

Sustainable Procurement

Document Report
2021-22



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Foreword

Gujarat Fluorochemicals Limited (GFL), a part of the Inox Group, is the largest manufacturer of chloromethanes, hydro chloro-fluorocarbons (HCFC) and various grades of PTFE in India. The company operates through different global locations – India (Noida (Uttar Pradesh) (Corporate Office), Dahej (Gujarat), Ranjitnagar (Gujarat), & Vadodara (Gujarat)), Germany, Morocco and United States. Further, its forward and backward integrated operations make it one of the most cost competitive producers of these chemicals globally. The company has successfully created a niche for itself in the chemicals business and is set to explore markets for more value-added products while continuing to gain from its other diversified businesses. We are among the few fully vertically integrated manufacturing company providing reliable and high-quality products.

Our Sustainability goals are interwoven with the way we do business all along our value chain. The company is signatory to the United Nations Global Compact (UNGC), Science Based Targets Initiative (SBTi), and is a member of the Indian Chemical Council (ICC).

Our focus on Health, Safety and Environment is reflected in the wellbeing and safety of our people. All-inclusive efforts towards sustainability at various facets make us long-term partners for our customers across geographies

The purpose and strategic direction of the company shall be to create a sustainable future. The Company is continuously driving sustainability and is committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible, ethical operations. We expect Suppliers, Vendors and Service Providers in our operations and supply chain, to embrace social, environmental, and ethical responsibilities like we do.

To know more about company and company commitment toward sustainability, please refer our integrated Annual Report – <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

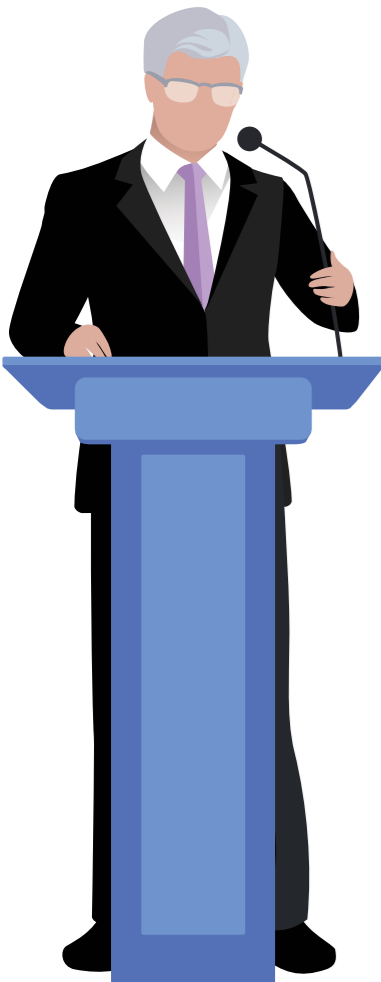
We welcome and appreciate any constructive input and feedback from stakeholders.

Email – rajiv.sharma@gfl.co.in ; hunaid@gfl.co.in



From the Desk of Chief Commercial Officer (CCO)

At GFL our aim and challenge of sustainable procurement is to integrate environmental and social considerations into the procurement process, we are committed to reducing adverse impacts upon health, social conditions and environment, thereby saving valuable costs and the community at large.



GFL Group has a vision to contribute to the society by creating sustainable product by sustainable way of operation. Building a responsible supply chain is essential for realizing this vision.

We view suppliers as key partners for addressing environmental and social issues in the supply chain. By promoting environmental conservation, respect for human rights, fair business practice, risk management and other initiatives in cooperation with our suppliers, we aim to achieve sustainable growth for all three of us: GFL, suppliers and society.

In 2018, we formulated Procurement Guidelines, we published the Supplier Code of Conduct as a high- level policy that precedes existing policies and guidelines. Our goal in publishing this policy was to communicate to all suppliers a comprehensive approach to procurement that applies to the entire GFL.

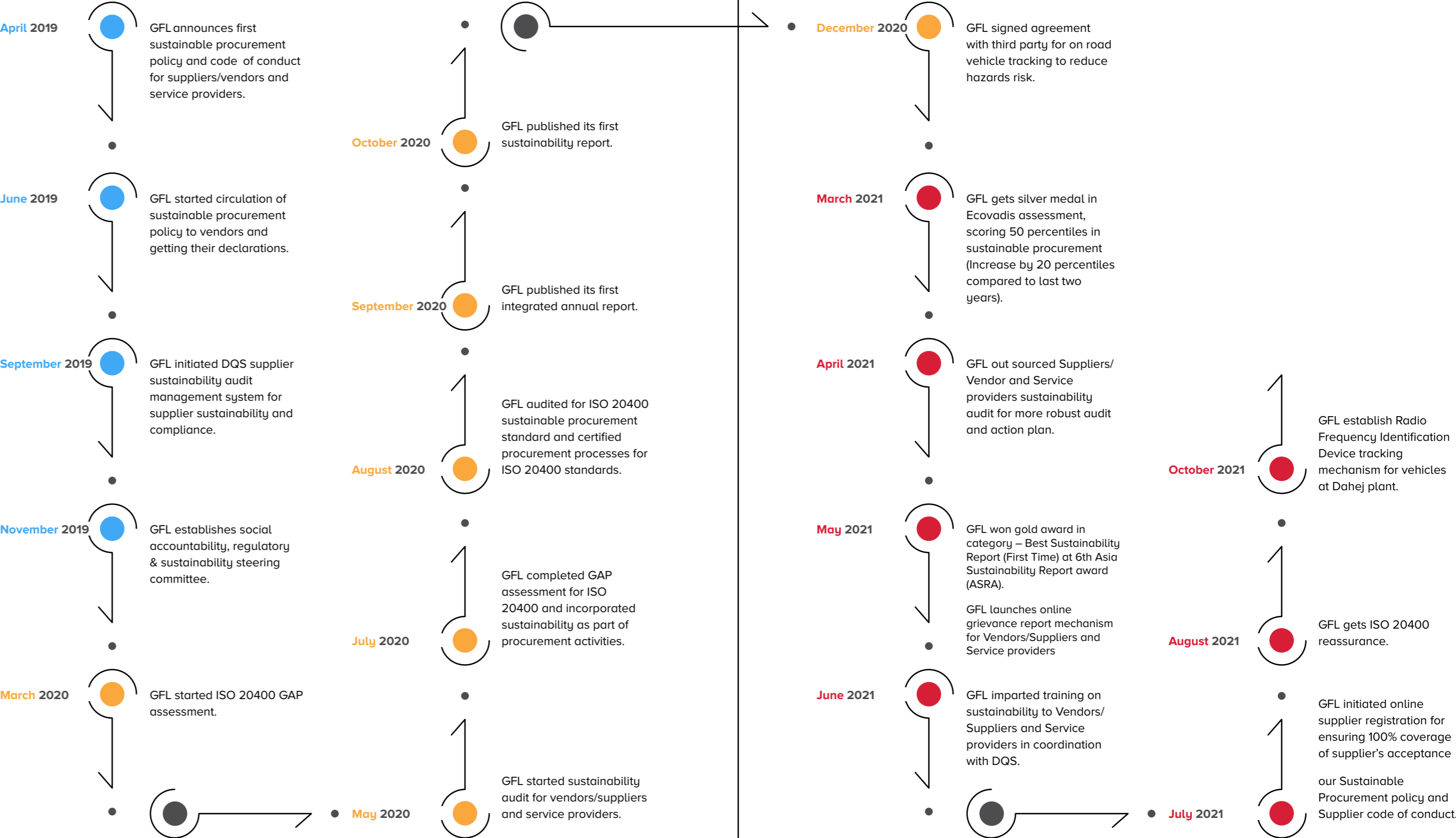
As objective to have sustainable procurement process **GFL Purchasing**

Policy is ISO 20400 assured. GFL engages in purchasing activities based on the GFL Purchasing Policy. The policy incorporates a sustainable procurement perspective, in addition to conducting fair and honest transactions. In terms of procurement activities described in the GFL Sustainable Procurement Guidelines, GFL has defined assignments on which to work with the full cooperation of our suppliers toward fulfilling our environmental and social responsibilities across the entire supply chain from a global perspective.

The objective to have **ISO 20400** assurance to have continual improvement on YoY basis, so that we can achieve the best efficiency with minimum environmental and social impact.

Regards
Rajiv Sharma
Chief Commercial Officer (CCO)

Sustainable Procurement Journey





Our Commitment to Sustainable Procurement

The culture of integrity and compliance in GFL starts at the top. The Company has committed to the principles sustainability 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 GFL.

We expect our Suppliers, Vendors and Service Providers to fully comply with applicable laws and to adhere to internationally recognized environmental, social and corporate governance standards. We also expect our Suppliers, Vendors and Service Providers to use their best efforts to implement these standards with their Suppliers, Vendors and Service Providers and subcontractors. Inspired by the United Nations Global Compact initiative, the United Nations Guiding Principles and Human Rights, the International Labor Organizations, Declaration on Fundamental Principles and Rights at Work, ISO20400:2017 standard and the chemical industry's Responsible Care program, our policy represents our understanding of the environmental, social and corporate governance standards in reference to the standards mentioned above.

Supply chain is a powerful instrument for organizations, GFL is committed to behave in a responsible way and contribute to sustainable

development and to the achievement of the United Nations Sustainable Development Goals by integrating sustainability in supply chain policies and practices, GFL endeavors to manage risks (including opportunities) for sustainable environmental, social and economic development. This 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 our Suppliers, Vendors and Service Providers and describes the expectations we have from our Suppliers, Vendors and Service Providers regarding the way they conduct their business. 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. 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.



Our Approach

The organization shall take steps to implement its procurement system, by doing the following:

- a) **Detailed procedures:** GFL developed detailed procedures that support our sustainable procurement commitment and cover all forms of unlawful acts like: bribes, gifts, entertainment and expenses, facilitation payments and conflicts of interest, confidentiality, inequality etc.
- b) **Responsibility:** GFL Functional Heads to devise, implement, monitor and improve the program under the oversight of top management.
- c) **Business partners:** We at GFL communicates our sustainable procurement commitment to our business partners and obtain standards of them.
- d) **Awareness and education of employees:** GFL provide communication and training to ensure that our employees understand the organization policies and procedures as well as the leadership's commitment toward sustainable procurement and zero tolerance of any unlawful act.
- e) **Consequences:** GFL ensure that appropriate measures shall be taken in the event that the policy is violated;
- f) **Monitoring and continuous improvement:** GFL carry out regular reviews of this policy including internal audits, provide resulting reports to top management and the Board and take necessary actions to improve the system.

In addition to above Gujarat Fluorochemicals Limited has taken up sustainability as key element for its business strategy and commits itself to ethical and sustainable operations and development activities. The company takes ownership of environment, employees, customer, stakeholders, shareholders and society in order to achieve a sustainable and profitable long-term business growth.

GFL procurement policies are ISO 20400:2017 assured. GFL is among few organization in India having their

“SUSTAINABLE” procurement processes are ISO 20400:2017 assured.

With these policies and guidelines as mentioned below practical steps takes to achieve supply chain sustainability.

