



# RESPONSIBLE **SOCIAL ACCOUNTABILITY** **AND PEOPLE PRACTICES** 2019-20



# Responsible Social Accountability and People Practices

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

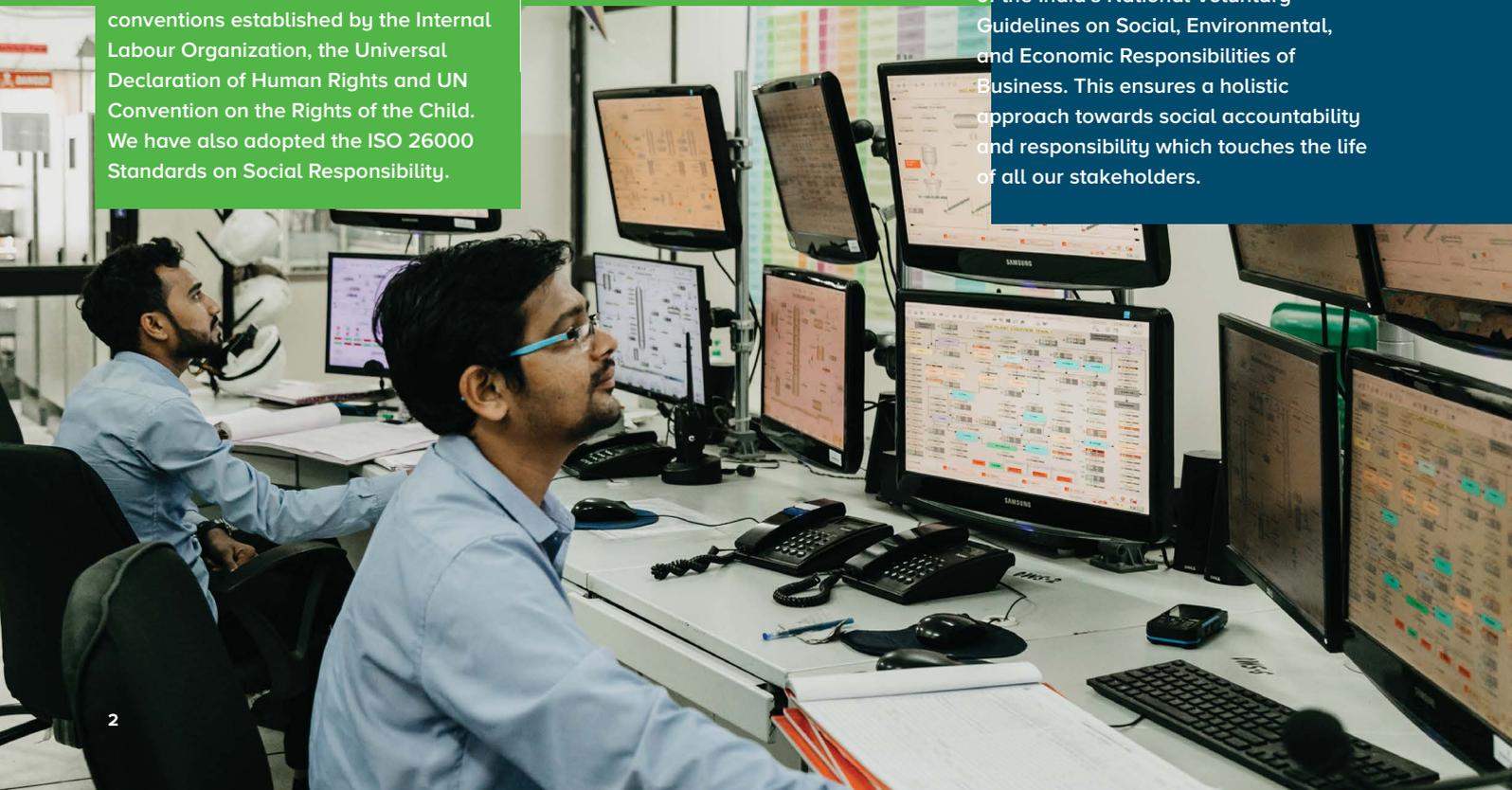
We believe our employees are the biggest strength and the most valuable asset. We provide a wide canvas where people are encouraged to unleash their innovative spirit to make the business win and grow. The Company offers not only a job but a calling - To build, to strive, to innovate, to contribute and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

