

SUSTAINABILITY REPORT FY 2020-21

Our commitment towards a more
inclusive and greener world





Navigation

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You can navigate to any section of the document from the top navigation bar. Click on any content section and you will be directed to the start of the section. The section you are currently viewing will be highlighted.

We’ve also provided hyperlinks for additional information which is highlighted in blue and is underlined.

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Report profile

We, at GIL Chemicals, understand the importance of involving our key stakeholders in all business activities & decision making processes. We regularly communicate our sustainability challenges and achievements. Following credible reporting procedures, we focus on delivering a transparent and accurate report. Our fourth annual sustainability report continues to focus on our triple bottom line approach – covering environmental, economic, social and governance aspects. Through the report, we have presented our sustainability material aspects, our performance in relation to each aspect and the management approach in handling the material aspects.

Report boundary:

The report showcases our sustainability performance and impacts in key operational areas. It analyses EESG performance of our two major plants - Valia, Gujarat and at Ambernath, Maharashtra. The scope of this report does not officially include our Vegetable oil plant at Wadala, though information is included wherever feasible. Notes have also been made in the relevant sections of the report to reflect the same.

The report boundary only covers Environmental, Social, Economic and Governance Performance in the two plants. Economic performance is based on standalone numbers of Godrej Industries Limited. Environmental performance covers material, energy, emissions, waste and water performance. Social performance includes GIL Chemicals contributions to employees and communities. The boundary of this report does not include GIL's subsidiaries.

Report content

The content of this report is focussed on the material aspects that we have identified through our intensive stakeholder exercise. However, we have also included other appropriate disclosures to assist in bringing out enhanced comprehension of our sustainability initiatives and performance.

Report data

The report includes data for the reporting period 1st April 2020 to 31st March 2021. We have periodically gathered relevant data and information for making this report, from the respective departments at all our manufacturing facilities located in India. The data presented is verified through regular internal audits.

GRI application level

For our fourth official sustainability report, we have crafted the report in conformance to the Global Reporting Initiative (GRI) Standards – 'In Accordance' – Core option. These standards offer a more centralised methodology to sustainability related disclosures. Please refer to the GRI Index at the end of this report for more information. We have also mapped our initiatives with the UN Sustainable Development Goals (SDGs).



Contact

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Message from our Managing Director



Dear readers,

While the early part of 2020 saw the world grappling with the covid pandemic, with the focus mainly on mitigating the impact on public health, the latter half was more about resilience, working through lockdowns and finding alternate ways of working. In 2021, the post-pandemic era began with plans for recovery and the idea of building back better. In all of this, though one would imagine that sustainability would take a back seat. On the contrary, there was a renewed focus on sustainability, possibly with one eye on the threat of a looming climate emergency which could be far more calamitous than the COVID-19 pandemic. The last two years have also shown us that organisations with strong sustainability principles are able to de-risk their operations to a greater extent and are better equipped to handle external disruptions.

At Godrej Industries (Chemicals), this was evident in the speed at which we were able to recover and end the financial year with a strong performance.

From a chemical sector perspective, the pandemic created new opportunities for growth with hygiene and disinfection emerging as an important segment. There was also a shift from the traditional sourcing approach which focused on low cost, to greater localisation and reducing the logistics chains. JIT inventory is no longer feasible as inventories have to be maintained to account for risks of supply disruption. Longer chains typically have a greater risk of disruption due to climate or health events and localisation reduces these risks. There is a stronger focus, in general, on the supply chain and its impact not just on business

but on the environment. At GIL chemicals, we have made tremendous strides over the last decade in reducing the emissions, specific energy, and water and waste footprints from our operations.

In the next phase of our sustainability journey, we are broadening our lens from the process to the product and looking beyond our own operations to the entire supply chain and the life cycle of the product to reduce our scope III emissions as well. Life Cycle Assessment studies provide us the data on environmental impacts at each stage of a product's life and enable us to make strategic interventions to reduce these impacts.

At GIL Chemicals, we have had a strong sustainable supply chain policy for a few years now and continue to increase the coverage of suppliers under this policy and the annual assessment. As we have been working closely with suppliers to increase their awareness on sustainability, we have seen a growing interest from the suppliers themselves in reducing their emissions. Customers, investors and other stakeholders are demanding greater transparency and efforts towards decarbonization. While the previous decade was one of demonstrating commitment and collaboration, this decade will be more of action, tangible and transparent outcomes and demonstrable improvement.

Within our operations, we continue our focus on improving resource efficiency, increasing circularity and investing in innovation and R&D to create greener products.

Over the years, we have increased our usage of renewable energy by a considerable amount through the usage of green fuels and investments in solar and wind energy. One of our flagship projects currently being implemented at our Valia unit is a Cogen plant, which will push our renewable energy adoption above 90% pushing us closer towards net zero emissions. For green products, we have invested heavily in fermentation technology as we believe the future will see a greater push towards “benign” innovation and green chemistry which intrinsically has a much lower environmental impact.

Energy storage and green hydrogen, in particular, continues to be of huge interest and massive potential for us. Although there is a lot of focus and innovation on generation of green hydrogen, they are not yet commercially viable or as attractive as hydrogen from SMR (Steam Methane Reforming). SMR based on biogas is a green option we will explore. Aside from generating hydrogen through renewables - solar and wind, the game changing innovation in green hydrogen is yet to emerge.

As members of the World Business Council for Sustainable Development (WBCSD), we are part of the working group on Energy Storage solutions among others, where we hope to bring in all the stakeholders to collaborate on technology, financing and regulations around storage and hydrogen. We are also participants in other WBCSD programs around energy, decarbonisation, circularity, plastics and innovation.



It is evident that sustainability will continue to be central to our growth over the next decade. However, there are several challenges we need to address along the way. There seems to be a divide within the scientific and industrial communities as to what really constitutes “green technology”.

Alternatives need to be assessed across their production and end of life to ensure that we are not creating environmental problems in one part of the value chain while becoming greener elsewhere in the same value chain.

From a supply chain perspective, logistics remains a big concern as evidenced by the rising prices of shipping. There is also an uncertainty about the post pandemic world as we push towards decarbonisation, concerning global legislation, standards, political instability, changing consumer preferences and increased activism.

With a view towards the future and re-affirming our commitments to decisive global action around climate, we have committed to the Science Based Targets initiative (SBTi) and will soon be publishing our roadmap for emissions reduction in line with the 1.5 degree global target.

Aside from our major push on increasing renewable energy and further improvements in energy efficiency, we will also look to products based on green chemistry, nature and bio-based solutions and influencing consumer behaviour as the drivers of change.

We remain determined as ever to place the planet and its people alongside profits and aim to be regarded as one of the global leaders in sustainable growth.

Nadir Godrej
Managing Director,
Godrej Industries Limited

Message from our Executive Director

Dear readers,

The fiscal year 2020-21 started against the backdrop of the pandemic and the resultant lockdowns, which created severe restrictions on our business operations. Our business, like most businesses across the globe, was impacted due to this in the first quarter. However, despite these challenges, the Chemicals business ended the fiscal year on a very strong note and delivered another fantastic year of business performance by achieving its highest ever business profit. I am extremely proud of the Chemicals Team for their resilience and commitment towards delivering this profitable and sustainable performance.

We, at Godrej Chemicals believe in continuous improvement which will help business growth with sustainable practices. We have built an eco-system which encourages ideas, innovation, product & process improvements which not only benefits business performance but at same time contributes positively to sustainable goals.

In line with our Business and Sustainable goals, our R&D team continued innovating and came up with new concept advanced ingredients, which were based on the Oleo feedstocks with potential applications in Home, Personal care, Animal Nutrition and Agricultural sectors. Fatty acid-based fuel lubricity blends and Polymer application blends were also optimised further and introduced to existing petroleum and fuel lubricity customers.

Similarly, Concentrated Surfactant Blends for cleaning and sanitization applications were standardized and commercialized during the pandemic.

In terms of new offerings, Polymeric quaternary compound was introduced for hair & personal care, and we successfully launched our first commercial ingredient in this category. In line with greening our portfolio, we developed a mild surfactant category labelled “Sulfate Free”, envisioned as a future-ready product and an anti-dandruff ingredient to replace the commercially available harsh chemical ingredients.