- Conflict of Interest
- Bribery, Corruption, gifts, business ethics and Donations
- Confidentiality
- Anti-competitive and restrictive trade practices
- Conflict minerals
- Human Rights
 - Forced and child labor
 - Working hours and Incentives
 - Equality
 - Modern Slavery
- Health and Safety
- Local Community Development
- Green Inspired
- Eco-friendly Products and Processes
 - Carbon emission reduction
 - Efficient water usage
 - Efficient systems and process
 - Careful use of hazardous and toxic materials and substances
 - Toxic waste management
 - Clean energy

For detail of Policy please refer “Policy on Sustainable Procurement” on <https://www.gfl.co.in/Sustainability.php>

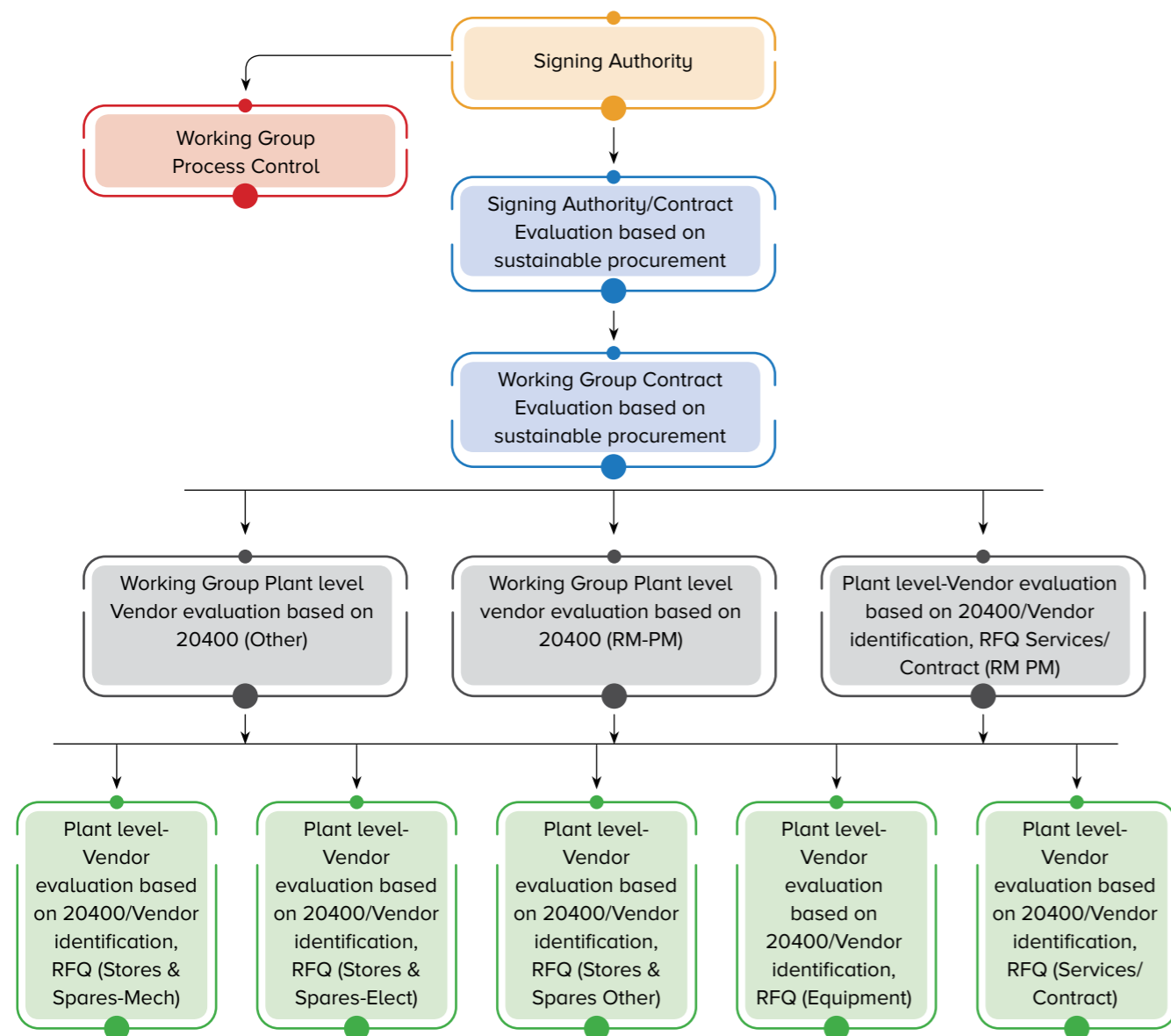
GFL is Produce to make announcement there is no Policy Violation is reported.

Our Governance

The Management demonstrates its commitment to sustainable leadership by remaining accountable for the effectiveness of the sustainable procurement process and reviews company objectives and functional objectives. It provides resources and periodically reviews achievements vis-à-vis set targets.

The 'Sustainable Procurement Committee' is held accountable and responsible for the implementation of Policies, Processes & Practices. The Company's Sustainable Procurement Committee details are available in our integrated annual report integrated annual report page no 120 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

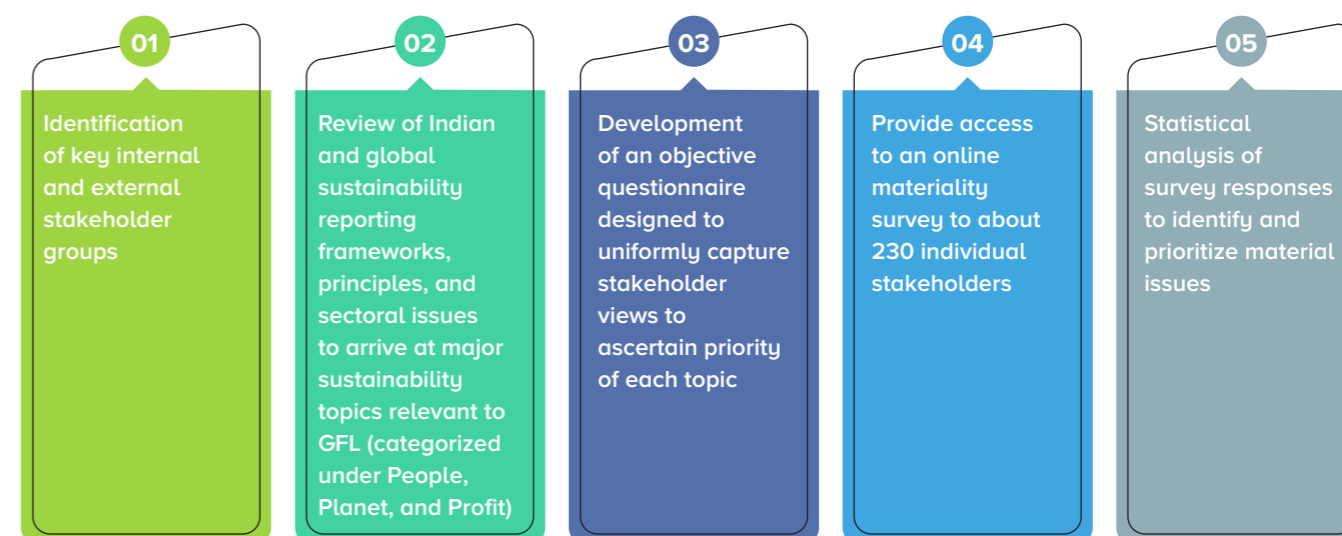
Governance structure within supply chain



Materiality & Stakeholder Engagement

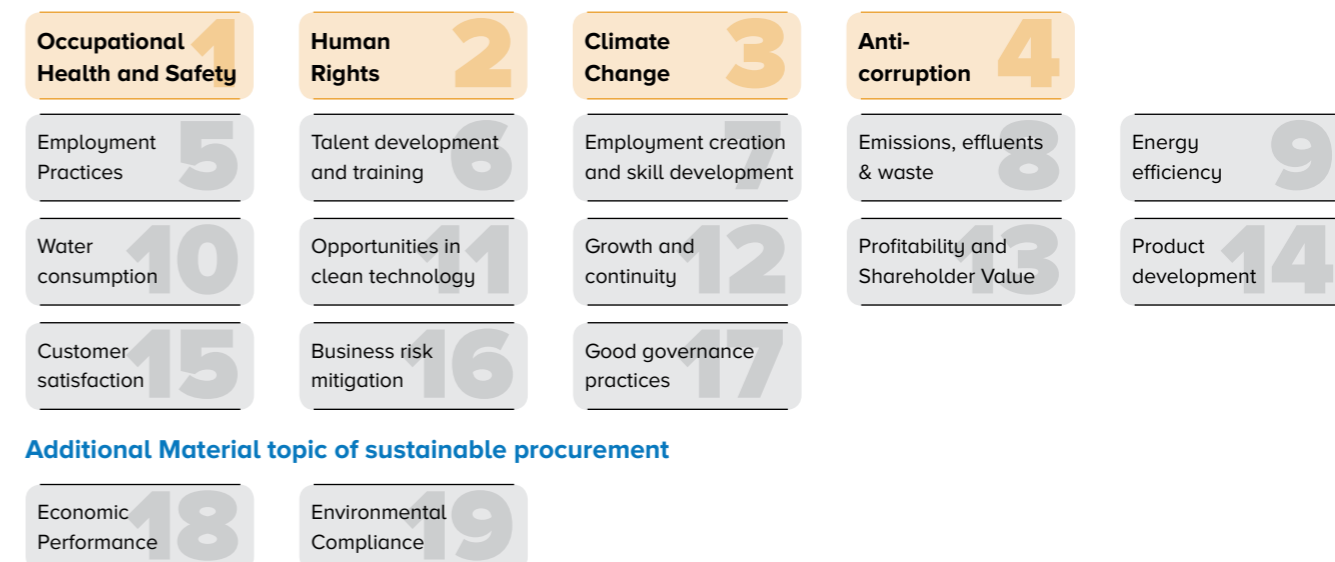
In line with our endeavour to identify issues that are material to our growth, we conducted a materiality assessment survey. It aimed to recognise topics that play a pivotal role in fulfilling the strategic endeavours of GFL, encompassing the “Triple Bottom Line” – People, Planet and Profit.

Our Approach



Material Matrix

17 Materiality topics were identified for GFL as important to business and stakeholders; out of 17, 4 topic is important to “Supply Chain” there are two materiality criteria which is not identified as materiality topic of GFL but important and followed by “Supply Chain”



Additional Material topic of sustainable procurement

GFL link materiality topic with their purchase category and KPI set for their Vendors, Suppliers and Service Providers, for more detail refer Annexure 2

Stockholders Engagement

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.

Keeping in view the business imperatives GFL has prepared a well- defined business plan to engaged stakeholders 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.

Stakeholder	Expectations
Vendors/Suppliers/ Business Partners	<ul style="list-style-type: none"> Optimized supply cost On time Payments Technical Support Fair Dealing Secured Business
Regulators	<ul style="list-style-type: none"> Compliance Transparent Disclosures Ethical Business Practices
Organization	<ul style="list-style-type: none"> Good Material Quality On time Delivery Optimized Supply Chain Cost Operational Compliance
Community	<ul style="list-style-type: none"> Lower GHG Emissions No/Less Spillage Opportunity of Business Participation Continuous Support in Community Development

Based on the business environment and stakeholder expectations, Sustainable Procurement materiality is finalized covering policies, targets and deliverables while understanding the opportunities and challenges.

Based on material topic selected for Sustainable Procurement GFL conducted suppliers' evaluation scope and annually measure their performance against the core elements as described above. This process has four key stages: select, identify baseline, agree, and execution.

The outcome of assessment is a supplier sustainability score ranging from 0 to 5, based on suppliers' self-assessment with supporting evidence and GFL validation.

Based on Materiality topic identify sustainability issue is mapped with Supplier category with impact analysis



Supplier Category and Impact analysis

Sustainable Issue Purchase Category	Anti-Corruption	Climate Change	Economic Performance	Occupational Health & Safety	Environmental Compliance	Human Rights
RM / PM - Manufacturer	High	High	High	High	High	High
RM / PM - Trader	High	Low	Medium	Low	Low	Medium
Contractor / Service provider	High	Low	High	High	Low	High
Other - Manufacturer	High	Medium	High	High	High	High
Other - Traders	Medium	Low	Medium	Low	Low	Medium

● High Impact ● Medium Impact ● Low Impact



Training & Communication

At GFL we have established regular communication channel and formal training program for Procurement organization employee, Vendors/Suppliers and Service Providers.

GFL sustainable procurement policy is communicated through email to all High Value High Risk suppliers and get their declaration signed.

To cover all Vendors/Suppliers and Service Providers GFL is launches supplier online registration portal on which all new suppliers have to accept GFL sustainable procurement policy and supplier code of conduct. Since inception of online registration portal 80 suppliers registered with GFL who signed declaration.

GFL is conducting regular training on "Sustainability & Sustainable procurement". GFL is partnered DQS to deliver training.

GFL is also conducting training to vehicle operators and LSPs about chemical handling as part of responsible citizen to avoid any issue during transit.

For detail of training participation and Sustainable Procurement Policy adherence declaration refer our integrated annual report page no 120 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

Training of Vehicle Operators



Integrating Sustainability into Procurement Process

Impact Assessment & Due Diligence

GFL supports and practise "Sustainability" being a signatory to UN Global Compact and adhering to principles and adopting the 'Sustainable and Responsible' Framework.

We have implemented ISO 20400 (Sustainable procurement Standers) and align our process to ISO 26000 (Social responsibility) and ISO 37001 (Anti-Corruption & Anti Bribery) and ICC Responsible Care (Distribution Code).

To mitigate risk GFL classified vendor as

- **High Value High Risk (Critical Suppliers)**
- **Medium Value Medium risk and**
- **Low Value Low Risk**

GFL is doing vendor classification based on spend analysis, clear definition to categorise vendor is available in GFL. This classification is based on vendor categories Raw Material / Packing Material, Spares and Service. Raw Material / Packing Material & Spares vendor having more than 5 transaction and spend value 50 Lakh and above is considered as High Risk and High Value supplier whereas for Services spend value more than 75 Lakh having more than 5 transactions is considered as High Risk and High Value supplier.

