL “Safety is A Value-Not just A Priority” to be lived in all our endeavours. The Company is committed to ensuring the health and safety of its employees, contractors, customers and the public while meeting Company’s business needs. GFCL is certified under OHSAS 18001:2007, ISO 9001:2015, ISO 14001:2015, and ISO45001. In accordance with its provisions, the Company ensures adherence to the standards and regulatory norms, thereby providing a safe and healthy working environment.

Gujarat Fluorochemical Limited has taken up Responsible Care activities as one of its most important Management Pillars. Based on the core principle of Responsible Care we have aggressively acted on Pollution Prevention, Process Safety, Distribution, Employee Health and Safety, Community Awareness and Emergency Response, Product Stewardship and Security. Our

Commitment to Responsible Care is part of the Company Sustainability Initiative to positively impact Planet-People-Profit. Over the years, Occupational Health and Safety has been extensively promoted as a part of the Company’s culture. It is also clearly reflected in Company policies on sustainability, EHS, responsible care, climate change and

green supply chain. GFCL advocates EHS as a line function as well as a responsibility. Employees, supervisors and managers are directly responsible for ensuring their own safety and the safety of colleagues, thereby promoting a safe and healthy workplace and protecting the neighbouring communities.

## Occupational Health and Safety and Stakeholders

Our Health and Safety Management Systems has been developed keeping in mind our stakeholder expectation and material topics

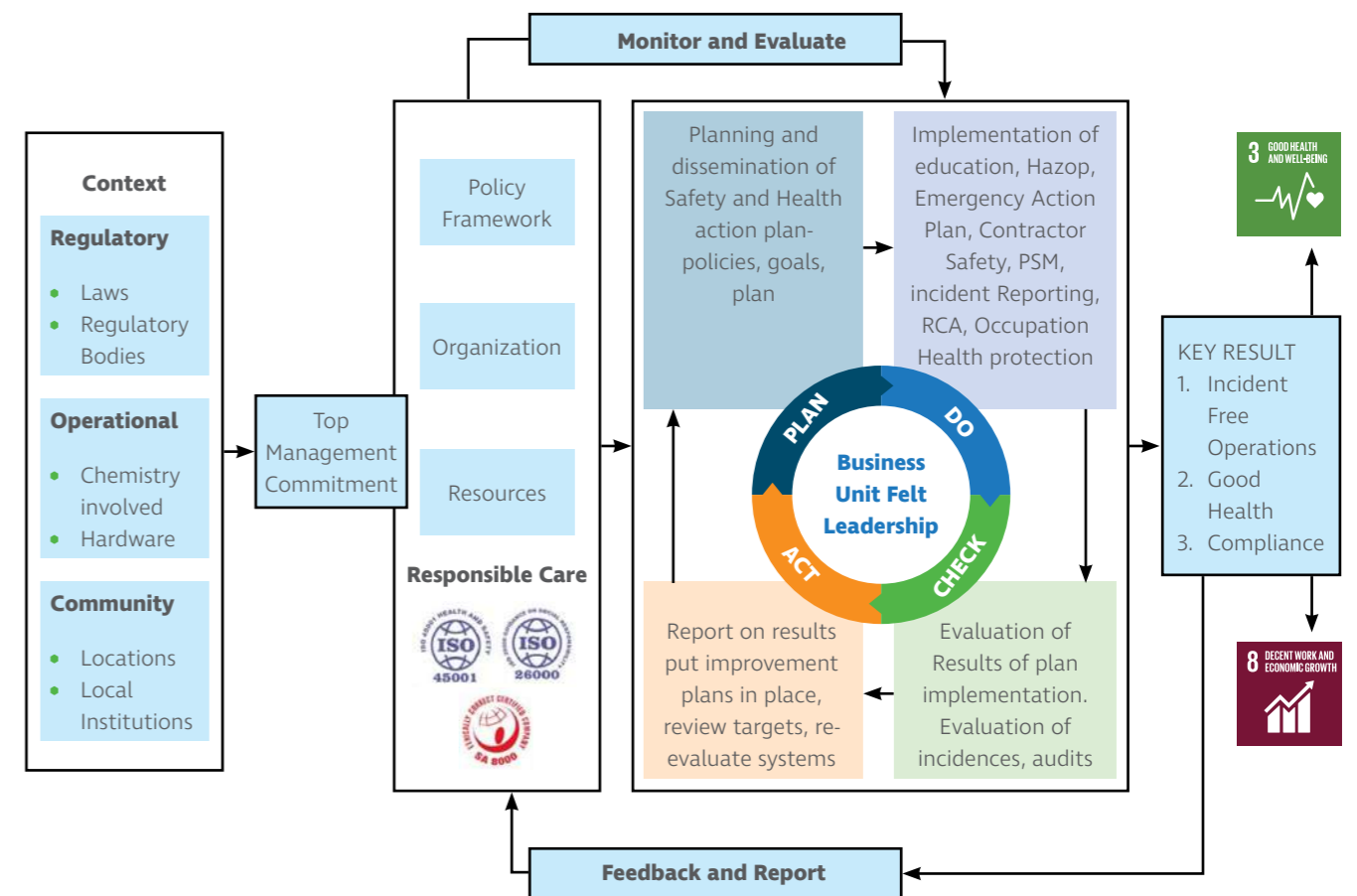


In short, our stakeholder’s expectations are -

- Employees** – Safe and Health Workplace so that they can return home without getting injured or falling ill
- Regulators** – compliance to all Laws of the lad regarding employee health and safety and transparent information sharing
- Management** – Rigour in implementation of all Occupational Health and Safety policy and procedure and achieve an incident free workplace
- Contractor** - Safe and Health Workplace so that their labour working in our site can return home without getting injured or falling ill
- Community** – None of their members gets hurt or ill due to Company operations. Engaging with the Company to partner in making workplace safer and healthier
- Shareholders** – Continuity of operations without any incident and upholding the reputation of the Company by establishing best in class occupational health and Safety system.

## Occupational Health and Safety (OH and S) Framework and Governance Structure

Our OH and S Framework is based on the principles of Responsible Care, taking into consideration the business environment we operate in and taking into consideration our stakeholder expectations.

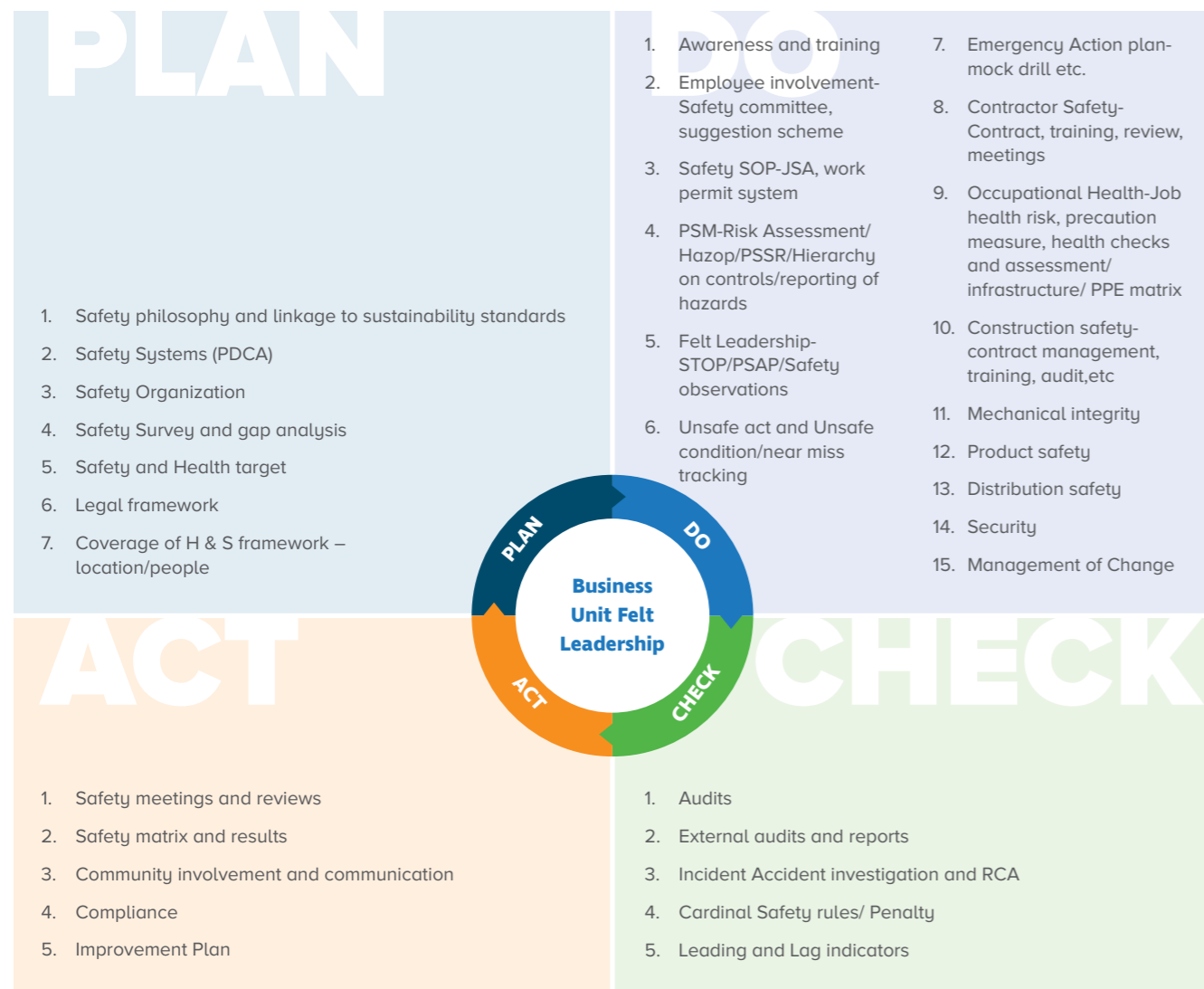


## Responsible People Care – Occupational Health and Safety

Our Operations are governed by various regulations and our OH and S framework and our processes are built to comply with the same. We manufacture Chemicals of various nature, through the process of advanced chemical reactions requiring chemical installations adding to the risk in operations. Wherever we operate, we believe that the confidence the community bestows on us is our licence to operate.

We believe that the foundation of our safety culture is the top Management Commitment. They help in establishing the safety environment whilst their decisions, actions and behaviours set benchmarks for safety, through the systems and processes they put in place, promote and support and, finally through their 'felt leadership'. They provide the policy framework, the organization and resources across the Company to ensure safe and health workplace.

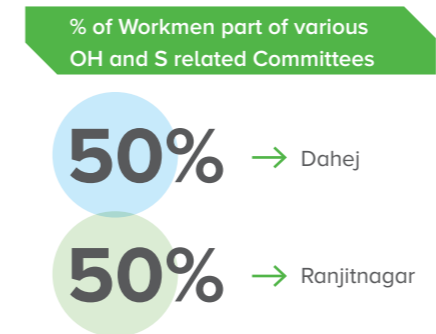
Our OH and S management system at our sites in Dahej and Ranjitnagar are based on international standards like ISO 45001, ISO 26000, SA 8000. We follow the PDCA process based on continuous monitoring of our results against targets and international benchmarks for continually improving our OH and S systems and processes.



Finally, our objective is to ensure that "Nobody who works for us gets hurt or ill". In doing so we positively impact SDG GOAL 2 and 8. There were no reported cases of work-related ill-health in FY 2019-20

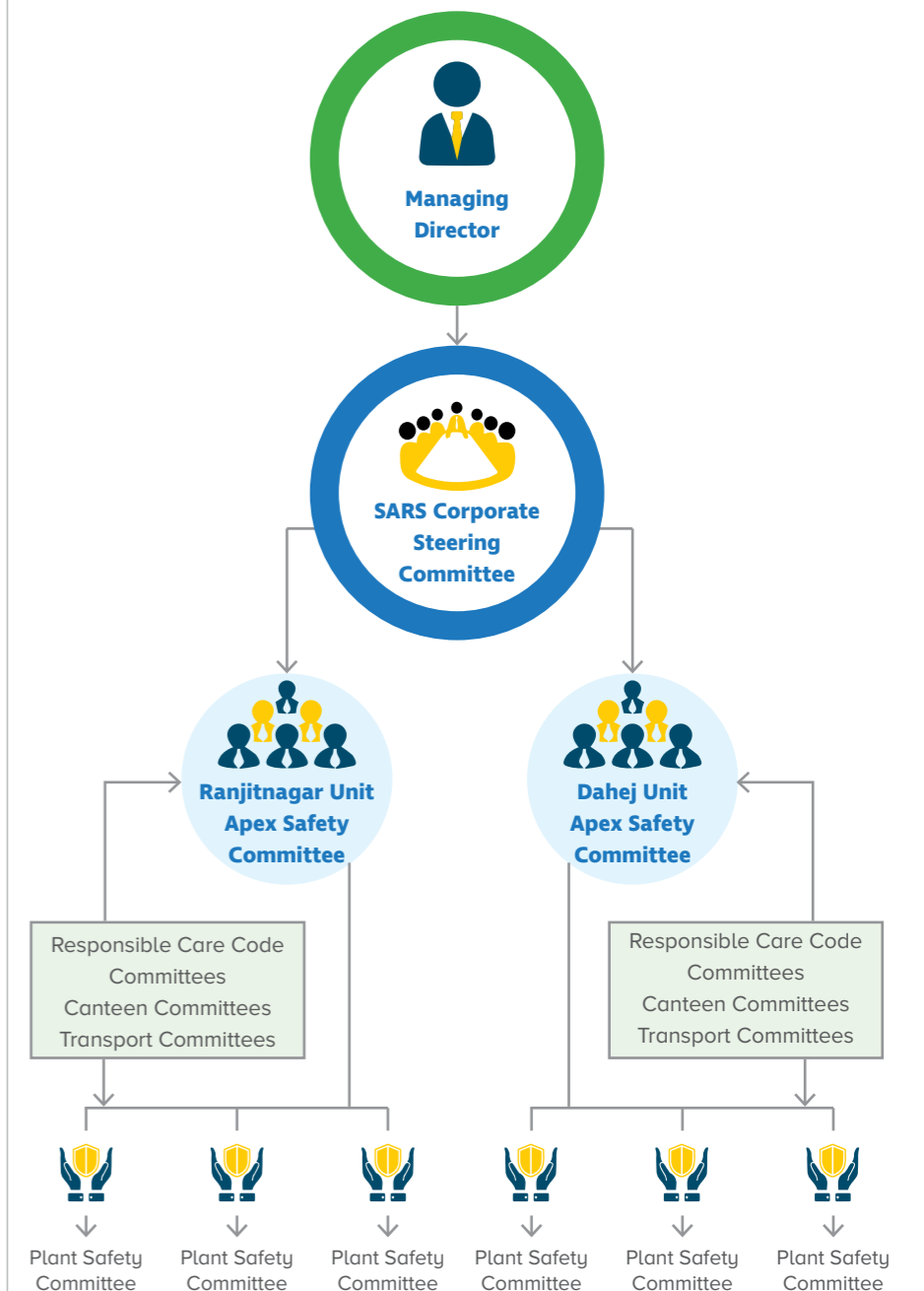
The OH and S framework is implemented through a well-structured governance structure which ensures the linkage of the Top Management to the shop floor.

The SARS is constituted by the Managing Director to drive OH and S across the Plants. This Committee is headed by the CEO and COO of the Businesses and the top Leadership team members constitute the Committee. Both Dahej and Ranjitnagar have an Apex OH and S Committee with the Unit Head as the Chairman of the Committee. All Head of Departments (HODs) are members of this Committee. The various Plants in the Unit also have Plant OH and S committee headed by the Plant Head. This line governance structure is supported by Functional committees in line with the Responsible Care Code. All these committees meet once a month as a routine. Shop Floor employees are an integral part of these committees. At the Plant Level, the Unit Head as "Occupier" of the Plant is the ultimate authority and holds the final responsibility for implementing and ensuring adherence to all Occupational Health and Safety Management systems.



### % Meeting schedule Compliance of OH and S related Committees for the year 2019-20

Plants	Dahej	Ranjitnagar
Unit Apex Committee	100%	100%
Plant Safety Committee	100%	100%





# Responsible People Care – Occupational Health and Safety

## GFCL's Felt Leadership for Occupational Health and Safety Programme

At GFCL safety is a commitment of the Top Leadership and not only seen in boardroom presentations but also on the floor of the Plants. Our Leaders realize that the zero goal probably looks very different at the front line than in the boardroom and know that he or she won't get anywhere without establishing a commitment to employees first.

GFCL Leadership has drafted the services of Dupont Sustainability Services (DSS) to help us in implementing various aspect of OH and S management at our Plants. GFCL and DSS has signed a three-year contract. Using an Integrated HSE Framework, DSS will help plants to integrate processes, technology, governance, mindsets and behaviours,

culture and capabilities to mitigate risk and create safer, more productive work environments. The Top Leadership team underwent a "Felt Leadership" programme to build leadership capability to lead OH and S across Plants.



GFCL and DSS - Signing Contract

### To build commitment of all Managers in GFCL, across Dahej and Ranjitnagar, we have

1. Health, Safety and Environment Targets as individual KRA
2. All Managers have been assigned a Personal Safety Action Plan
3. STOP rounds have been made compulsory for all Managers and above



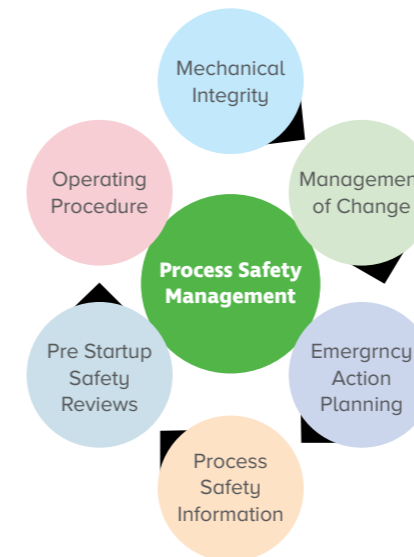
"Felt Leadership" Training for GFCL Top Leadership Team

## Risk Identification and Assessment through Process Safety Management Implementation

Safety, Health and Environment impact management of our chemicals and processes is done through a well-structured Process Safety Management System (PSM). The major objective of PSM of highly hazardous chemicals is to prevent unwanted release of hazardous chemicals, especially into locations that could expose employees and others to serious hazards. Our process safety

standards provide the framework for the safe construction and operation of our plants as well as the protection of people and the environment. Our experts have developed a plant safety concept and implementation check for every plant, considering key aspects of safety, health and environmental protection – from conception to implementation – and stipulates specific protection

measures. Using this approach, the process design, process technology, process changes, operational and maintenance activities and procedures, non-routine activities and procedures, emergency preparedness plans and procedures, training programmes, and other elements that affect the process are considered for evaluation.



The Health, Safety, Environment and Fire (HSEF) team continually makes improvements in safety & security through analysis of feedback and incident reporting. The Company conducts external audits including process safety audits and audit on site emergency preparedness. Cross-site audits to strengthen the implementation of our HSEF systems are also conducted across the sites.

While conducting any Process safety action and/or reviews it is always ensured that shop floor workmen are part of the team.

### Classification of actions on Process safety

Process Safety actions taken during 2019 -2020	Dahej	Ranjitnagar
No. of PSSR conducted	90	23
No. of HIRA conducted	100%	28
% of Processes for which HIRA completed	100%	100%
% of Work Permit Audited	50%	100%
Manhours of Chemical Handling Training	900Hrs	2276 hours

### Our trained experts regularly conduct

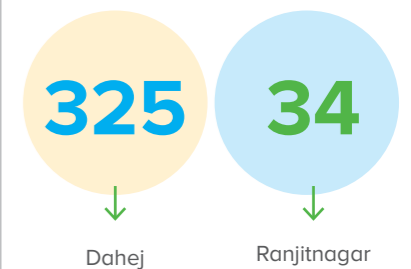
1. Hazard Identification and Risk Analysis
2. Pre- start Up Safety Reviews
3. Review of Operational Procedures
4. Audits for Mechanical Integrity
5. Reviews and communication of Chemicals Safety Information
6. Training of handling of chemicals and process parameters
7. Investigation of Incidences
8. Work Permit Compliance Audits

### Review of HIRA are done whenever there is

1. Change of Technology
2. Implementation of a new Process
3. Installation of a new machine
4. Modification of a machine
5. Change in Operating procedure
6. Any Incidence or near miss

Such HIRA is conducted by team members who are trained on doing so or under the supervision of experts.