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

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

## HR Principles and Sustainability standards

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



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

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

# Responsible Social Accountability and People Practices

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



## Social Responsibility and Stakeholder Expectations

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

					
Employees	Regulators	Management	Business Partners	Unions	Community
<ul style="list-style-type: none"> <li>• Fair Wages</li> <li>• Healthy and safe working condition</li> <li>• Training and development</li> <li>• Recognition</li> <li>• Participation</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance</li> <li>• Transparent Information sharing</li> <li>• Ethical corporate Behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Right Talent</li> <li>• Retention</li> <li>• Productivity</li> <li>• Involved, Safe and decliplined workforce</li> </ul>	<ul style="list-style-type: none"> <li>• Long Association</li> <li>• Fair deal</li> <li>• Win-win relationship</li> </ul>	<ul style="list-style-type: none"> <li>• Right Association</li> <li>• Collective Bargaining</li> <li>• Participation in decision making</li> </ul>	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Community development support</li> <li>• Minimal environmental impact</li> </ul>

## Social Responsibility Organizational Context and Boundary

Our social responsibility is defined in in the following two contexts:

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

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

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

Our social responsibility boundary is defined by the factors:

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

# Responsible Social Accountability and People Practices

## Talent Acquisition and Retention

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

## Talent Acquisition and Retention

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

## Annual Employee Hiring Rate in FY 2019-20

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

## Annual Employee Turnover Percentage in FY 2019-20

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

## Employee Turnover in FY 2019-20

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

# Responsible Social Accountability and People Practices

## New Hires in FY 2018-19

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

## Employee Turnover in FY 2018-19

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

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

#### New Hires in FY 2017-18

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

#### Employee Turnover in FY 2017-18

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

# Responsible Social Accountability and People Practices

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

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

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

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

## Total Number of Employees

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

## Location-wise Details of Employees

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

## Contract Labour –GFCL

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

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

# Responsible Social Accountability and People Practices

## Hiring Young Talent

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

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

## Trainee Details

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

## Sources of Recruitment

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



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

## Number of People Hired through Talent Hunter



## Terms of Employment

We understand that providing fair compensation to employees is not

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

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

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

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

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

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

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

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

### Coverage of Social Security Schemes

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

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

### Coverage of Bonus and Ex-gratia schemes

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

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

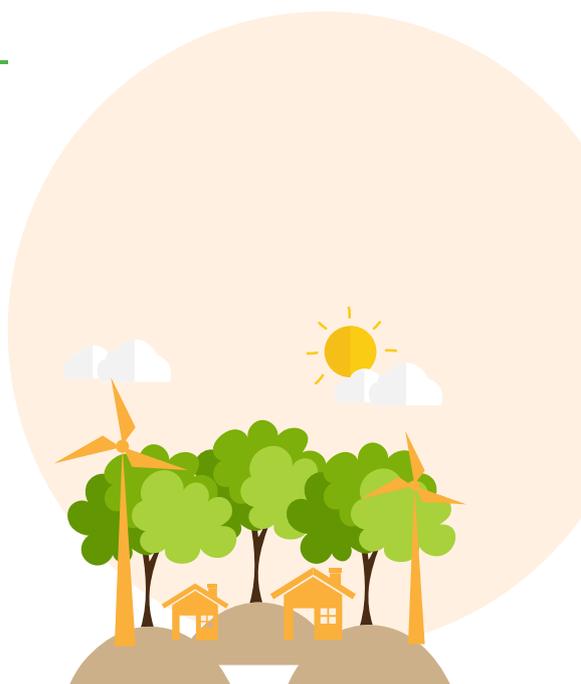
We provide all the employees working at our manufacturing units with uniform, safety shoes and other Personal Protective Equipment (PPE) every year. We also ensure that all labour/workers of contractors are also provided uniform, safety shoes and other Personal Protective Equipment.