For definition of above classification and detail bifurcation, refer our integrated annual report page no 120 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

For better control and monitoring of vendor performance and in force policy inline with nature of supply and or services at GFL we have classification by type of material and services, for classification of vendor, refer our integrated annual report page no 119 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

At GFL further analysing and mitigation of risk vendor classification also done by geographic boundaries, detail provided in our integrated annual report page no 119 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

Supplier Compliance Assessment

GFL also verifies compliance with sustainability policy (Refer our sustainable procurement policy and supplier code of conduct at <https://www.gfl.co.in/Sustainability.php>)

through internal and external assessment mechanisms, such as self-assessment questionnaires, on- site audits of its Suppliers, Vendors and Service Providers, Audit though third party like DQS on sustainability of Vendors, Suppliers and Service Providers. Such audits include Confidential Vendors, suppliers and Service Providers filling questionnaire, verification process and rating. GFL carried out our sustainability audit for High Value High Risk for detail of sustainability audit refer our integrated annual report page no 120 on link <https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

GFL has on site audit plan to make sure compliance of Supplier code of conduct at suppliers' work place, for audit plan and audit report refer Annexure – 5.

We strive to prevent human rights abuse across our supply chain. Awareness programs on social accountability, human rights issues such as forced labour, discrimination, & campaigns on human rights laws and policies are conducted regularly for our Vendors, Suppliers and Service Providers. These clauses are integral part of our Terms and Conditions refer at Annexure -3.

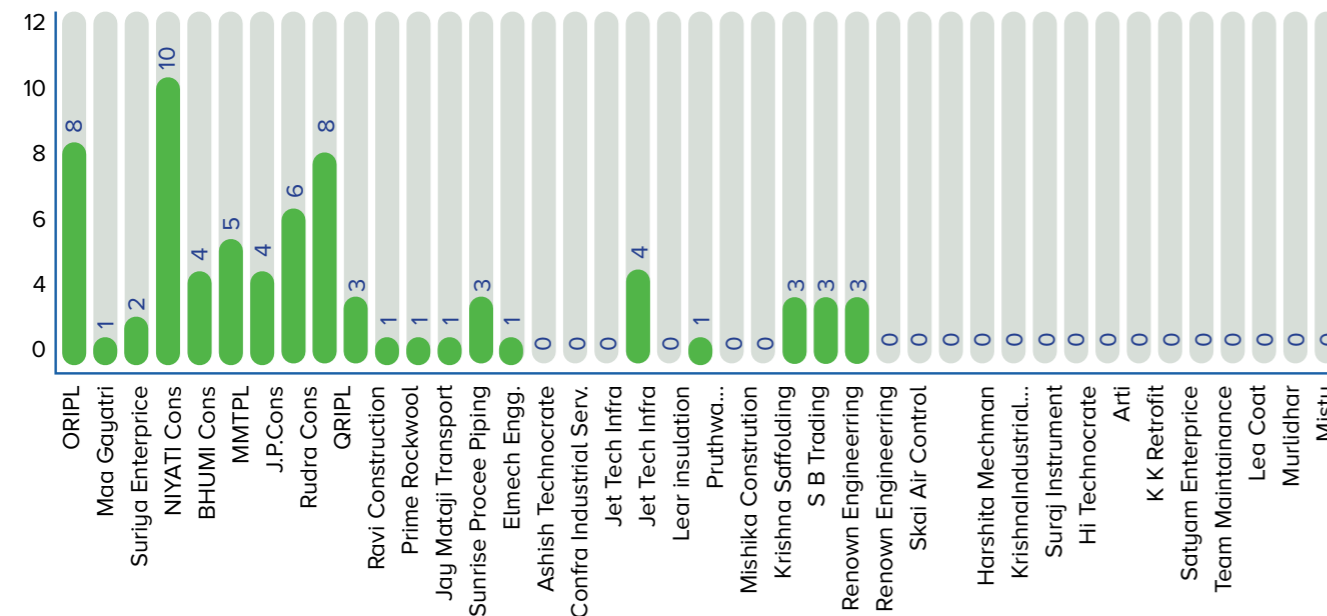
We do due diligence in following steps:

- Understanding the ISO 20400 standards and Engaging with Stakeholders to gain a robust understanding of business and sustainable procurement practices. We review our existing policies and procedures and operations to understand how each business/function could possibly impact sustainability.
- GFL has completed with ISO 20400 Audit for its procurement operations at Dahej, Vadodara, Noida and Ranjit Nagar. In line with our supplier code of conduct and sustainable procurement policies, to review our implemented processes for taking required corrective actions for continual improvement.
- GFL carried out audit of service providers statutory document and statutory / wages payment detail every month. We are also verifying all necessary proof at time of joining to comply with human right. For audit reference document refer Annexure -4.
- The additional step is to assess our commitment toward safe working environment, maintain human rights and identify most relevant Salient issue toward supplier code of conduct, we constitute, contractor field safety counseling to conduct contractor field safety audit, to identify issues, report and conduct necessary counselling, report summary of FY 2021-22.

Integrating Sustainability into Procurement Process

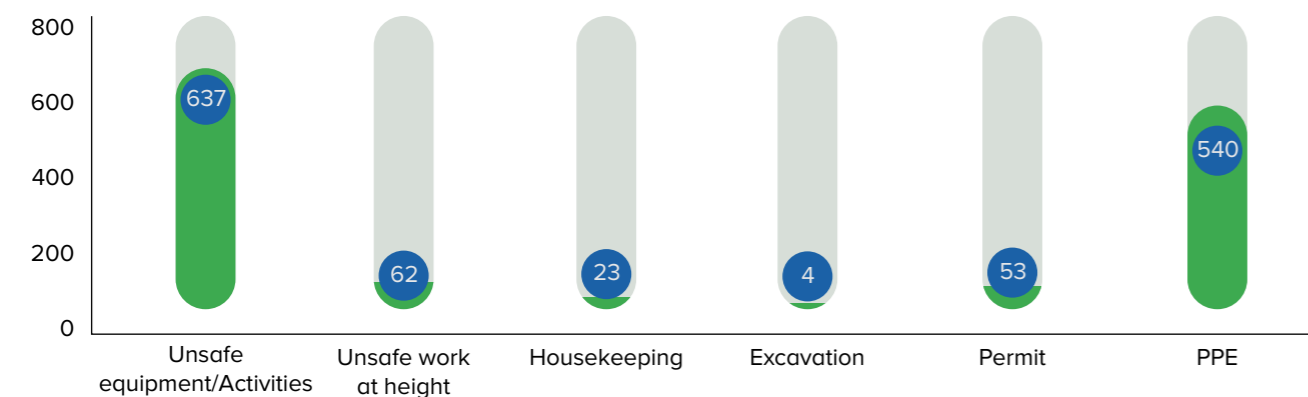
Incident Severity

Severity (4s/5s) by Contractor



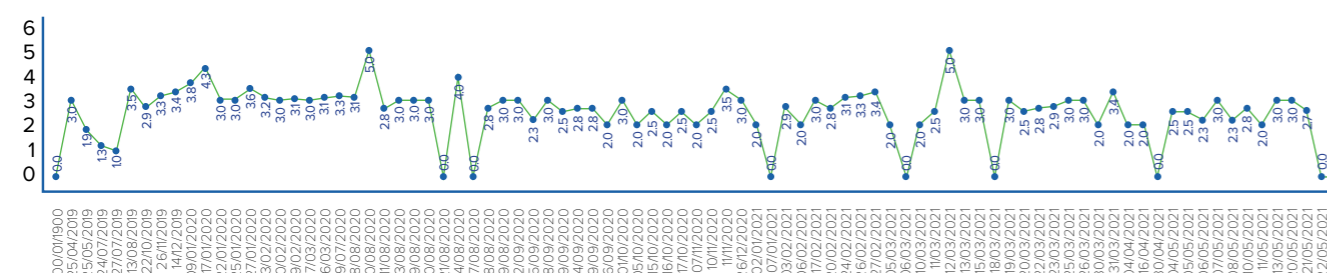
Violation by incident type

Violation by incident type



Severity Index

Severity by Date



Salient Supply Chain Issue, Taking Action & Results

GFL is committed towards “sustainability” in supply chain. This commitment is an integral part of company’s mission to become green supply chain, there for our all policies and procedures reflect our motive. GFL is also committed to get real time intelligence through building robust system to reduce disruption mitigation time from days to hours



No Forced Labour, Modern Slavery & Harassment

We respect the dignity of contract employee and do not allow the use of forced/bonded/compulsory labour including prison or debt bondage labour. Our policies and guidelines ensure the Right to Life of Security and provide the contract workers the right to freedom from torture and inhuman or degrading treatment. The company avoids the use of forced/compulsory labour including prison or debt bondage labour. The company has the following policies & actions in this regard:

Supplier Code of Conduct

Our Purchase Order / Contract terms and conditions
Verification process (NOC Process)

Above policy are part of our vendor registration process and part of awarding contract. For getting better result we

are having monthly audit of our service providers to issue NOC, without NOC we can hold their payment processing.

Harmful substance to impact in downstream products

There is significant risk involved in a product source as raw material having potential impact on environment and human life. GFL is abide by UN SDGs, hence GFL has strength their supply chain process by supplier code of conduct and supplier audit.

GFL is having State of the Art testing facility in house, all critical product is pass through well define testing process to make sure no input products are having harmful substance that has adverse impact on environment and human life. Below is sample testing process and CoA.

Salient Supply Chain Issue, Taking Action & Results

CoA

GUJARAT FLUOROchemicals LIMITED
12/A GDC Dahaj Industrial Estate, Taluka : Vagra Dist: Bhavnagar, Gujarat State, PIN-362130, INDIA
AN ISO 9001, ISO 14001 & ISO 45001 Certified Company
QUALITY ASSURANCE DEPARTMENT (CENTRAL LAB)

Certificate of Analysis (Date of Issue: 16.12.2021)

Test Report No. : CA21116A02
Supplier Name : M/S. BALAJI MINERALS
Product Name : Calcium Carbonate
Vehicle No. : RJ-270A-8813
Date Recd. No. :
Quantity : 30.7 MT
Batch No. / Lot No. :
Description of Test Item : White to Grey Solid Stone
Date of sample receipt : 16.12.2021
Analysis Date : 16.12.2021

Sr. No.	Characteristic	Unit	Test Method	Specification	Observed Value
1	Purity, (CaCO ₃)	% by mass	IS : 7633 - 1983	94.05 Min	94.18
2	CaO	% by mass	IS : 7633 - 1983	82.08 Min	82.75
3	MgCO ₃	% by mass	IS : 7633 - 1983	0.10 Max	1.94
4	MgO	% by mass	IS : 7633 - 1983	1.00 Max	0.93
5	SiO ₂	ppm	IS : 7633 - 1983	90 % max	93.82
6	Fe ₂ O ₃	ppm	IS : 7633 - 1983	5 % max	3.43
7	Al ₂ O ₃	ppm	IS : 7633 - 1983	5 % max	3.88

Remarks - Approved
Ajaykumar Gohil
Chief Manager (Central Lab)
Manufacturer's Authorized Representative
Phone : +91 2643 618294, Fax : +91 2643 618812
Email : ajaykumar.gohil@gfl.co.in
Note : 1. This test report shall not be reproduced in full or part without written permission of lab.
This certificate has been generated electronically and is valid without signature.
END OF REPORT

GUJARAT FLUOROchemicals LIMITED
12/A GDC Dahaj Industrial Estate, Taluka : Vagra Dist: Bhavnagar, Gujarat State, PIN-362130, INDIA
AN ISO 9001, ISO 14001 & ISO 45001 Certified Company
QUALITY ASSURANCE DEPARTMENT (CENTRAL LAB)

Certificate of Analysis (Date of Issue: 16.12.2021)

Test Report No. : AH21113001
Supplier Name : BICAL CHEMICALS LTD.
Product Name : Oleum
CAS No. : 8014-95-7
Molecular Formula : H₂SO₄
IS No. :
Vehicle No. : 03-152-1436
Quantity : 2500 Kgs.
Sample receipt Date : 16.12.2021
Analysis Date : 16.12.2021

Sr. No.	Characteristic	Unit	Test Method	Specification	Observed Value
1	Description	—	IS 1009:1996	Almost White To Light Brown Fuming Liquid	Hazy Off-White Coloured fuming liquid
2	Purity	%	IS 1009:1996	104.50 Min.	105.48
3	Free SO ₃	%	IS 1009:1996	20.0 Min.	24.34
4	Free SO ₂	%	IS 1009:1996	0.02 Max.	0.0333

Remarks - Approved
Ajaykumar Gohil
Chief Manager (Central Lab)
Manufacturer's Authorized Representative
Phone : +91 2643 618294, Fax : +91 2643 618812
Email : ajaykumar.gohil@gfl.co.in
Note : 1. This test report shall not be reproduced in full or part without written permission of lab.
This certificate has been generated electronically and is valid without signature.
END OF REPORT

GFL is monitoring REACH certification to ensure specialty chemicals should follow REACH regulation also GFL products are REACH certified to mitigate Environmental and human impact.