In line with our sustainability commitment, we continue to take important steps to reduce our emissions, energy intensity, waste and freshwater consumption. Safety of our team members, especially in the shadow of a pandemic, promoting diversity and equal opportunity, and training and development of our employees continue to remain high priority areas for us.

We are also working closely with our suppliers to embed sustainability deeper into our value chain. Our consistent efforts over the years have helped us make significant progress in achieving our good and green goals. Our progress so far has encouraged us to set more ambitious targets in the next chapter of our sustainability story.

We are guided by the Godrej Group’s Good & Green vision of building a more inclusive and greener world. This year, we complete the first phase of our G&G journey that began with our vision 2020 - to train 1 million rural and urban youth in skilled employment, work towards environmental sustainability, and innovate for good and green products.

Looking back at the last ten years, we’ve come a long way in our sustainability journey and the goals we had set out to achieve. We overachieved a few of our targets but also underachieved in some areas. Along the way, we’ve faced tough challenges – some within our control and some beyond. We have reflected on our achievements and the lessons we have learned. Explore our [decade of sustainability](#).

Being a manufacturer of Chemical products, environmental sustainability is key to our manufacturing processes and supply chain. We are implementing several initiatives across our manufacturing locations and have set targets to reduce specific energy, specific water consumption, specific waste to landfill, specific greenhouse gas emissions, and increase our renewable energy portfolio. Both our Valia and Ambarnath manufacturing plants operate on a ‘zero-discharge’ basis for effluents, made possible using RO plants and efficient circularity principles.

In line with our goals, we continue to invest in energy efficient technology and to expand our renewable energy portfolio. Since FY11, we have reduced our specific energy consumption by 26 percent through initiatives such as installing heat pipes, briquette boilers, and re-engineering natural gas compressors. These investments have also yielded significant cost savings.

In FY 2020-21, more than 49% of the energy we consumed came from renewable sources. We have over the years implemented several initiatives including the use of biomass briquettes boilers and solar roof top initiatives. All these have helped us mitigate our specific greenhouse gas emissions by 46 percent in the last 10 years. We have also started monitoring our scope 3 emissions and have committed to setting Science Based Targets for reducing our emissions in line with the global initiative.

Additionally, we are very conscious of the fact that the manufacturing of Chemicals is water intensive. Hence, we look to minimize our freshwater withdrawals and have adopted various conservation measures across all our manufacturing plants such as condensate recovery systems and rainwater harvesting. We have reduced our specific water consumption by 41 percent since FY11. A robust [Water Management Policy](#) helps us monitor our consumption and achieve our targets.

We had also set a target of achieving zero waste to landfill status by the year FY 2020-21 and have successfully reduced 86 per cent of waste per tonne of our product from our baseline in FY11. We are guided by our [Waste Management Policy](#) to achieve our targets. We are also exploring technologies to convert waste to energy which can potentially

be reused in our processes or facilities. In addition, we continue to reduce our material consumption, especially in packaging where we have increased usage of reusable materials. As a practice, we source most of our materials locally to minimize the carbon impact of procurement.

We are also working closely with our suppliers on supply chain sustainability. We continue to monitor our critical suppliers in line with our Sustainable Procurement Policy that measures key sustainability performance parameters such as health and safety, human rights, integrity, and environmental sustainability, across the value chain. In addition to setting standards and monitoring performance, we also work closely with our suppliers to craft action plans and work towards improving their sustainability performance.

During this fiscal year, our Chemicals Business has been recognized and acknowledged for the various initiatives and sustainable performance. Our Ambarnath, Maharashtra factory received the prestigious “Most Environment Friendly” Award from FICCI, and the Energy Efficient Unit award from CII. Our Valia, Gujarat factory received awards for excellence in the category of Pollution Management & Sustainable Practices at the 16th FGI (Federation of Gujarat Industries) Awards and the “Green Co Star Performer” Award from CII.

Our Valia factory also successfully completed 5S and ISO 50001:2018 (Energy Management System) certification. We have been winning recognition at national and international level for our 5S implementation and most recently, we won the Platinum Award at the International Convention on Quality Control Circles. From a sustainability transparency and disclosure standpoint, we were

ranked “B” in CDP’s (Climate Disclosure Program) India’s Climate Change and Water Security Disclosure Index 2020. We also secured the Silver rating on the Ecovadis Platform for our Ambarnath plant.

Our team members are Partners in bringing about positive change – both in business performance and in making the world a better place. We believe in our people and invest in their growth. We continue to invest in diversity initiatives, providing equal opportunities, health and safety, and learning and development. In recognition to our efforts, we received the “Organization with Best Employee Relations Practices” award at the Global HR Excellence Awards organized by World HRD Congress and Times Ascent. This recognition reflects the work we have been doing towards facilitating a great work culture and creating an inspiring place to work for all our people.

We continue to be invested in the social development of our communities, especially since COVID-19 hit us in March 2020, and the second wave in March 2021. Lockdowns led to severe restrictions in our operations, but we came together as a team to serve our communities and our consumers. Our team members also volunteered their time to provide support and engage meaningfully with our communities to build lasting relationships.

We were part of the Godrej Group effort for “response to COVID-19 pandemic”. In fiscal year 20-21, our Group earmarked Rs. 50 crore and spent over Rs. 50 crore to ensure public health and safety. This effort benefitted over 7 lac people across the country by providing ration kits, hygiene products, sanitization kits, medical supplies, equipment and beds. The effort also focused on livelihood recovery and rehabilitation by our support to small businesses and farmers among others.

When we say our chemicals help make life beautiful, it doesn’t just mean the innovations in our products. It means making life and our environment beautiful by using resources as sensibly as possible to make sustainable products for as many people as possible. This sustainability report details the work and long-term positive impact we are making on our people, communities and the planet.

Do write to us with your comments and feedback at: goodandgreen@godrejinds.com

Nitin Nabar
Executive Director and President,
Godrej Industries Limited (Chemicals)

About us

We're India's leading oleochemicals manufacturer. In this section we detail:

- Our company
- Our products
- Our materiality
- Stakeholder engagement
- Organisational structure
- Governance framework
- Business integrity
- Risk management
- Industry associations





Our company

Headquartered in Mumbai, India, GIL Chemicals is one of the oldest businesses of the Godrej Group. We have pioneered the manufacturing of oleo-chemicals venturing into the business in 1963. We produce a wide range of oleo chemical products derived from organic material.

Our products cater to various market segments including personal care, pharmaceutical and food industries. As of today, we market over 100 chemicals that finds myriad applications in over 24 products. Keeping abreast of the evolving market, we have built our state-of-the-art manufacturing facilities located in Valia, Gujarat and in Ambernath, Maharashtra.

We have an established international presence and are further expanding our business to tap unaddressed regional markets. Our products are exported to over 80 countries in North and South America, Asia, Europe, Australia and Africa.

Focusing on innovation and best practices, we constantly get involved in collaborative partnerships and learn from stakeholders from across the globe. We continuously build on our product line by including value added specialty products. Furthermore, we also make considerable investments in Research and Development to enhance our capabilities, helping us diversify our product portfolio. We develop new

products in our Research and Development Centre at Ambernath and a pilot plant at Valia. We’ve also established a Technology Excellence Group to help us build on our technical capabilities. Being a part of the Godrej Group, we adhere to industry best practices and exchange synergies among our other Group companies.

As a Group, we also champion social responsibility. Our sustainability goals are guided by our Group’s Good & Green vision of creating a more inclusive and greener world.

Our products



Fatty Alcohols
We are industry leaders in producing long chain fatty alcohols. We have a robust product portfolio comprising of a wide range of products that are applicable to both households as well as the personal care industry. We have further established a position in producing and supplying Behenyl alcohols for application in industries, oil fields, paper and personal care sectors.



Surfactants
We have pioneered the manufacturing of Alpha Olefin Sulphonate (AOS) in India. The exclusive properties of AOS proves effective in several industrial applications such as home and personal care, polymers, oil fields and construction chemicals. We have also produce Surfactants based fatty alcohols that are extensively utilised in the home and personal care industry.