### No. of Personnel trained in conducting HIRA



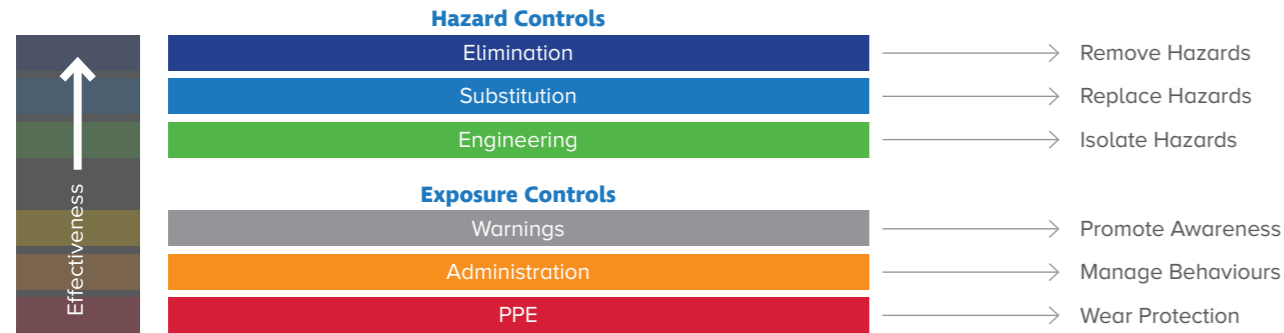
GFCL has established a structured process of Management of Change to ensure that proper HIRA is done as an operational discipline.

## Responsible People Care – Occupational Health and Safety

### Hazard Mitigation process

Based on various Processes safety assessment, plants chalk out a detailed mitigation plan based on the hierarchy of controls.

#### Hierarchy of Controls



#### Few examples how risks have been controlled or mitigated is given herein below –

Sr. no.	Plant Name	Process Description	Identified Hazard	Mitigation Action
1	Dahej	Chlorine Production	Potential acute health effects of exposure to Chlorine: - <b>Skin Contact:</b> irritant, tissue destruction <b>Eye contact:</b> irritant, permanent damage and possibly blindness Liquid may cause pain, burning, thirst, abdominal cramps, nausea, and Vomiting. Irritation and swelling of the throat causes difficulty breathing.	1. 2 nos. of emergency blowers in Cl <sub>2</sub> bullet area to suck all leaked Cl <sub>2</sub> gas. 2. Suction hoods are provided to suck leaked Cl <sub>2</sub> gas to HYPO tower during heavy leakage. 3. Cl <sub>2</sub> sensors/detectors are placed around the bullets which can immediately detect 1PPM leaked Cl <sub>2</sub> gas. 4. Self-Contained Breathing Apparatus (SCBA) and Online ALR are installed near bullet area. 5. Automatic Sprinkler system is there around the bullets. 6. Bags of sodium Carbonate (Na <sub>2</sub> CO <sub>3</sub> ) are also available at bullet area to neutralize Chlorinated water. 7. Emergency Procedures and Drills: Emergency Response Drills are conducted regularly to give all affected personnel the opportunity to practice the emergency response procedures.
2	Dahej	Chloromethanes Production	Fire and Exposure	Process Control System, Detectors, Fire Fighting System, Trained Firefighting team, Emergency Handling Procedure and training
3	Dahej	Production of - Vinylidene fluoride (VDF)	a. <b>Health Hazards:</b> Irritation, frostbite, ejection of liquefied gas b. <b>Fire Hazards:</b> Extremely flammable, thermal decomposition c. <b>Ecological Hazards:</b> Slightly harmful to fish d. <b>LEL:5.8% &amp; UEL:</b> 20.3%	Process Control System, Detectors, Fire Fighting System, Trained Firefighting team, Emergency Handling Procedure and training

Sr. no.	Plant Name	Process Description	Identified Hazard	Mitigation Action
4	Dahej	Production of- Tetrafluoro Ethylene (TFE)	Hazards identification: Liquefied gas. • Extremely flammable. • <b>Inhalation:</b> In high concentrations may cause asphyxiation. Symptoms may include loss of mobility/ consciousness. Victim may not be aware of asphyxiation. In low concentrations may cause narcotic effects	Process Control System, Detectors, Fire Fighting System, Trained Firefighting team, Emergency Handling Procedure and training
5	Dahej	Production of Anhydrous Hydrogen Fluoride (AHF)	<b>Health hazards:</b> <b>SKIN:</b> Both liquid and vapor can cause severe burns, HF will penetrate skin and attack underlying tissues. <b>EYES:</b> Both liquid and vapor can cause irritation or corneal burns.	Antidot available at OHC, HF handling kit is available at plant and OHC, Trained OHC team. Emergency Response procedure and training
6	Ranjitnagar	Transport of Toxic chemicals like AHF from port to Site.	Major possibilities of toxic chemicals release during transportation can lead to an emergency situation, since these substances are toxic.	Elimination: Management had decided to stop procuring such toxic chemicals and eliminated risk involved during transportation.
7	Ranjitnagar	Specific Chloride based catalysts required for Manufacturing of HCFC-22.	Hazards arising out of the process material handling and its use, during maintenance and failure of process vessel etc. Chemicals pose the hazards due to handling methods and process parameters such as pressure, temperature, vacuum effects etc.	Substitute: Management have decided to procure less hazardous material from market compare to earlier.
8	Ranjitnagar	At Petroleum Storage area	Fire and explosion inside the plant.	<b>Engineering control:</b> Chemicals / Gases are transferred by closed system, i.e. pipelines. The firefighting equipment and application are kept ready in the plant on Auto mode. Enough quantity of water storage is available at the plant. Electrical fittings are flame proof & industrial type wherever necessary etc.
9	Ranjitnagar	Tank farm & Chemical Storage area	Major possibilities of toxic release are in drum storage and handling Area, where any accidental release of storage/process chemicals can lead to an emergency, since these substances are toxic, flammable, and reactive	<b>Warnings</b> M.S.D.S. of chemicals Cautionary Notice, Safety & Security Instruction at the gate. <b>Administration</b> Process is carried out under qualified supervisors Checking of person at the entry by security Guards. Security Guards available round the clock at key positions <b>Personal Protective Equipment :</b> Provision of PPE, Oxygen Cylinder & SCBA Set.



## Responsible People Care – Occupational Health and Safety

All employees including contractor labour and visitors are given required PPE. The requirement of PPE is established after an assessment of health risk involved in the process is done. Hard hat and safety shoes are compulsory for all inside the plant.

Employees are empowered to report any unsafe act and condition including any work process hazard through the participation in the Plant Level Safety Committee, Unit Apex Safety Committee, Safety Suggestion Scheme, Ethics Line, Suggestion Box etc. We have a well-structured system of reporting near misses and unsafe acts and conditions.

### Data of unsafe acts and near miss incidents

Data for 2019-2020	Dahej	Ranjitnagar
No. of Near Misses Reported	143	120
No. of Unsafe acts Reported	1,422	460

The employees and workmen are empowered to remove themselves from work situations that they believe could cause injury or ill health. They have the Right to Refuse as per the GFCL Cardinal Safety Rules and they are protected from any retaliation as such behaviour is not considered as insubordination.

### Occupational Health Services

Both the plants, Dahej and Ranjitnagar, are supported by fully equipped Occupational Health Centre which operates 24/7. The Occupational Health Services is headed by a Qualified Medical Professional. These Centres are equipped with Oxygen Generator Machines, AED., Pulse Oximeter, B P Instrument, E C G Machine, Ambu Bag, Oxygen Cylinder, Thermometer, Nebulizer, Stretcher, Dressing Tray, Burner, O2 Mask, IV stand, Bed, Examination table, oxygen trolley, Stethoscope & Kidney Tray, Ambulances, dressing room, Audiometry chamber, medicine store with anti-dots. A full-time ambulance is also available in both the Plants. We have received OHSAS 18001 certification for all our Plants in India.

### Occupational Health Centre Personnel deployed and qualification

Designation	Qualification	No. in Dahej	No in Ranjitnagar
Doctor	MBBS	2	2
Compounder	Nil	0	0
Nurse	GNM & IAOH Certificate Course	2+4=6	5
Assistant	Nil	0	0

The professionals are important team members whenever there is a HIRA, PSSR, Mock Drill or Incident Investigation is done. Whenever a new Chemical is to be handled the Occupational Health personnel does a thorough health impact study before usage.

All employees, including Contract Labour can avail the facilities of the Occupational Health Centre round the clock. All Employees, including Contract Labour are subject to Health Examination annually in both the Plants.

### % of employees covered under Annual Health Check-up in 2019-2020

Dahej	Ranjitnagar
100%	100%

### % of contractor labour covered under Annual Health Check-up in 2019 - 2020

Dahej	Ranjitnagar
100%	100%

All employee health data is maintained in the Occupational Health Centre and is secured to ensure confidentiality. The access to such Information is only available to Factory Medical officer.



OHC – Ranjitnagar



OHC - Dahej

### Employee Participation and Communication

Workers participation in Occupational Health and Safety is one of the building blocks of our implementation strategy. As already mentioned, all committees have worker representatives. These committees in the Plants are formed under the direction of the Plant Head. Employees are communicated about Occupational Health and Safety issues continuously in various manner:

1. Safety and Health processes and risk awareness programmes is part of the new employee Induction Programme
2. Signing of the Cardinal Safety Rules
3. Participation in HIRA and incident investigation
4. Participation in Mock Drills

All employees are given training of work-related SOPs and copies of these are shared with them. Warnings and signals are appropriately placed across the Plants for general information.

### Manhours spent on generic Health and Safety training (except Work Hazard) for own employees in 2019-2020

Dahej	Ranjitnagar
728	1112

### Manhours spent on Specific Work Hazard – activities/situations for own employees in 2019-2020

Dahej	Ranjitnagar
908	671

Training is also given to all contractor labour who come to work in our plants.

### Manhours spent on generic Health and Safety training (except Work Hazard) for Contractor Labour in 2019-2020

Dahej	Ranjitnagar
675	3126

### Manhours spent on Specific Work Hazard – activities/situations for Contractor Labour in 2019-2020

Dahej	Ranjitnagar
1506	512

These trainings are generally conducted in the vernacular language and during working hours.

A regular feature in our plants is the Tool Box Talks before the start of work. Not only our workers, but even Contractor Labours also have to undergo Tool Box

Talk before they start work. Safety Oath Taking is compulsory for all employees.

To build awareness and encourage workmen to take initiative in all areas of Occupational Health and Safety, both the plants at Dahej and Ranjitnagar organizes various related celebrations like:

1. Safety Day/ Week
2. Environment day
3. Ozone Day
4. HTM Awareness week
5. Traffic safety week
6. Safety Month
7. Yoga Day
8. National Fire Week

Such programmes also see participation from Contract Labours. During such programmes, employees are encouraged to participate in various events like Poster Competition, Slogan Competition, Quiz programmes, Essay Competition, etc.



Dahej



Ranjitnagar

# Responsible People Care – Occupational Health and Safety

## Promotion of Worker Health

Our Company covers all employees under the Medical Insurance Scheme through the employee and his family is covered for medical expense reimbursement for most of the illnesses. We also cover all employees under an accident insurance scheme also, which covers accident beyond the workplace. All contractors must be compulsorily covered under the Accident Insurance Scheme if they have to be deployed in our premises.

For ensuring a comfortable work environment, noise and illumination surveys are conducted in the Plants periodically.

Levels as checked on	Dahej	Ranjitnagar	Statutory Limit
Noise Level (average in Db) - peripheral	70	51	75
Noise Level (average in Db) - Proximal	77	70	85
Illumination (Lux) – Uncovered area	150	110	100-150
Illumination (Lux) – Machine area	300	225	200-300

Our Company also conducts various trainings on well-being like – stress management, Yoga for better health etc.



Wellbeing Training at Ranjitnagar

## Contractor Safety

Contractor Safety is an integral part of our Occupational Health and Safety Management system. We have a stringent system of Contractor Pre-qualification process and all contractors before they are assigned any work in our premises must go through this pre-qualification process. As a process, all Contractors must follow the Plant Occupational Health and Safety systems and procedure. Like our employees, all contractor labours are provided Induction Training and certified by the Occupational Health and Safety Department of the Plant before they can start work.

Contractor equipment also undergo a checking process by Plant Safety Personnel before they can be used in our premises. Tool Box talk is conducted daily with Contractor Labour. We conduct contractor safety meeting regularly.

## Number of Contractor Safety Meeting Held during the year 2019-2020

Dahej	Ranjitnagar
12	12

## Manhours on Contractors Training on Safety and Health during the Year 2019 - 2020

Dahej	Ranjitnagar
675 hrs for contractor worker. 8 hrs for contractor owner in every quarter	3126 hrs for contractor worker



Contractor Training at Dahej



Contractor Training at Ranjitnagar

## Health and Safety Audits

Audits of work sites are conducted for the purpose of health and safety hazard identification. During these surveys, assessments are made for compliance to applicable building and fire codes and the detection of unsafe hazards. We have a three-layer system of audits –

1. Layer One Audit: Internal Audit
2. Layer Two Audit: Cross Functional Audit
3. Layer Three Audit: Third Party Audit

The Audit procedure also include auditing of –

1. Firefighting equipment
2. Control Mechanisms and Safety Equipment

## Mitigating Community Impact

We believe that we own to the community around a safety and healthy operations so that their life is not impacted in any way. We ensure continuous community involvement in our Occupational Health and Safety management process. We hold meeting with community elders to appraise them of any risk and actions taken to mitigate the same. Before we go in for an expansion or process change, we keep our community informed through 'Public Hearing' process. Our Plants undertake Environment and Social Impact Study periodically. We are also active in the "Mutual Aid Programme".

The Plants undertake community awareness programme on safety health through the distribution of safety booklets and awareness campaigns in Schools and community centres.



Community Engagement at Dahej

Community Engagement at Ranjitnagar

Particulars	Dahej		Ranjitnagar	
	No.	%	No.	%
The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system	2187	100%	1003	100%
The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited;	2187	100%	1003	100%
The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party.	2187	100%	1003	100%



## Responsible People Care – Occupational Health and Safety

### Standing by the Community – Fighting COVID

The COVID-19 triggered by the novel corona virus has been considered as a global pandemic by the World Health Organization (WHO) in 2020. This crisis presented the biggest challenge in a decade for the Manufacturing sector. This contagious disease had the potential to immensely disrupt the socio-economic milieu. We immediately went to the communities and stood beside them to fight the pandemic.

The Women trained in Sewing at GFCL's vocational training centre at Ranjitnagar came forward and lend a helping hand to the community. These ladies sew face masks which were then sanitized, packed and procured by the Government Authorities, nearby local villagers and the Company during the COVID crisis. Other beneficiaries were from Police department, Health Service Providers, Panchayat committee members engaged in various support services like Community Kitchen, Healthcare, Sanitation. GFCL focused on the health care (SDG 3- Good Health & Well Being) in the nearby areas and arranged to distribute an immunity booster homeopathy medicine to improve the human immunity system helping to fight against the virus. GFCL has stepped in to plug shortages for ventilators in nearby hospital during the pandemic.

We made concerted efforts in sanitizing the surrounding Villages, Offices and Government Premises using sodium hypochlorite for cleaning & disinfecting purposes.

Additionally, the Company distributed Hand Sanitizers, PPE kits, Food Packets to Contract Labour, Migrant Labour and

other needy people in nearby villages. Door to Door distribution of Ration kits to the poor villagers and providing ration to Community Kitchen & other essential items was undertaken by Dahej Industrial Association in the nearby villages.

Apart from distribution of essentials, GFCL conducted various awareness campaigns aligned villagers to help people understand the importance of social distancing, the benefits of hand washing, preparation of mask from handkerchief through various tools and tactics and how its implementation can curb the spread of this life-threatening disease.

During the programme, the volunteers visited door to door in local areas, met schoolteachers and school children and distributed Informative leaflets, Awareness booklet on Corona virus prevention. Posters on corona virus

were displayed on wall of the villages for spreading awareness. In order to control the spread of COVID-19 in the community, GFCL took an initiative to create awareness on COVID-19 by forming a village task force wherein volunteers from villages itself shared tips, facts on wearing and procuring masks and other related information about COVID-19 prevention.

Items	No. of Beneficiaries
Mask Distribution	22,000
Hand Sanitizer Distribution	7,595
Ration Kit Distribution	9,500
PPE Kit Distribution	4500
Ration to Central Kitchen	8500
Prepared Food Packet and snacks distribution	2100



### Work Related Injuries

Description- Dahej	Unit	Dahej						Ranjitnagar					
		FY 2017-18		FY 2018-19		FY 2019-20		FY 2017-18		FY 2018-19		FY 2019-20	
		M	F	M	F	M	F	M	F	M	F	M	F
Near Misses/ hazard reports (all near misses documented should be reported here)	Nos	32	0	54	0	143	0	11	0	0	0	120	0
Non-reportable injuries (permanent)	Nos	9	0	39	0	28	0	28	0	24	0	5	0
Non-reportable injuries (contractual)	Nos	21	0	54	0	62	0	56	0	38	0	12	0
Reportable Injuries (permanent)	Nos	2	0	3	0	3	0	0	0	1	0	0	0
Reportable Injuries rate (Permanent)		0.12	0	0.16	0	0.17	0	0	0	1.45	0	0	0
Reportable Injuries (contractual)	Nos	1	0	4	0	7	0	0	0	1	0	0	0
Reportable Injuries rate (contractual)		0.088	0	0.302	0	0.53	0	0	0	1.43	0	0	0
Lost days (permanent)	Nos	77	0	223	0	78	0	0	0	9	0	0	0
Lost days (contractual)	Nos	36	0	600	0	212	0	0	0	30	0	0	0
Man-hours worked (permanent)	Nos	3259776	9984	3566784	12480	2902477	22140	541632	7488	686400	4992	827432	5944
Man-hours worked (contractual)	Nos	2268864	24960	2645760	34944	2642968	37808	624000	12480	698880	9984	543944	6376
Fatalities (permanent)	Nos	0	0	0	0	0	0	0	0	0	0	0	0
Fatality rate (permanent)		0	0	0	0	0	0	0	0	0	0	0	0
Fatalities (contractual)	Nos	0	0	0	0	0	0	0	0	0	0	0	0
Fatality rate (contractual)		0	0	0	0	0	0	0	0	0	0	0	0
LTIFR (permanent)	Nos	0.56	0	0.97	0	1.03	0	0	0	1.45	0	0	0
LTIFR (contractual)	Nos	0.68	0	0.65	0	2.64	0	0	0	1.43	0	0	0

The above data does not exclude any employee and contract labour engaged in the premises

### Way Forward

1. Design and Implement a process of Safety and Hazard Knowledge of workers assessment and have focussed training to improve score.
2. Digitise the complete Occupational Health and Safety Management System

3. Target Behaviour Change at shop floor level by continuous behaviour interventions by way of training and awareness, unsafe act identification.
4. To recognise and respond to community concerns about chemicals and our operations.
5. To report promptly to officials, employees, customers and the

6. To extend Knowledge by conducting or supporting research on health, safety and environmental efforts of our products, process and waste materials.

## Sustainability Message on Sustainable Procurement

For Gujarat Fluorochemicals Limited, **Sustainability is a key element of its business strategy** and commits itself to ethical and sustainable and socially responsible operations and development activities.



**Rajiv Sharma**  
Chief Commercial Officer  
Dahej

By integrating sustainability in procurement policies and practices, including supply chains, GFCL endeavors to manage risks (including opportunities) for sustainable environmental, social and economic development.

Our aim is to ensure that the way business is conducted throughout the whole of our supply chain conforms to our own standards and is legally compliant. The Company has committed to the principles of "We source responsibly" and works hard to choose reputable Business partners, Suppliers, Vendors and Service Providers who are committed to ethical standards and business practices compatible with GFCL. With this objective, GFCL has aligned all its procurement processes & practices and has adopted ISO 20400 Sustainable Procurement Standard to build strong, long term relationships with suppliers, vendors and service providers.

The objective to have this assurance outlines our expectations with regard to Ethics, Business integrity, Human rights, Health and Safety, Environment, the Local Community and Quality of Product and Operations.

To ensure compliance to ISO20400 standards, GFCL opted for third party audit and has partnered with DQS to implement the DQS-NEXT Supplier Audit Management Platform for its Business partners. This platform is progressively used to cover all existing Suppliers, Vendors & Service Providers and evaluate their sustainability performance. In future, same platform will be used to assess new Suppliers, Vendors and Service Providers.