REACH Certificate

GUJARAT FLUOROchemicals GmbH

Expiration date: December 31, 2020

REACH Registration Certificate

In compliance with Regulation (EC) 1907/2006 of the European Parliament and the Council of 18th December 2006 concerning Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the non-EU manufacturer, as printed below, has appointed **Gujarat Fluorochemicals GmbH** to act as its Only Representative (OR) according to Article 8 of REACH regulation and completed the REACH registration for the following substance.

Non-EU manufacturer: **Gujarat Fluorochemicals Limited**

Principal place of business: Inox Towers, Plot No. 17, Sector 16-A, Noida - 201301 U.P. (India)

Substance name	EC no.	CAS no.	Confirmed Tonnage	Registration no.
Tetrafluoroethylene	204-126-9	116-14-3	>1000	01-2119487991-21-0019

This certificate represents that based on all the available information known to **Gujarat Fluorochemicals GmbH** who acts as the OR at this date, all duties under REACH regulation regarding the registration according to Article 23 and Article 28 of the regulation with respect to the above identified substance have been fulfilled.

Only Representative details:

- OR Name : Gujarat Fluorochemicals GmbH
14, Stock, Regus Center Watermark, Übersallee, 10 - 20457 Hamburg - Germany
- Contact Person : Deepak Kapoor
- Telephone no. : +49 40 808074 654
- Email : dkapoor@gfl.co.in

Confirmed by signature, 1st January, 2020

Deepak Kapoor
Deepak Kapoor
Gujarat Fluorochemicals GmbH

Expiration date: December 31, 2021

REACH Registration Certificate

In compliance with Regulation (EC) 1907/2006 of the European Parliament and the Council of 18th December 2006 concerning Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the non-EU manufacturer, as printed below, has appointed **Gujarat Fluorochemicals GmbH** to act as its Only Representative (OR) according to Article 8 of REACH regulation and completed the REACH registration for the following substance.

Non-EU manufacturer: **Gujarat Fluorochemicals Limited**

Principal place of business: Inox Towers, Plot No. 17, Sector 16-A, Noida - 201301 U.P. (India)

Substance name	EC no.	CAS no.	Confirmed Tonnage	Registration no.
Hexafluoroisopropane	204-127-4	116-15-4	100-1000	01-211947990-20-0021

This certificate represents that based on all the available information known to **Gujarat Fluorochemicals GmbH** who acts as the OR at this date, all duties under REACH regulation regarding the registration according to Article 23 and Article 28 of the regulation with respect to the above identified substance have been fulfilled.

Only Representative details:

- OR Name : Gujarat Fluorochemicals GmbH
14, Stock, Regus Center Watermark, Übersallee, 10 - 20457 Hamburg - Germany
- Contact Person : Deepak Kapoor
- Telephone no. : +49 40 808074 654
- Email : dkapoor@gfl.co.in

Confirmed by signature, 4th January, 2021

Deepak Kapoor
Deepak Kapoor
Gujarat Fluorochemicals GmbH

Climate Risk Management

These are problems like flood, earthquake, drought etc., the best way to build resilience is to diversify its supplier base. That means finding redundant suppliers for key parts and materials that are located in different parts of the world so, for instance, a hurricane in a certain region doesn't halt all shipments of a crucial material. It could also mean finding partners closer to home — maybe not in the same country but on the same continent.

GFL is proactively diversifying supplier base for geographical diversification, refer our integrated annual report **"Vendor Classification by Type of Material & Services"** on page on 119.

<https://www.gfl.co.in/upload/pages/034206a9d85b752f19e7d044b0c0ad00.pdf>

Vehicle and Driver Fitness

Almost all our chemicals are transported by road mainly in tankers. We at GFL are taking at most care about vehicle

healthiness and driver medical fitness. Vehicle carrying must fit to carry chemicals following are system in place to monitor.

Checking of vehicle fitness on arrival: At GFL we maintain vehicle database for parameters like validity of fitness certificate, insurance certificate, PUC certificate in SAP, upon arrival of vehicle check is being prepared in SAP which will check all critical parameter with data base, only vehicle pass all parameter allow to load material.

Vehicle Database in SAP	1455
No of Online Check List in SAP	3834

Data reference as on 30 November 2021

Salient Supply Chain Issue, Taking Action & Results

Check List

Vehicle Database in SAP

No of Online Check List in SAP

In case if tanker was carrying different family of material, we insist for cleaning certificate from authorized cleaner.

Cleaning Certificate

It is very important driver health and eyesight driving chemical tanker, we GFL are very vigilant on driver medical fitness requirement, all transporter asked for medical fitness report includes eyesight testing, Blood pressure, ECG etc. this requirement is integral part of our transport contract terms & condition

Vehicle Operator Medical Fitness Certificate

Road Transport Safety

Our hazardous raw material and other chemical are transported by road, there is potential risk involved in transportation and route selected by vehicle operator. To avoid wrong route selection, we conducted Journey Risk Management survey through **LCS Services India Pvt. Ltd.**, on major routes

As part of GFL commitment towards SDGs and take care of triple bottom line (People, Planet & Profit), GFL partnered LCS Services India Pvt. Ltd for journey risk management. This will help to

reduce GHG emission by avoiding unwanted route and avoid accident hazard which reduce human casualty risk to support SDG pillar - People

Objective of Journey Risk Management

The interactions between various elements of the road traffic system are linked to safe and unsafe movements of traffic. A systems approach and thorough understanding of these interactions can be helpful in identifying potential beneficial interventions (counter measures) to make a road traffic system less prone to hazardous conditions such as conflicts, violations and crashes.

Purpose:

All road journeys undertaken by Gujarat Fluorochemicals Ltd. business in areas identified as high-risk must be managed to ensure that action is taken to mitigate the risks. The purpose of JRM is to specify the requirements of heavy vehicle guidelines. The team which conducts the road safety audit pre- supposes the needs of a driver or road user in envisioning the types of risks encountered, and the support and information they would require to be assured of safer usage. These are based upon various police records of accidents, interviews with different type of road users of respective areas as well as on the culture of road usage in relation to environment, enforcement, awareness factors etc. Once the analysis of the data is complete, the whole section of the road is categorized into different risk areas with a color code. The rating of roads provides a methodology to measure the safety performance of a road network. On the basis of JRM data management could take right step to ensure quick and safe transportation of road. Purpose of the JRM is to ensure smooth movement/ transportation of Hazardous Cargo on road and prevent losses.

JRM Route



Key Initiatives

Key Initiative for Vehicle Monitoring and Safety

We have implemented vehicle tracking system to monitor and control, through monitoring of vehicle we also ensure vehicle movement are on pre-define route as decided after conducting “Journey Risk Management”

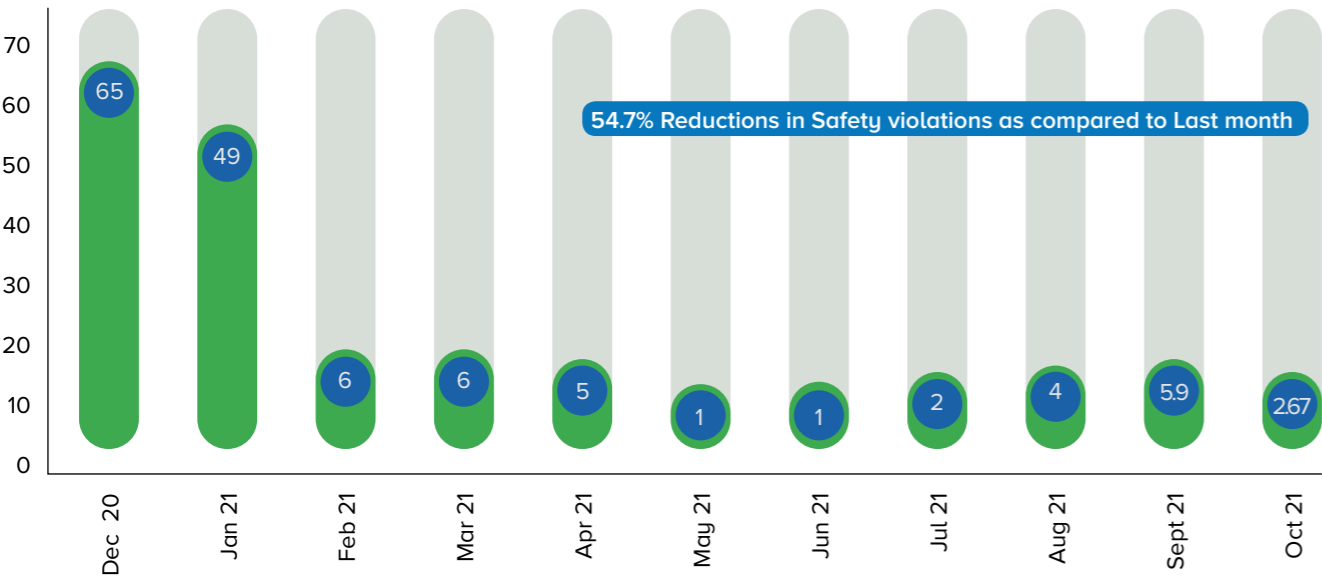
LCS Services India Pvt. Ltd is contracted for 24 X 7 monitoring and tracking of vehicle criteria like:

- Over speeding
- Continuous driving
- Night Driving
- Unauthorised Stoppages
- Stoppage more than allowable time
- Route Violation

This will help to reduction in average safety violation from 65 (In December 2020) to 2.67 (In October 2021)

Safety Violation Index

Average Safety Violation



GFL is manage to reduce safety violation almost 95% compare to December 2020.

GFL target for improvement in Distribution

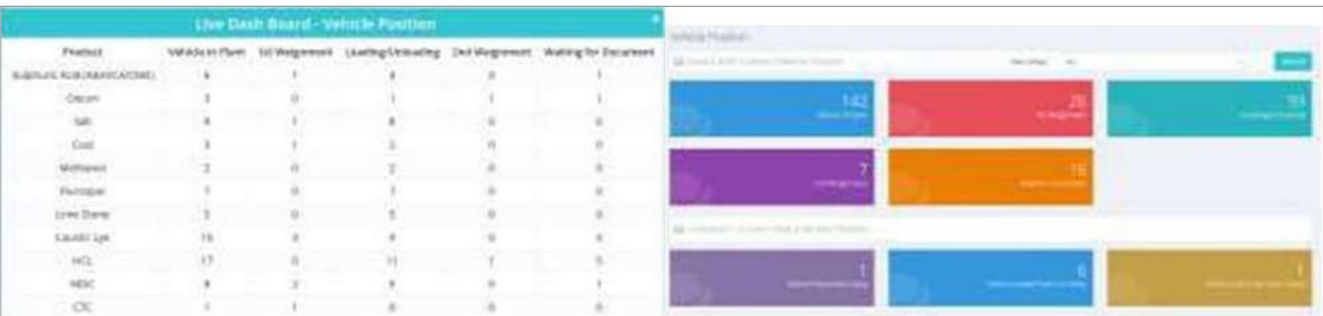
Year	2020-2021 - Actual Status			2021-2022 Target			2021-2022 (Actual)	2022-2023 Target			2023-2024 Target		
Locations	DHI-A	DHI-B	Ranjitnagar	DHI-A	DHI-B	RNU	All Site	DHI-A	DHI-B	RNU	DHI-A	DHI-B	RNU
% of Vehicles covered BY GPS	40%			50%			40%	65%			70%		
No of Distribution incidences	0			0			0	0			0		
No of Road incidences	0			0			2	0			0		
Drivers trained of chemical transportation and safety by Company	80			85			45	90			92		

RFID Vehicle Tracking in side Plant

We are committed towards SDGs and take care of triple bottom line (People, Planet & Profit), implemented RFID tracking and controlling system to avoid hazards risk while loading and unloading of material.

RFID card issue to vehicle which links with product loading or unloading station, vehicle will track at respective location including Weigh Bridge. If RFID Card issue to vehicle is not identified at loading or unloading station control valve or pump will not get operation for loading or unloading of material carrying by vehicle. This will reduce risk of wrong loading / unloading of material, causes explosion or Fire hazard.