Fatty Acids
We spearheaded the production of the world’s first vegetable oil soap in 1918. We have come a long way by developing a wide range of C16 and C18 fatty acids that finds applications in foods and feeds, rubber, textile, polymers and personal care products. We have expanded our product portfolio by including high purity specialty Fatty Acids derived from mustard oil.



Glycerine
Glycerine is multifaceted and is being utilised in a range of diverse applications. We provide quality grade glycerine capable of catering to various industry requirements. With our quality grade we intend to meet both domestic and international regulatory requirements including that of the Pharmacopeia, Food Codex and Food Safety and Standards Authority of India.



Oleo Derivatives and Specialty Chemical Products
Adding value to our product portfolio and to customers, we have included products such as value added derivatives and specialty chemicals. Our multi-purpose facility at Valia focuses on manufacturing these performance based chemicals. The Oleo Derivatives and Specialty Chemical Products include bio-surfactants, emulsifying waxes, esters secondary ingredients, active chemicals and ready blends. All products are customised to meet with customer requirements.



Our materiality

Our detailed materiality analysis helps us to identify critical economic, environmental and social issues that are important to business performance and the interests of our stakeholders. The analysis showcases the significance of issues both in relation to our influence on stakeholders, and stakeholder’s influence on us.

Our materiality processes are in line with the Global Reporting Initiative (GRI) Standards Guidance. Identifying material issues helps us to develop and implement an effective sustainability framework that

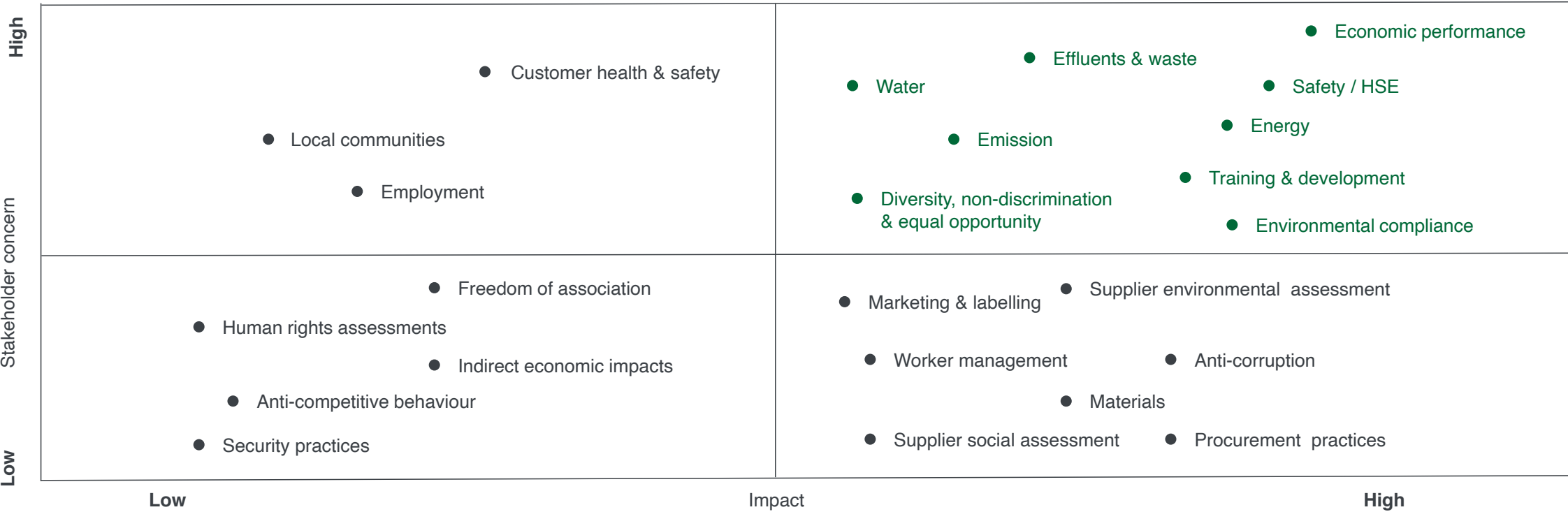
builds a strong, resilient and sustainable business. Every 3 years, we organise materiality sessions with key stakeholders based on environmental, social and economic disclosures as developed by GRI. The material topics are identified through industry research, benchmarks and internal & external conventions, including United Nations Global Compact Principles on Environment, Human Rights and Corruption.

We last organised a detailed materiality assessment in FY 2017-18. The issues we identified are relevant

for the FY 2020-21 reporting period. With COVID-19 disruptions, we will organise a new materiality study for FY 2021-22.

The last materiality study comprised of training programmes and interactive sessions with various stakeholder groups. We gathered information about stakeholder perceptions and feedback on our sustainability performance. The discussions from this session were used to develop a materiality matrix, showcasing high priority sustainability topics that we’ve covered in detail in the following chapters.

Materiality matrix





Stakeholder engagement

We firmly believe in parallel growth of both our company and our stakeholders. We seek stakeholder contributions in our development journey towards developing a culture of innovation and excellence. We respect the interests and expectations of all our stakeholders and strive hard to achieve them.

We use the stakeholder prioritisation matrix to understand key stakeholders to our business and the type of engagement to be carried out with each of them - consult, collaborate, keep informed & engage. Our regular interactions through various engagement modules aid us in collecting important feedback, thereby enhancing our performance and value addition. While the kind of our engagement methods can differ from an ad-hoc meeting to long term partnership, it is always driven by our core values. Our key stakeholder groups comprise of employees, customers, regulatory bodies, shareholders, team

members, suppliers, media, competitors, academics and the communities around operational sites. We use formal and informal engagement methods to communicate with our stakeholders through various communication platforms. Through this, we map stakeholder feedback and concerns.

Appropriate action plans are also developed to address expectations. These concerns and expectations form a vital input for our materiality assessment and in developing short and long term business goals. We follow principles in the AA1000 Stakeholder Engagement to develop a robust engagement framework. We abide by the three principles of materiality, completeness and responsiveness to ensure holistic engagement and maximum outreach.

Stakeholder prioritisation matrix

Consult / evolve <ul style="list-style-type: none">CustomersRegulatory bodies	Collaborate / empower <ul style="list-style-type: none">ShareholdersEmployeesSuppliersCommunity
Keep informed <ul style="list-style-type: none">Media	Inform / engage <ul style="list-style-type: none">CompetitorsAcademics

Our engagement process



Stakeholder engagement overview

Stakeholder group	Engagement module		Frequency of engagement	Key issues of interest	
Shareholders	<ul style="list-style-type: none">Quarterly/ Annual resultsOfficial press releases	<ul style="list-style-type: none">WebsiteBSE, NSE	<ul style="list-style-type: none">Regular / need based	<ul style="list-style-type: none">Business sustainabilityEconomic performance	
Customers	<ul style="list-style-type: none">Annual meetTrade shows/exhibitions	<ul style="list-style-type: none">Customer satisfaction surveysSales visits	<ul style="list-style-type: none">Regular / need basedAnnual and bi-annual	<ul style="list-style-type: none">QualityDelivery	
Team members	<ul style="list-style-type: none">HR PolicyHR Interactions	<ul style="list-style-type: none">Notices and announcementsCareer progression and appraisal	<ul style="list-style-type: none">ContinualAnnual and bi-annual reviews	<ul style="list-style-type: none">Employee health and safetyTraining and educationEqual opportunity	<ul style="list-style-type: none">HR policies and PracticesCareer progressionEmployee satisfaction
Suppliers	<ul style="list-style-type: none">Contract performanceContract negotiationsSupplier meetsQuality audits	<ul style="list-style-type: none">SeminarEmail/phone	<ul style="list-style-type: none">Regular/Need based	<ul style="list-style-type: none">QualityDeliverySustainability	<ul style="list-style-type: none">CostComplaints and resolution
Regulatory authorities	<ul style="list-style-type: none">MeetingsIndustry associations	<ul style="list-style-type: none">EventsPhone/email communication	<ul style="list-style-type: none">Monthly	<ul style="list-style-type: none">ComplianceRevenue and tax distribution	<ul style="list-style-type: none">ProfitabilitySafe working environment
Community	<ul style="list-style-type: none">Community meetingsCommittee meetings		<ul style="list-style-type: none">Monthly	<ul style="list-style-type: none">EducationCommunity welfare	
Media	<ul style="list-style-type: none">Press conferenceTelephonic and email communication		<ul style="list-style-type: none">Regular / need based	<ul style="list-style-type: none">StrategyOutlook	<ul style="list-style-type: none">Announcements
Competitors	<ul style="list-style-type: none">Industry associationsMeets	<ul style="list-style-type: none">Events and conference	<ul style="list-style-type: none">Need based	<ul style="list-style-type: none">PoliciesRegulations	<ul style="list-style-type: none">Knowledge sharing
Academics	<ul style="list-style-type: none">MeetingsVisits	<ul style="list-style-type: none">Study tours	<ul style="list-style-type: none">Need based	<ul style="list-style-type: none">RecruitmentKnowledge management	<ul style="list-style-type: none">R&D activities