**Rajiv Sharma**  
Chief Commercial Officer  
Dahej





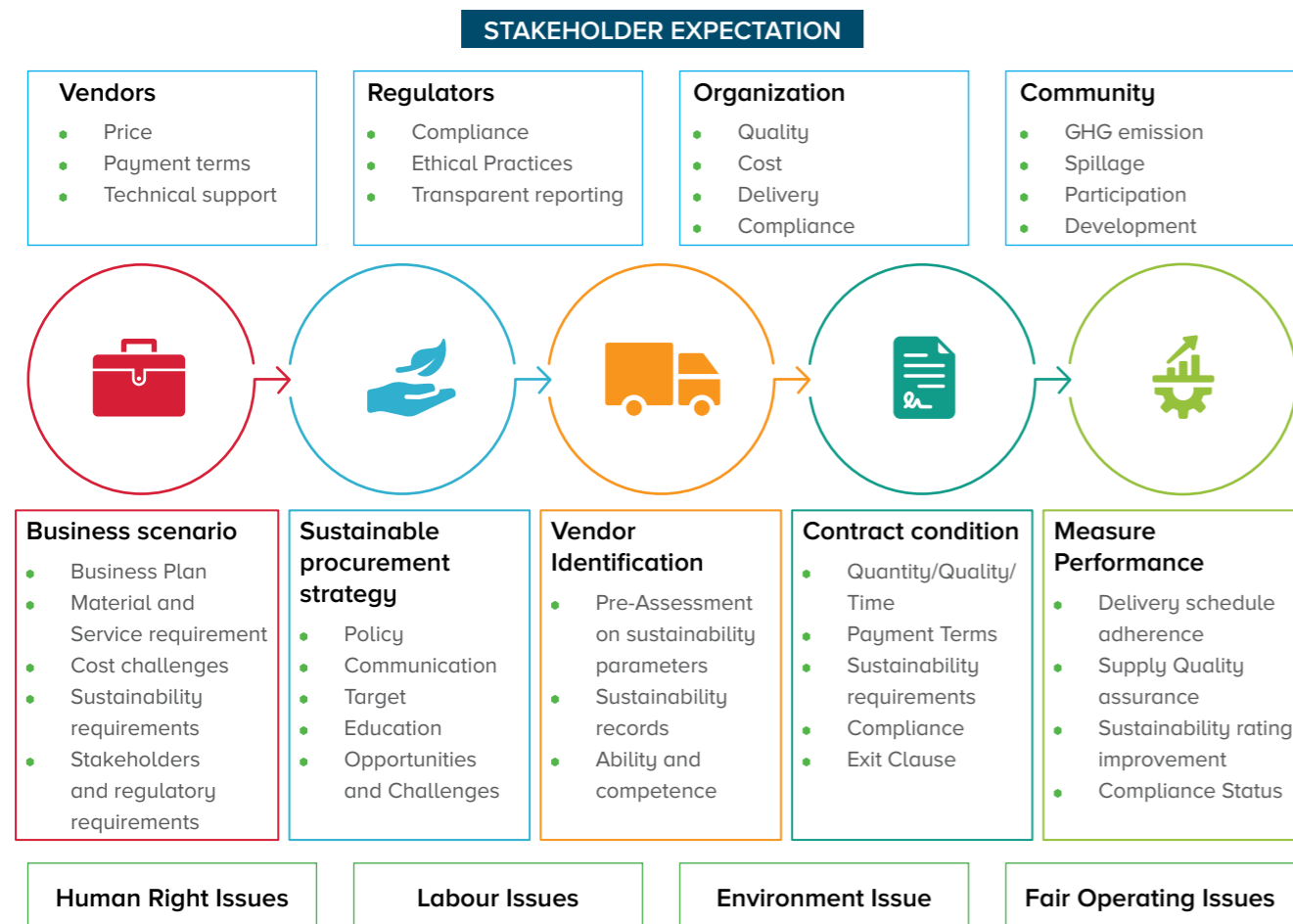
# Responsible and Sustainable Procurement

GFCL Sustainable Procurement Strategy forms an indivisible part of the Company's overall commitment to sustainability. It exemplifies our approach to positively impact environmental, social and economic outcomes by making responsible purchasing decisions. As part of the sustainable procurement strategy, GFCL ensures that transactions are transparent, risks are lowered, purchases are cost effective and stakeholder relationships enhanced. While doing this, we also ensure minimal impact on the natural environment.

Our supply chain sustainability is increasingly being recognized as a key component of corporate sustainability. For us, it is the management of environmental, social and economic impacts and the encouragement of good governance practices throughout the lifecycles of goods and services.

## Our Sustainable Procurement Process in context

By integrating the UNGC Ten Principles and adopting the ISO20400, ISO26000 Standards into our supply chain processes and practices, we advance our corporate sustainability and promote broader sustainable development objectives. By integrating the above sustainability standards in our procurement policies and practices, GFCL endeavours to manage risks for sustainable environmental, social and economic development while addressing all the issues related to Human Rights, Labour, Environment and Ethical practices in the context of the business and stakeholder expectations.



GFCL SUSTAINABILITY FRAMEWORK: UNGC - ISO 20400 - ISO 26000

Keeping in view the business imperatives GFCL operates in, the Company has prepared a well-defined business plan which has the following supply chain considerations:

1. The markets we serve,
2. Material and services we require within the cost, quality and delivery challenges we have to meet;
3. The regulatory framework within which we need to operate, and
4. Understanding our stakeholder requirements.

The Supply Chain Function of GFCL, which is responsible for ensuring implementation of sustainable procurement policies, processes and practices, has identified the following stakeholders and their expectations:

Stakeholder	Expectations
<b>Vendors/Suppliers/Business Partners</b>	Competitive Price On time Payments Technical Support Fair Dealing Secured Business
<b>Regulators</b>	Compliance Transparent Disclosures Ethical Business Practices
<b>Organization</b>	Good Material Quality On time Delivery Reduced Supply Chain Cost Operational Compliance
<b>Community</b>	Lower GHG Emissions No/Less Spillage Opportunity of Business Participation Support in Community Development

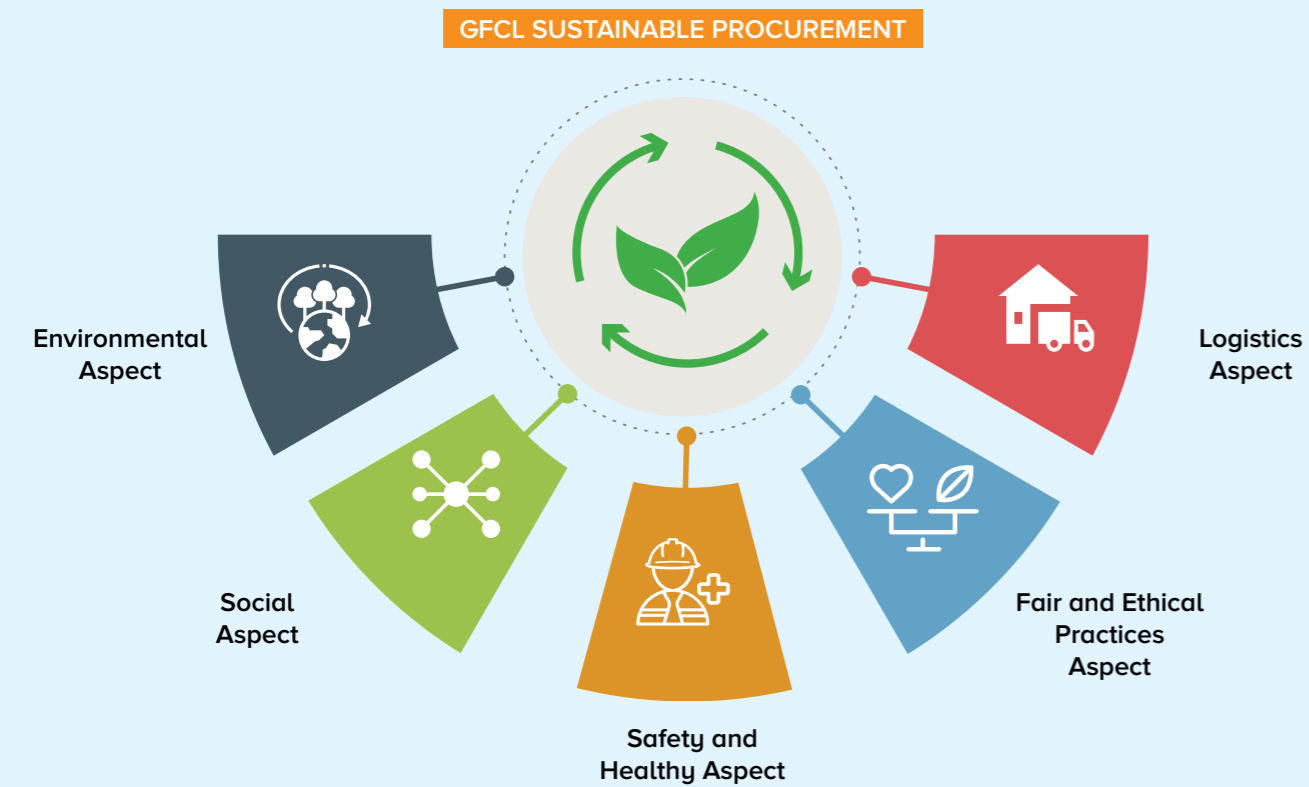
Based on the business environment and stakeholder expectations, Sustainable Procurement strategy is formulated covering policies, targets and deliverables while understanding the opportunities and challenges. Vendors are identified, evaluated and service contracts are signed based on the capability and performance monitored to ensure business delivery.

GFCL has identified the risks associated with Sustainable Procurement and has put in place a Mitigation Plan which is also a part of the Sustainable Procurement strategy.

Our Sustainable Procurement policy, process and practices covers all aspect of Sustainability – Environment, Social, Health and Safety, Logistics, Fair and Ethical practices.



## Responsible and Sustainable Procurement



### Our Business Partner details & Procurement Practices

GFCL does not procure any item from North Korea or any conflict regions. Our Sustainable Procurement policy explicitly restricts use of conflict minerals (Tin, Titanium, Tungsten and Gold). GFCL has always supported local suppliers from India with the objective of supporting socio-economic development in the country.

### Vendor Classification by Type of Material & Services

Number of Vendor	Packaging Material	Raw Material	Engineering Equipment/ Spares	Capital	Services – Technical	Services – Administrative	Contractor/ Service provider	Total Number of Vendors
	61	243	995			494		1793

### Vendor Geographical Spread

Countries	Number of Vendors	% of Vendors	% of Procurement Budget
India	1655	92.30	58.37
Far East Asian Countries	26	1.45	14.17
RoW	6	0.33	8.67
America	23	1.28	10.98
Europe	48	2.68	1.70
China	35	1.95	6.12

The Sustainable Procurement Policy and Code of Conduct for the suppliers, vendors and third parties, which applies to all purchases of goods and services, sets out how we will conduct business with them and describes our expectations regarding the way they conduct their business. Our aim is to ensure that the way business is conducted throughout our supply chain conforms to our own standards and is legally compliant at all times. It outlines our expectations with regard to ethics, business integrity, human rights, health and safety, environment, the local community and quality of product and operations.

We expect all our suppliers, vendors and service providers to support the principles set out within the UN Universal Declaration of Human Rights, the International Labour Organization

Declaration on Fundamental Principles and Rights at Work, the UNGC and the UN Guiding Principles on Business and Human Rights.

GFCL intends to integrate sustainable development into our procurement strategy, our day-to-day operations and relationships with Suppliers, Vendors and Service Providers. All our group companies are required to identify, prevent and manage risks pertaining to Health and Safety, Social Responsibility and Environment in their supply chain. This will help the Company and all its Suppliers, Vendors and Service Providers to:

- Meet the demands of customers and other stakeholders to assume responsibility for its supply chain
- Identify legal, financial and moral risks associated with sustainability in the supply chain

- Monitor and improve the sustainability performance of suppliers
- Build supplier relationships that create long-term, sustainable value

We expect our Vendors and Service Providers / Contractor and their contractors to abide by this policy and code and help us reduce environmental and social impacts by establishing and operating state of the art standards for sustainable supply chain. Non-adherence to this code may lead to discontinuation of business relationship. Our policy is available on GFCL website at <https://gfl.co.in/Sustainability.php>

Our Procurement Practices are governed by the above policy. Detailed SOPs is defined for each phase in the Sustainable Procurement cycle.





# Responsible and Sustainable Procurement

## Scope of Sustainable Procurement

The Sustainable Procurement function supports the business by providing raw material, packaging material, spares, services, capital equipment etc. to enable business to deliver as per the customer requirements. GFCL believes in localization of suppliers and as such most of its suppliers are from India.

GFCL has categorized into 3 different categories based on two criteria:

1. Business Impact – High, Medium, Low
2. Value Impact - High, Medium, Low

In order to have a focused and effective Sustainable Procurement Management, GFCL has decided to implement various aspects of Sustainable Procurement to the high-risk high value vendors and then gradually roll it out across the value chain.

## Vendor Classification - Risk/Value

	High Risk High Value	Medium Risk Medium Value	Low Risk Low Value
Number of Vendor	318	114	1361
% of Vendors	17.68	6.36	75.96

## Sustainable Procurement Governance Structure

The Management demonstrates its commitment to sustainable leadership by taking accountability of the effectiveness of the sustainable procurement process and review company objectives and functional objectives, providing resources and periodically reviewing achievements vis-à-vis targets taken.

The 'Sustainable Procurement Committee' is held accountable and responsible for the implementation of policies, processes and practices. The Company's Sustainable Procurement Committee comprises of the following incumbents:

1. Chief Executive Officer of the Business

2. Chief Finance Officer of the Business

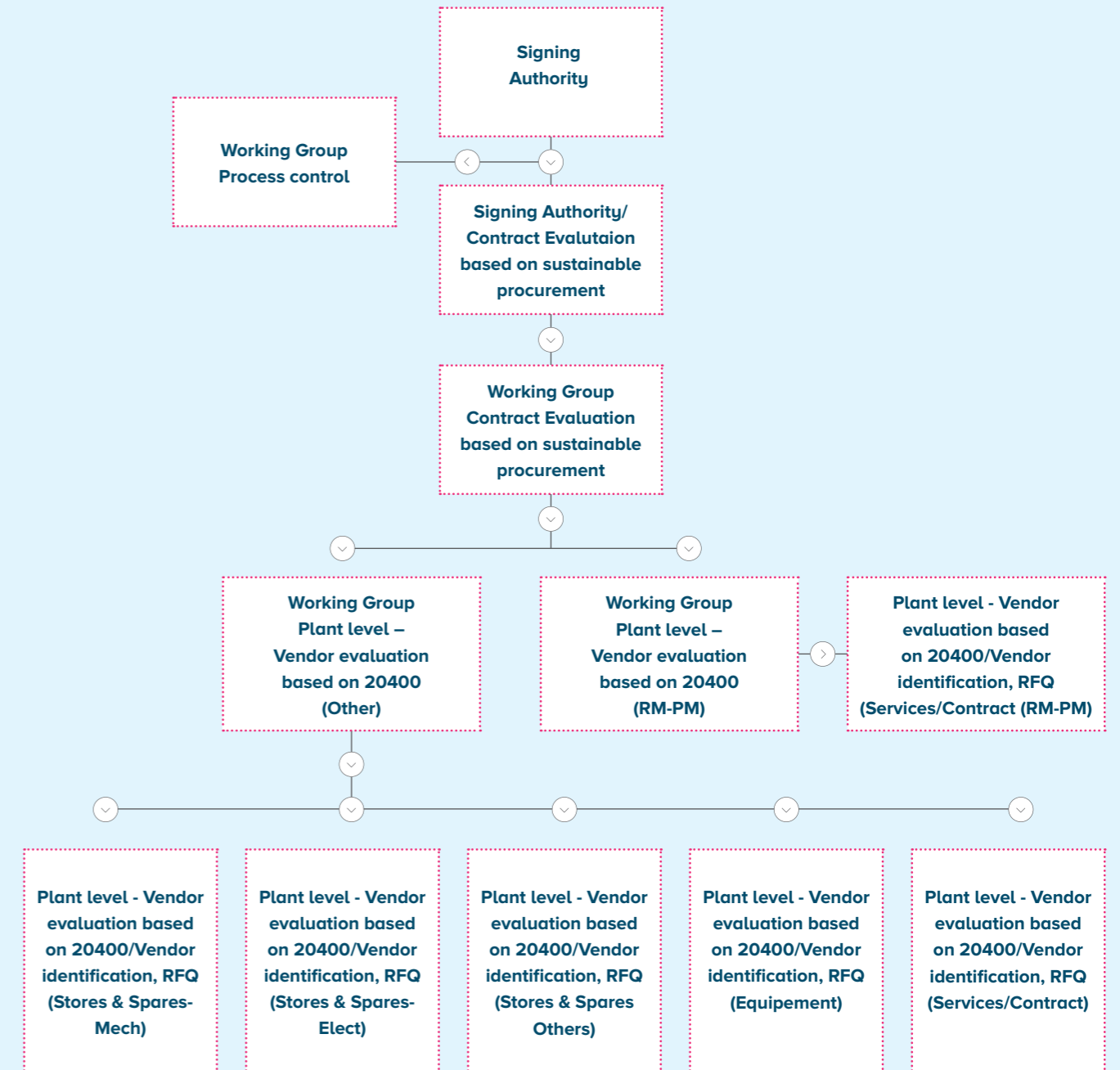
3. Unit Head or Site Head/Functional Head as the case may be

4. Group Chief Commercial Officer

5. Members of the Supply Chain Team who are involved in Purchase



The Operational Hierarchy for Sustainable Procurement is given as below:



## Responsible and Sustainable Procurement

### Building capabilities – For In house Team and Suppliers/ Vendors

The implementation of the Sustainable Procurement Policy at GFCL was initiated through a structured programme of communication and capability building of the in-house team and the suppliers and vendors. The policy was circulated amongst suppliers and a declaration to adhere with the policy has

been sought. Moreover, GFCL extended a supporting hand to its vendors for creating awareness on sustainable procurement by conducting multiple webinars.

The policy was also circulated among the Company's procurement and a declaration of adherence was sought. This team too was taken through an awareness programme on Sustainable Procurement.

As a policy, GFCL is emphasis more to get sustainable Policy adherence declaration sign from High Risk High Value and Medium Risk Medium Value supplies, although we are sending and asking declaration sign from Low Value Low risk regular suppliers. Our target to get all declaration from High Risk High Value and Medium Risk Medium Value Supplier by 15th December 2020.