RFID Tracking



RFID Tracking at Material Gate



RFID Tracking at weigh Bridge



Grievance Mechanism

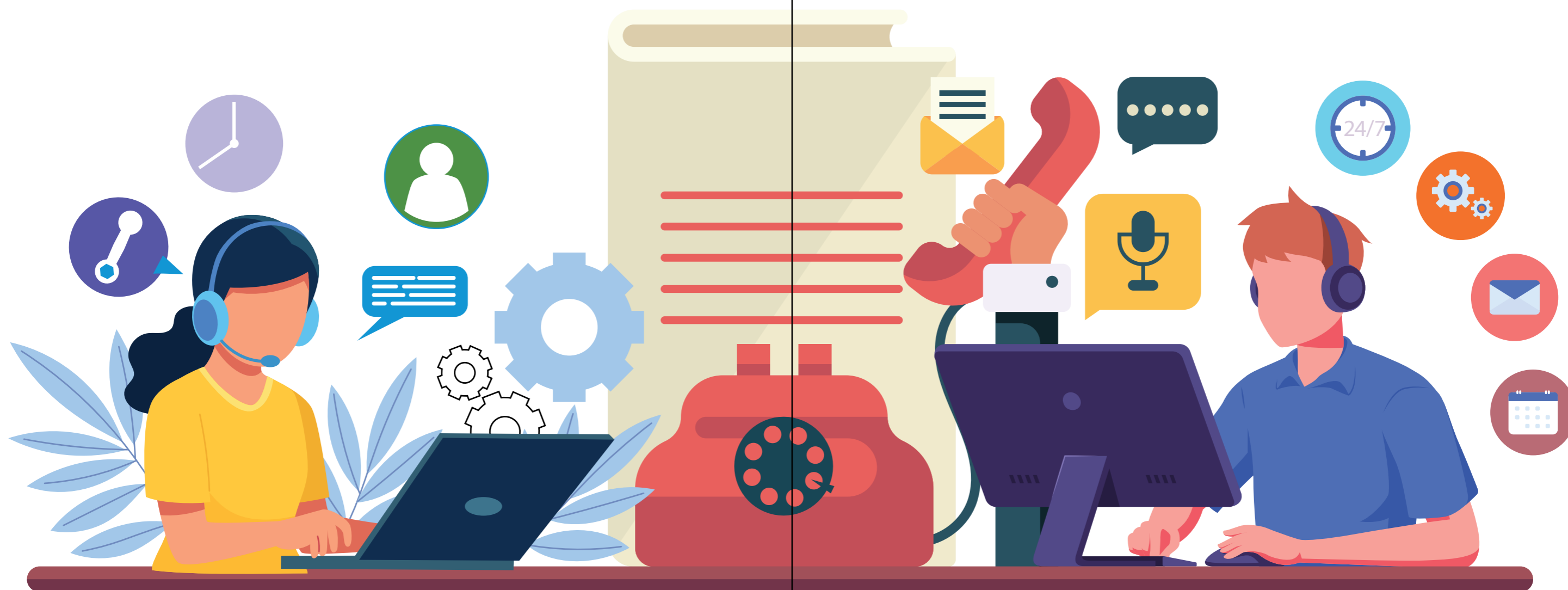
The Grievance Mechanism complements programs and processes GFL has already in place to prevent, identify and manage any issues like environmental, social concerns, anti-corruption, discrimination etc. throughout our supply chain. Our priority is to aim to ensure that our standards are upheld through awareness raising, training, engagement etc. We have a set process and or programs to proactively assess, find, and remediate noncompliance against our policies and commitments.

To register a grievance, a portal is developed and link provided in GFL website. Our intent is that the Grievance Mechanism will be run with transparency, consistency, and unbiased.

Our aim is to uphold our policies and to achieve outcomes that help people whose rights may have been affected in a way that is satisfactory to all parties of the complaint. Each complaint will go through the following process:

- Step 1: The complaint is logged in the portal and acknowledged to the complainant (where appropriate).
- Step 2: Email send to Chief Commercial Officer and Head Purchase with detail
- Step 3: Investigating the complaint.
- Step 4: Taking action if actions or remediation are needed these will be agreed to with the supplier and communicated to the complainant (where appropriate).
- Step 5: Update action and resolve action on portal.

GFL is produce to announce since inception of Grievance Mechanism portal no grievance is reported.



ANNEXURE – 1

ISO 20400 Reporting Framework Index

Section of the Framework	Location in this report
4.0 Understanding the fundamentals	
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4.2 Principles of sustainable procurement	Page 6-7
4.3 Core subjects of sustainable procurement	Page 8, 12-14,24
4.4 Drivers for sustainable procurement	Page 9-11
4.5 Key considerations for sustainable procurement	
4.5.1 Managing risk (including opportunity)	Page 9-11
4.5.2 Addressing adverse sustainability impacts through due diligence	Page 12-14
4.5.3 Setting priorities for sustainability issues	Page 6-7
4.5.4 Exercising influence	Page 6-7, 11
4.5.5 Avoiding complicity	Page 12-14,24
5.0 Integrating sustainability into the organization's procurement policy and strategy	
5.1 Committing to sustainable procurement	Page 6-7
5.2 Clarifying accountability	Page 8
5.3 Aligning procurement with organizational objectives and goals	Page 6-7
5.4 Understanding procurement practices and supply chains	Page 9-11
5.5 Managing implementation	Page 11-12
6.0 Organizing the procurement function towards sustainability	
6.1 Governing procurement	Page 6-8, 11-20
6.1.1 Governance	Page 8
6.1.2 Procedures and systems	6-7, 11
6.2 Enabling people	Page 11-12
6.2.1 Organizational culture	Page 11-12
6.2.2 Performance management	-
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6.2.4 Guidance	-
6.3 Identifying and engaging stakeholders	Page 9-11
6.3.1 Identifying key stakeholders	Page 9-10
6.3.2 Engaging the supply chains	Page 10-11 (Annexure 2)
6.3.3 Engaging other stakeholders	Page 10-12 (Annexure 2)
6.4 Setting sustainable procurement priorities	Page 24
6.4.1 Applying risk management	-
6.4.2 Using different approaches to set priorities	
6.4.2.1 Considering different approaches	Page 11, Annexure 2
6.4.2.2 Using a category approach	Annexure 2
6.4.2.3 Using a supplier approach	-
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6.5 Measuring and improving performance	
6.5.1 Defining metrics and indicators	Page 9-11
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7.2.5 Analyzing the market	-
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7.3 Integrating sustainability requirements into the specifications	
7.3.1 Defining sustainable procurement criteria	Page 9
7.3.2 Choosing the types of requirements	Page 11
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7.4 Selecting suppliers	
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7.4.3 Managing tenders	-
7.4.4 Awarding the contract	-
7.5 Managing the contract	-
7.5.1 Managing the supplier relationship	-
7.5.2 Implementing the contract	-
7.5.3 Using a contract management plan	-
7.5.4 Managing performance and relationships	-
7.5.5 Encouraging supplier-customer joint initiatives	-
7.5.6 Managing supplier failure	-
7.5.7 Managing disposal and end of life	-
7.6 Reviewing and learning from the contract	-

ANNEXURE – 2

Material Topic	How/ Where it is covered	Type of Vendor	Influence and Control exercised by GFL	Periodicity (Continuous, Once, Other)	Targets / KPI
Anti Corruption	CoC and Green SCM	RM/PM – Manufacturer/ RM-PM – Trader /Contractor / Service provider / Other – Manufacturer / Other – Traders	<ul style="list-style-type: none"> Vendor Registration Vendor Evaluation by DQS NXT Platform NoC Self Declaration 	Once a Year	Zero deviation (By Vendor self-declaration)
Climate Change	SBTi, DQS NXT Platform, CDP Disclosure	RM/PM – Manufacturer/	<ul style="list-style-type: none"> Annual Disclosure by the Vendor to GFL via self- declaration Public disclosure by the suppliers (as applicable) 	Once a Year	As per CDP
Economic Performance	Vendor Registration, Compliance to all laws, Terms and Conditions of PO	RM/PM – Manufacturer/ contract / Service provider / Other – Manufacturer	<ul style="list-style-type: none"> NoC Procedure for Service Provider Vendor Self declaration 	Continuous for service provider. Once in a year for other	Compliance to All law – Zero Deviation
Energy	SBTi, DQS NXT Platform, CDP Disclosure	<ul style="list-style-type: none"> RM/PM – Manufacturer/ Other Manufacturer 	<ul style="list-style-type: none"> Annual Disclosure by the Vendor to GFL via self- declaration Public disclosure by the suppliers (as applicable) 	Once a year	As per CDP
Environmental Compliance	Vendor Registration, Compliance to all laws, Terms and Conditions of PO	<ul style="list-style-type: none"> RM/PM – Manufacturer/ Other Manufacturer 	<ul style="list-style-type: none"> Declaration from supplier on compliance NoC Procedure 	Once a year	As per applicable laws
Local Communities	Targets follow the ISO 26000 requirements	RM/PM – Manufacturer/ Other Manufacturer	Compliance will be established as per ISO 26000	Once a Year	If applicable for CSR project
Occupational Health and Safety	CoC and Green SCM	RM/PM – Manufacturer/ Contrac tor / Service provider / Other – Manufacture	<ul style="list-style-type: none"> Vendor Registration Vendor Self Declaration Vendor Evaluation by DQS NXT Platform Audit on Supplier Medical Reports of the contract employee verified by the GFL OHC 	Once a Year	Improvement on year on year basis (Will Quantify next year). Trainings or projects for the improvements will qualify

Material Topic	How/ Where it is covered	Type of Vendor	Influence and Control exercised by GFL	Periodicity (Continuous, Once, Other)	Targets / KPI
Process Safety and Emergency Preparedness	CoC and Green SCM		<ul style="list-style-type: none"> Vendor Registration Vendor Self Declaration Vendor Evaluation by DQS NXT Platform Audit on Supplier Medical Reports of the contract employee verified by the GFL OHC 	Once a Year	At list one training / project in a year, by self-declaration
Product Safety and Stewardship	GFL will update during phase 2	-	-	-	Non-Mandatory not taking target this year
Water	<ul style="list-style-type: none"> DQS NXT Platform Self- Declaration 	RM/PM – Manufacturer/ Other Manufacturer	<ul style="list-style-type: none"> Annual Disclosure by the Vendor to GFL via self- declaration Public disclosure by the suppliers (as applicable) 	Once a Year	As per CDP
Employment Practices	CoC and Green SCM	RM/PM – Manufacturer/ Contrac tor / Service provider / Other – Manufacture	<ul style="list-style-type: none"> Vendor Registration Vendor Self Declaration Vendor Evaluation by DQS NXT Platform Audit on Supplier NoC Process 	Once a year	Zero Deviation – Verified by self-declaration of RM/ PM/Other Manufacturer, and sample Audit. For Service provider by NoC Process
Organizational Governance	ISO 37000	RM/PM – Manufacturer	Conformance		Conformance to requirements of ISO 37000

ANNEXURE – 3

Terms and Conditions

1. General terms and conditions GFL LTD is represented in India herein after collectively referred to as Gujarat Fluorochemicals Limited and individually as COMPANY. Bidders (equipment, services etc.) who quote (commercially and technically) for the requirements asked by GFL Group India are herein referred as “Supplier” request of Supplier, COMPANY shall provide a list of its Group Companies entitled to carry out group offsetting.
2. Illegal interference with competition Using appropriate organizational measures, the Supplier shall be obliged to ensure that no employee dealing with COMPANY commits any civil or criminal offences against completion within the meaning of applicable laws in India.
3. Anti-corruption and sustainability the requirements for Sustainable Development define the expectations of COMPANY and its Group companies regarding sustainable conduct by business partners involved in adding value of our products. The full text of the requirements can be found on www.GFL.com (Please update it on website) under cooperation Sustainability which contains expectations of the COMPANY in regard to environmental protection, employee rights, safety at work and health protection for all business connections of the GFL Group, which the Supplier undertakes to read before bidding for the contract with the COMPANY. Supplier shall provide confirmation to COMPANY about the acceptance of the said sustainable development program upon acceptance of the purchase order. The Supplier is obliged to comply with the conditions of the COMPANY’S “Facility regulations”, which includes penalties in cases of theft, damage to property, traffic violations and non-compliance with safety and security, regulations as stipulated therein or any other incidents of similar nature thereto covered under non-compliances.
4. Conflict of interest The supplier warrants that at the date of entering a contract it does not and is not likely to have a conflict of interest (direct or indirect or through a third-party supplier) in the performance of its obligations under the Contract. If a conflict or risk of conflict of interest arises (without limitation, because of work undertaken for any person or otherwise) the Supplier will immediately give notice of the conflict or interest, or the risk or it, to the COMPANY in writing. Failure of the Supplier to comply with the above conflict of interest obligation may, at the sole discretion of the COMPANY lead to the cancellation of the Purchase

Order/contract and blacklisting the supplier for future business dealings with the COMPANY.