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

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

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

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



# Responsible Social Accountability and People Practices

## Details of Leaves Available to Employees

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

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

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

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

## Details of Parental Leaves

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

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

### Working Hours

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

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

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

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

**Remuneration**

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

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

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

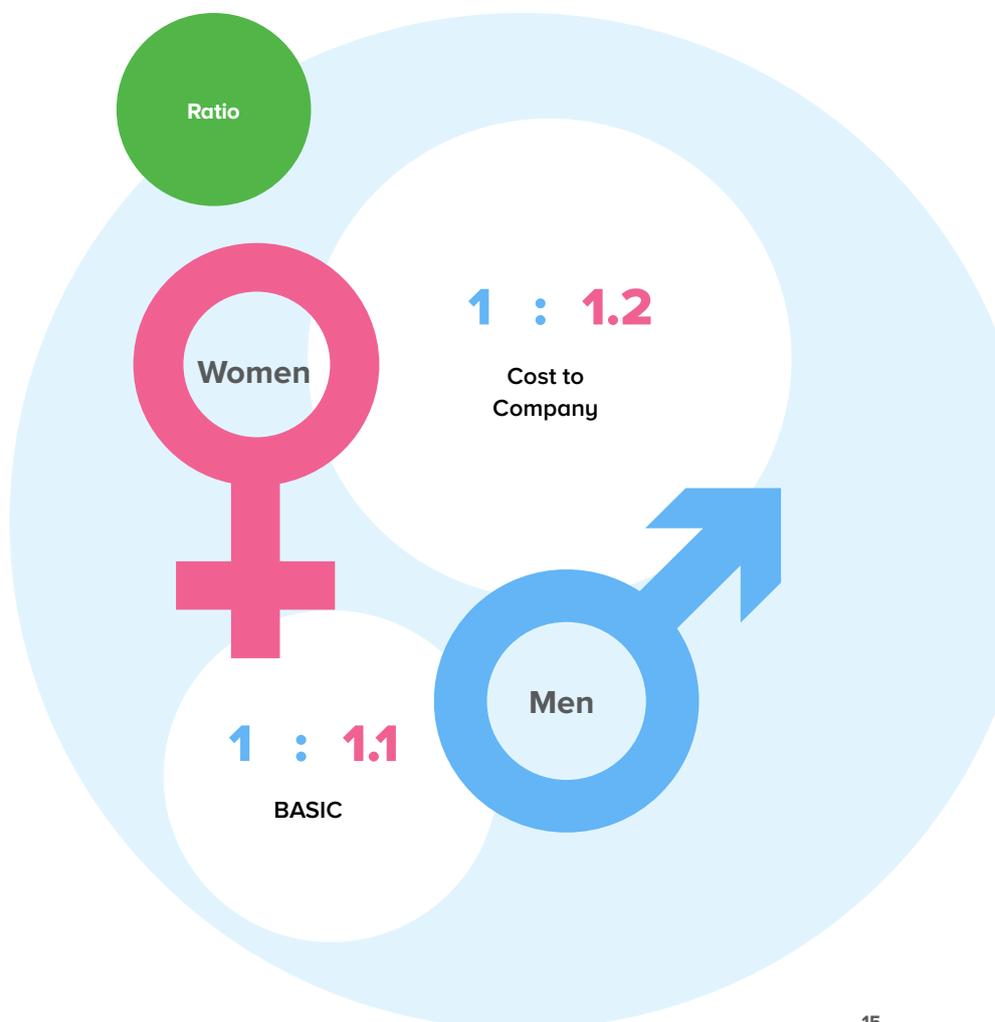
composition of remuneration to such persons is fair, reasonable and sufficient to attract and retain the personnel required for long term growth and success of the Company.

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

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

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

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



# Responsible Social Accountability and People Practices

## Principle of Wage and Salary Administration

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

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



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

- a. The Payment of Wages Act, 1936
- b. The Minimum Wages Act, 1948
- c. The Equal Remuneration Act, 1976
- d. The Payment of Bonus Act, 1965
- e. The Employees' Provident Scheme, 1952
- f. The Employees' State Insurance Act, 1948
- g. The Employee Compensation Act, 1923
- h. The Payment of Gratuity Act, 1972

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

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

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

## Labour-Management Relations

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

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

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

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

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

1. Social Performance Team (SPT)
2. Canteen Committee

3. Sports Committee
4. Transport Committee
5. Cultural Committee
6. Magazine Committee
7. Safety Committee
8. Quality Circle