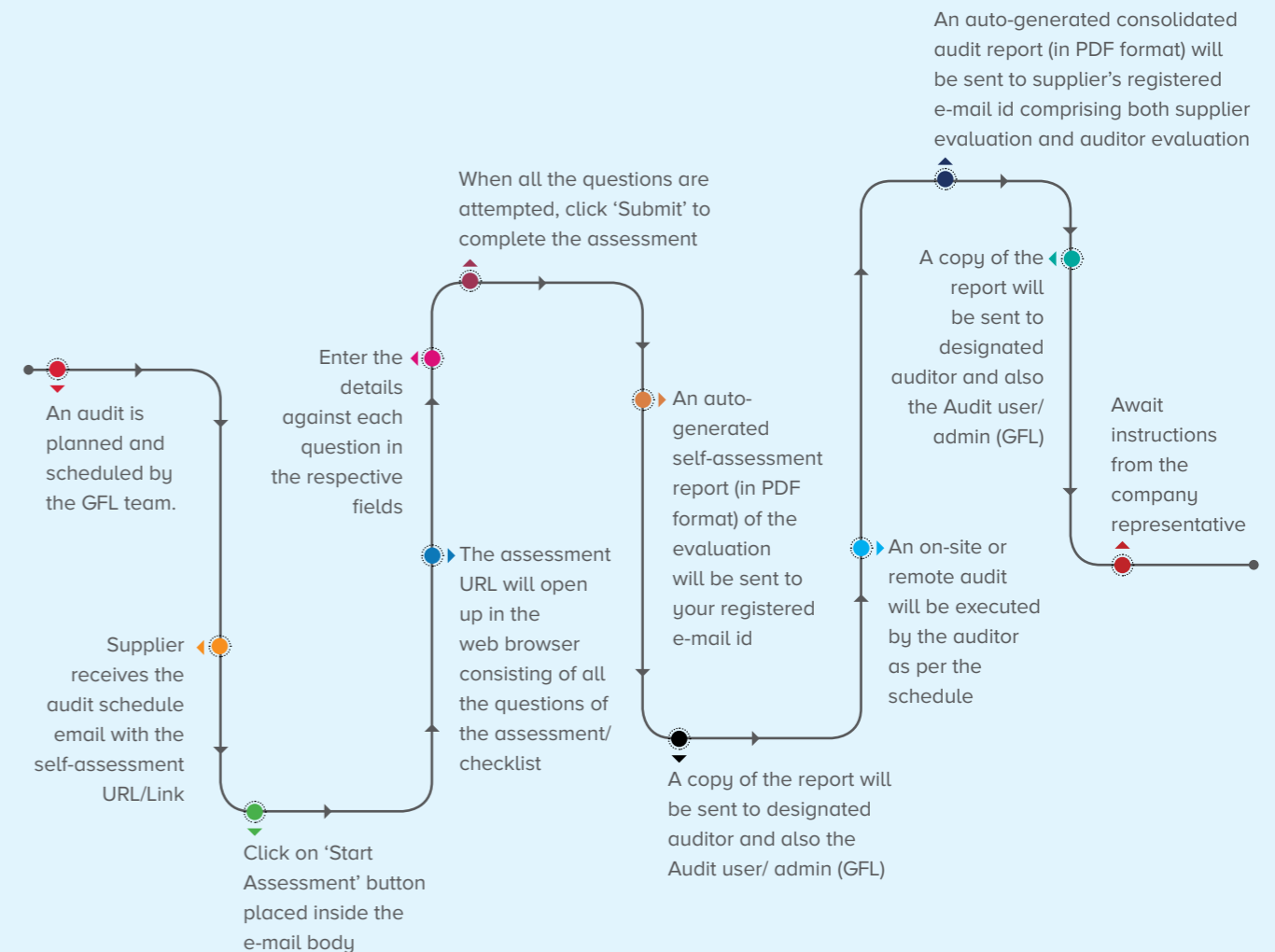
Particulars	Suppliers covered (High Risk high Value & Medium Risk Medium Value)				Own Employees			
	2018-19		2019-20		2018-19		2019-20	
	Number	%	Number	%	Number	%	Number	%
<b>Sustainable Procurement Policy communicated</b>	432	100	432	100	42	100	42	100
<b>Sustainable Procurement Adherence Declaration</b>	49	11.34	93	21.52	42	100	42	100
<b>Sustainable Procurement Awareness Programme Attendance</b>	0	0	186	10.3	0	0	33	79

### Digital Platform for Supplier Assessment on Sustainable Procurement

Adherence to environmental, social and ethical codes of conduct form an important part of the Procurement process and it helps to build a competitive advantage for the company as well as its business partners. To ensure conformity to ISO20400 standards, the Company underwent a third-party audit and launched a digital supplier Audit tool with the help of DQS-AUDIT ORGANISER 4.0 (Enterprise Audit Management).

GFCL has partnered with DQS to implement the DQS-NEXT Supplier Audit Management Platform for its Business partners. This will help the Company managing a wide range of audit-related activities, data and processes in a single, centralized application. This platform

will be progressively used to cover all existing and new suppliers, in evaluating and reviewing their performance on all sustainability criteria.



This platform covers various sustainability dimensions and requests the respondent to answer questions on those dimensions and upload confirmatory documents and do self-rating. Based on the response, GFCL conducts audit and gives ratings. The platform covers all aspects of our Sustainable Procurement strategy.

### Supplier Sustainability Assessment

GFCL has always pre-assessed all suppliers before engaging based on their capability. This assessment has now been extended to cover sustainability parameters. Each Suppliers, Vendors and Service

Providers, have been fully briefed on the Company's Policy of Sustainable Procurement and Code of Conduct and a formal commitment (in writing) is sought from them to ensure compliance to these standards. Decision to continue or start business with the supplier is taken considering the audit score and other factors.



## Responsible and Sustainable Procurement

Beyond price and delivery, GFCL has initiated an evaluation of suppliers on sustainability parameters also. the Company has linked the supplier sustainability rating with its 10 material topics and has categorized vendors in 3 levels:

Level	Materiality Topic addressed by the Vendor	Minimum Rating
<b>Basic</b>	Anti-Corruption	3.5
	Climate Change	
	Economic Performance	
	Occupational Health & Safety	
	Environmental Compliance	
<b>Advantageous</b>	Human Rights	4
	Energy	
	Local Communities	
	Process Safety & Emergency Preparation	
	Product Safety & Stewardship	
<b>Distinguish</b>	Water	4.5
	Supplier having reporting based on GRI standard	

During the reporting period, GFCL covered 50 suppliers (High Risk High Value) which is approximately 40% of the annual purchasing volume of 2019-20 for Social and environmental performance through DQS-NXT Audit platform.

### Summary of Non DQS-NXT Audit

Details	2019-20	
	Number	%
40% of Existing High-Risk High Value Suppliers as per ISO 20400 covered under Self-Assessment through DQS-NXT	26	63.42
40% of Existing High-Risk High Value Suppliers as per ISO 20400 covered under Self-Assessment through Other than DQS-NXT	15	36.58
40% of Existing High-Risk High Value Suppliers as per ISO 20400 covered by GFCL Audit through DQS-NXT	9	21.92
40% of Existing High-Risk High Value Suppliers as per ISO 20400 Suppliers covered by GFCL Audit through Other than DQS-NXT	0	0

Details	2019-20	
	Number	%
Other High-Risk High Value Suppliers covered under Self-Assessment through DQS-NXT	20	6.29
Other High-Risk High Value Suppliers covered by GFCL Audit through DQS-NXT	8	2.52

As a policy, GFCL does not audit Supplier publishing their Sustainability report. 18 such High risk and High value suppliers have been identified who are not a part of the GFCL Audit process.

GFCL conducts regular audits (Via DQS-NXT) as a part of its supplier evaluation programme. In case of any significant negative impact, GFCL has a supplier and contractor blacklisting policy. Till date, Our supplier assessments have not identified any significant negative social or environmental impacts nor has any supplier been terminated from operations on this account"

### Green Procurement Initiative

GFCL has established 'Green Procurement' guidelines with an objective of promoting environmental management throughout the entire supply chain and for ensuring more environmentally responsible products.

We intend to continue being a leading company in the practice of "environmental management," and contributing to a healthier global environment as a good citizen of the Mother Earth. During the reporting period, various initiatives were adopted as part of Green Supply Chain:

- 1) Import of bulk raw materials from local ports, which resulted in reduction of fuel costs and GHG emissions

Product	Earlier	Now	Approximate distance reduced
<b>Methanol</b>	Kandla	Hazira	350 kms
<b>Fluorspar</b>	Mumbai	Hazira	500 kms
<b>Chloroform</b>	Kandla	Hazira	350 kms

- 2) a) Importing coal at Dahej port instead of getting from Nagpur, leading to significant reduction of fuel costs and also reduced GHG emissions.  
b) using Indonesian Coal in which the ash percentage is much lower than Indian coal.
- 3) Disposal to fly ash to brick manufacturers thereby reducing pollution.
- 4) Procurement of salt from local suppliers to avoid fuel costs from distant places.
- 5) Compulsory use of tarpaulins for bulk materials Salt, Coal, Gypsum to avoid air pollution during its transportation.
- 6) Usage of higher capacity vehicles in place of small capacity vehicles to reduce emissions and fuel consumption.
- 7) Stopped hiring vehicles that are more than 5 years old
- 8) Increase in the sale of HCL to local customers leading to reduction in fuel consumption.
- 9) Discontinuing printouts of office documentation leading to savings of paper and environmental conservation.
- 10) Discontinuation of plastic cups at canteen and offices and replacement with ceramic cups areas to avoid plastic and paper consumption.
- 11) Sourcing of bulk raw material such as Salt, Sulphuric Acid, Sulphuric Acid from Sulphur based source from nearby location sources at Dahej instead of getting it from distantly located source like Kutch, Morbi and Bhavnagar, Panoli, Kutch etc.

## Responsible and Sustainable Procurement

### Vehicle Tracking System

As part of green initiative to reduce carbon emission and reduce risk of hazards, we are also in the process of integrating our logistics systems through a GPS vehicle tracking system. Through this system we will be tracking outward vehicles for ensuring safe driving and safe handling of material

across the full length of the supply chain and ensuring prompt emergency response in case of any incidence on road.

GFCL is using third party service provider LCS Services India Pvt Ltd, who

will do real time monitoring of GFCL outgoing vehicle, with this initiative GFCL is committed to reduce carbon emission and reduce hazard risk to the community.

### Way Forward

- To Implement Vehicle Tracking System covering 70% of Outgoing vehicles till March 2021 (applicable only for tankers)
- Implementation of Sustainable Procurement / Sustainability Rating for all High Value High Risk TIER 1 suppliers till FY 2024-25

- Implementation of Sustainability / GFCL Materiality Topic as selection criteria for New High-Risk High-Value suppliers
- Declaration on Sustainable Procurement policy for 100% new Raw Material, Packing Material and Contractor / Service providers from January 2021 onward
- Site Audit of 10% High-Risk High-Value suppliers during FY 2021-22



## Message from Senior Vice President - Marketing



At GFCL, we believe that long term sustainable profitable business growth can be achieved by creating value in the three areas - **finance, environment and social aspects**. The Marketing teams across all locations globally are in complete sync with the Organizations road map on Sustainability.



**Mr. Kapil Malhotra**  
Senior Vice President - Marketing

We take anti-competitive and anti-trust seriously and follow all guidelines as per international standards. While reaching to our customers we ensure that correct and right information of our products is shared with them. Wherever we have warehouses, we ensure that we follow all provisions to ensure social responsibility and accountability.

We understand that our customers entrust us with the marketing and distribution of the products they buy from us and expect us to preserve the quality and safety of these products whilst under our care and custody. Irrespective of the product categories

we are handling, we are committed to deliver on our promise of the high standards needed to safeguard the health and safety of customers. Our regulatory affairs teams ensure compliance with applicable laws. All our product data is shared regularly with our customers on an ongoing basis. We have never faced any compliance issues in connection to marketing Communication and Labelling.

**Mr. Kapil Malhotra**  
Senior Vice President - Marketing



# Responsible Marketing

We understand that marketing activities and customer expectations are dynamic. Traditionally, profit maximization has been the primary objective of marketing activities and product price, quality and delivery were the customer expectations. However, as part of our overall sustainability strategy, we have adopted a much broader and more inclusive approach in our marketing activities.

We recognize that in all stages of the product life cycle – from design stage, to product use and final disposal, there is an impact on the society and the environment. Therefore, we have adopted Responsible Marketing as a framework for all our sales and marketing activities, thereby creating value not only for the Company and its customers, but also have a larger positive impact on the social and environmental aspects beyond our boundaries of operation.

## Business Context, Customer Issues and Responsible Marketing Policy Framework

We operate in a unique business context:

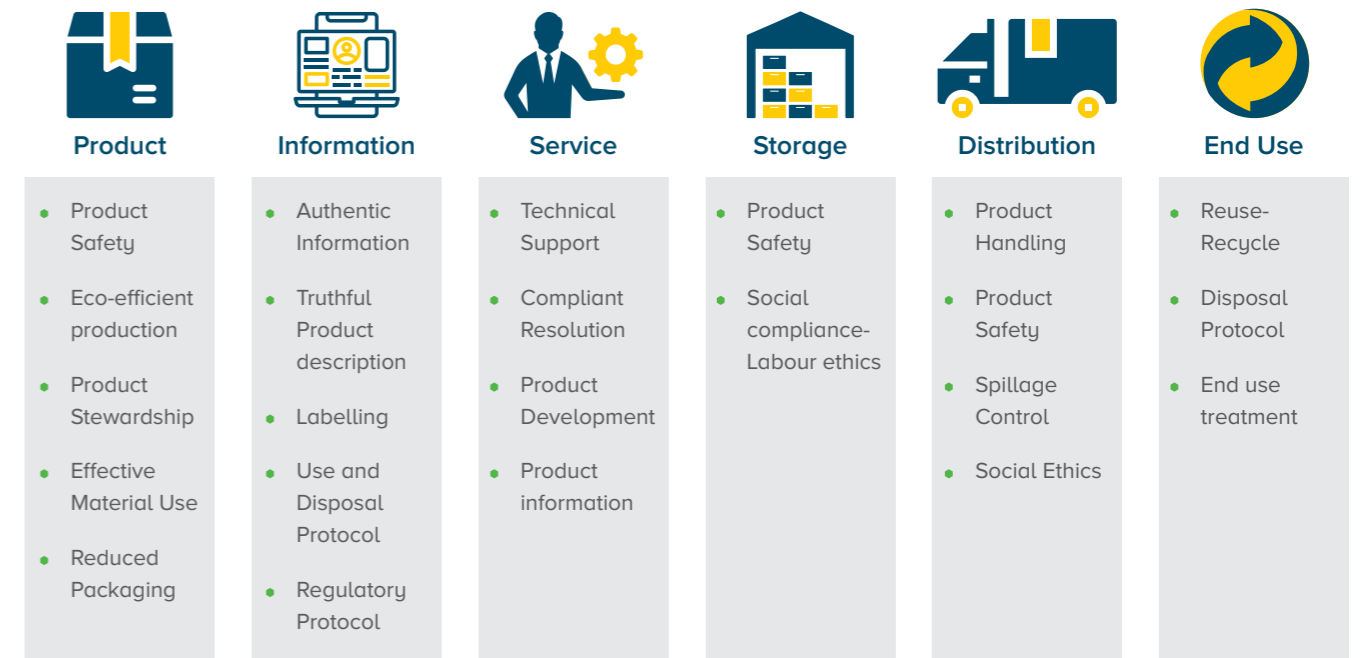
1. Products are technology-driven based on advanced Fluorine Chemistry
2. Our products are sold in a highly competitive market
3. Our products are regulated
4. Most of the market is in high-end industry and in developed markets and economies
5. Our products are environmentally sensitive

In the above context, we address the following issues through Responsible Marketing

- Pricing issues
- Product issues
- Promotion issues
- Distribution issues



For the customers and other stakeholders of the Marketing function, we have identified the material issues across the complete product life cycle and addresses them through the various Responsible Marketing actions.



Over the years, we have witnessed an increase in our customer base and have entered into new countries:

Year	Number of Customers - Domestic Region	Number of Customers - US Region	Number of Customers - European Region
2016-2017	351	96	109
2017-2018	326	102	256
2018-2019	400	123	233

## GFCL and Responsible Marketing

We have adopted a Responsible Marketing Policy to ensure that consumer, social and environmental issues associated with marketing function are addressed in a responsible manner. The Policy covers various aspects such as:

- Fair Marketing Practices: Anti-Trust and Anti-Competitive Practices
- Product safety and customer health and safety
- Dispute resolution and redressal
- Essential Services
- Data and Privacy Protection

Our Responsible Marketing policy is based on the following International Standards and Resolutions:

1. United Nations Guideline for Consumer Protection
2. UNGC
3. ISO 26000 Standards
4. ICC Advertising and Marketing Communication Code

The following actions have been taken to ensure effective implementation of the Responsible Marketing Policy:

1. Training of Employees of the Sales and Marketing Team: All employees have been extensively trained on Responsible Marketing Policy and they have also given a declaration of adherence to the same. The trainings cover aspects of Anti-Trust and Anti-Competitive Behaviour, Fair Business Practices, Product Communication protocol and authenticity, etc.



## Responsible Marketing

- All our Sales and Marketing Team members are required to mandatorily sign the declaration of acceptance and adherence to the Responsible Marketing Policy after completion of the training.
- The Responsible Marketing Policy has been communicated to all our customers and it has also been publicly disclosed on the GFCL website.
- A systematic audit has been conducted to assess risk associated with the Implementation of Responsible Marketing.

Region	Domestic	Europe	Americas
% of employees given training on Responsible Marketing	100	100	100
% of employees who have signed Responsible Marketing Policy acceptance	95	100	100

### Anti-Competitive, Anti-Trust and Monopoly Practices

Our Responsible Marketing Policy covers the Company's philosophy on the matter on Anti-Competitive and Anti-Trust practices. We are committed to engaging in fair and vigorous competition, in compliance with all anti-trust and competition laws and regulations globally. Because the anti-trust and competition laws vary from country to country and are complex, our employees are required to consult their business unit's assigned legal counsel whenever their business activities might be regulated by these laws.

We have no legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violation of anti-trust and monopoly legislations in which the organization has been identified as a participant.

### Customer Relations

Meeting customer requirements is essential for the Company's inclusive and sustained growth. In this regard, hawse have implemented Salesforce.com Customer Relationship

Management (CRM) software. This gives the Company an effective digital platform to address customer queries in a more efficient manner. We have a very streamlined complaint handling and feedback process. Feedbacks from customers are registered in our CRM software. All the complaints are also raised through the CRM and the Gujarat Fluoropolymer Research Centre (GFRC) team resolves the queries in a timed manner. Our Marketing teams also visit the customers regularly to ensure smooth delivery of products and to ensure that their complaints have been resolved. GFCL has received high ratings from our customers on account of our excellent customer service.

### Customer Satisfaction Rating Summary

Customer Satisfaction Rating Summary	The overall quality of products			The overall quality of Technical Support		
	Year	2017	2018	2019	2017	2018
Overall Rating (%)	81	92	96.84	90	93	97.8

Customer Satisfaction Rating Summary	Order, Delivery Service & Sales support			Business Out Look		
	Year	2017	2018	2019	2017	2018
Overall Rating (%)	88	93	98.14	87	93	97.8

### Marketing Communication and Authenticity

The marketing communications function at GFCL is responsible for four major verticals: Product Promotions, Brand Management, Web Assets Management, and Customer-centric Communications. The department's functions are in alignment with the Company's Responsible Sales and Marketing Guidelines.

Being in the B2B space, we strive to reach the influencers, decision makers and thought leaders in Fluoropolymers, Fluorospeciality and Refrigerants industry through a myriad of channels. Organic content and sponsored content are leveraged in combination to attain business goals of demand generation and brand visibility across digital and non-digital platforms. Some of the paid marketing channels used by us are:

- Digital Platforms: LinkedIn, Emailers, Search Ads, Display Ads, Product web portals (Apps and web)
- Print Platforms: Industry periodicals, Product magazines (print format)
- Events: Customer Conferences, Product exhibitions, Leadership Panel discussions and Speaker talks

### Content Authenticity

Marketing communications represents our products and services truthfully, fairly, accurately, and professionally across all indirect communication channels. These include advertising, packaging, product literature, labels, packaging, advertising copy, environmental claims, customer surveys, technical datasheets, product selection guides, statement of compliances, Material Safety Data Sheets (MSDS),



Audio-Visual content, corporate, subsidiary and product websites, and social media platforms. In addition, there are direct communication channels such as emails, conversations, contracts and sales presentations. Our product communications take utmost care of representing the claims, as appropriate, are substantiated through testing, based on sound statistical and scientific principles, or approved through the Company business unit's claims approval process with the appropriate statement on the product's performance.

Marketing communication does not publish, advertise or post content that propagates deception or other unfair methods of competition, makes false or deceptive statements about the Company's products, make false or deceptive comparisons of the Company and any competitors' products, criticizes or discredit a competitor or its products, misrepresents the quality/ effectiveness of a product or presents GFCL's products as those of another, such as by simulating a competitor's packaging or trademarks.

We follow stringent internal SOPs for all channels of communications by involving functional heads for review and approval of the content, from

Business Teams, R&D, Technical Service, Quality, HR, and Compliance explaining clear process flow, contribution and accountability governed by the Content Editorial Board. Content published on all external platforms, including sales collaterals, websites, social media, and print media goes through rigorous plagiarism tests through plagiarism test tools.

We have not faced any incidents of non-compliance with regulation and /or voluntary codes concerning marketing communication, including advertisement, promotion, and sponsorship in the reporting period. There have been no incidents of non-compliance with regulations resulting in a fine or penalty or warning or non-compliance with any voluntary codes in the reporting period.

### Product Health and Stewardship and Product Information/Labelling

All of our products and activities are assessed for health risk and environmental aspects/impacts as per ISO 14001 and ISO 45001 management systems. For health and safety assessment we use HIRA and for environment assessment we use environmental aspect and impact

## Responsible Marketing

evaluation sheet. These assessments are done for all products and covers actions taken to mitigate issues. Our MSDS cover information related to storage and handling, toxicological data, special hazard arising from material or mixture, fire-fighting measures and exposure control/personal protection.

We are one of the largest producers of fluoro-polymers, fluoro-specialities, refrigerants and chemicals. Sustainability is at the core of our process design which ensures manufacturing of environmental-friendly products. We are committed to implement green chemistry principles to reduce or eliminate the use or generation of hazardous substances. Every GFCL product is developed, manufactured, stored and distributed after thorough consideration has been given to reduce environmental and human impact by:

- Proper raw material selection
- Proper product design integrity
- Proper manufacturing and storage issues
- Anticipated use, re-use and disposal

Application of green chemistry principles also enable us to safeguard our employees, assets and communities by finding creative and innovative solutions. Our globally competitive technologies ensure waste reduction, recovery of chemicals, their reuse, energy conservation, and replace hazardous chemicals. The scope of green chemistry is not only to consider hazards from chemical toxicity but also include product life cycle, its design, manufacture, use, and ultimate disposal.