5. Insurance of activities carried out in COMPANY premises The Supplier must arrange and ensure the following and keep COMPANY indemnified from, a. Workmen Insurance including sub-contractors, if any engaged by them, b. Complete Project Insurance covering all risks/accident/injury including third party in case of Supply & Installation in Construction Project c. Insurance of plant & machinery brought on the site. The Supplier shall provide the Finance & Accounting Department of COMPANY with a copy of each insurance policy and documents taken out by supplier in pursuance of the contract immediately after taking the insurance coverage. In case of non-payment of premium by the supplier then COMPANY shall take steps to keep the policy active and deduct the premium cost from the amount payable to the supplier. The necessary documents and evidence of insurance must be submitted by the supplier to the COMPANY immediately upon the start of the works and should be kept valid throughout the purchase order/contract period including the extensions thereof.
6. Services on factory or industrial premises (if Applicable) in the event, services are performed by the supplier within the premises of COMPANY, Supplier shall comply with the following obligations; i) Services shall be performed by the contracting supplier independently and on its own authority in accordance with COMPANY’S technical and organizational specifications under the supervision and managerial authority of the responsible employee designated by the contracting supplier. The decision on the choice of personnel shall be made by the contracting supplier. ii) On site contract persons shall be designated by both contracting parties for all information to be exchanged. Regular coordination meetings should take place between the contracting parties contract persons to discuss the content and performance of services and to exchanges all information needed for the fulfillment of the contract. iii) For each change of personnel and during the orientation period for new employees, the contracting supplier should ensure that the contractually agreed performance meets agreed quality standards.
7. Inspection and performance of services & operations rendered unless determined otherwise by COMPANY, it shall be the place of performance. Partial deliveries shall be permissible only if expressly agreed in writing between COMPANY and the supplier, deliveries ahead

of schedule shall also be subject to written agreement with COMPANY. COMPANY reserves the right to inspect the goods after the receipt of ordered goods at the specified location. If COMPANY ascertains deviations from an order or a bill of delivery, e.g. differences in quantity, quality shortcomings or damage caused by transportation, it may return the consignment or accept it without losing its legal rights. The services supplied must satisfy the provisions of the agreement / purchase order if they do not possess the properties which COMPANY was entitled to expect pursuant to the agreement. Where no detailed description has been provided of the requirements of the services, they shall in any event be of good quality and satisfy, at the very least, the normal requirements of reliability, effectiveness and workmanship.

8. Indemnification Supplier agrees that its shall save, indemnify and hold the COMPANY/its Directors/ Officers/employees/operators harmless against any and all claims, losses, damages, liabilities or expenses (including attorney’s fees) whatsoever for physical injury or death of any person and for loss or damage to any property, occurring in connection with the performance of your obligations hereunder, any breach of the terms and conditions of this purchase order or agreement or anything else to which COMPANY may become liable due to any action taken or any failure to act on part of Supplier, or in violation of the terms hereof or the applicable laws or regulations. The supplier shall also indemnify the company for supply of any defective parts/goods, towards the cost of goods/spare parts etc. Including rework cost and other expenses which the COMPANY may incur/is likely incur on account of supply of wrong/defective parts/goods promptly.
9. Termination : COMPANY reserves the right to cancel or terminate this Purchase order without assigning any reasons by giving 30 days written notice to the supplier. COMPANY also reserves the right to terminate this Purchase order with immediate effect for cause without prior notice upon the happening of any of the following events; (a) If Supplier defaults in the due performance or observance of any of the obligations, covenants, conditions, warranties or provisions contained herein including but not limited to failure to supply and/or commission the above said goods/services conforming to COMPANY’s specifications, within the agreed delivery date. (b) If any representation , warranty, information or statement made or deemed to be made by you, whether explicitly or not, proves to be untrue,

incorrect or misleading in any material respect or if any event occurs as a result of which , if any of the aforesaid representations, warranties or statements were repeated immediately thereafter with reference to the facts subsisting at the time of such repetition, the same would be untrue, incorrect or misleading in any material respect. (c) If the supplier goes into dissolution or liquidation or any order is made or resolution, law or regulation passed or other action taken for supplier’s dissolution or liquidation or supplier shall otherwise enter liquidation , insolvency resolution process or restructuring. (d) If supplier applies for or agrees to an agreement with its creditors. (e) If Supplier becomes or are declared by any Government Authority or any other competent authority to be insolvent or is unable or admit in writing its inability to pay its debts as they fall due or become subject to or apply for any suspension of payment, bankruptcy, insolvency or reorganization proceedings if such cessation in COMPANY’s opinion has a material adverse effect on it (f) If the consent of any Government Authority, required for the validity, enforceability or legality or the terms hereof ceases to be or is not for any reason in full force and effect or such performance beco0mes unlawful (g) If extraordinary circumstances have occurred which in our sole opinion, make it improbable for supplier to fulfill its obligations here under. (h) In case of cancellation or termination of this Purchase order, all the payments made to supplier pursuant to the terms hereof shall become immediately due and payable to COMPANY, along with liquidated and other damages, Any cancellation or termination of this purchase order shall not constitute a waiver by COMPANY or any obligation that by its terms shall survive such cancellation or termination or a waiver of any claim which we may have for actual damages caused by reason of, or relieve you from liability for, any breach of the terms and conditions of this Purchase order prior to such termination or cancellation.

10. Force Majeure Force Majeure shall be deemed to be such circumstances arising after the contract has been executed as a result of unforeseeable, insurmountable and ineluctable by the Supplier events of an extraordinary nature occurring independent of the will of the Parties, such as a natural disaster or war. It means any event beyond the reasonable control of the Supplier but shall not include any industrial dispute involving any of its own employees or any reasonably foreseeable event to the extent that its effects could reasonably have been mitigated. The Contracting

ANNEXURE – 3

Terms and Conditions

supplier shall as soon as reasonably practicably notify the COMPANY in writing of the Force Majeure Event and may terminate the contract with immediate effect by giving written notice.

11. Protection of Rights Supplier shall ensure that the goods delivered or services rendered to COMPANY do not, when taken together or as individual elements, infringe intellectual property rights (arising from patents or industrial designs) of any third party and that the goods or services are not burdened by any third party's rights in the republic of India or abroad. Supplier shall inform COMPANY of the use of all its own patents or industrial designs and the licensed use of third-party patents and industrial designs on the goods delivered or services rendered to COMPANY. This shall not apply if supplier produced the goods according to drawing models or other comparable descriptions or information handed over by COMPANY and supplier do not know or in connection with the products which Supplier develops, do not have to know that its is infringing protected rights. If so, requested by COMPANY, Supplier shall inform COMPANY of the use of unpublished or licensed protected rights and applications for protected rights in the production of the goods.
12. Pricing & Taxes: Prices mentioned in the Purchase order/ Frame contract are firm till delivery and & no escalation whatsoever would be allowed. The total value of this Purchase order/Frame contract(excluding taxes) is the maximum amount allowed to be billed under this Purchase order/Frame contract, however it does not entitle the Supplier to claim the full amount without the performance of activities as per this Purchase order/ Frame contract. In case this contract is terminated for any reason then the amount of this Purchase order/ Frames shall stand closed on pro-rata basis. Every Supplier/Service Provider, Who are located in India and within the frame of goods and service Tax("GST") has to register itself on goods and service Tax Network ("GSTN"), a website/platform provided by Government of India for initiating any transaction in relation to GST. Further that vendor /service provider shall indemnify COMPANY for the loss caused in case the tax credit of GST is not passed on to the GFL Group Company is for any reason whatsoever. In order to claim the credit/ set off MVAT, GST and applicable CSS or any other tax or duty, the Supplier must provide appropriate invoice / document prescribed under the relevant Central/ State Government and local authority legislation. Supplier should also submit other statutory documents as applicable from time to time to be furnished to the

COMPANY's Finance & Accounting Department in the correct name of the transacting entity of GFL Group Company in India for taking credit. COMPANY accepts only printed invoices for proper recording, monitoring and processing the payments. No handwritten invoices shall be accepted. Payments for handwritten invoices shall not be processed. T.D.S (tax deduction at source) for "services" provided will be deducted as applicable according to the Indian ITaxation Laws and regulation. Accordingly the T.D.S certificate will be issued by COMPANY's Finance department. COMPANY would deduct the amount with respect to taxes and other contributions from the payment due and payable to supplier as applicable under any Central /State Government and local authority in the manner and time and at the rates applicable from time to time unless supplier submits a specific certificate for non -deduction or lower deduction of taxes/contribution under the applicable legislation from the relevant statutory authority in advance. If Supplier has not submitted the proper invoice for availing any tax credit and the COMPANY is not able to avail the Tax credit, then COMPANY shall affect the payment to the supplier after deducting the equivalent amount of the tax credit so lost. The tax exemption, concession if any in addition to above taxes duties and levies, if any, which are prevailing on the date of signing of the contract, but not considered by the supplier in the contract price, shall be borne and paid by the Supplier. The Supplier shall bear and pay all taxes, duties, charges or levies which may be assessed, imposed or levied upon the supply/ works outside India or any receipt realized by him outside India in connection with and in the execution of the contract by any country or government agency thereof in which the goods/works/services are carried out as per this Purchase order & agreement.

13. Anti-Profiteering clause any reduction in rate of tax on the supply of goods or services of the benefit of input tax credit or any other benefit accrued in consequence of provisions under goods and services tax or any other applicable laws shall be passed on to the COMPANY by way of commensurate reduction prices.
14. Discounts any discounts given to the COMPANY before or at the time of supply of goods or services shall be distinctly mentioned in the invoices. Any discount given after the supply has been affected shall be granted through the issue of a credit note which shall have reference to the original invoice against which discount has been granted.

15. Internal audit clause the supplier hereby grants the officials of internal audit department or any other officer of COMPANY and/or such other officer or agencies appointed by the Management of COMPANY such as statutory auditors, tax advisors, external consultants etc. (hereinafter referred as review agency), who are bound to professional confidentiality, the right to review and inspect all data and documents created between the contracting parties i.e. supplier and COMPANY, as result of the transactions arising out of the business relationship described in the purchase order. In the event of such a review by the review agency the supplier shall ensure participation and full co-operation by its employees from departments(s) dealing with the transactions under review. The supplier shall also ensure that its sub suppliers or any other third supplier related with such transaction under review including its agents, representatives, associates etc. shall participate and give their full co-operation for such review by review agency. Further the supplier shall ensure that its sub suppliers, agents, representatives, associates etc. shall be bound by strict professional confidentiality obligation of such review at its own expense. The Supplier hereby agrees and make a commitment to COMPANY to include suitable clauses for and identical right of review and inspection of the transaction data and related documents in favour of COMPANY's review agency in its contracts with its agents, representatives, associates, sub-suppliers etc. related to such transactions under review of the review agency. In the event of mandatory inspections (e.g. tax audits) required under any applicable law or rules and regulations, the inspectors and/or statutory authorities are to be granted access to accounting documents the original documents or certified legible copies (hardcopies) must be provide in any adequate timeframe.... Information of such inspections or audits shall be immediately given by the supplier to company.

16. Damages for Delay in supply and services COMPANY and supplier agree that if the parts/machinery or services to be supplied/performed hereunder is not performed or delivered/developed on or before agreed date and as per the agreed date and as per the agreed specifications and as a result COMPANY suffers damages. COMPANY and supplier have therefore agreed upon reasonable liquidated damages that may be imposed if the supplier fails to meet the agreed obligation. In the event supplier fails to execute the order as per the provisions of the purchase order including contractual delivery time period indicated therein, COMPANY reserves the right to cancel the

order in part or full without any compensation and purchase/execute such cancelled item from alternative sources. Any extra cost incurred by COMPANY on such purchases/services shall be recovered from supplier with cost incurred by COMPANY either by way of deduction from pending bills or future bills (from future work orders) by COMPANY or by means of separate remittance.

17. Liability the liability of supplier shall be limited to the contract value/order value.
18. Rights to Impose penalty/Debit Notes the COMPANY shall impose appropriate penalty for any violation of terms and condition contained in any service or supply agreement to the supplier, the debit note if received or acknowledged by any of the supplier's representative, shall be final and conclusive evidence of debit.
19. With holding of payment the COMPANY shall be entitled to withhold the payment made to a supplier, in case where if the supplier has not fulfilled its obligation under the contract or in case the dues payable to the COMPANY exceeds the claim of the supplier. Supplier shall quote purchase order number & vendor code in all its delivery challans/original invoice for fast & smooth payments.
20. Dispute resolution any dispute or difference or claims of any kind between the COMPANY and the SUPPER arising out of or relating to this Purchase order or Agreement, whether before or after the termination of this purchase order or the agreement, shall be resolved in the first instance through amicable discussions between the representatives of Parties who shall meet together promptly, at the request of any party, in an effort to mutually resolve such dispute, difference or claim by discussion between them. Governing Law. The governing law of the contract shall be Indian law.
21. Business Partner Due Diligence Approval (BPDD) Supplier hereby authorizes the COMPANY to conduct business partner due diligence as per compliance policies of Company at any time. Supplier also authorizes the COMPANY to obtain and upon request shall assist COMPANY in obtaining, information about suppliers financial condition from third parties, including without limitation banks, credit reporting agencies and other businesses that provide information. Any terms and condition included in Supplier's invoice or any other documents issued by Supplier shall be deemed to be solely for the convenience and no such term or conditions shall be binding on Company.