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

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

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

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

# Responsible Social Accountability and People Practices

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

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

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

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

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

## 21 Days (Notice Period)

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

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

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

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

## Performance Management and People Development

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

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

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

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

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

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

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

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

### Trainee Details

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

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

### Training and Education

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

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

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

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



# Responsible Social Accountability and People Practices

## Employee Training Details

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

## Training Man-hours

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

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

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

### Talent Development

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

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

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

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

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

### Number of High Potentials identified

# 34

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

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



Mentoring Certification Programme at Ranjitnagar

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

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

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

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

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

**Number of employees covered in Leadership Development programme**

**32**

## Employee Engagement At GFCL

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

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



Teamagic at Corporate Office

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

# Responsible Social Accountability and People Practices



Cricket Competition at Ranjitnagar and Dahej

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



Quality Circle Team at Dahej

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

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



Annual Family Day at Dahej

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

### Meritorious Children Award



### Employee Recognition

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

### Total number of Spot On



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



Cricket Competition at Ranjitnagar and Dahej

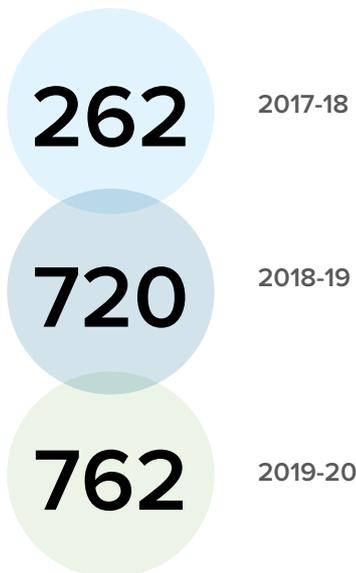


Our employees are encouraged to give workplace improvement suggestions through the 'Prayas' platform – an employee suggestion scheme across sites. Our employees are partners in our progress where the relationship is built on long term mutually gainful relationship build on trust and transparency.



'Prayas' Recognition at Dahej

**Number of People recognized through Prayas**



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

**Long Service Felicitation Winners**



Long Service Award at Corporate Office, Noida

**Employee Communication**

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

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

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

# Responsible Social Accountability and People Practices

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



CEO Talk/Town Hall

## Diversity and Equal Opportunity

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

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

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

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

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

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

## Women Empowerment

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

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

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



## Employee Training Details

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

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

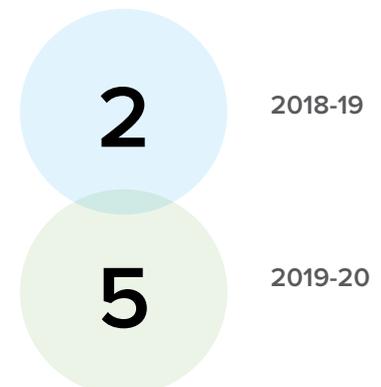


Safety defense session for women employee

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

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

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



## Non-Discrimination Practices

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

# Responsible Social Accountability and People Practices

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

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

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

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

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

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

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

### Prevention of Child Labour

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

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

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

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



Social Accountability Awareness Pamphlets distributed at locations after the Training Session