With global environmental regulations becoming more stringent and end consumers' consumption pattern shifting towards commitment to sustainable

products, it is imperative to strike a balance between sustainability and performance. We are committed to Green Chemistry and offer environment-friendly products by embracing sustainable technologies for safer products and developing processes that use greener alternatives. We endeavour to align our processes with the Principle 4 of the twelve principles of Green Chemistry – 'Design safer chemicals and products: Design chemical products that are fully effective yet have little or no toxicity'.

### Approach

#### a) Maximize use:

- Reactions are designed to maximize the incorporation of all materials into the final product and use of recovered materials.
- Inorganic solid initiators are used for better conversation & reaction rate.
- Design of products & processes ensures no waste generation.
- Quantify and minimized the use of utilities.
- Minimized use of natural resources.

#### b) Reduce/eliminate hazards:

- Design ensure all material and energy inputs and outputs are non-hazardous.
- Reactions possess little or no toxicity to human health and the environment.
- Used processes minimizes the potential for accidents like explosions, fires etc.

- Analytical methodologies provide real-time process monitoring and control to minimize hazards.

#### c) Life cycle thinking:

- Products are designed to recycle, reuse and safe disposal after end of life.
- Process and product analysis to assess environmental impacts.
- Use life cycle thinking in all engineering activities.
- Design evaluates choices on recycle, reuse or disposition.
- Continuous improvement and innovations to achieve sustainability.

We are doing continuous adaptation of greener technologies to comply with revisions in regulations from global environment protection agencies. We have implemented various innovations and improvements covering green chemistry principles.

### Innovation

- Useful product recovered from vents by new technology.
- Recovery of Surfactant from wastewater.

### Improvements

- Wind power usage with grid power and CPP
- De- bottlenecking of TFE by process improving efficiency.
- Improvement on COC of cooling water (increased from 6 to 9 COC)

We constantly endeavour to improve product safety through the implementation of the Green Chemistry Principles

Sr. No.	Topic	Description	GFCL example
1	Waste Prevention	Prioritize the prevention of waste, rather than cleaning up and treating waste after it has been created. Our plan ahead is to minimize waste at every step.	<p>We produce material in batches and continuous operations. Our broad product portfolio ensures consumption of produced material for specific applications in order to reduce waste.</p> <p>Most of our processes operate in a close loop to minimizing losses or leakages.</p> <p>We also convert the scrap or industrial waste PTFE into value added product for the polymer industry to help recycle valuable material and help in energy balance.</p> <p>E.g. –</p> <ol style="list-style-type: none"> <li>1. ETP: Water recycling through RO</li> <li>2. PTFE scrap into micro powder products</li> <li>3. ZLD</li> <li>4. Process water recovery and re-use</li> </ol>
2	Atom Economy	Reduce waste at the molecular level by maximizing the number of atoms from all reagents that are incorporated into the final product. Use atom economy to evaluate reaction efficiency.	<p>We recover most of the unreacted chemicals and re-use in subsequent processes. The recipes are optimized for the material properties.</p> <p>E.g. – Reduced use of surfactant, CTA and wax in our fluoro polymers after balancing final product properties.</p>
3	Less Hazardous Chemical Synthesis	Design chemical reactions and synthetic routes to be as safe as possible. Consider the hazards of all substances handled during the reaction, including waste.	<p>The considerations are given during the development of product. HAZOP and other studies ensure elimination of potential hazards &amp; define action items.</p> <p>E.g. Eliminating PFOA and PFOS using alternate chemicals and technology routes.</p>
4	Designing Safer Chemicals	Minimize toxicity directly by molecular design. Predict and evaluate aspects such as physical properties, toxicity, and environmental fate throughout the design process.	<p>New product development processes ensure the product qualifications to global regulatory requirements like SVHC, ROHS or FDA etc. through design. Impact-aspect or risk assessment studies and improvement actions ensure min environmental /social impacts.</p>



## Responsible Marketing

Sr. No.	Topic	Description	GFCL example
5	Safer Solvents and Auxiliaries	Choose the safest solvent available for any given step. Minimize the total amount of solvents and auxiliary substances used as these make up a large percentage of the total waste created.	We reduce, recover and re-use programmes ensure cleaner air and water. This also help us reduce waste to minimum. We use water-based polymerizations which avoids solvents.  E.g. 1. Vent Recovery /R-125 – Polymer – Clean Air 2. Thermal Oxidizer – chemical – Clean Air 3. Tergitol Recovery project – Clean Water 4. Recovery of fluoro surfactant – Clean Water 5. Solvent recovery and re-use 6. Waste heat recovery
6	Design for Energy Efficiency	Choose the least energy-intensive chemical route. Avoid heating and cooling, as well as pressurized and vacuum conditions (i.e. ambient temperature and pressure are optimal).	Site has defined goals to reduce and optimize use of energy and natural resources in every process. Most of the process waste are treated, recovered and reused. We developed technologies and producing products with lower pressures than market use.  E.g.– 1. Installation of energy efficient membranes for Caustic production 2. Use of energy efficient fans in all cooling waters 3. Zero gap Electrolyzer in CA plant 4. Use of VFDs to save energy
7	Use of Renewable Feedstocks	Use chemicals which are made from renewable (i.e. plant-based) sources, rather than other, equivalent chemicals originating from petrochemical sources.	Not Applicable.  PTFE micro powder business is a unique solution, which support environment by recycling the industrial waste PTFE into saleable products. Thus, saving energy by not land filling the valuable scrap material.
8	Reduce Derivatives	Minimize the use of temporary derivatives such as protecting groups. Avoid derivatives to reduce reaction steps, resources required, and waste created.	Our polymers are additive free systems, without any protecting additives. As continuous improvement we are reducing the number of treatments.  E.g.– Optimization of initiators, surfactants, wax, CTA to reduce washing step including steam washes.
9	Catalysis	Use catalytic instead of stoichiometric reagents in reactions. Choose catalysts to help increase selectivity, minimize waste, and reduce reaction times and energy demands.	We use solid inorganic catalyst for almost all processes to eliminate formation of by-product, reduce activation energy, lower polymerization temp and relatively lower cycle time.  E.g.– 1. PFA, FEP, PVDF, PTFE etc. polymerization 2. To the possible extent used catalysts are regenerated and re-used.

Sr. No.	Topic	Description	GFCL example
10	Design for Degradation	Design chemicals that degrade and can be discarded easily. Ensure that both chemicals and their degradation products are not toxic, bio accumulative, or environmentally persistent.	We ensure that the chemicals are treated and safe to discard.  Ex: 1. Development of new generation refrigerant gases such as R407 and R410 2. Reduction of our carbon footprint by special techniques
11	Real-Time Pollution Prevention	Monitor chemical reaction in real-time as the occur to prevent the formation and release of any potentially hazardous and polluting substances.	All the reactions are monitored real time and the unreacted chemicals. We recover these from gases and water to avoid any air or water pollution.  Ex – 1. Vent Recovery /R-125 – Polymer – Clean Air 2. Thermal Oxidizer – chemical – Clean Air 3. Tergitol Recovery project – Clean Water 4. Recovery of fluoro surfactant – Clean Water
12	Chemistry For Accident Prevention	Choose and develop chemical procedures that are safer and inherently minimize the risk of accidents. Know the possible risks and assess them beforehand.	HAZOP, Risk Assessment, PSSR, Impact – aspect, SO etc. studies help us identify potential risk opportunities. Also, DCS/PLC control systems, interlocks etc. helps avoid any risk of accidents.  Ex - DuPont Safety hand holding – Site Safety Loss of containment study

### Case Study on Resolving Customer Issue (PTFE Micropowders)

We transform raw materials and natural resources into the essential chemicals and materials needed to support global population growth and urbanization. We take a holistic approach to reduce waste and are aligned to the UN SDGs. Our stakeholders expect us to reduce environmental hazards and produce products which have no compliance issue.

We have taken considerable efforts to reduce waste and one such example of that is PTFE Micro powders. During the processing of PTFE back in 2016 a considerable amount of waste was

produced both at our and the customer end. To curb this problem our GFRC team came up with a solution. Our research team has developed a process where we could turn PTFE waste into PTFE Micro powders. PTFE Micro powders has a broad range of applications and it has a high demand in the market due to its diverse applications which range from plastic, coating and paints, rubbers, inks and lubricants.

We have processed PTFE waste of the processors throughout out the world. It has always been a win-win situation - processors get rid of waste and we turn that waste into a useful product that has a market value. We are committed to promoting a pollution-free environment and maintain safe and healthy working

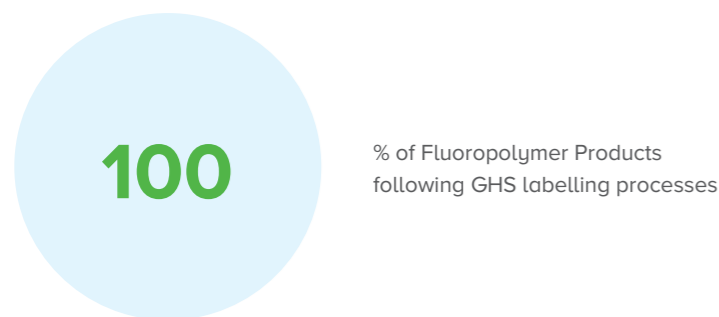
conditions by constantly guiding all our activities through consciously recognized and adopted a set of standards. Our QA and QC teams ensure that product quality, packaging, and labelling of the products are strictly following the customer specifications, applicable international guidelines, and regulatory requirements as applicable.

We continuously update the product health and safety information in the form of MSDS available on the Company's website. We regularly share technical datasheets, material safety data sheets, and processing guides on regular basis. Also, our technical manager regularly visits customers and share product-related information.



## Responsible Marketing

Our product labels are prepared as per the applicable regulations of the region. The products are packed with proper labelling and barcoding wherever required. We follow the CLP (Classification, Labelling, and Packaging) system for all customers. Labels are also continuously updated as per the changes and updates in the required regulation. Labelling on the Fluorospeciality chemical / intermediates finished product follows the six elements of Globally Harmonized System (GHS) chemical labelling requirements system:



All our products are supplied to different countries strictly as per the Product Safety Standards and post such certification:

Region	Product Certification	Number of grades certified
Europe	REACH - SVHC	50
	RoHS	62
	EC 10/11	38
	WRAS	12
	W270	18
	BAM	3
	ELV 2000/53/EC	16
America	US FDA 21CFR 177.1550	56
	NSF HX1	2
	USP class VI	31
	3A	15
China	(FDA) GB 4806.10.2016	1
Rest of the world (Global)	UL	18

### Responsible Marketing and Sustainable Consumption

We endorse Sustainable Consumption as part of Responsible Marketing approach. To contribute to sustainable consumption, we ensure to:

- Promote effective education empowering consumers to understand the impacts of their choice of products and services on their well-being and on the environment. Practical guidance is provided on how to modify consumption patterns and to make necessary changes.
- Design products and packaging so that they can be easily used, reused, repaired, or recycled and, if possible, offering or suggesting recycling and disposal service.

We have not faced any incidents of any non-compliance with regulations and/ or voluntary codes concerning product and service information and labelling in the reporting period. There has not been any incident of non-compliance with regulations resulting in a fine or penalty or warning or any incident of non-compliance with any voluntary code in the reporting period.

### Customer Privacy and Data Protection

Our Responsible Marketing Policy protects customer data and protects the customer's right to privacy by limiting the type of information gathered and the ways in which such information is obtained, used and secured. Our corporate website is integrated with Google Analytics tracking code, which enables the company to get important user analytics to make specific performance analysis for the website. Google Analytics reports do not provide

any IP information in these reports and hence we cannot access any such data.

We use cookies and similar technologies to give the user a better user experience and to help collect data. The text in a cookie often consists of a string of numbers and letters that uniquely identifies your computer, but it can contain other information as well. We ensure personal data protection through our Cookie Policy (<https://gfl.co.in/cookies-policy.php>)

We have not faced any substantiated complaints received concerning breaches of customer privacy by it received from outside parties and substantiated by the organization or any complaint from regulatory bodies.

Our Security server is ISO 27001 certified. There were no identified leaks, thefts, or losses of customer data in the reporting period.

### Customer Education and other services

We are the pioneer in the manufacturing and sale of Anhydrous Hydrochloric Acid in India. Our trained representatives regularly visit customers locations to train on how to use AHCl cylinders, safety measures related to GAS, etc. We also guide and hand hold customers for PESO approvals, especially the pharma Industry companies who are our customers.

### Social Accountability in Warehouse

We protect property right of service providers who rent the warehouse to the Company by entering into a transparent and non-exploitative rental agreement which has no attachment to property of the owners. All warehouse owners

where the warehouse operations is part of the rental agreement is communicated the Company's Responsible Marketing policy and has to accept and declare that they will follow the same so far as fair, safe and socially responsible behaviour is concerned, especially on protection of human rights, no child labour, etc.

Region	Domestic	Europe	Americas
% of warehouse operations with Declaration of Social Accountability and Responsibility	100	100	100

### Way Forward

- Most of our licensing and distribution agreements have anti-competitive and anti-trust clauses as found in internal audit. In the coming years, we would be ensuring that all the agreements have this clause to comply with the competition laws. To ensure this, our respective product managers are working to introduce this clause in their licensing agreements, if not already included.
- We plan to conduct the LCA for all our products. Our research team is working toward attaining this goal.
- We plan to cover all the warehouses under Social Accountability and Responsibility audit.
- We protect the data of our customers and we have not witnessed any case of breach of customer data. We aim to maintain this in the future also.
- We aim to impart training to all our customers on the safe handling and storage of products.





## Message from the Company Secretary and Ethics Officer

we strive to ensure that the day to day Management of the affairs of the Company is being executed as per the various policies and guidelines and in a fair, honest, ethical, transparent and legal manner.



**Mr. Bhavin Desai**  
Company Secretary &  
Ethics Officer

GFCL is committed to conduct its business in an honest and ethical manner and in compliance with all applicable laws and regulations. It is also committed and continuously to improving ethical practices over the years. At GFCL, we strive to ensure that the day to day Management of the affairs of the Company is being executed as per the various policies and guidelines and in a fair, honest, ethical, transparent and legal manner. The top management has constituted an 'Ethics Committee' which is responsible for the

implementation of various Fair Business Practices, Policies and Guidelines.

At GFCL, we have integrated the principles of ethics into Management processes (planning, organizing, staffing, directing, and controlling) to ensure the implementation strategic plans. For us, the Code of Conduct and other fair business practices Guidelines, like Anti - bribery, Fraud, Conflict of interest, etc. are not just about right and wrong, but epitomize a contractual sense of duty to all employees. We continuous review our processes to bring in more transparency and accountability, thus building an ethical culture. It is matter of pride that GFCL is ISO 37001 certified.

**Mr. Bhavin Desai**  
Company Secretary & Ethics Officer



# Responsible and Ethical Business Practices

**Adherence to good corporate governance practices and managing its affairs in a fair, honest, ethical, transparent and legally compliant manner is an integral part of the philosophy of GFCL.**

We are committed to the prevention, deterrence and detection of fraud, bribery and all other forms of corrupt business practices. We conduct all our business activities with honesty, integrity and the highest possible ethical standards, and vigorously enforce our business practice, wherever we operate, of not engaging in bribery, corruption or extortion with any government officials or any person for or on behalf of the Company.

We are committed to conducting our business in compliance with all applicable laws and regulations, including anti-bribery, anti-corruption laws, Indian Prevention of Corruption Act, 1988 while being committed and aligned to the UNGC Principles, ISO 26000 standards, National Voluntary Guidelines on Social, Environment and Economic Responsibilities and continue to improve these practices over the years.

Our commitment is further consolidated with the signing of the UNGC, ensuring that our Social Responsibility systems and procedures are in consonance with the ISO 26000 standards. We are also certified with ISO 37001 (Anti-bribery Management Systems). Our overall values of ethics and integrity while doing business are enshrined in the Company's Statement of Fair Business Practice.

Stakeholder Engagement Level vis-à-vis Business Process Evaluation to Identify Risk Assessment of Bribery, Corruption and Other Unfair Business Processes

Doing business in a fair, transparent, and ethical manner while complying with all applicable laws is part of our

overall sustainability strategy and an important material topic. We have taken a step wise approach to de-risk the possibility of bribery and corruption across the different functions of the Company.

## Step 1 – Functional Exposure to Stakeholder Engagement

Each function is mapped vis-à-vis the various stakeholders on the engagement level. The more the engagement, higher is the possibility of exposure to corruption and bribery. Based on the above, a functional Stakeholder & Bribery Risk Matrix has been drawn up.

## Step 2 – Function wise Process FMEA

Operational processes of each function have been identified and each of the processes are evaluated through a Process Failure Mode Effect Analysis (FMEA) to calculate the Risk Priority Number (RPN).

Function	Location	Number of Processes	Number of Processes covered under Risk Assessment for Bribery, Corruption and Unfair Business Processes	% compliance
Operations	Dahej, Ranjitnagar	14	10	71
Human Resources	Noida, Dahej, Ranjitnagar	12	10	83
Commercial	Noida, Dahej, Ranjitnagar	12	05	42
Safety, Health and Environment	Dahej, Ranjitnagar	8	05	63

We will continue to conduct such Functional Process FMEA to identify the bribery, corruption and unfair business practices risk.

## Step 3 – Identified High Risk Activities

Based on the above FMEAs, we have identified 24 possible high risk activities.

## Step 4 – Implementation of Mitigation Plan

A mitigation plan has adopted to contain the risk of bribery and corruption by way of:

- Communication of Company policy to all stakeholders
- Training and awareness to all employees
- Putting in place financial and non-financial controls

## Policy Framework

We have formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises, at offsite locations, at the Company's sponsored business and social events, and/or any other place where they represent the Company.

The policy on Company Related Party Transaction, which is available on Company website ensures the mitigation of the risk associated with money laundering. There has been no reported case of money laundering during the reporting period.

Independent Directors of the Company have given the declaration and confirmation to the Company as required as required by the Companies Act, 2013 and SEBI regulation 2015, confirming that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

## Declaration by the CEO under Clause D of Schedule V of the Listing Regulations:

I, Vivek Jain, Managing Director of Gujarat Fluorochemicals Limited, declare that all the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel for the financial year ended 31st March, 2020.

Date: 30th July 2020  
Place: New Delhi

**Vivek Jain**  
Managing Director

Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by us. We also have a Whistle-blower Policy which is a mechanism to reinforce implementation of the CoC which encourages each Director and Officer of the Company to take positive actions which are not only commensurate with the Company's belief but are also perceived to be so. This policy provides all employees and Directors of the Company and its subsidiaries a mechanism to report improper acts and provides adequate safeguards against victimization.

We have a 'Zero Tolerance' approach to all forms of fraudulent acts. We strive to maintain the highest standards of governance, personal and corporate ethics and compliance with all laws and regulations. We value integrity and honesty while dealing with all employees, customers, suppliers and other stakeholders. We are committed to support government, law enforcement and international bodies to combat any financial crime.

Our HR Operations Manual has the following guidelines to ensure corruption and bribery free operations which is also available on our Company website

- HR/65 - Guideline on Prevention of Corruption & Bribery
- HR/66 - Guideline on Code of Conduct
- HR/67 - Guideline on Prevention of Fraud
- HR/68 - Guideline on Conflict of Interest
- HR/69 - Guideline on Whistle-blower



## Responsible and Ethical Business Practices

We take systematic steps to implement our anti-corruption system, by doing the following:

- a) **Detailed procedures:** develop detailed procedures that support our anti-corruption commitment and cover forms of corruption such as bribes, gifts, entertainment and expenses, donations and sponsorships, political contributions, facilitation payments and conflicts of interest;
- b) **Responsibility:** The Functional Heads have the responsibility to devise, implement, monitor and improve the programme under the oversight of top Management;
- c) **Business partners:** communicate our anti-corruption commitment to our business partners and obtain anti-corruption standards of them;
- d) **Awareness and education of employees:** provide communication and training to ensure that our employees understand the Company's policies and procedures as well as the Leadership's

commitment to zero tolerance of corruption;

- e) **Consequences:** ensure that appropriate measures shall be taken if the anti-corruption programme is violated;
- f) **Monitoring and continuous improvement:** carry out regular reviews of the anti-corruption programme including internal audits, provide resulting reports to top Management and the Board and take necessary actions to improve the system.