Organisation structure

As one of Godrej Group’s oldest companies, we at GIL Chemicals are cognisant of the role corporate governance plays in facilitating effective, entrepreneurial and successful system of management to deliver long term success to any business. We are incredibly happy to have established a responsible business based on ethics, honesty and integrity. Our Corporate Governance framework is strategised to help us achieve excellence at every stage while keeping in mind the welfare of our stakeholders.

Our Corporate Governance structure is based on the existing Regulation 34(3) of the Listing Regulations. Our Board of Directors are responsible for guiding the corporate governance strategy of our company.

The Directors take leadership in guiding us to build a strong and resilient business. In order to develop a robust corporate governance framework, we abide by various regulatory requirements, improve organisational transparency through reporting, improve business strategies and operational practises and develop strong internal controls. We have built a sturdy Business Continuity Management system to further strengthen our business. Deeply valuing our stakeholders, we operate with integrity to ensure maximum satisfaction.

Our able Board of Directors are responsible for high level decision making on important aspects across the triple bottom line. The Board assists in helping us reach our goals through continual guidance,

supporting the management in terms of broad strategy, direction, governance and compliance. All our directors have exceptional expertise in their own fields. [Read more](#) about our directors.

Board Committees

- Audit Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Stakeholder Relationship/Shareholder Committee
- Nomination and Remuneration Committee
- Management Committee
- © Chairman

Our Board of Directors



Adi Godrej
Chairman and Non-Executive
Non-Independent Director



Nadir Godrej
Managing
Director



Jamshyd N. Godrej
Non-Executive,
Non-Independent Director



Tanya Dubash
Executive Director and
Chief Brand Officer



Board of Directors continued...



Vijay Crishna
Non-Executive,
Non-Independent Director



Nitin Nabar ●●●●●
Executive Director and
President, Chemicals



Mathew Eipe ●●●●●
Non-Executive
Independent Director



Ganapati Yadav ●●
Non-Executive
Independent Director



Monaz Noble ●●
Non-Executive
Independent Director



Shweta Bhatia ●●
Non-Executive
Independent Director



Ajaykumar Vaghani
Non-Executive
Independent Director



Sandeep Murthy ●●
Non-Executive
Independent Director



Governance framework

We are committed to the Group’s Good & Green vision of building an inclusive and greener world. In order to achieve this vision, we have set targets for ourselves for 2020 thereby making sustainability a key part of our manufacturing process and value chain. Our CSR initiatives are in line with the CSR guidelines that focus on key environmental, economic, and social needs of the underprivileged.

To foster new ideas, we offer different incentives such as monetary and recognition based incentives for tackling climate change concerns, including achieving set of targets and also fulfilling targets to our sustainability managers, Chief Operating Officer, Business Unit managers, EHS manager, Process operation managers and to all our the Godrejites.

Aligning all our business decisions with our sustainability strategies, we are able to achieve our targets. Our tenacious focus on the goal of conserving energy has been well recognised by several industrial associations. We have made sustainability an integral part of our business. We are constantly looking at ways to make our products and processes sustainable while working in collaboration with all our stakeholders.

Our committees

Our Board has formed various committees in accordance with the Companies Act, 2013 and SEBI LODR helping us concentrate on various aspects of corporate governance and resolve issues concerning them.

These committees have developed well defined boundaries in all areas of operation such as environment, economic and social aspects. These committees help monitor specific issues and provide direction to our senior leadership team.

Audit Committee

The Audit Committee has been put in place to look after our financial reporting process and disclosing the financial information to make sure that the financial statement is disclosed in a transparent, sufficient and accurate manner. Alongside other key responsibilities, the committee suggests procedures for appointment, re-appointment and approval of payment to statutory auditors and scrutiny of inter-corporate loans and investments.

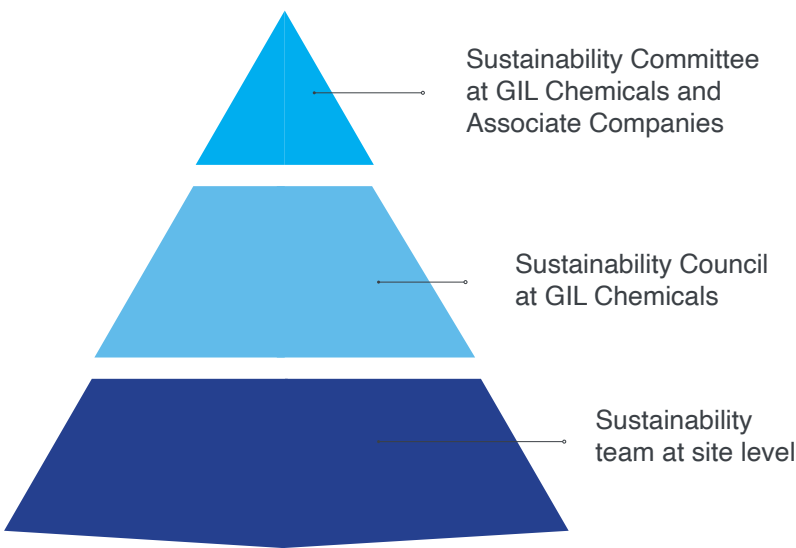
Risk Management Committee

This Committee has implemented a risk management policy to make sure that we, at GIL chemicals comply with relevant laws and regulations and have a reliable reporting systems. The Committee is also responsible for identifying and evaluating business risks and opportunities. The Committee is under process to integrate ESG risks into their risk assessment.

Corporate Social Responsibility Committee

The CSR committee designs our Corporate Social Responsibility Initiatives. The board requires this committee to brainstorm and bring in new best practices that can support and enhance the commitment towards social work.

Our sustainability framework





Our committees continued...

Stakeholder Relationship/Shareholder Committee

This Committee is responsible for addressing the stakeholder complaints that involves non-receipt of Balance Sheet and non-receipt of declared dividends, transfer of shares and others that is required by the Act and the Listing Regulations.

Nomination and Remuneration Committee

Discrimination on the grounds of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age or marital status is prohibited and we at GIL are committed to provide equal opportunities to everyone.

We acknowledge their performance irrespective of their gender which highlights better people management. We firmly believe a correct balance of skills, expertise, experience and varied perspectives is important for an effective functioning of the company and its corporate governance.

We have developed a “Total Rewards” philosophy to escalate the utilisation of such as long-term incentives, benefits, fixed and variable compensation and perquisites and other non compensation elements like work life balance and recognition and skills and career development. Our talent and performance management processes has been improved by incorporating this framework. Fixed compensation, flexible compensation and variable compensation are the three key elements that sums up our total compensation.

Our Board has also adopted a policy called “Board Appointment Policy” for appointing high level management and other directors. This selection

process is done based on merit that involves fair consideration of candidates against any objective criteria. Our Board firmly believes following such merit-based selection process will aid us in serving our stakeholders better. This policy is reviewed regularly to keep an eye on its effectiveness.



Business with integrity

We are committed to the Group’s Good & Green vision of building an inclusive and greener world. In order to achieve this vision, we have set targets for ourselves thereby making sustainability a key part of our manufacturing process and value chain. Our CSR initiatives are in line with the CSR guidelines that focus on key environmental, economic, and social needs of the underprivileged.