ANNEXURE – 3

Terms and Conditions

22. Use of Corrupt Practices, Unfair Means a) Supplier commits it self to take measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of this agreement tenure or during any pre-agreement or post agreement stage in order to secure the agreement or in furtherance to secure. b) Supplier shall not use the services of any of the employees of COMPANY, directly or indirectly or enter any sort of monetary transaction with the employees of COMPANY, supplier undertakes that it has not given, offered or promised to give directly or indirectly any bribes, commission, gift, consideration, reward, commission, or inducement to any of the employees of COMPANY or their agent or relatives for showing or agreeing to show favour or disfavour to any person in procuring this Agreement or for bearing to do or for having done or for borne to do any act in relation to the obtaining or execution of the aforesaid undertaking, by the Supplier or its partners, agent or servant or any one authorized by them or acting on its behalf. The Supplier undertakes that in the event of use of any such corrupt practices by the Supplier, Company shall be entitled to cancel the contract and recover from the Supplier, the amount of any loss arising from such cancellation. A decision of Company or its nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the supplier .c) Supplier further undertakes to comply with COMPANY'S CODE OF CONDUCT policy which is available at COMPANY's website-Update Website
23. Confidentiality the supplier agrees to treat as business secrets all commercial and technical information of which it become aware by reason of their business relationships unless such information is common knowledge. a) Drawings, models, jigs and templates, sample parts, or similar property may not be provided or otherwise made available to unauthorized third parties. The reproduction of such property is permissible only within the limits of business requirements and copyright law. b) Supplier may only use their business relationship for advertising purposes with prior written consent.
24. Environment in order to contribute to waste reduction and to increase the development and awareness o environmentally sound purchasing, wherever possible, Contractor will perform the service by using durable products, reusable products and products (including those used in services) that contain the maximum level of post consumer waste, post industrial and/or recyclable content, without significantly affecting the

intended use of the goods or services. It is recognized that a cost analysis may be required in order to ensure that such products are made available at competitive prices.

25. Contractor not to engage in certain activities the contractor shall provide professional, objective and impartial services without consideration for future work. The contractor shall avoid undertaking other assignments that constitute an actual or apparent conflict of interest. The contractor agrees that if, at any time during the contract term, it discovers either an actual or potential conflict of interest with respect to this contract, it shall make a prompt disclosure in writing to the chief corporate procurement (Notices), which shall include a description of the action (s) which the contractor has taken or proposes to take to avoid, eliminate or neutralize the conflict. Upon receipt and review of contractor's written disclosure as per the paragraph above, the chief corporate procurement shall provide the contractor with written instructions to manage and/or mitigate the conflict. The purchase reserves the right to terminate the contract if such action is determined to be in the best interests of the purchaser. Contractor shall require its subcontractors to comply with the provisions.
26. Child labor forced or indentured child labor means all work or service: (a) exacted from any person under the age of eighteen (18) under the menace of any penalty for its non-performance and for which the worker does not offer himself voluntarily; or (b) performed by any person under the age of eighteen (18) pursuant to a contract the enforcement of which can be accomplished by process or penalties. Contractor certifies that no forced or indentured child labor was used to mine, produce, or manufacture, in whole or in part, any product or component, or perform any service furnished under this Contract.
27. Fair labour standards contractor shall pay all employees whose work relates to this contract not less than the minimum wage prescribed by applicable law or regulation, without rebate, either directly or indirectly, and without making any deductions, either directly or indirectly, from the full wages earned, other than permissible deductions as set forth in applicable laws or regulations. Contractor shall not require, suffer, or permit any employee whose work relates to this contract to work more than the maximum hours in any work week permitted by applicable law or regulation.

28. Materiality the management representative of GFL procurement team, selected tier 1 suppliers, materiality analysis following GRI standards, vendor registration process, terms of contract consultation documentation of key topics (stakeholder engagement forms-tier 1 suppliers) were taken into consideration and the same were found in line with the requirement.
29. Delivery schedule time is the essence of this order and delivery of goods must be made as per delivery schedule, unless otherwise expressly agreed, failing which the order may cancelled by the purchasers without any liability on their par, necessary compensation to be paid by the seller for damage/loss caused to the purchasers.
30. Demurrage any demurrage, wharf age o similar charges which purchasers have to undergo on account of sellers failure to book the goods in accordance with the order or due to late delivery of the railway/road/ ship/air receipt and/or other documents of dispatch either by themselves or their Bankers shall be borne by sellers.
31. GUARANTEE ALL goods and /or materials shall be supplied strictly in accordance with the specifications, drawings data sheets, other attachments and conditions stated in the order. The goods supplied shall be guaranteed through a certificate of guarantee against bad design, poor raw materials and workmanship and any manufacturing defects for a period of 12 months from the date of commissioning or 18 months from date of supply whichever is earlier. All material furnace by the seller pursuant to this order are guaranteed to

be the best quality of their respective kinds (unless otherwise authorized in writing by the Purchasers), to be free from faulty design, (to the extend such design is not furnished in writing by the Purchasers), workmanship and materials, and to be of sufficient size and capacity and of proper materials so as fulfill in all respect to all operation conditions, if any specified in this order. If any trouble or defect originating with the design, materials workmanship operating characteristics or recommended specifications of such materials arises at any time prior to twelve months from the date of the first commercial operation of the purchasers plant of which the materials supplied under this order form a part there of or eighteen months (18) from the date of shipment or receipt of material at factory site and put to use in operation whichever period shall first expire and the seller is notified thereof . Seller shall at its own expense and as promptly as possible make such alterations, repairs and replacements as may be necessary to permit the materials to function in accordance with the specifications and to fulfill the foregoing guarantees.

Accepted By:

Signature:

Designation:

Name of Company:

Date:

ANNEXURE – 4

NO OBJECTION CERTIFICATE **ANNEXURE-1**

Name Of Contractor: MOTIL Work Order Number: MS4000637

Nature Of Contract: Mechanical Licence Validity Date: 31/03/2022

Strength As Per Labour Licence: 145 Maximum Number Of Labour For The Month: 98

WC Policy Coverage Strength: 100 WC Policy Validity Date: 28/11/21

Compliance For The Month: SEP-21

Sr.	Name of Document	Available	Remarks	HR observation Yes/No
1	Labour Licence & WC Policy			✓
2	ID Card Register			✓
3	Form -23 Employment Register			✓
4	Form -24 Employment Card			✓
5	Form -25 Adult Register			✓
6	Form -26 Attendance Register			✓
7	Form -27 Salary/Wages Register			✓
8	Bank Statement of Current Month Salary			✓
9	Whether Contractors are given weekly off on the 7th Day			✓
10	Form -28 Leave Register			✓
11	Form -29 Wages Slip			✓
12	Form -20 Damage/Loss Register			✓
13	Form -21 Fines Register			✓
14	Form -22 Advance Register			✓
15	Form -23 Overtime Register			✓
16	Acknowledgment Of Form- 12A Of PF Act for Respective Month.			✓
17	ECR Copy Of PF Challan of Previous Month And Amount To Be Reimbursed.			✓
18	PF KYC Status			✓
19	Professional Tax Chaitan Receipt Of Previous Month.			✓
20	Half yearly Return -Form XXXV - Under The Contract Labour Regulation And Abolition Act, 1970			✓
21	Bonus Annual Return In Form- D And Form-C (With Receiving & Stamp of Labour Office)			✓
22	Annual Bonus paid Bank Statement			✓
23	Proof Of Workman Welfare Fund Return By Contractor In Form D			✓

To
SBI / Invoice Paying Authority

The above document/ registers has been checked and verified by us on the basis of details being provided by the Contractor. We hereby give No objection Certificate for clearance of payment to the contractor (mention Name):

Signature of Department
Enclosed:

Copy of attendance register in form 16
ECR Copy of PF challan of Previous month
ECR copy of ESI Chaitan if applicable
Chaitan copy- professional Tax (wherever applicable)

Signature of Contractor



06
[Signature]

ANNEXURE – 5

GFL Critical Supplier Audit Plan

SUPPLIER AUDIT PLAN

Document Number: COM/PUR/27/07
Department/Section: Purchase
Review date: 01.03.2021

Effective Date: 01.01.2018
Review Frequency: 2 Years

S.No.	Name of Supplier	Location	Type (M/F/S)	Material Supplied	Plan	Actual	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Remarks
1	RAV TECHNOPLAST LTD	RAVDA	M	PPCP DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
2	JAMESON PACKAGING PVT LTD	RAVDA	M	PPCP DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
3	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
4	JIC COMMERCIAL PVT LTD	RAVDA	M	COMBUSTIBLE BOB	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
5	JAMESON PACKAGING PVT LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
6	INDUSTRIAL INSURANCE PRODUCTS	RAVDA	M	COMBUSTIBLE BOB	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
7	JAMESON PACKAGING PVT LTD	RAVDA	M	LOPE DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
8	JAMESON TECHNOPLAST PVT LTD	RAVDA	M	IBC	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
9	RAV TECHNOPLAST LTD	RAVDA	M	IBC	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
10	RAV TECHNOPLAST LTD	RAVDA	M	LARD	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
11	RAV TECHNOPLAST LTD	RAVDA	M	LARD	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
12	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
13	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
14	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
15	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
16	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
17	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
18	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
19	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
20	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
21	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
22	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.
23	RAV TECHNOPLAST LTD	RAVDA	M	27 GALLON DRUM	Plan	Actual																Due to Covid 19 received the audit plan. Yellow highlighted received plan.

ANNEXURE – 5

GFL Critical Supplier Audit Report

Gujarat Fluorochemicals Ltd.
Dahej Unit

QAQ/PTFE/1/18

SUPPLIER QUALITY SYSTEM AUDIT REPORT

Date: 15.01.2021, Revision: 1

Company Name	Abhishree Packaging Pvt Ltd, Silvassa
Division	Silvassa
Address Line 1	Plot No. 2, Survey No. 108/8P,
Address Line 2	Khadoli
City, State	Silvassa-396230, U.T. of Dadra & Nagar Haveli
Contact No.	0260-2699104/103, Mobile: +919974060239
Fax No.	-
E-Mail	rajendra.g@abhisree.com
Type of business (Manufacturing/trading)	Manufacturing
Total Manpower (Management /staff /	313 No. (10 + 47 + 36 + 200)
Material(S) of interest	Extruded Drums, Carboys, Pails
Date of Audit	10.12.2021
Person Contacted (Name & Position)	Mr Rajendra Namharia, Plant Head
Infrastructure (Production capability)	40 Moulding machine - Imported & Indegenous, 6 Blow Moulding line 4 Extruders for extruded drums, 9 printing line,
Testing capability (Testing equipments)	Compression set tester, Vibration tester, drop tester, leak detection test facility, welding test facility, Vernier caliper, height gauge, MFI tester, Lid Fitting Tester
Major Customers	Samsonite, American tourister luggage bags, Symphony Cooler, Thermax Ltd, HPCL, Pidilite, Sigma Chemicals, Avantor Performance Materials, APAR, BPCL.

Audit Results:

System Audit Rating	
ISO 9001 certification	ISO9001:2015 by TUV NORD
Other certifications if any	NA
Name of Auditor	Mr. Rajesh Gupta, Mr. Mayur Patel
Name of Auditee	Mr Rajendran Namharia

Rating System:

This audit involves 10 categories. For each parameter, the rating system assigns a value of 0 to 5 associated within a range of unacceptable to excellent judgment respectively. The cumulative score of the audit will be a measure of the supplier's compliance with GFL's standards of Quality Assurance.

Rating Points:

Rating	Description
0	No system / no results is evident
1	No system, new business set up but some results evident
2	System defined, Positive trends in most areas with proper evidences
3	System defined, good in major areas, evidence available for results, minor deviation
4	System defined & properly implemented. Excellent in major areas, no deviation
5	Sustainable system and sustainable results, prevention system in place and positive approach for improvement and development.

Criteria for Qualification for Vendor site Audit.

A - Qualified > 70%
B - Action Plan > 70-80%
C - Re-Audit (if required) > 60%
D - Action plan for improvement will be submitted by supplier within 02 weeks of intimation.