### Ethics and Fair Business Practices Governance Mechanism

At GFCL, governance extends beyond regulatory and legislative requirement. We strive to emphasis on an enterprise-wide culture of good corporate governance with an endeavour to ensure that decisions are taken in a fair and transparent manner, while considering its impact on all stakeholders. We actively monitor and revise our governance structures, practices and processes from

time to time, to ensure the adoption and implementation of best practices.

Our Board of Directors are accountable to shareholders and other stakeholders and are responsible for setting and implementing sound corporate governance practices throughout our operations. Our Board of Directors are committed to assure adherence to the highest standard of corporate governance in the conduct of our business.

We strive to promote good governance practices to create transparent dialogue across the Company vertically, enabling proper channels of communication with respective stakeholders. The Board members are entrusted with the responsibility to make overall strategy and policy decisions and supervise their implementation. They work as a team with a shared vision and are fully aligned to the Company's mid-term strategy and purpose.

Ethics Committee is part of our governance structure which ensures the formulation, implementation and review of the Fair Business Practices Policy across the Company. Details of the composition and area of operation of the Committee is given in our Integrated Annual Report FY 2019-20.

### Trainings and Communications on Anti-Bribery, Corruption and Fair Business Practices

Every existing governance body member, employee, business partners and those who join the Company have to sign a declaration stating that they have read, understood and declared compliance. All the above stated guidelines are included in the Employee Handbook of all Company locations. All employees are trained on various policies which cover the following aspects:

1. Established procedures which enable to take appropriate disciplinary action against personnel who violate the anti-bribery policy or anti-bribery management system.
2. They are also made aware that personnel shall not suffer retaliation, discrimination or disciplinary action (e.g. by threats, isolation, demotion, preventing advancement, transfer, dismissal, bullying, victimization, or other forms of harassment) for:
  - a. refusing to participate in, or turning down, any activity in respect of which they have reasonably judged there to be a more than low risk of bribery that has not been mitigated by the Company; or
  - b. concerns raised or reports made in good faith, or based on a reasonable belief, of attempted, actual or suspected bribery or violation of the anti-bribery policy or the anti-bribery management system (except where the individual participated in the violation).

Total number of governance body members to whom the Company's anti-corruption policies and Fair Business Practices Policies and procedures have been communicated	16
% coverage	100%
Total Number of employees to whom the Company's anti-corruption policies and Fair Business Practices Policies and procedures have been communicated	2216
% of employees to whom anti-corruption and Fair Business Practices policy and procedures have been communicated	100%

We initiated trainings pertaining to anti-corruption policies and Fair Business Practices policies and procedures from FY 2018-19, and such trainings have been given to all governance body members and employees.

### Trainings pertaining to anti-corruption policies

		Domestic								
Management System Topics	Content	Location	FY 2018-19				FY 2019-20			
			Male	Female	Training Hours	Man-hours	Male	Female	Training Hours	Man-hours
Fair Business Practices	Prevention of Corruption, bribery for employees, fraud, whistleblower, equal employment opportunity	Noida & ROI	56	14	2	140	104	20	2	248
		Dahej	823	11	3	2502	967	11	2	1956
		Ranjitnagar	315	3	3	954	346	4	2	700
		Vadodara	60	0	1	60	53	5	2	116
Total			1254	28	9	3656	1470	40	8	3020



## Responsible and Ethical Business Practices

### Trainings pertaining to anti-corruption policies

		International								
Management System Topics	Content	Location	FY 2018-19				FY 2019-20			
			Male	Female	Training Hours	Man-hours	Male	Female	Training Hours	Man-hours
Fair Business Practices	Prevention of Corruption, bribery for employees, fraud, whistle blower, equal employment opportunity	America	6	3	2	18	8	4	2	24
		Europe	5	1	2	12	17	3	2	40
Total			11	4	4	30	25	7	5	64

Our anti-bribery, corruption and other Fair business Practice policies are also communicated through banners, posters and flyers across all our Company locations.



### Standards of Behaviour for our Business Partners

Our Sustainable Procurement Policy defines the standards of behaviour which all our business associates must adhere to, in order to do business with us. The details are presented in the 'Responsible and Sustainable Procurement' chapter of this report.

### Information Security

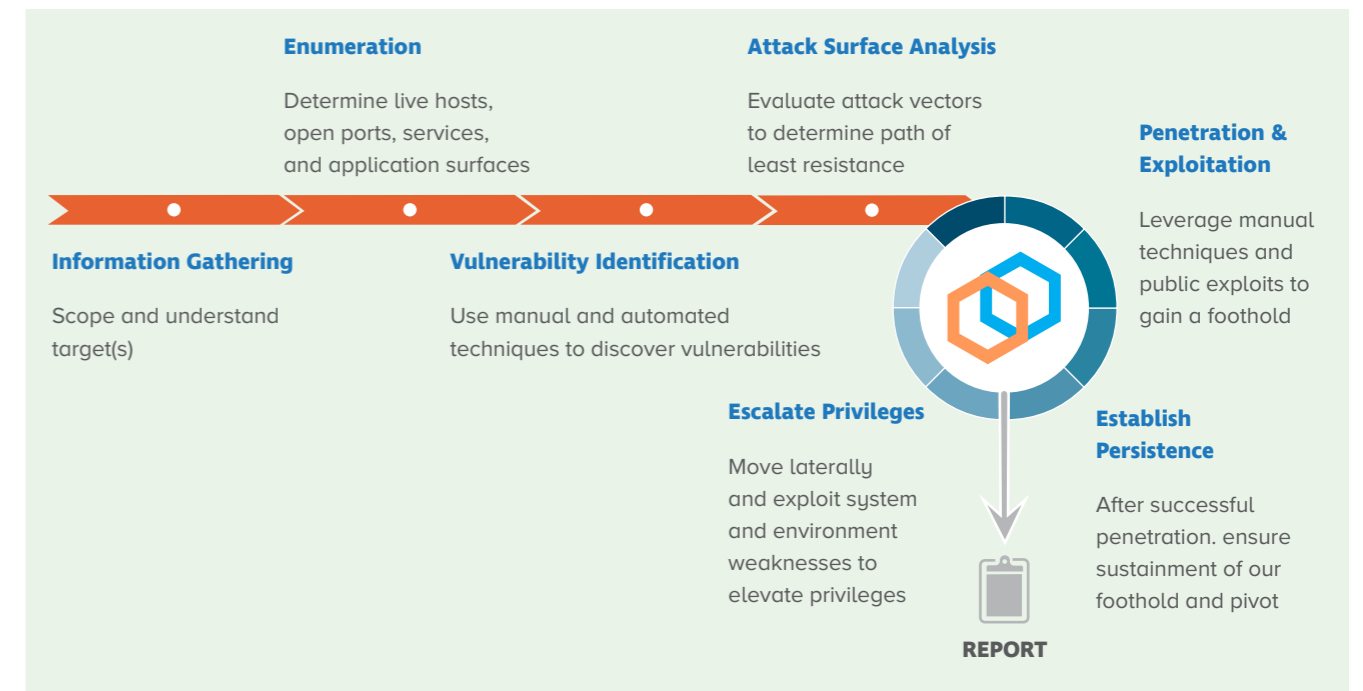
We look at cyber security through the lens of the SDGs to demonstrate the socio-economic importance of trust in and security of the digital environment. Effective use of innovative technologies is critical to the realization of many of the SDGs, and the path to those goals would be substantially undermined in the absence of appropriate cyber security. Today, when cyber-attacks are considered the one of the biggest possible threats that humanity will have to deal with in the coming years, an effective, timeless, and robust strategy to address this threat becomes indispensable. Cyber threats also evolve with the advancing technologies, always lurking behind the shadows of feeble security walls of a Company's IT infrastructure, eyeing for the minutest gaps to seep through.

In order to gear up and address this risk, we have undertaken ISO 27001 certification of our IT platform (Information Security Management). We

undergo periodic IT security audit and our IT infrastructure and usage is governed by the IT Security Policy.

We have performed a vulnerability assessment and penetration testing audit for our cyber security and network security devices like Unified Threat Management (UTM)/ Firewall switches and endpoint (anti-virus).

### GFCL's Penetration Testing Process



### All relevant employees are trained on information security and data privacy aspects.

		Domestic								
Management System Topics	Content	Location	FY 2018-19				FY 2019-20			
			Male	Female	Training Hours	Man-hours	Male	Female	Training Hours	Man-hours
Cyber & Data Security	Introduction to cyber security and its importance, Types of Hackers and malwares, Its Counter measure	Noida & ROI	40	5	2	90	75	18	2	186
		Dahej	130	5	2	270	184	11	2	390
		Ranjitnagar	60	2	2	124	95	4	2	198
		Vadodara	34	5	2	78	39	6	2	90
Total			264	17	8	562	393	39	8	864



## Responsible and Ethical Business Practices

All relevant employees are trained on information security and data privacy aspects.

International										
Management System Topics	Content	Location	FY 2018-19				FY 2019-20			
			Male	Female	Training Hours	Man-hours	Male	Female	Training Hours	Man-hours
Cyber & Data Security	Introduction to cyber security and its importance, Types of Hackers and malwares, Its Counter measure	America	4	1	2	10	5	1	2	12
		Europe	8	2	2	20	7	2	2	18
Total			12	3	4	30	12	3	4	30

### Personal Data Privacy of Employees

We recognize that personal data protection and privacy is no less than a fundamental right of an employees and misuse of such data is a human rights violation. We believe that employees have rights in relation to their own personal data processed by the Company, and as employees of the Company they have responsibilities for the personal data of others (i.e. clients, customers and colleagues) which they process in the course of their work. The HR Operations Manual has the HR Guideline Number HR/75 – 'Guideline on Confidentiality of Employee Personal Data/Information'. All employees must compulsorily sign a declaration of compliance in this regard at the time of joining the Company.

All our Business Associates with whom we share employee personal data also must sign a non-disclosure agreement.

% of employees covered under Personal Data Privacy policy communication	100%
Number of Business Partners who have access to Employee Personal Data	6
% of Business Partners who have access to Employee Personal Data and have signed Non-Disclosure and Confidentiality agreement	100 %

### Political Donations and Lobbying

We are apolitical and we advocate government policies. Political donations, if they are made, are as per Section 182 of the Indian Companies Act, 2013. The details of donation to the Electoral Trust and political parties in the year 2019-20 is given in our Annual Report FY 2019-20. Lobbying activities are generally limited, however, we have had several situations over time where we have sought dialogue with local or central authorities around areas of concern. These have included:

- Dialogue at ministerial level
- Dialogue with senior bureaucrats
- Dialogue with senior Statutory Authority

In most cases all such interactions are handled by Company's senior officials. Our policy prohibits any gratification by way of gifts, entertainment, etc. to any

government minister, bureaucrats and statutory authority. The policy of anti-bribery and anti-corruption guidelines debar from such inducements. All such lobbying is closely monitored by the Ethics Committee and if any violation of policy or bribery is reported by third party or employee of the Company, proper investigation and appropriate subsequent actions are conducted by the Committee.

### Operational Procedures to Counter Bribery and Corruption

We have adopted various financial and non-financial controls and incorporated them into respective SOPs to ensure that all our transactions across functions are ethical.

Various financial controls have been adopted to ensure that all financial transactions are timely, accurate, and without any possibility of corrupt behaviour. These include:

- Verification that the payee's appointment and work or services carried out have been approved by the Company's relevant approval mechanisms;
- At least two signatures are required on payment approvals, one being at least at the level of General Manager;
- Appropriate supporting documentation to be annexed to payment approvals;
- Cash payment to be made only if one of the signatories is at Vice President level as mentioned in Clause (b) above, with a clear directive that cash payments is discouraged.

- Accurate cost code is mentioned clearly in the bill;
- Significant financial transactions shall be audited on a sample basis by external auditors.

Over and above the financial controls, we have also adopted various non-financial controls to ensure that the procurement, operational, commercial and other non-financial aspects of our activities are properly managed. Examples of such non-financial controls include:

- Awarding contracts only to those business associates who have undergone a pre-qualification process under which the likelihood of their participating in bribery is also assessed;
- Assessing the necessity and legitimacy of the services to be provided by a business associate to the company, specially whether any business associate has any relations with any employee of the Company or with any government official or public representative;
- Prior to releasing payments, assessing whether the services were properly carried out and whether any payments to be made to the business associate are reasonable and proportionate with regard to those services;
- Awarding contracts, only after a fair and, where appropriate, transparent competitive tender process between at least three competitors has taken place;
- At least two persons of different functions are required to participate

in evaluating the tenders and approving the award of a contract;

- Ensuring that separation of duties is implemented while awarding contracts, so that personnel who approve the placement of a contract are different from those requesting the placement of the contract and are from a different department or function from those who manage the contract or approve work done under the contract;
- Signatures of at least two persons to be on contracts, and on documents which change the terms of a contract or which approve work undertaken or supplies provided under the contract;
- Signing of contracts as per the delegation of authority.
- All tenders and other price-sensitive information are kept under restricted circulation and accessible only to appropriate people.

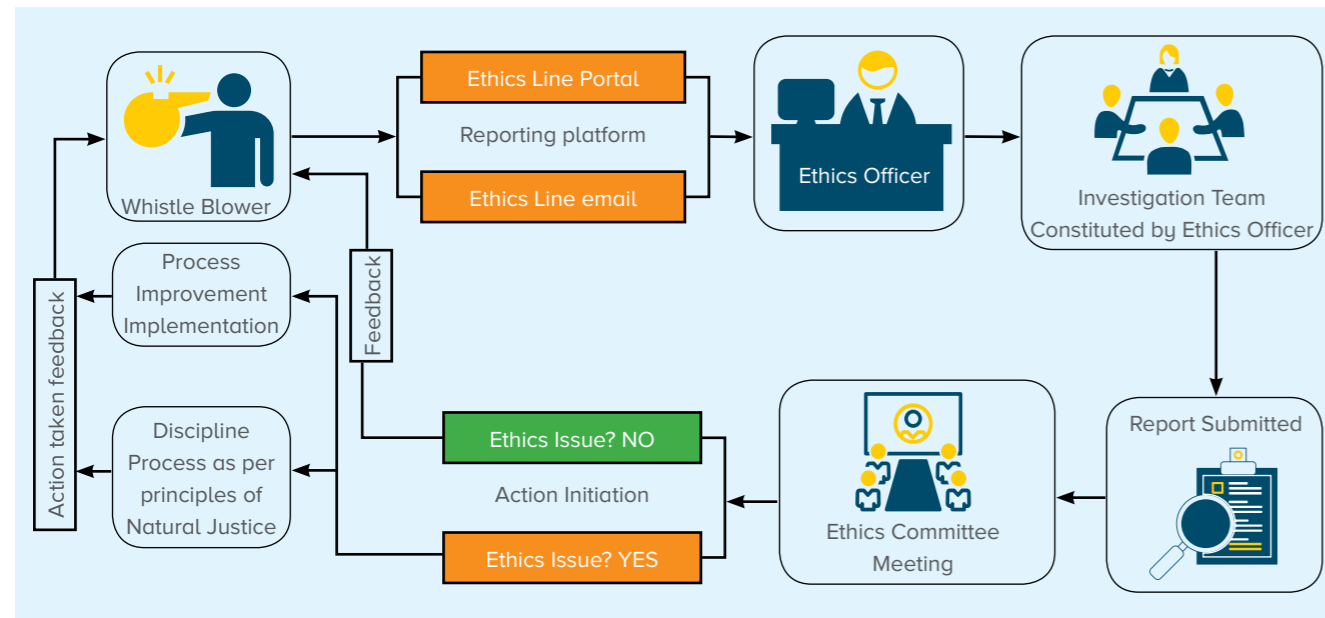
### External Assurance and Internal Audit

It is because of our unwavering commitment to ethics, transparency, fairness in all our business processes that today the Company is ISO 37001 (Anti-Bribery and Anti-Corruption Management System) certified. We underwent a pre-audit and a final audit as part of this certification process.

An internal sustainability and ethics assessment were undertaken across all the Company's locations in FY 2018-19 by an external agency – Sharp & Tannan Associates.

# Responsible and Ethical Business Practices

## Governance Mechanism to Address Concerns about Ethics, Protection to Whistle Blowers and 'Right to Refuse'



Our employees are provided with various platforms to raise alarm in case of a breach of any of the Fair Business Practices Policy or procedure. Upholding and making these policies a way of life at GFCL is the responsibility of everyone acting on behalf of our Company. We not only encourage our employees but also empower them to follow these Policies, raise concerns, ask questions and always make the right choices.

'Ethics Line' is a digital platform available to employees for raising concerns or to report violations. Concerns so raised are reported only to the Ethics Officer to maintain strict confidentiality. It is the duty of the Ethics Officer to investigate and report back to the whistle blower. Furthermore, employees and any of our other stakeholders can also write to ethicsline@gfl.co.in to report any incident with complete anonymity.

The Ethics Committee is responsible for investigating all reported incidents.

In case of an investigation, an appropriate investigation resource is assigned to the matter by the Ethics Committee. For concerns that are substantiated, disciplinary actions may be taken which may vary from warnings to separation from service.

We prohibit retaliation in any form against anyone who raises a business conduct concern in good faith, even if the report is proved to be not a material fact or cooperates in a Company investigation. All employees have the right to refuse an instruction or direction given by any superior which they feel is against the Fair Business Practice Policies.

We encourage employees to identify and report any risk of corruption, bribery, fraud, etc. as part of the 'Spot on - Value Champion' spontaneous recognition process.

### Reporting of Incidents

Continuous communication on Fair Business Practices procedures and policies across the values chain, regular training and education of employees, strong vigil and systems implementation has ensured that we continue to be a Company where 'ethics and integrity' is a way of life.

Number of Incidence	Number of reported incidences	Number of actions taken against employee/ Business partner
Corruption	Nil	NA
Bribery	Nil	NA
Fraud	Nil	NA
Conflict of Interest	Nil	NA
Personal Data breach	Nil	NA
Cyber security breach	Nil	NA
Whistle-blower	Nil	NA

During FY 2019-20, we received three complaints from our investors related to non-receipt of dividends, shares, etc. and all the three complaints were resolved as of the end of year.

### Way Forward

- Progress implementation of Fair Business Practices by:
  - Covering our U.S. and EU establishments under ISO 37001 certification;
  - A complete corruption and bribery risk assessment through FMEA in the Project, Finance and Accounts, Product Development and Quality functions.
- Covering 100% employees and contract labours across sites in awareness programmes on Fair Business Practices.
- Covering 100% of our hiring partners in Ethical Recruitment Practices Awareness programmes.
- Business Ethics Audits to be performed in significant locations of our operations.
- Cover 50% business partners (high value-high risk) in awareness programmes on Fair Business Practices.