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

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

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

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

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

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

### Prevention of Forced / Compulsory Labour

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

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



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

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

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

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

# Responsible Social Accountability and People Practices

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

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

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

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

### Security Practices

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

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

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

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

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



Human Right Safety training for Security Personnel

### Local Hiring

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

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

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

### Rights of Indigenous People

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

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

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



GFCL pavilion in Panch Mahotsav

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

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

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



Public hearing

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

### Human Rights

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

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

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

# Responsible Social Accountability and People Practices

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

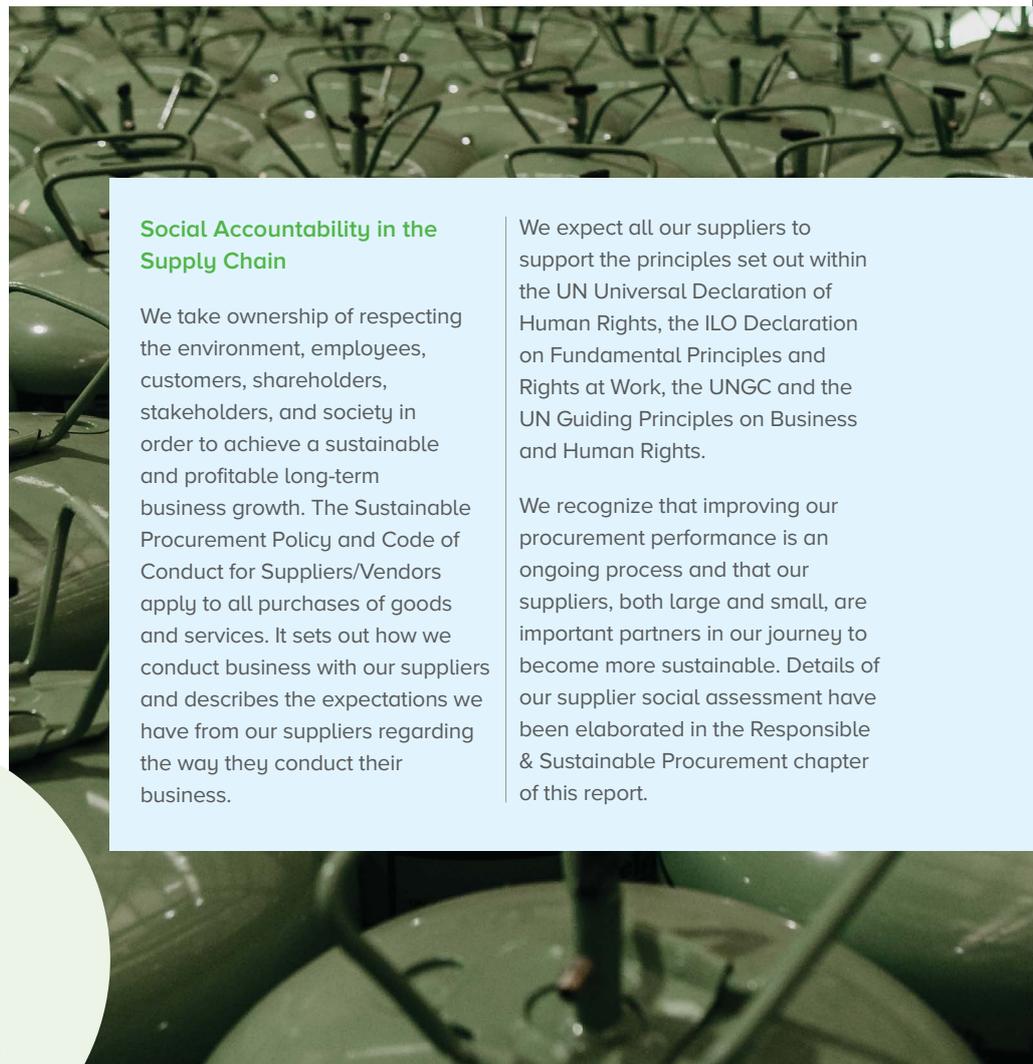
All employees are made aware about the protection of human rights during Social Accountability workshop. The Employee Handbook, which is distributed among all employees, also covers aspects of human rights of the Company. Not only the employees but also contract labours have been taken through the human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

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

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

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

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



### Social Accountability in the Supply Chain

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

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

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

Total number of hours spent on training on Human Rights

**1567**

% Employees covered on training on Human rights

**70%**

## Governance Mechanism

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

### The SPT effectively monitors workplace activities for:

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

## Social Accountability Risk Assessment

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

discrimination, human rights, freedom of association etc.

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

## Awareness and Training

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



Contractors Training at Site



# Responsible Social Accountability and People Practices

## Location-wise Contractor Training

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

## Location-wise Contractor Training

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

## Employees Training on Social Accountability & Social Responsibility

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

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

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

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





Awareness Training on GRI standards at Baroda



Awareness Training on SA 8000 standard at Ranjitnagar

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

### Grievance Mechanism

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

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

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

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

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

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



# Responsible Social Accountability and People Practices

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

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

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

## Prevention of Sexual Harassment Trainings

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

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

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

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



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

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



### Summary of the Fines and Penalty

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

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

#### Way Forward:

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



## Gujarat Fluorochemicals Limited

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Inox Towers, 17 Sector 16 A,  
Noida - 201301, Uttar Pradesh  
Tel.: +91 120 6149600  
Fax: +91 120 6149610