To foster new ideas, we offer different incentives such as monetary and recognition based incentives for tackling climate change concerns, including achieving set of targets and also fulfilling targets to our sustainability managers, Chief Operating Officer, Business Unit managers, EHS manager, Process operation managers and to all our the Godrejites.

Our sustainability strategies are aligned with our business decisions. Our tenacious focus on the goal of conserving energy has been well recognised by several industrial associations. We have made sustainability an integral part of our business. We are constantly looking at ways to make our products and processes sustainable while working in collaboration with all our stakeholders.

Policy to prevent Sexual Harassment for women at the workplace

GIL Chemicals has formed a separate policy to prevent sexual harassment at the work place. We are committed to create an atmosphere in which Godrejites can work together without the fear of exploitation, sexual harassment or intimidation.

Every Godrejite is made aware that such behaviour is strongly opposed and prohibited both by law and by the Godrej group.

In 2017-18, we reconstructed our internal complaints committee for the prevention of sexual harassment of women at workplace. To further strengthen the effort, two separate committees have been formed, one for the head office factories in Maharashtra and branches in India and other for the factory at Valia, Gujarat. While the policy mainly applies to the women Godrejites, our policy covers all employees that encourage respect and promotion of Human rights. Any violation of the code of conduct may lead to appropriate actions put forth by the law or termination of one’s employment.

We received no complaints of sexual harassment in FY 2020-21.

Anticorruption & Bribery

We strictly abide by the rules relating to bribery, corruption and ethics. All our operational units are scrutinised for potential risks especially corruption. our policies related to anti-corruption is clearly communicated to all our employees and business partners.

During the reporting period, no cases of anti-competitive behaviour, anti-trust and monopoly practices were reported.

Our code of conduct



Communication and public relations



Compliance with the law



Anti-discrimination



Customer & Confidentiality



Quality, health and safety



Integrity

Risk and opportunities

We’re exposed to a range of external and internal factors that may constitute as risks or opportunities. Timely identification, assessment and mitigation of risk is the core of our risk management and it’s a high priority for our senior management and Board of Directors while taking key decisions.

Our Risk Management Committee is responsible for identifying and evaluating business opportunities and risks. It has further designed and executed a policy on risk management to ensure a reliable reporting system and our compliance with relevant laws and regulations. For internal risks management, we have the Whistle Blower policy to deal with issues of mismanagement, fraudulence and bribery.

Risk management structure

While the Board is responsible for overall governance and oversight of core risk management activities, the execution responsibility is delegated to the Risk Management Committee and our Chief Financial Officer. They work in line with the business functions to identify various risks and their implications. The Risk Management Committee is chaired by our Managing Director and constitutes Executive / Independent Directors as members. The committee validates the company’s risks and verifies transparency in reporting.

The whole process is overseen by a Corporate Risk Manager from the Internal Audit team. The person also drives the development of the methodology used by the risk management system.

Over the last few years, we have been integrating sustainability risks to our financial and business risks. Our risk management framework identifies and monitors potential risks over short, medium and long-term horizons.

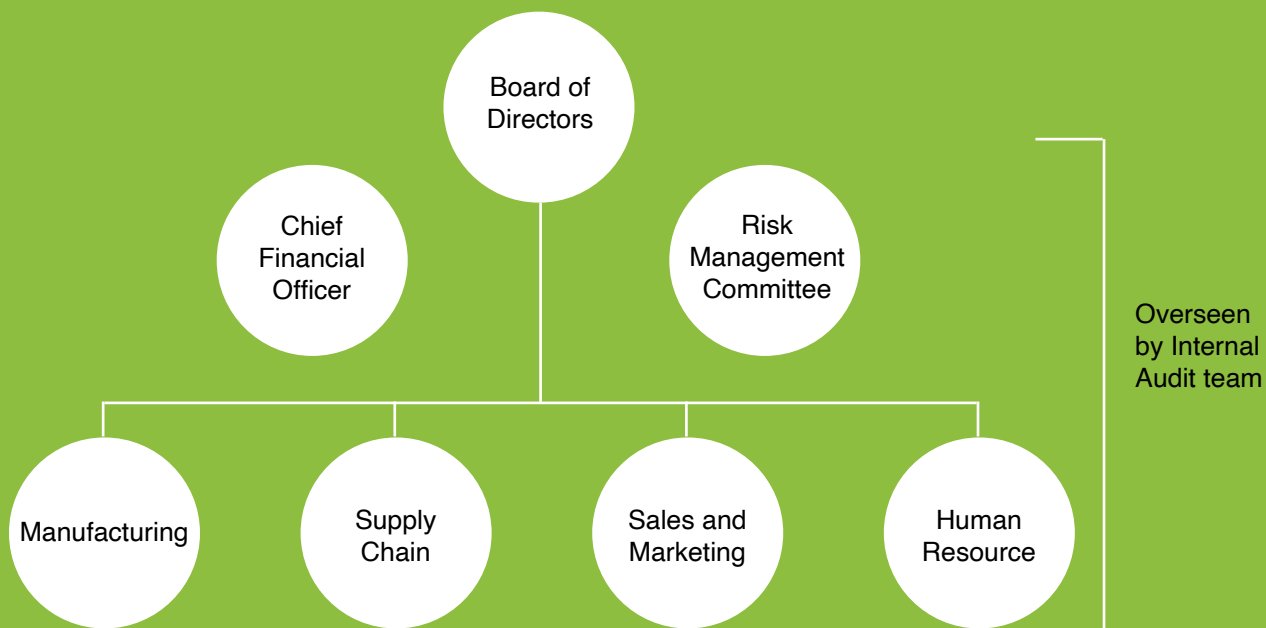
We also constantly monitor and look out for opportunities that would add value to both our business and our stakeholders. As much as we focus on business opportunities, we also firmly believe that it is equally important to proactively identify resource & process efficiency, resilience and green product opportunities.

We’ve classified our key risks into four categories in line with our materiality:

- 1. Strategic Risks
- 2. Operational & EHS Risks
- 3. Financial Risks
- 4. Compliance Risks

We have evaluated potential opportunities against each of and will continue to further develop and improve our understanding and approach of these risks and opportunities. The table on the next page specifies risks under each material issue, our mitigation strategy, and the opportunities we’re working on.

Risk management structure



Risks, mitigation strategy and opportunities

Material issue	Risks	Risk mitigation	Opportunities
Economic performance	<p>Currency We're exposed to currency risk on account of its Receivables for Exports and Payables for Imports in foreign currency.</p> <p>Commodity Our commodity-based businesses are likely to be affected by external factors such as weather, demand for edible oil, oilseed production, among others. We're also exposed to commodity price risks relating to raw materials which account for the largest portion our costs. COVID-19 may cause increase in freight rates and lower availability of containers and vessels will have impact on movement of export goods.</p> <p>Products and market The chemicals business growth is dependent on the growth of end user industries like polymer, detergent, cosmetic and personal care. There is possibility of reduced demand for these goods and services due to shift in consumer preferences.</p>	<p>Currency We enjoy a natural hedge with respect to our foreign currency exposure. We manage currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.</p> <p>Commodity We've a robust framework and governance mechanism in place to ensure that the organization is adequately protected from the market volatility in terms of price and availability. We also enter into fixed price contracts with suppliers and in certain cases, enter into back to back sale contract with customers. We periodically review the open exposure of raw material and also hedge the risk on commodities exchange. We are closely monitoring freight rates and ensuring timely delivery of goods.</p> <p>Products and markets We market over 100 chemicals that have applications in over 24 products and export to over 80 countries in order to diversity our business.</p>	<p>Product and services We're developing new products or services through R&D and innovation. We've built our first ever pilot manufacturing plant in India, for the production of Biosurfactants which is as also called Sophorolipids.</p> <p>Bio God is our one of the most attractive Biosurfactant that involves green chemistry with low carbon footprint.</p> <p>This product has an edge over the chemical surfactants because of its unique characteristics such as high biodegradability, better environmental capability, lower toxicity, selectivity and specific activity at extreme pH and salinity.</p> <p>It further demonstrates unique behavior like being 5-10 times more surface active and dual characteristics like detergency and antimicrobial activity.</p>
Environmental compliance Energy Emission	<p>National Mission on Enhanced Energy Efficiency (one of the 8 missions of National Action Plan on Climate Change) targets various energy intensive industries like steel, cement, chemical, and pulp & paper among others to achieve higher levels of energy efficiency. While we don't yet fall under this preview, there is a probability that it would be extended to oleo chemicals sector also, hence it is a potential risk.</p> <p>We spend 5-6 % of total sales on energy per annum. Rising power demand has resulted in higher dependence on costlier coal imports as supplies from domestic sources are still insufficient to meet increased energy demand. This was coupled with Rupee seeing a sizeable depreciation against the US Dollar leading to an upward pressure on cost of purchase for distribution utilities. Any increase in energy costs could have an impact on the bottom-line.</p>	<p>We are already transitioning to lower emissions technology by reducing our specific energy consumption and increasing our renewable energy sources. Close to 49% of the energy we use is from renewable sources such as wind, solar and biomass. We have five Briquette based boilers running which have helped us to replace more than 75% of natural gas in the plant. We also have 400 plus KWp Solar roof top project in our manufacturing plant.</p> <p>We are signatories to Climate Group's initiative - EP100 and committed to science based targets (SBTi). We are committed to reduce our specific energy by 50% till 2030 from baseline of 2012. We have created a roadmap for energy management and we are implementing greener technologies and already reduced our specific energy consumption by 26% compared to FY11 baseline.</p> <p><i>(Read more in Environment performance -> Energy section)</i></p>	<p>As part of our 2025 sustainability strategy, we are looking for breakthrough technology invention to help in energy efficiency and carbon capture and we would like to move to lower emissions technology.</p>