# Our ESG Goals

No	Year	Social Performance - Trend & Target Data														
		Trend						Targets								
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023						
Locations		DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	A/B	DHJ-A	RNJ	OFFICES	A/B	DHJ-A	RNJ	OFFICES	
<b>SOCIAL ACCOUNTABILITY &amp; SOCIAL RESPONSIBILITY</b>																
<b>1 Leadership</b>																
A	% Compliance of SARS Corporate Steering Committee meeting	0			100				100				100			
B	% Compliance of Ethics Committee meeting	0			100				100				100			
C	% Compliance of Internal Complaints Committee meeting	0			0				100				100			
<b>2 Human Rights</b>																
A	Sites assessed for human rights – Own	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
B	Sites assessed for human rights - Contractors and suppliers	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
C	Number of Human Rights violations – Own	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
D	Number of Human rights violation - Contractors and suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
E	Number of Human Rights violations addressed – Own	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
F	Number of Human Rights violations addressed - Contractors and suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>3 Child Labour</b>																
A	Number of Child Labour - Own operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	Number of Child Labour - Contractors & Suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>4 Forced/Compulsory Labour</b>																
A	Number of forced/Compulsory labour - Own operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	Number of forced/Compulsory labour - Contractors and suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C	SA8000 Audit score	NA	NA	NA	4	4	NA	NA	4.5	4.5	4.5	4.7	4.7	4.7	4.8	4.8
D	Number of manhours lost due to industrial action	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

# Our ESG Goals

No	Year	Social Performance - Trend & Target Data														
		Trend						Targets								
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023						
Locations		DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	A/B	DHJ-A	RNJ	OFFICES	A/B	DHJ-A	RNJ	OFFICES	
<b>5 Diversity</b>																
A	Number of women in supervisory positions - L5/L4	45			47				50				60			70
C	Number of specially-abled employees	11			11			15				20			25	
D	Number of socially relevant event for women	5			4			6				10			12	
<b>6 Integrity</b>																
A	Code of Conduct violations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	Bribery and Corruption charges established	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C	Fraud incidence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
D	% of consultants taken through ethical recruitment practice training	0			0			100				100				100
E	Anti-bribery & Corruption audit conducted across locations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
F	Number of sites ISO37001 certified	NA			Yes			Yes				Yes				Yes
<b>7 Compliance</b>																
A	Number of notices, show cause, stricture etc from Labour Law Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	Annual Audit score on Labour Law Compliance	85	85	85	90	90	90	95	95	95	96	96	96	96	98	98
<b>8 Harassment</b>																
A	No of incidence of Sexual harassment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	No of incidences of Discrimination	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>9 Training &amp; Education</b>																
A	% trained on Fair business practices - Own employees	49	77	65	66	64	76	80	80	80	80	90	90	90	100	100
B	% trained on Fair business practices - Contractors/Labours/Suppliers	0	0	NA	71	0	NA	80	80	80	90	90	90	100	100	100
C	% employees trained on Service Conditions, Social Accountability & Social Responsibility	49	77	65	64	82	64	80	85	80	90	90	90	100	100	100



# Our ESG Goals

No	Locations	Social Performance - Trend & Target Data																					
		Year					Trend					Targets											
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023			
DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES
D	% trained on Social Accountability & Social Responsibility - Contractors/Labours/Suppliers	0	0	NA	71	0	NA	NA	80	80	NA	90	90	NA	100	100	NA	100	100	NA	100	100	NA
E	% employees trained on POSH	0	0	30	5	9	55	80	50	50	80	80	80	90	100	100	90	100	100	100	100	100	100
F	Training man-hours per employee	16.08	12.69	15.82	16.50	14.43	16.41	20	18	20	24	22	24	24	28	26	28	28	26	28	28	26	28
G	Number of Wellness awareness programmes	2	3	4	2	4	2	5	7	5	8	10	8	8	11	13	11	11	13	11	13	11	11
<b>10</b>	<b>Employee Engagement &amp; Participation</b>																						
B	% Attrition	22	25	12	21	15	20	19	13	18	17	11	16	15	9	14	14	14	9	14	14	9	14
C	% compliance of SPT team meeting	NA	NA	NA	80	80	NA	90	90	NA	100	100	NA	100	100	100	NA	100	100	100	100	100	NA
F	Employee Satisfaction E-SAT Survey Score	NA	NA	NA	3.88	4.33	NA	4	4.2	NA	4.2	4.5	NA	4.5	4.6	4.6	NA	4.5	4.6	4.6	4.6	4.6	NA
G	Employee Effectiveness EE2 Survey Score	NA	NA	NA	4.03	3.94	4.07	4.2	4	4.2	4.5	4.5	4.5	4.5	4.6	4.6	4.6	4.5	4.6	4.6	4.6	4.6	4.6
I	% of employees in celebrations - Environment day, safety day etc	53	58	20	66	62	25	70	65	40	75	70	50	80	75	60	60	80	75	60	75	60	60
J	Number of events conducted with at least 20% employee participation	3	4	3	3	4	4	5	6	6	6	8	8	8	9	10	10	8	9	10	10	10	10
K	Number of engagement events conducted	6	4	5	6	4	6	8	6	8	8	10	8	10	12	10	12	10	12	10	12	10	12
M	Number of CEO Talk/ Town Halls etc	NA	NA	NA	2	2	NA	4	4	NA	5	5	NA	6	6	NA	NA	6	6	6	6	6	NA
O	Number of employees covered in Skip level meetings	NA	NA	NA	30	20	55	40	30	65	50	40	75	70	60	95	95	70	60	60	60	60	95
P	Number of Spot on awarded	687	219	31	1053	578	35	1100	600	50	1150	650	70	1200	700	80	80	1200	700	700	700	700	80
<b>11</b>	<b>Sustainable Procurement</b>																						
A	Number of Suppliers given the Sustainable Procurement policy	-	-	-	-	432	-	-	800	-	-	1000	-	-	1200	-	-	-	-	-	-	-	1200
B	% supplier plan for Sustainability Audit	0	0	0	0	0	0	40	40	40	60	60	60	75	75	75	75	60	75	75	75	75	75
C	Number of Supplier already audited/Self Evaluation received on Sustainability	0	0	0	0	0	0	19	19	19	25	25	25	40	40	40	40	25	40	40	40	40	40
D	Number of Suppliers trained on Sustainable Procurement	0	0	0	0	0	0	186	186	186	250	250	250	300	300	300	300	250	300	300	300	300	300

# Our ESG Goals

No	Locations	Social Performance - Trend & Target Data																					
		Year					Trend					Targets											
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023			
DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES	DHJ-A	RNJ	OFFICES
<b>12</b>	<b>Responsible Sales &amp; Marketing</b>																						
A	% of employees in sales and marketing team trained in responsible sales and marketing	0	0	92	92	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
B	% of warehouse and depot operations given declaration on social accountability parameters	0	0	70	70	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
C	% of employees given declaration on adherence to responsible sales & marketing practices	0	0	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
D	Number of Customer privacy issue raised	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
E	Number of product category covered by LCA (%)	0	0	20	20	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
13	Community Development																						
A	Number of employees covered through voluntarism	150	150	600	600	750	750	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900
B	Number of stakeholder meetings	50	50	250	250	400	400	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450
C	Number of beneficiaries across all projects	5,726	5,726	20,826	20,826	883,130	883,130	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826	20,826
D	Number of awareness programmes for society	8	8	15	15	20	20	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
E	Number of trees planted & survival rate	500	500	4000	4000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000

\*Please note that offices include all the Domestic and International Offices located in Baroda, Chennai, Hyderabad, US and Europe.

# Our ESG Goals

## Environment Targets:

Environmental performance Trend and Target	RANJITNAGAR					DAHEJ							
	Trend		Target		Trend	Target		Trend		Target			
	2018-19	2019-20	2020-2021	2021-2022		2022-2023	2018-19	2019-20	2020-2021		2021-2022	2022-2023	
<b>GHGs</b>													
Direct total GHGs (tonnes CO <sub>2</sub> equivalent)	22,673	27,857.93	26,750	26,250	26,000	569,531	607,192	602,000	601,000	600,500			
Carbon dioxide (CO <sub>2</sub> ) (tonnes)	8,801	13,747	12,500	12,000	11,750	3,29,626	2,75,653	2,75,500	2,75,250	2,75,000			
Indirect total GHGs (tonnes CO <sub>2</sub> equivalent)	8,801.36	13,746.85	12,500	12,000	11,750	3,29,626.10	2,75,653.97	2,75,500	2,75,250	2,75,000			
<b>Acid gases and VOCs</b>													
Sulphur oxides (SO <sub>x</sub> ) (tonnes SO <sub>2</sub> )	4.11	1.73	4.25	4.15	4.10	6,980	481.22	11.50	11.00	10.50			
Nitrogen oxides (NO <sub>x</sub> ) (tonnes NO <sub>2</sub> )	6.31	2.50	6.50	6.45	6.40	3.33	519.99	3.80	3.70	3.60			
Suspended Particulate Matter (SPM) (tonnes SPM)	13.60	10.27	14.00	13.75	13.60	7.82	1104.3	9.00	8.70	8.50			
Hydrochloric acid (HCL) (tonnes HCL)	0.003	0.03	0.010	0.010	0.010	0.039		0.0045	0.0040	0.0035			
Hydrogen Fluoride (HF) (tonnes HF)	0.008	0.003	0.010	0.010	0.010	0.25		0.090	0.085	0.085			
<b>Spills and discharges</b>													
Sabotage spills – volume (thousand tonnes) [J]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil			
Sabotage spills – number [J]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil			
<b>Operational spills – volume (thousand tonnes)</b>													
Dahej	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill			
Ranjitnagar	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill			
<b>Operational spills – number</b>													
Dahej	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill			
Ranjitnagar	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill			

# Our ESG Goals

Environmental performance Trend and Target	RANJITNAGAR					DAHEJ				
	Trend		Target		Trend	Target		Trend		Target
	2018-19	2019-20	2020-2021	2021-2022		2022-2023	2018-19	2019-20	2020-2021	
Oil in effluents to surface environment (thousand tonnes)	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill	0.0	0.0	No Significant Spill	No Significant Spill	No Significant Spill
Fresh water withdrawn (million cubic metres)	0.180	0.216	0.210	0.210	0.205	4.52	4.20	4.15	4.14	4.13
Fresh water consumed (million cubic metres)	0.180	0.216	0.210	0.210	0.205	4.52	4.20	4.15	4.14	4.13
Waste disposal										
Hazardous (Metric tonnes)	86596.28	100,820.6	105,000	100,000	95,000	388.73	102,519.44	1,300	1,280	1,250
Non-hazardous (Metric tonnes)	632.05	1,007.62	950	900	850	36,104.00	38,805.85	35,000	34,750	34,500
Total waste (Metric tonnes)	87,228.33	101,828.18	1,05,950	1,00,900	95,850	36,492.73	140,965.29	36,300	36,030	35,750
Renewable Energy										
Renewable energy (KWH)	Nil	Nil	Nil	900,000	1,500,000	1,00,016,014.4	77,364,805.83	83,811,873	90,258,940	96,706,007
% of renewable energy used	Nil	Nil	Nil	30.00%	45.00%	16%	12%	13%	14%	15%

Please note:

- All targets are based on current production levels
- Significant Spill is as per definition in GRI 306-3

# Our ESG Goals

## Safety Targets

No	Year	Safety and Health - Trend Target Data											
		Trend						Targets					
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023			
Locations	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-B	RNJ	
<b>1 Felt Leadership</b>													
a	% of Unit Apex/Steering Committee meeting held	100	100	100	100	100	100	100	100	100	100	100	100
b	% of Safety Observations Compliance	92	83	80	80	80	80	100	100	100	100	100	100
<b>2 Lead Indicators</b>													
a	No of Near Misses Recorded	32	75	54	65	143	65	157	20	72	80	190	25
b	No of Unsafe Conditions rectified	Not Available	170	Not Available	153	812	153	893	100	170	187	1080	121
c	Total hrs training - employees	2908 hrs	2024 hrs	2648 hrs	3956 hrs	5297 hrs	4455 hrs	5826 hrs	500hrs	4900hrs	5390hrs	7048hrs	605hrs
d	Total hrs training - contract labour	4000 hrs	2631 hrs	4500 hrs	2761 hrs	5000 hrs	3994 hrs	5500hrs	250hrs	4394hrs	4833hrs	6655hrs	302hrs
e	% of employees involved in identifying unsafe conditions	20	20	35	25	40	55	50	10	75	100	200	50
g	No Of spot On Recognition for Safety Samrat	5	5	36	11	50	46	40	10	36	75	200	50
h	No of Safety Suggestions	Not Available	55	Not Available	55	Not Available	55	20	10	55	110	100	50
i	% of PSAP compliance	Not Applicable	Not Applicable	Not Applicable	Not Applicable	30	Not Applicable	100%	100%	100%	100%	100%	100%
<b>3 Fatalities and Injuries</b>													
a	Total Number Fatalities- Contract Labour	0	0	0	0	0	0	0	0	0	0	0	0
b	Total Number Fatalities- Own Employee	0	0	0	0	0	0	0	0	0	0	0	0
c	Fatalities per 100 million working hours (employees and contractors)	0	0	0	0	0	0	0	0	0	0	0	0

# Our ESG Goals

No	Year	Safety and Health - Trend Target Data											
		Trend						Targets					
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023			
Locations	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-A	Ranjitnagar	DHJ-B	RNJ	
d	Lost Time Accidents - Contract Labour	2	0	4	1	7	0	0	0	0	0	0	0
e	Lost Time Accidents - Own Employee	1	0	3	1	3	0	0	0	0	0	0	0
f	First Aid Cases - Contract Labour	21	56	54	38	62	12	0	0	0	0	0	0
g	First Aid Cases - Own Employees	9	28	39	24	28	5	0	0	0	0	0	0
h	Incidence Rate	0.1	0	0.23	0.194	0.67	0	0	0	0	0	0	0
i	Frequency rate	0.54	0	1.13	1.42	1.783	0	0	0	0	0	0	0
j	Severity Rate	20.43	0	132.47	16.06	51.73	0	0	0	0	0	0	0
<b>4 Process Safety Management</b>													
a	% of processes where Hazop has been completed	100	100%	100	100%	100	100%	100	100	100	100	100	100
b	% of Hazop Recommendation Implemented	Not Available	70%	Not Available	80%	Not Available	85%	100	100	100	100	100	100
c	Number of Process Safety related incidences	Not Available	1	Not Available	2	55	3	0	0	0	0	0	0
d	% of plants started after PSSR	100	100%	100	100%	100	100%	100	100%	100%	100%	100%	100%
e	% of Changes done as per MOC	Not Available	50%	Not Available	60%	100	70%	100	100%	100%	100%	100%	100%
f	No of employee trained on HAZOP and JSA	Not Available	25	Not Available	30	122	40	34	42	75	75	150	150



# Our ESG Goals

No	Year	Safety and Health - Trend Target Data													
		Trend						Targets							
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2022-2023			
Locations		Locations		Locations		Locations		Locations		Locations		Locations			
DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar	
<b>5 Occupational Health Management</b>															
a	Occupational illnesses per million working hours (employees only)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Occupational illnesses per million working hours (Contractor labour only)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	% of own employee medical health Check up completed	100	100	100	100	100	100	100	100	100	100	100	100	100	100
d	% of Contractor Labour medical health Check up completed	100	100	100	100	100	100	100	100	100	100	100	100	100	100
e	No of Work Place Hygiene audit done	4	12	2	12	2	13	6	6	6	14	7	7	15	8
<b>6 Security</b>															
a	No of security Trained on Human Rights	0	0	0	48	42	38	10	42	11	42	11	45	47	12
b	No of Security audits conducted	1	0	1	2	0	2	0	1	1	1	1	2	1	4
c	No of security Trained on fire fighting	25	18	45	52	24	48	0	26	10	35	10	45	45	50
<b>7 Emergency Response</b>															
a	No of Mock drills conducted	11	9	6	10	12	12	12	12	12	12	12	12	12	12
b	No of people involved in Mock drills	233	120	109	112	125	240	240	240	275	275	275	275	300	300

# Our ESG Goals

No	Year	Safety and Health - Trend Target Data													
		Trend						Targets							
		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2022-2023			
Locations		Locations		Locations		Locations		Locations		Locations		Locations			
DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar		DHJ-A		Ranjitnagar	
c	No Of fire incidences occurred ( even minor to be accounted)	Not Available	5	11	14	13	16	0	0	0	0	0	0	0	0
d	No of Community engagement programmes	1	4	2	8	4	10	6	1	12	8	2	16	10	20
<b>8 Distribution Safety</b>															
a	% of Vehicles covered BY GPS	12%	15%	22%	20%	25%	40%	40%	5%	10%	50%	40%	50%	20%	65%
b	No of Distribution incidences	0	0	0	1	1	1	0	0	0	0	0	0	0	0
c	No of Road incidences	0	0	1	1	0	0	0	0	0	0	0	0	0	0
d	% of Drivers trained of chemical transportation and safetyby Company	65	65	70	75	80	80	80	80	85	85	85	85	95	95

\*Please note that Offices include all the Domestic & International Offices located in Baroda, Chennai, Hyderabad, US, Europe.

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
<b>General Disclosures</b>								
GRI102-1	Name of the organization.	About the report	4			-		
GRI102-2	Activities, brands, products, and services.	Company at glance	8,9			-		
GRI102-3	Location of the organization's headquarters	Company at glance	11			-		
GRI102-4	Location of operations	Company at glance	9			-		
GRI102-5	Ownership and legal form.	Company at glance	12			-		
GRI102-6	Markets served	Company at glance	9			-		
GRI102-7	Scale of the organization	Company at glance	9			Principle 3		
GRI102-8	Information on employees and other workers	Responsible social accountability and people practices	57			Principle 3	SDG-8;10	
GRI102-9	Supply chain	Company at glance, Product offering	10,17-21			-		2
GRI102-10	Significant changes to the organization and its supply chain	About the report, Sustainable procurement	4, 141-152			-		2
GRI102-11	Precautionary approach or principle	Governance	22			-	SDG 17	
GRI102-12	External initiatives	Company at glance	13			-	SDG 17	
GRI102-13	Memberships of associations	Company at glance	13			Principle 7		
GRI102-14	Statement from senior decision-maker	Message from CEO	5	7.3.4		Principle 8		19
GRI102-15	Key impacts, risks, and opportunities	Governance	28-30	7.3.2		Principle 2, Principle 5		19
GRI102-16	Values, principles, standards, and norms of behaviour	Governance, Responsible and Ethical Business Practices	22, 166-167	4.2 - 4.4		Principle 1	SDG-16	12,13,14
GRI-102-17	Mechanisms for advice and concerns about ethics	Governance, Responsible and Ethical Business Practices	27, 166-167			Principle 1		12,13,14
GRI102-18	Governance structure	Governance	24-27	6.2.2 ; 6.2.3		-		1,20
GRI102-19	Delegating authority.	Governance	26	7.4.3		-		1,20
GRI102-20	Executive-level responsibility for economic, environmental, and social topics	Governance	26,27	Table 2		-		1,20

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI102 - 21	Consulting stakeholders on economic, environmental, and social topics	Governance	26,27	6.2.3		-	SDG-16	1,20
GRI102-22	Composition of the highest governance body and its committees	Governance	26,27			-	SDG-5,16	1,20
GRI-102-23	Chair of the highest governance body	Governance	24,25			-	SDG-16	1,20
GRI-102-24	Nominating and selecting the highest governance body	Governance	23			-	SDG-5,16	1,20
GRI102-25	Conflicts of interest	Governance, Responsible and Ethical Business Practices	23, 167			-	SDG-16	1,20
GRI-102-26	Role of highest governance body in setting purpose, values, and strategy	Governance	23			-		1,20
GRI-102-27	Collective knowledge of highest governance body	Governance	24,25			-		1,20
GRI-102-28	Evaluating the highest governance body's performance	Governance	23			-		1,20
GRI-102-29	Identifying and managing economic, environmental, and social impacts	Governance	26,27			-	SDG-16	1,20
GRI-102-30	Effectiveness of risk management processes	Governance	28-30			-		1,20
GRI-102-31	Review of economic, environmental, and social topics	Governance	26,27			-		1,20
GRI-102-32	Highest governance body's role in sustainability reporting	About the report	4			-		1,20
GRI-102-33	Communicating critical concerns	Governance	27			-		1,20
GRI-102-34	Nature and total number of critical concerns	Governance, Responsible and Ethical Business Practices	27, 167-175			-		1,20
GRI-102-35	Remuneration policies	Governance	23			-		1,20
GRI102-36	Process for determining remuneration	Governance	23			-		1,20
GRI-102-37	Stakeholders' involvement in remuneration	Responsible social accountability and people practices	61			Principle 5		1,20
GRI-102-38	Annual total compensation ratio	Responsible social accountability and people practices	61-63			-	SDG-16	1,20
GRI102-39	Percentage increase in annual total compensation ratio	Responsible social accountability and people practices	61-63			-		1,20

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI102-40	List of stakeholder groups	Responsible Stakeholder Engagement and Materiality Assessment	44	5.3.2,		Principle 4		
GRI102-41	Collective bargaining agreements	Responsible social accountability and people practices	63-64	4.2, 4.3, 4.5		-		21
GRI102-42	Identifying and selecting stakeholders	Responsible Stakeholder Engagement and Materiality Assessment	42-44			Principle 4	SDC-8	21
GRI-102-43	Approach to stakeholder engagement	Responsible Stakeholder Engagement and Materiality Assessment	42-45	5.3.2		-		21
GRI-102-44	Key topics and concerns raised	Responsible Stakeholder Engagement and Materiality Assessment	42-43	5.3.3, 6.8.3, 7.5.2, 7.5.3		-		21
GRI-102-45	Entities included in the consolidated financial statements	Financial Performance	15	7.5.4		-		21
GRI-102-46	Defining report content and topic Boundaries	About the report, Responsible Stakeholder Engagement and Materiality Assessment	4,46			-		
GRI-102-47	List of material topics	Responsible Stakeholder Engagement and Materiality Assessment	46			-		
GRI-102-48	Restatements of information	NA		6.8.3, 7.5.2, 7.5.3		-		
GRI-102-49	Changes in reporting	NA				-		
GRI-102-50	Reporting period	About the report	4			-		
GRI-102-51	Date of most recent report	NA				-		
GRI-102-52	Reporting cycle	About the report	4			-		
GRI-102-53	Contact point for questions regarding the report	About the report	4			-		
GRI-102-54	Claims of reporting in accordance with the GRI Standards	About the report	4			-		
GRI-102-55	GRI content index	Content Index	186-193			-		
GRI-102-56	External assurance	About the report, Assurance statement	4,194-195	6.8.2		-		