Gujarat Fluorochemicals Ltd.
Dahej Unit

QAQ/PTFE/1/18

Category	Checkpoints	Max Score	Actual Score
1	Section 1 - Organization		
	i. Is the Quality function formally organized?	5	5
	ii. Does the Quality function report at a level to give them the authority to carry out their responsibility?	5	5
	iii. Does the Quality have the authority to stop work or shipment of a product?	5	5
	iv. Is a system established for the review and reporting of Customer Complaints?	5	5
2	Section 2 - Quality Program		
	i. Is a formal Quality Manual/Plan in effect?	5	5
	ii. Are procedures included in the manual or otherwise documented?	5	4
	iii. Are Quality Manuals and procedures distributed / displayed to personnel efficiently?	5	5
	iv. Are Quality Manuals and procedures reviewed and/or upgraded regularly (at least once in 2 years)?	5	5
3	Section 3 - Document Control		
	i. Is a system in effect to ensure that the latest applicable drawing, specification, or instruction is being used and reflect the latest GFL revision level?	5	3
	ii. Are applicable material and/or process specification on file?	5	4
	iii. Do Supplier's change control records contain date of change or revision?	5	4
	iv. Is there a system for precluding the use of obsolete documents?	5	4
4	Section 4 - Purchased Material		
	i. Are results of inspection clearly stated and documented in the receiving inspection records?	5	5
	ii. Is rejected material/parts identified and segregated to prevent usage?	5	3
	iii. Are written dispositions made on rejected material?	5	3
	iv. Is written notification of rejection and disposition provided to sub-suppliers?	5	4
	v. Are sub-suppliers required to submit written corrective actions?	5	3
	vi. Are receipts of Material Certifications verified and compared to applicable Specifications?	5	4
	vii. Is there a program for the evaluation of sub-suppliers (i.e. supplier audits, etc.)?	5	2
5	Section 5 - Inspection		
	i. Are In-Process Inspection performed and results documented?	5	5
	ii. Are Final Inspection performed and results documented?	5	5
	iii. Is finished product sampled & inspected to quality meets customer requirements?	5	5
	iv. Is inspection procedures provided to personnel performing inspections?	5	5
	v. Are control characteristics verified & recorded through inspection system?	5	4
	vi. Is repaired or sorted material re-inspected prior to release?	5	3
	vii. Are all inspected lots clearly identified as to status (approved, on-hold, rejected, etc.)?	5	5
	viii. Are reasons for rejection documented and attached to the rejected material?	5	4
	ix. Are Quality records identifiable & available in order to trace material / part to a specific lot (job)?	5	5
	x. Is the Record Retention period specified? (At least one year)?	5	4
6	Section 6 - Non-Conforming Material		
	i. Is nonconforming material/product identified and segregated to prevent usage?	5	5
	ii. Any dispositions of nonconforming material/product documented?	5	3
	iii. Is corrective action verified?	5	3
	iv. Is nonconforming material reviewed to identify and prioritize significant or repetitive problems?	5	4
7	Section 7 - Corrective Action & preventive action		
	i. Does a system exist for analyzing data to determine root cause of nonconformance to specification?	5	4
	ii. Does a system exist for documenting and reporting corrective action?	5	4
	iii. Does a system exist for follow-up evaluation of corrective action taken for prevention?	5	3
	iv. Does a system exist for submission of Corrective action and preventive action report to Customer?	5	4
	v. Has Corrective action and preventive action been verified for effectiveness?	5	4
8	Section 8 - Measuring and Test Equipment Facilities		
	i. Is there a written procedure for the calibration of measuring and test equipment with frequency?	5	5
	ii. Does the system provide for the documented results of inspections and calibrations?	5	5
	iii. Does the system provide for the Traceability to the National Physical Laboratory or NABL?	5	5
	iv. Is the calibration status indicated for each device?	5	5
	v. Does procedure provide for the disposition of equipment found to be out of calibration?	5	4
9	Section 9 - Statistical Method		
	i. Is SPC (Statistical Process Control) utilized for significant product/process characteristics?	5	2
	ii. In cases where process control has not been achieved, is there a plan to eliminate non-of-control conditions?	5	3
	iii. In cases where the process is in control, but capability has not been demonstrated, is there a plan to improve the process?	5	3
	iv. Is appropriate action (i.e., 100% inspection) being taken to prevent shipment when Statistical evidence demonstrates an out-of-spec condition?	5	4
10	Section 10 - General Requirements		
	i. Are parts/material properly packaged to ensure receipt of an undamaged high quality product?	5	4
	ii. Is material correctly being supplied, as per the latest initial Sample approval?	5	5
	iii. Have Supplier personnel received training on customer requirements, compliance & CAPA?	5	4
Total Maximum score		250	212
Total achieved score		222	
Total applicable Score		250	
Percentile Rating		84.8	

ANNEXURE – 5

GFL Critical Supplier Audit Report

GFL Gujarat Fluorochemicals Ltd. Dahej Unit. QAD/PTFE/P/28

Improvement plan			
Sr. No.	Area for improvement	Responsible	Target date
1	Contamination observed in 27 Ltr. Drum	Production Manager	09-01-2022
2	Gaslet leakage observed in wide mouth 30 Ltr. Drum	Production Manager	09-01-2022
3			
4			
5			

Supplier Quality System Deficiency Report

Supplier: _____ Location: _____

Date: _____ Auditor: _____

Response Date: _____ Completion Date: _____

Quality System Audit Deficiency: _____

Cause of Deficiency: _____


Corrective Action: _____


On Site Verification Required: Yes / No

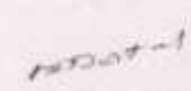
Auditor: _____ Date: _____


Audit deficiency Closed: Yes / No

Auditor: _____ Date: _____

For GFL,  [Chintan Vyas]

 [D. Dutta]

 (Anant Patel)



ANNEXURE – 6

GFL Sustainability Criterial for Supplier Rating

Evaluation based on sustainability Criterial

Level	KPI	Proposed Rating
Basic Sustainability Criterial	Anti-Corruption	3.5
	Climate Change	
	Economic Performance	
	Occupational Health & Safety	
	Environmental Compliance	
	Human Rights	
Advantageous	Energy	4
	Local Communities	
	Process Safety & Emergency Preparation	
	Product Safety & Stewardship	
Distinguish	Water	4.5
	Supplier having reporting based on GRI standard/Sustainability Report/More No of Materiality topic with GL Materiality topic	

Note:

Supplier producing Sustainability Reporting is not required for Audit (Detail available in Sustainability Report)

ANNEXURE – 7

GFL Assurance statement



DQS- Independent Assurance Statement

To the Management and Stakeholders of Gujarat Fluorochemicals Limited (GFL)

DQS has been engaged by Gujarat Fluorochemicals Limited (GFL) to provide independent assurance over Sustainable Procurement Document – Revision 4.0 based on ISO 20400 Sustainable Procurement principles. The engagement took place from 11.12.2021 to 18.12.2021 through virtual assessment considering current covid-19 conditions.

Objectives

The objective of this assurance engagement was to independently express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase the overall credibility of the reported information and data.

Scope of Assurance

The assurance encompassed the entire report and focused on all figures, statements and claims related to Sustainable Procurement document revision 4.0. More specifically, this included:

- Statements, information, and performance data contained within the Sustainable Procurement document.
- GFL's management approach Supply chain related material issues; and
- GFL's reported data and information as per the requirements of the Sustainable Procurement – ISO 20400

The assurance engagement was performed in accordance DQS framework based on ISO 20400: Sustainable procurement -- Guidance which provides guidance to organizations, independent of their activity or size, on integrating sustainability within procurement"

- Evaluating the company's Sustainable procurement framework and processes using ISO 20400 – sustainable procurement standard and ISO 20400 Annex A: issues and procurement actions
- Evaluating the quality of the reported Sustainable Procurement performance information and grievance mechanism

The report has been self-declared to comply with the 'in accordance - on ISO 20400: Sustainable procurement'

Operational Boundary: Verification of Corporate office at Noida of Gujarat Fluorochemicals Limited (GFL) along with specific production sites in India - Dahej Plant, Ranjit Nagar Plant, Regional Office at Vadodara (India), and Subsidiary offices in Texas (USA) and Hamburg (Germany).

Level of assurance and limitations

A moderate level of assurance under DQS framework on Sustainable Procurement was provided for this engagement. Information and performance data subject to assurance is limited to the content of the Sustainable Procurement Document. The assurance did not cover financial data, technical descriptions of buildings, equipment and production processes or other information not related to Sustainable Procurement or already supported by existing documents, such as third-party audits or certifications and previous GFL annual reports.

Independence and Competences of the Assurance Provider

The DQS Group is an independent professional services firm that provides assurance on sustainability disclosures under the Global Reporting Initiative (GRI), Human Rights, Sustainable Procurement, CDP and other specialized management and reporting mechanisms. Independent verifiers have not been involved in the development of the report nor have they been associated with GFL's sustainability program, data collection or strategic processes. DQS Group ensures that the assurance team possesses the required competencies, maintained neutrality, and performed ethically throughout the engagement. Further information, including a statement of impartiality, can be found at: www.dqs-cfs.com. The



management of GFL was responsible for the preparation of the Sustainable Procurement document and all statements and figures contained within it.

Assurance methodology

The assurance procedures and principles used for this engagement were drawn from the International Standards and methodology for data verification developed by DQS as below:

1. Based on ISO 20400 – Sustainable Procurement principles, GFL have identified selected corporate KPIs and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Carry out interviews with key functional managers and data owners at GFL
3. Data quality verification included the following:
 - i. Enquiring about the quantitative and qualitative aspects of the KPI disclosures, including performance information, policies, procedures and underlying management systems.
 - ii. Requesting evidence of the data sources and explanation of relevant collection and calculation methods to substantiate the figures and claims.
 - iii. Effectiveness of grievance mechanisms based on Sustainable Procurement framework
4. Challenging the KPI claims, where possible, confirming the presented evidence, including calculation methods, criteria, and assumptions, with multiple data owners and other documentation from internal and external sources.
5. Assess the collected information and provide recommendations for immediate correction wherever required or for future improvement of the non-financial indicators verification within the scope.

Key observations and recommendations

Strengths:

1. Strong management commitment is noted towards sustaining and upholding the Sustainable Procurement principles and improving the sustainability performance of supply chain.
2. Lot of awareness created about Sustainable Procurement and its relevance to all concerned stakeholders by training, special campaigns etc.
3. Initiatives and structured plan for grievance mechanism to address issues in Supply chain is highly appreciable
4. Implementation of automated tools for data gathering, capturing, monitoring real-time information of important parameters towards Supply chain perennial issues.
5. Initiatives like mandating Vehicle & Driver fitness criteria, Road Transport Safety using Journey Risk management etc. are commendable.

Opportunities for Improvement:

1. Incentivizing suppliers who are sustainable focused through supplier sustainability ratings and incentive schemes for the sustainable focused suppliers.

Evaluation of the adherence to DQS framework on Sustainable Procurement

Inclusivity - How the organization engages with stakeholders and enables their participation in identifying issues and finding solutions related to Sustainable Procurement.

The stakeholder identification and engagement process is well documented and implemented through GFL Stakeholder engagement program and the Report brings out key stakeholder concerns as material aspects of significant stakeholders. In our view, the level at which the Report adheres to this principle is **very good**. Therefore, it is recommended that GFL should continue with the planned process of direct dialogue with the stakeholders at determined intervals.



Materiality - How the organization recognizes issues that are relevant and significant to itself and its stakeholders.

The Report addresses the range of issues related to Sustainable Procurement that GFL and its stakeholders have identified as being of material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. A process of stakeholder engagement through sustainability board meetings identified the material issues. The Report fairly brings out aspects and topics and its respective boundaries for the diverse operations of GFL. In our view, the level at which the Report adheres to this principle is **very good**. It is recommended that GFL continues with this process.

Impact - How the organization monitors, measures, and ensures accountability for how its actions affect their broader ecosystems.

GFL has implemented systems to monitor and measure its Supply chain impacts. Identified impacts are incorporated into both stakeholder engagement as well as the periodic materiality assessment process. The corporate report discloses impacts in a balanced and effective way, indicating both realized and unrealized goals. In our view, the level at which the Report adheres to this principle is **very good**.

Responsiveness - How the organization responds to stakeholder issues and feedback through decisions, actions, performance, and communication.

GFL is responding to those issues that it has identified as material and demonstrates this in its policies, objectives, indicators, and performance targets. The organization and its stakeholders can use the reported information as a reasonable basis for their opinions and decision-making. The company has taken various initiatives towards creating awareness, effective due diligence process and excellent grievance mechanism. The responses to material aspects are fairly articulated in the report, i.e., disclosures on GFL's policies and management systems including governance. In our view, the level at which the Report adheres to this principle is **very good**.

Conclusion

On the basis of a moderate assurance engagement according to the above-listed criteria, nothing has come to our attention that causes us to believe that the Sustainable Procurement related strategies of GFL, and its Sustainable Procurement related key performance indicators defined in the Sustainable Procurement document revision 4.0 are materially misstated.

The GFL Sustainable Procurement document is in line with the ISO 20400 – sustainable procurement. The material aspects and their boundaries within and outside of the organization are properly defined in accordance with DQS Sustainable Procurement framework.

GFL has made significant strides to introduce innovative solutions toward mitigating Sustainable Procurement related impacts and influence supply chain partners in the process. Continued alignment of risk assessments, stakeholder engagement processes, materiality and strategy will further strengthen the Sustainable Procurement Progress of GFL.

On behalf of the DQS India assurance team December 27, 2021

Signature:



Dr. Murugan Kandasamy

CEO & Managing Director

Certified Sustainability Assessor

Notes



Gujarat Fluorochemicals Limited

Sustainable Procurement
Document Report - **2021-22**

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Fax: +91 120 6149610