Risks, mitigation strategy and opportunities continued...

Material issue	Risks	Risk mitigation	Opportunities
Water Effluents	<p>We are dependent on surface water for production which is dependent on rain. If we receive less rain in a year, it will impact our production and we have to buy water from other sources.</p> <p>Our flagship plant in Valia is in an industrial region where pollution levels are high. The water quality is getting impacted and we may not get quality water in future and would have to make investment in water quality improvement technologies.</p> <p>We have permissions to draw a limited quantity of water from public sources. As the norms are getting stringent, we might face water shortage which can lead to difficulty in expanding our business as our production processes are water intensive.</p>	<p>We are working to reduce our water consumption in the processes and installed water efficient equipment. To improve water management, we are applying the most efficient technologies and cleaning methods adapted to our products.</p> <p>Our strategy is to treat used industrial water on site and reuse it water for process/ utilities. We have state of art advance water treatment technologies to recycle the water back to our production process.</p> <p>Both our manufacturing plants are Zero Liquid Discharge compliant.</p> <p><i>(Read more in Environment performance -> Water section)</i></p>	<p>We are doing Life cycle assessments of our products to know and reduce the environmental impact of products, both upstream and downstream, of our value chain.</p> <p>Our approach to reduce overall water footprint includes:</p> <ol style="list-style-type: none">1. Technologies to reduce water consumption in the process.2. Innovating for one third of our products to be more sustainable and greener.3. Engage with suppliers to improve water management in supply chain.4. Understanding customer’s expectations to identify how to help them change their water consumption.
Health & Safety	<p>Given the nature of our business health & safety related risks in manufacturing operations is one of our top priorities. Operational risks and natural hazards are likely business disruptions.</p> <p>COVID-19 measures have further made it a non-negotiable aspect of working.</p>	<p>We’ve implemented various initiatives to ensure health and safety of employees across our locations both at operational level and managing natural hazards.</p> <p>At plants, we ensured this by creating task forces to monitor and implement health & safety measures going beyond compliance and adopting industry best practices.</p> <p><i>(Read more in People section -> Occupational Health and Safety)</i></p>	
Training & Development Diversity, non-discrimination and equal opportunity	<p>We face a risk of personnel shortages due to industrial disputes and attrition of key staff.</p>	<p>We encourage and provide avenues to our employees to aspire and develop their skills & competencies to be able to contribute and add value to business. We emphasize on implementing a holistic framework of talent development & management.</p> <p>Our talent acquisition strategy is focused on increasing the workplace diversity for a competitive advantage. This entails diversity of ideas, perspectives, age, and gender among others, to infuse creativity and greater productivity. We achieve this through our hiring plan which is centered at improving age & gender diversity of our workforce every year. We have a mix of tailored learning programmes, career opportunities and work-life balance progressive policies that help us achieve this.</p> <p><i>(Read more in People section)</i></p>	



Industry association

We firmly believe that it is crucial for businesses to have strong industry associations and memberships for collective growth. Such associations and partnerships will provide strong foundation to develop the business, share knowledge, gather new ideas for innovations and also establish resilience to key industry issues while gaining an understanding of competition. We ensure that policy advocacy is done with the highest degree of integrity, responsibility and credibility. The following are the list of our industry associations:

1. Indian Chemical Council (ICC)
We have established a long-term partnership with ICC by participating in all the events conducted by them. They are the apex industry body representing the chemical industry in India, and also pursue the “Responsible Care Programme”. It is a global initiative through International Council of Chemical Associations (ICCA) since about 2003.

Responsible Care is a global voluntary initiative of chemical industry to excel and continually improve health, safety and environmental performance. It is a commitment of the chemical industry for a world class performance for safe, responsible management of chemicals throughout their entire life cycle. ICC considers 10 guiding principle and seven codes of management practice for evaluation to award RC logo to the member industries. These include:

- 1. Process safety code
- 2. Employee health & safety code
- 3. Pollution prevention code

- 4. Emergency response code
- 5. Distribution code.
- 6. Product Safety and Stewardship code
- 7. Security Code

At our Ambernath & Valia sites we have formed team as champion & Co-champion code wise for implementation of responsible care guiding principle & codes requirements. We are doing responsible care implementation in phase manner and Ambernath site has considered as a first phase implementation. Our Ambernath plant has started its journey to implement Responsible Care guiding principle and process codes this year. We have conducted training third ICC, received the RC manual, started the internal training and implementation according to the manual guidelines. We have appointed an eminent consultant for responsible Care Implementation & RC logo certification process, who is giving training / guidance to us, closely work with us and help institutionalize the concepts and under ICC Mentorship programme, we have tied up with Dow Chemical for understanding the requirements in addition of consultant. We are in the process of completing the audit and receiving the logo.

2. CII (Confederation of Indian Industries) National Council & CII Western Region

We work closely with CII to mitigate Climate Change. We have signed an agreement with CII in supporting the mission of sustainable growth and CII-ASSOCHAM code of conduct. The CII - Sohrabji Godrej Green Business centre works closely with

the stakeholders on promoting green practices in the industry and offers advisory services on the conservation of natural resources. One of the major step taken by CII towards this direction is the development of ‘Green Company Rating system’ (GreenCo rating) for companies. GreenCo rating is a holistic framework that evaluates companies on the environmental friendliness of their activities using life cycle approach. GreenCo rating provides leadership and guidance to companies on how to make products, services and operations greener. Industry personnel are trained and facilitated to implement better systems and global best practices in sustainability.

Our Valia plant started its GreenCo journey in 2014. We got first Green Co-Silver rating in 2015. We improved our rating and got Gold certification in 2019. We are now in process of implementing best practices to achieve GreenCo Platinum rating.

3. IFCCI-Indo French Chamber of Commerce
Being one of the founding members of the bilateral chamber between India and France, provided us with an opportunity to make partnership with the chamber and always actively participate in all the events conducted by them.

4. Collaborating for Sustainable Palm Oil
We are part of Roundtable on Sustainable Palm Oil and have committed to produce, source and/or use sustainable palm oil certified by the RSPO. We are also a part of Action for Sustainable Derivatives that promotes responsible sourcing and collective action to increase sustainable production of palm oil and its derivatives.

Economic Performance

We manufacture a wide range of oleo chemical products and market over 100 chemicals that have applications in over 24 products in over 80 countries. In this section we detail:

Economic performance
Supply Chain
Product Innovation





Economic performance

Our Chemicals business had a stable FY 2020-21 with operating profit increasing by 4% over the previous year.