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
<b>Economic</b>								
GRI-103-1	Explanation of the material topic and its Boundary	About the Report, Responsible Stakeholder Engagement and Materiality Assessment	4, 46		9	Principle 4		
GRI-103-2	The management approach and its components	Financial Performance	15	7.3.2.1	9	Principle 4, Principle 2, Principle 3		15,16,17,18,19
GRI-103-3	Evaluation of the management approach	Financial Performance	15		9	-	SDG-9	
GRI-201-1	Direct economic value generated and distributed	Financial Performance	15			-	SDG-9	
GRI201-2	Financial implications and other risks and opportunities due to climate change	Responsible Environment care	96-97			Principle 6	SDG-13	
GRO-201-3	Defined benefit plan obligations and other retirement plans	Responsible social accountability and people practices	59		8.1-8.5	-		
GRI-201-4	Financial assistance received from government	Financial Performance	15		8.1-8.5	-		
GRI-202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Responsible social accountability and people practices	63	6.4.3.1	8.1-8.5	-	SDG-1,5,8,9	
GRI202-2	Proportion of senior management hired from the local community	Responsible social accountability and people practices	74-75			-	SDG-8	
GRI203-1	Infrastructure investments and services supported	Responsible Community Development	96	6.8.4 - 6.8.9		-	SDG-5,9,11	
GRI203-2	Indirect economic impacts of the organization	Responsible Community Development	86-87	6.8.4 - 6.8.9		-	SDG-1,3,8	
GRI-204-1	Proportion of spending on local suppliers	Sustainable Procurement	144			Principle 2	SDG-8	2
GRI-205-1	Operations assesses for Risk related to Corruption	Responsible and Ethical Business Practices	166	6.6.3.2		Principle 1	SDG-16	
GRI-205-2	Communication and training about anti-corruption policies Procedures	Responsible and Ethical Business Practices	168-169	6.6.3.2		Principle 1	SDG-16	
GRI-205-3	Confirmed incidents of correction and action taken	Responsible and Ethical Business Practices	175	6.6.3.2		Principle 1	SDG-16	



# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI-206-1	Legal actions for anti competitive behaviour, anti trust, and monopoly practices	Responsible Marketing	156	6.6.5.2		Principle 1	SDG-16	
<b>Environment</b>								
GRI-103-1	Explanation of the material topic and its Boundary	About the Report, Responsible Stakeholder Engagement and Materiality Assessment	4, 46					
GRI-103-2	The management approach and its components	Responsible Environmental Care, Sustainable Procurement	98-99, 142-143	6.5.3, 6.5.5, 6.7.5				9,10,11,15, 16,17,18,19
GRI-103-3	Evaluation of the management approach	Responsible Environmental Care, Sustainable Procurement	98-99, 142-143					
GRI-301-1	Materials used by weight or volume	Responsible Environment	124			-	SDG-8,12	
GRI-301-2	Recycled input materials used	Responsible Environment	124	6.5.2.2 and 6.5.4		Principle 6	SDG-8,12	
GRI-301-3	Reclaimed products and their packaging materials	Not Disclosed				-	SDG-7,12,13	
GRI-302-1	Energy consumption within the organization	Responsible Environment	102-103			Principle 6	SDG-7,12,13	
GRI-302-2	Energy consumption outside of the organization	Not Disclosed				Principle 6	SDG-7,8,12,13	
GRI-302-3	Energy intensity	Responsible Environment	103			Principle 6	SDG-7,12,13	
GRI-302-4	Reduction of energy consumption	Responsible Environment	104			Principle 6	SDG-7,12,13	
GRI-302-5	Reductions in energy requirements of products and services	Not Disclosed				Principle 6	SDG-7,12,13	
GRI-303-1	Water withdrawal by source	Responsible Environment	111			-	SDG-6	
GRI-303-2	Water sources significantly affected by withdrawal of water.	Responsible Environment	110-113			-	SDG-6	
GRI-303-3	Water recycled and reused.	Responsible Environment	112			Principle 2	SDG-6,12	

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI-304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Responsible Environment	123			Principle 6	SDG-14,15	
GRI-304-2	Significant impacts of activities, products, and services on biodiversity	Responsible Environment	123	6.5.6		Principle 6	SDG-6,14,15	
GRI-304-3	Size and location of all habitat areas protected or restored	Responsible Environment	123			Principle 6	SDG-14,15	
GRI-304-4	Total number of IUCN Red List species	Responsible Environment	123			-	SDG-14,15	
GRI-305-1	Direct (Scope 1) GHG emission	Responsible Environment	106			Principle 6	SDG-3,12,13	
GRI-305-2	Indirect (Scope 2) GHG emissions	Responsible Environment	106			Principle 6	SDG-3,12,13	
GRI-305-3	Other indirect (Scope 3) GHG emissions	Responsible Environment	107			Principle 6	SDG-3,12,13	
GRI-305-4	GHG emissions intensity	Responsible Environment	107			Principle 6	SDG-3,12,13	
GRI-305-5	Reduction of GHG emissions	Responsible Environment	107			Principle 6	SDG-3,12,13	
GRI-305-6	Emissions of ozone depleting substances (ODS)	Responsible Environment	110			Principle 6	SDG-3,12,13	
GRI-305-7	Nitrogen Oxides and Sulphur Oxides and other significant air emissions	Responsible Environment	109	6.5.3		Principle 6	SDG-3,12,15	
GRI-306-1	Water discharge by quality and destination	Responsible Environment	113			Principle 6	SDG-3,6,12,14	
GRI-306-2	Waste by type and disposal method	Responsible Environment	118-119			Principle 6	SDG-3,12,15	
GRI-306-3	Significant spills	Responsible Environment	121			Principle 6	SDG-3,6,12,14,15	
GRI-306-4	Transport of hazardous waste	Responsible Environment	120			Principle 6	SDG-3,12,15	
GRI-306-5	Water bodies that are significantly affected by water discharges	Responsible Environment	113			Principle 6	SDG-6,14	

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI-307-1	Non-compliance with environmental laws and regulation	Responsible social accountability and people practices	81	6.5.3, 4, 7		Principle 6	SDG-12 SDG-16	
GRI-308-1	Percentage of new suppliers that were screened using environmental criteria.	Sustainable Procurement	145, 149	6.5.3, 6.6.6		-		2
GRI-308-2	Suppliers assessed for environmental impacts	Sustainable Procurement	148	6.5.3, 6.6.6		Principle 4	SDG-12 SDG-16	2
<b>Social</b>								
GRI-103-1	Explanation of the material topic and its Boundary	About the Report, Responsible Stakeholder Engagement and Materiality Assessment, Responsible social accountability and people practices	4,46, 51					
GRI-103-2	The management approach and its components	Responsible social accountability and people practices, Responsible Community Development, Responsible People Care – Occupational Health and Safety at GFCL, Responsible Marketing, Sustainable Procurement	48-51, 51, 84-85, 126-127, 166-167					3,4-5,6,7,8,12,13,14,15,16,17,18,19
GRI-103-3	Evaluation of the management approach	Responsible social accountability and people practices, Responsible Community Development, Responsible People Care – Occupational Health and Safety at GFCL, Responsible Marketing, Sustainable Procurement	48-51, 84-85, 126-127, 166-167					3,4-5,6,7,8,12,13,14,15,16,17,18,19

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SA8000 Reference	NVGSEER of Business	SDG	UNGC Advanced Criteria
GRI-401-1	New employee hires and employee turnover	Responsible social accountability and people practices	52-56			-	SDG-8 SDG-10	6,7,8
GRI-401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employee	Responsible social accountability and people practices	59-60			Principle 3	SDG-3,5,8	6,7,8
GRI-401-3	Parental leave	Responsible social accountability and people practices	60	.4.3 and 6.4.4		-	SDG-5,8	6,7,8
GRI-402-1	Notice period for significant operational changes	Responsible social accountability and people practices	64			Principle 3		6,7,8
GRI-403-1	Workers representation in formal joint management-worker health and safety committees	Responsible People Care – Occupational Health and Safety at GFCL	129				SDG-8	6,7,8
GRI-403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Responsible People Care – Occupational Health and Safety at GFCL	139				SDG-8	6,7,8
GRI-403-3	Workers with high incidence or high risk of diseases related to their occupation	Responsible People Care – Occupational Health and Safety at GFCL	129, 131	6.4.6.2	3.1-3.4, 3.6-3.10	Principle 2,3	SDG-3.8 SDG-8	6,7,8 6,7,8
GRI-403-4	Health and safety topics covered in formal agreements with trade unions	Responsible People Care – Occupational Health and Safety at GFCL, Responsible social accountability and people practices	63,64, 129, 134					
GRI-404-1	Average hours of training per year per employee	Responsible social accountability and people practices	66	6.4.7.1		Principle 3	SDG-4,5,8,10	6,7,8
GRI-404-2	Programs for upgrading employee skills and transition assistance programs	Responsible social accountability and people practices	65-67			Principle 3	SDG-8	6,7,8
GRI-404-3	Percentage of employees receiving regular performance and career development reviews	Responsible social accountability and people practices	65			Principle 3	SDG-5	6,7,8
GRI-405-1	Diversity of governance bodies and employees	Governance, Responsible social accountability and people practices	23, 57			Principle 3	SDG-5,8	6,7,8
GRI-405-2	Ratio of basic salary and remuneration of women to men	Responsible social accountability and people practices	61			Principle 3	SDG-5,8,10	6,7,8
GRI-406-1	Incidents of discrimination during the reporting period.	Responsible social accountability and people practices	72	6.3.10.3	5.1-5.4, 6.1	Principle 3	SDG-5,8	

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SAS8000 Reference	NVSEER of Business	SDG	UNGC Advanced Criteria
GRI-407-1	workers' rights to exercise freedom of association	Responsible social accountability and people practices	63-64	6.3.10.3, 6.4.5		Principle 3	SDG-8	4.1-4.3 7.1-7.4
GRI-408-1	Operations and suppliers considered to have significant risk for incidents	Responsible social accountability and people practices	72-73	6.3.10.3 and Box 7		Principle 3	SDG-8,16	1.1-1.4 7.1-7.4
GRI-409-1	Operations and suppliers considered to have significant risk	Responsible social accountability and people practices	73			Principle 3	SDG-8	2.1-2.5 7.1-7.4
GRI-410-1	Percentage of security personnel with formal training	Responsible social accountability and people practices	74	6.3.5.2		Principle 5	SDG-16	
GRI-411-1	number of identified incidents of violations involving the rights of indigenous peoples	Responsible social accountability and people practices	75	6.3.7, 6.6.7		Principle 4	SDG-10	
GRI-412-1	Operations that have been subject to human rights reviews or impact assessments	Responsible social accountability and people practices	76	4.8, 6.3.1.2, 6.33-6.39		Principle 5	SDG-8	
GRI-412-2	Employee training on human rights policies or procedures	Responsible social accountability and people practices	76	4.8, 6.33-6.39		Principle 5	SDG-8	
GRI-412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Responsible social accountability and people practices	76	4.8, 6.33-6.39		Principle 4	SDG-8	3,4,5
GRI-413-1	Operations with local community engagement, impact assessments, and development programs	Responsible Community Development	84, 85, 89	6.8.4 - 6.8.9		Principle 4	SDG-10	
GRI-413-2	Operations with significant actual and potential negative impacts on local communities	Responsible Community Development	84-87			Principle 8	SDG-1 SDG-2	
GRI-414-1	New suppliers that were screened using social criteria	Sustainable Procurement	148	6.6.6		-	SDG-5,8,16	2,6,7,8
GRI-414-2	Negative social impacts in the supply chain and actions taken	Sustainable Procurement	151	6.6.6		-	SDG-8,16	2,6,7,8
GRI-415-1	Total monetary value of financial and in-kind political contributions	Responsible and Ethical Business Practices	172-173	6.6.4		Principle 7	SDG-16	
GRI-416-1	Assessment of the health and safety impacts of product and service categories	Responsible Marketing	157-158	6.7.4, 6.7.9		Principle 2, Principle 9		
GRI-416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Responsible Marketing	157-158			Principle 2	SDG-12	

# Annexure 1: GRI Index

GRI Reference	Indicator detail	Chapter	Page No.	ISO26000 Reference	SAS8000 Reference	NVSEER of Business	SDG	UNGC Advanced Criteria
GRI-417-1	organization's procedures for product and service information and labelling	Responsible Marketing	162	6.7.3.2, 6.7.9		Principle 9	SDG-12	
GRI-417-2	Incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling	Responsible Marketing	162	6.7.6.2, 6.7.9		-	SDG-12	
GRI-417-3	Incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	Responsible Marketing	157			-	SDG-12	
GRI-418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Responsible Marketing	163	6.7.7.2		Principle 9	SDG-16	
GRI-419-1	Non compliance with laws and regulations in the social and economic area	Responsible social accountability and people practices	81	4.7		-	SDG-16	



# Annexure 2: Assurance Statement



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## INDEPENDENT ASSURANCE STATEMENT

**The Board of Directors and Management**  
Gujarat Fluorochemicals Limited,  
India.

Ernst & Young Associates LLP (EY) was engaged by Gujarat Fluorochemicals Limited (the 'Company') to provide independent assurance to specified sustainability data for the reporting period FY 2019-20.

The preparation of the sustainability data as per Global Reporting Initiative (GRI) Standards is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the sustainability data as described in the scope of assurance below. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the sustainability data is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### Scope of assurance

The scope of assurance covers the following aspects:

- ▶ Quantitative data for only the specified sustainability indicators related to the Company's sustainability performance for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020;
- ▶ Verification of sample data at the following locations:
  - Ranjitnagar Unit, Gujarat
  - Dahej Unit, Gujarat
  - Corporate Office
- ▶ Review of data on a sample basis through desk reviews remotely at the above-mentioned locations, pertaining to the following Environmental and Social Disclosures of the GRI Standards:
  - Environmental Topics: Materials (301-1), Energy (302-1, 302-3), Water (303-1), Emissions (305-1, 305-2, 305-3, 305-4, 305-7), Waste (306-2).
  - Social Topics: Employment (102-8), Hiring and Separation (401-1), Occupational Health and Safety (403-2), Training and Education (404-1).

### Limitations of our review

The assurance scope excludes:

- ▶ Operations of the Company other than those mentioned in the 'Scope of Assurance';
- ▶ Data and information other than those mentioned above;
- ▶ Data and information outside the defined reporting period i.e. 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020;
- ▶ The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- ▶ Review of the company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- ▶ Data and information on economic and financial performance of the Company;



### Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as conformance of the disclosures under the key performance indicators as per GRI Standards.

### What we did to form our conclusions

In order to form our conclusions, we undertook the following key steps:

- ▶ Interactions with the key personnel at the Company's manufacturing plants and corporate office to understand and review the current processes in place for capturing sustainability performance data;
- ▶ Desk review of manufacturing locations and corporate office as mentioned in the 'Scope of Assurance' above.

### Our Observations

There is scope for improving the internal data controls, documentation management and method of calculation for the indicators under assurance scope. Areas of further improvement wherever identified have been brought before the attention of the management of the Company. Specific observations have been provided in the management letter which has been submitted to the Company separately.

### Our Conclusion

On the basis of our reviews carried out as per 'Limited Assurance Engagement of ISAE 3000', nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards for the specified sustainability indicators.

### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics<sup>1</sup> for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,

**Chaitanya Kalia**  
Partner  
21 October 2020  
Mumbai

<sup>1</sup> International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This Code establishes ethical requirements for professional accountants. The guidance related to network firms was updated in July 2006.

## Annexure 3: Glossary

- AFBC - Atmospheric Fluidised Bed Combustion
- AHCl - Anhydrous Hydrogen Chloride
- AHF - Anhydrous Hydrogen Fluoride
- APA - Asian Polymer Association
- AVAM - Ammonia Vapor Absorption Machine
- BEE - Bureau of Energy Efficiency
- BMA - Baroda Management Association
- BOD - Biological Oxygen Demand
- BPL – Below Poverty Line
- BSC - British Safety Council
- CA - Chlor-Alkali
- CDC - Carbide-Derived Carbons
- CDP - Carbon Disclosure Project
- CEP - Condensate Extraction Pump
- CFO – Chief Financial Officer
- CHP - Combined Heat and Power
- CII - Confederation of Indian Industry
- CoC – Code of Conduct
- COC - Cycle of Concentrations
- COD - Chemical Oxygen Demand
- COO – Chief Operating Officer
- CoP - Communication on Progress
- CPCB - Central Pollution Control Board
- CPP - Captive Power Plant
- CRM - Customer Relationship Management
- CST - Condensate Transfer
- CT – Cooling Tower
- DHF - Dilute Hydrofluoric Acid
- DM - De-Mineralized
- DSS - Dupont Sustainability Services
- EDFA - Ethyl difluoroacetate
- EHS - Environment, Health and safety
- EMP - Environment Management Programme
- EMS - Environmental Management System
- ERM - Enterprise Risk Management
- ERS - Effluent Recycling System
- ETP - Effluent Treatment Plant
- FEP - Fluorinated Ethylene Propylene
- FGI - Federation of Gujarat Industries
- FICCI - Federation of Indian Chambers of Commerce & Industry
- FKM - Fluor elastomers
- FMEA - Failure Mode Effect Analysis
- GABA - Gamma aminobutyric acid
- GCHR – Group Corporate Human Resources
- GE – General Electric
- GFCL - Gujarat Fluorochemicals Limited
- GFRC - Gujarat Fluoropolymer Research Centre
- GHG- Greenhouse Gas
- GHS - Globally Harmonized System
- GIDC - Gujarat Industrial Development Corporation
- GOG – Government of Gujrat
- GOI – Government of India
- GPCB - Gujrat Pollution Control Board
- GRI - Global Reporting Initiative
- GWSSB - Gujarat Water Supply & Sewerage Board
- HAPs - Hazardous Air Pollutants
- HCFC – Hydrochlorofluorocarbon
- HF - Hydrofluoric Acid
- HiPO - Recommended for High Potential
- HIRA - Hazard Identification and Risk assessment
- HOD – Head of Department
- HR - Human Resource
- HSEF - Health, Safety, Environment and Fire
- ICC - Indian Chemical Council
- IDP - Individual Development Planning
- IMS - Integrated Management System
- ITI - Industrial Training Institute
- IUCN - International Union for Conservation of Nature
- KMP - Key Managerial Personnel
- LCA - Life Cycle Assessment
- LDAR - Leak Detection and Repair
- LTIFR- Lost Time Injury Frequency Rate
- MGVCL - Madhya Gujarat Vij Company Ltd
- MLSS - Mixed Liquor Suspended Solids
- MLVSS - Mixed Liquor Volatile Suspended Solids
- MSDS - Material Safety Data Sheets
- NGO – Non-Governmental Organization
- NSC - National Safety Council
- NVGs - National Voluntary Guidelines on Socio-Economic and Environmental Responsibilities of Business
- ODS - Ozone-Depleting Substances
- OHC - Occupation Health Centre
- PAT - Perform Achieve and Trade
- PFA - Perfluoro alkoxy
- PHRRO - Plant Human Resource Representative Officer
- PM - Preventive Maintenance
- POSH - Prevention of Sexual Harassment
- PPE - Personal Protective Equipment
- PRA - Participatory Rural Appraisal
- PSM - Process Safety Management System
- PTFE- Polytetrafluoro-ethylene
- PVDF - Polyvinylidene fluoride
- R&D – Research and Development
- RCC - Reinforced Cement Concrete
- RLNG - Regasified Liquefied Natural Gas
- RO - Reverse Osmosis
- RPN - Risk Priority Number
- SARS - Social Accountability, Regulatory, and Sustainability
- SBTi - Science Based Targets Initiative
- SCBA - Self-Contained Breathing Apparatus
- SCOPE - Standing Conference of Public Enterprises
- SDG - Sustainable Development Goals
- SPCB – State Pollution Control Board
- SPT - Social Performance Team
- STP - Sewage Treatment Plant
- SWOT - Strengths, Weaknesses, Opportunities & Threats
- TDS - Total Dissolved Solids
- TFE - Tetrafluoro Ethylene
- TREM - Transport Emergency
- TSS - Total Soluble Solids
- UF - Ultra-Filtration
- ULS - Utilities Loss Survey
- UN - United Nation
- UNGC- United Nations Global Compact
- USA - United States of America
- UTM - Unified Threat Management
- VDF - Vinylidene fluoride
- VOCs - Volatile Organic Compounds
- WHO - World Health Organization
- ZLD - Zero Liquid Discharge







**Gujarat Fluorochemicals Limited**  
Sustainability and UNGC Communication  
on Progress Report - **2019-20**

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