The Chemicals business achieved export turnover of ₹452 crore, accounting for about 27% of our turnover. Our focus on value added chemicals that have steady margins also helped in de-risking the business. The Chemicals business recorded a revenue of ₹1,666 crore and PBIT of ₹119 crore.

In view of the lockdown across the country due to the outbreak of COVID-19, operations of our locations (manufacturing and offices) were scaled down or shut from second half of March 2020. While this has adversely impacted the sales performance, we continued to closely monitor the situation and take necessary actions to scale up operations, in due compliance with the applicable regulations. With the lockdown scenario, consumption and investments were severely impacted in Q1 of FY 2020-21.

However, the demand for oleo-chemicals is increasing in personal care industry as consumers are becoming aware of the environmental benefits and cost effectiveness offered by oleo-chemicals.

Consumer preference is increasing in using eco-friendly biodegradable products in FMCG goods like detergents and soaps. Fatty Acids, Fatty Alcohol, and Specialty Chemicals used by this segment is growing at healthy rate.

Demand of hygiene and cleaning products is expected to grow, which is helping Surfactant and Specialty Chemicals demand.

But commodity Fatty Acid demand is majorly driven by automobile industry is showing signs of slowdown. However, demand of Glycerine from pharmaceutical sector looks good and its growth is being driven by domestic consumption.



Economic performance of Godrej Industries FY 2020-21	
Description	Amount in ₹ (crores)
Direct economic value generated	1920.86
Operation cost	1085.5
Employee wages and benefits	136
Payment to provider of capital	237.51
Payment to the government	352.31
Economic value retained*	(107.54)
* Net Profit / (Loss)	



Supply chain

As a global business, we are dependent on multiple suppliers for various raw materials, and intermediate inputs. As we expand our business, we are optimising our supply chain and building a sustainable supplier engagement mechanism.

Supply chain sustainability is a crucial aspect to our business at GIL Chemicals. While we develop responsible and conscious business practises, we encourage our suppliers to conduct their business in a sustainable and ethical manner too. Our supply chain framework helps us extend the outreach of our sustainability agenda, thus maximising impact. We hold our suppliers accountable for maintaining

maximum upstream sustainability standards. To ensure collective and holistic sustainable growth across the value chain, we have developed strong relationships with our suppliers to collectively reach our sustainable supply chain goals.

Supplier assessment
We have championed Social and Environmental responsibility by developing strategies and policies aligning with the Group’s Good and Green vision. Including this in our supply chain agenda, we have formulated procurement guidelines that require us to audit all our suppliers based on ESG parameters before bringing them on board.

We have developed two important policies to vouch for sustainable procurement - [Sustainable Procurement Policy](#) and [Sustainable Palm Oil Policy](#) and its [Sustainable Palm Oil Action Plan](#). These policies highlight our expectations on critical sustainability performance parameters such as health and safety, human rights, integrity, and environmental sustainability to name a few.

The policies have been created in accordance with international benchmarks and best practices.

Our supply chain



Suppliers

Our raw materials are either plant based or organic. To reduce upstream environmental impact, we lay emphasis on sourcing raw materials locally. We have set stringent regulations to ensure supplier sustainability, which is guided by our supply chain policies.



GIL Chemicals

At our facilities, we develop and manufacture a variety of products in line with the market demand, through sustainable processes practises that ensure high quality at a competitive cost.



Customer and consumers

Products generated at our facilities are used in a variety of sectors such as home and personal care, paper, textiles, food products, and construction among others.



Sustainable Procurement Policy

To align with our sustainability commitment, we have developed a Sustainable Procurement Policy, which is an extension of our values; applicable to all our suppliers. We expect our suppliers to operate in accordance with the principles as outlined in this Policy, while adhering to all applicable laws and regulations. In the policy, we go beyond legal compliance requirements by drawing upon internationally recognised standards in order to identify and define best practices from across the globe.

The policy outlines our expectations with regards to ethics, business integrity, human rights, health & safety, environment, the local community, quality of product & operations, human rights aspects like collective bargaining, child labour, forced labour and other parameters. We periodically review our procurement policy for improvement and to ensure that it continues to help us move towards our vision.

Supplier Assessment Methodology:

We have designed an extensive questionnaire with all our suppliers to help us assess their sustainable practices and verify the same through onsite audits. The evaluation is based on four different parameters such as, degree of compliance to ethics and legal requirements, supplier’s management maturity, supplier’s level of public disclosure and good and green performance.

Key results of the supplier survey:

Till last year we had completed onsite/virtual audit of 100% of our critical suppliers. This year, we established the baseline for our suppliers applicable to both packaging and raw materials. We shared the results of the performance in our annual supplier meet held virtually this year.

We also invited external speakers to share their experience and guide on importance and implementation of 5S and GreenCo rating and implementation for Small and Medium Enterprises. After the baseline, our suppliers will continue to be scored on their environmental sustainability initiatives

that include - Specific Energy Consumption, GHG Emissions, Waste to Landfill, Water Consumption, Hazardous Waste & Non-hazardous Waste Disposal and compliance to regulatory emission requirements. We will continue to work closely with our suppliers to improve their performance.

Supply chain: Initiative in focus

Sustainable Palm Oil

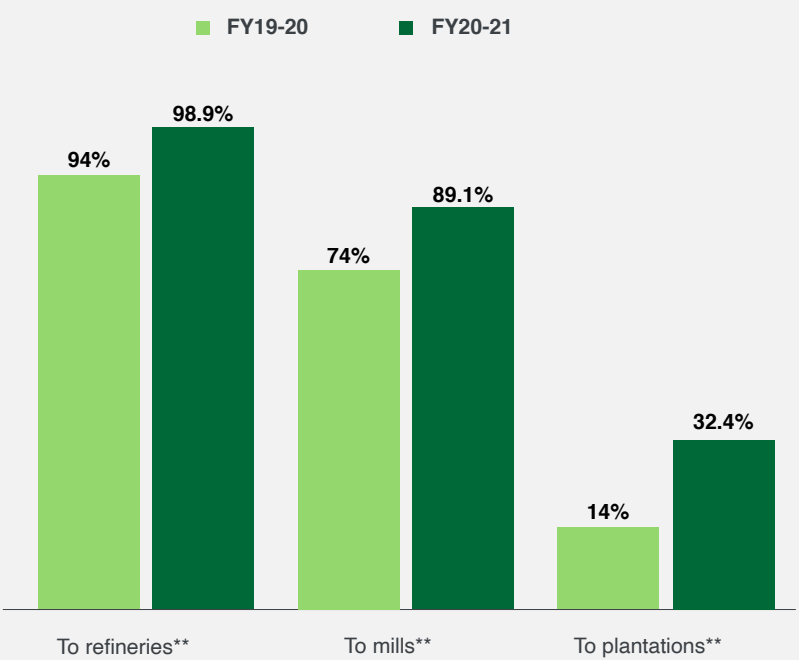
As part of our sustainable palm oil policy, we pledged to use 100% sustainable PO/PKO derivatives by end of 2025 latest, by means of mass balance approach.

We recognize that one of the biggest hurdles to ensuring the sustainability of palm oil is the lack of transparency in the supply chain. We aim to have 100% transparency up to mills and refineries by 2025 and have implemented actions plans to achieve it.

We are one of the leading Indian Entity to be a part of Roundtable on Sustainable Palm Oil (RSPO) and Action of Sustainable Derivatives (ASD). ASD brings together major beauty, home and personal care and other oleochemical companies and is led by BSR & Transitions* to enable sustainable production and sourcing of palm oil and palm kernel oil derivatives.

* Third party study related to transparency done by Transitions

Traceable palm oil



** Integrating crusher facility



Product innovation

We work relentlessly in conducting business in a responsible, ethical and innovative manner, inculcating sustainability into our thought processes every step of the way. As a responsible business, the safety of all stakeholders using our products is of extreme importance to us. We are an active member of Indian Chemical Council and a signatory of Responsible Care. Abiding by the requirements of these organisations and pursuing the codes of management practices, we implement the codes of management practice including product stewardship, process safety, employee health and safety, pollution prevention, emergency response and communication and distribution. We work relentlessly to develop innovative products catering to various markets and customer requirements, entering various niches.

Customer prioritisation and sustainable business

Our customers and our team members are key stakeholders to our business. To better our performance, we continually seek the inputs of these two stakeholder groups through evaluations and surveys based on various aspects. Through channels such as employee satisfaction surveys, customer surveys, feedback surveys and market research, we regularly monitor our performance. We include feedback from key stakeholders into our business decisions and into our R&D efforts, thus helping us create a robust business with a quality product portfolio.

At GIL Chemicals, since our products are exported and marketed in the EU, there is a requirement for adherence with REACH - a European Union

regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). Adherence requirements include registration with the ECHA - European Chemical Agency, providing safe use documentation and disclosures to customers for certain products. We are also an active member of Fatty Alcohol consortium that registers all alcohols from C6 to C24 as per pure cuts strategy. As of now, a total of nine substances are registered for EU reach. We have also recently pre-registered 8 substances in UK REACH, 14 substances in Korea REACH and 17 substances in Turkey REACH. We are also in process of registering our substances in other countries REACH like Russia (Eurassia REACH), and Vietnam among others.

Product Stewardship:

Our product stewardship agenda includes leadership and strategy; education, awareness and communication programs, product responsibility management, reduction in toxic substance in products and processes, extended producer responsibility, sustainable design and engagement of voluntary codes and standards for reducing environmental impact. To further strengthen our responsible business agenda, we have acquired ISO 14001: 2015, ISO 9001: 2015, and ISO 45001: 2018. Integration of above system is completed. Our work for International Automotive Task Force (IATF) certification for one of our products that goes in tyre industry, is also in progress.

Product innovation: Initiative in focus

GINOPHOS CD

In line with the growing demand of green products, and furthering our environmental sustainability, we are working on several oleo-based green ingredients for home and personal care applications that can replace existing chemical ingredients.

GINOPHOS CD is a multifunctional green alternative to petrochemicals based anti-dandruff actives. It is highly water-soluble anti-dandruff active having surfactant properties. It provides crystal clear transparent and storage stable formulations with ease of incorporation without use of suspending/ dispersing/stabilizing agents. Apart from stable formulation, Ginophos CD is highly effective even at low concentrations that too at natural scalp pH 4.0-5.0 and thus helps in maintaining healthy scalp. It provides prolonged anti-dandruff effect due to its high substantivity. It is non-irritant to scalp and compatible with all the commonly used cosmetic ingredients. It is used in transparent anti-dandruff shampoos, hair tonics, hair gel, hair conditioner, and athlete's foot care cream among others. Overall GINOPHOS CD provides customers an economical and green ingredient.

Environment Performance

Environment sustainability is a key part of our manufacturing process. In this section we detail:

Energy performance
Emissions performance
Solid waste and effluent management

Materials
Water
Biodiversity



Environment performance

We at GIL Chemicals have built an environmentally conscious business, imbuing environmental management concepts into our growth strategy and manufacturing process. We continue to find and apply measures that can reduce and optimize our resource utilisation and reduce emissions. We have a relentless focus on improving productivity, energy efficiency and maximising sustainability at our manufacturing facilities through usage of state-of-the-art technologies

and processes. Our processes help us to continually monitor and analyse our environmental footprint across all our manufacturing locations.

At the core of our sustainability strategy, we focus on maximising our resource efficiency and reducing our environmental impact. All our green targets are focused around these two aspects. In our efforts to invest in process efficiency and energy management,

we have invested over ₹136.7 lakhs in FY 2020-21 that has helped us in reaching our environmental sustainability targets for the year.

Our renewable energy portfolio continues to be our key highlight which now comprises of close to 49% of all energy we use at GIL Chemicals.

Our green goals and performance

Reduce specific energy consumption by 30%



Efforts
Improvements in processes and increase in efficiency of systems

Achieved
26%
reduction in specific energy consumption

Increase renewable energy portfolio to 30%



Efforts
Improve the energy mix by gradual shift to renewable energy

Achieved
49%
of total energy is from renewable sources

Become carbon neutral



Efforts
Embrace cleaner fuels such as biomass

Achieved
46%
decrease in GHG emissions intensity

Become water positive



Efforts
Innovative water management systems & process improvements

Achieved
41%
reduction in specific water consumption

Achieve zero waste to landfill



Efforts
Innovative use of materials, including reuse and recycling

Achieved
86%
reduction in specific waste to landfill



Energy

Chemical business is energy intensive which makes the management and operation of the company’s energy system of great importance. All our processes are aligned to improve energy efficiency; helping us in our vision to reduce specific energy and in turn reduce our overall carbon footprint. Our energy goals are focused on three key parameters - conservation of energy, use of innovative technologies, and process optimisation. In line with our Group’s green goals, we aimed to reduce 30% of our energy consumption from our FY11 baseline by FY 20-21. We got close to our target and have reduced our specific energy consumption by 26 from by FY11 baseline.

Valia and Ambernath are our prime chemical manufacturing facilities. We manage energy utilisation in these facilities through a designated energy management cell. The cell is responsible for monitoring and reviewing energy performance of the plants on a daily basis. Monthly reviews are conducted to analyse the day-to-day energy performance levels of each of the plants. Data collected from such monthly reviews is communicated

to the plant head and the energy manager for further review. Reviews and audits are also conducted on a quarterly basis; data derived is shared at the corporate level with the governance bodies. Valia site is ISO 50001:2018 certified and we have started implementation process of responsible care in our Ambernath manufacturing site.

Energy data of our manufacturing plants:
In FY 2020-21, a total of 14,38,340 GJ of energy was consumed at the Valia and Ambernath facilities. 5,048 GJ of energy was consumed at the Wadala facility. Direct energy consumption (onsite energy consumption) was 12,51,331 GJ, and indirect energy consumption (grid electricity and solar energy) was 1,87,011 GJ for Valia and Ambernath.

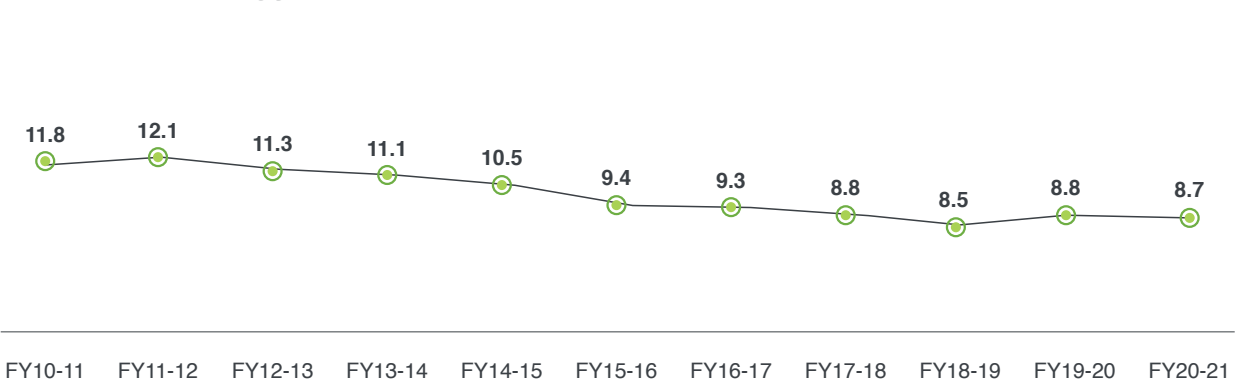
Integration of Renewable Energy:
Our efforts to increase our renewable energy portfolio include utilisation of manufacturing by-products in energy production, use of biomass briquettes and use of solar energy. In 2020-21, close to 49% of energy we consumed has been derived from renewable sources.

Our Valia and Ambernath plants also fulfill their energy requirements through their solar rooftop installations, of 315 KWp and 189 KWp respectively. From October 2020, we started getting power from our wind turbines to our GIL Ambernath manufacturing plant. We are in progress of installing our Cogeneration plant to reduce our dependency on fossil fuel and to fulfil our complete electricity requirement through it apart from steam generation.

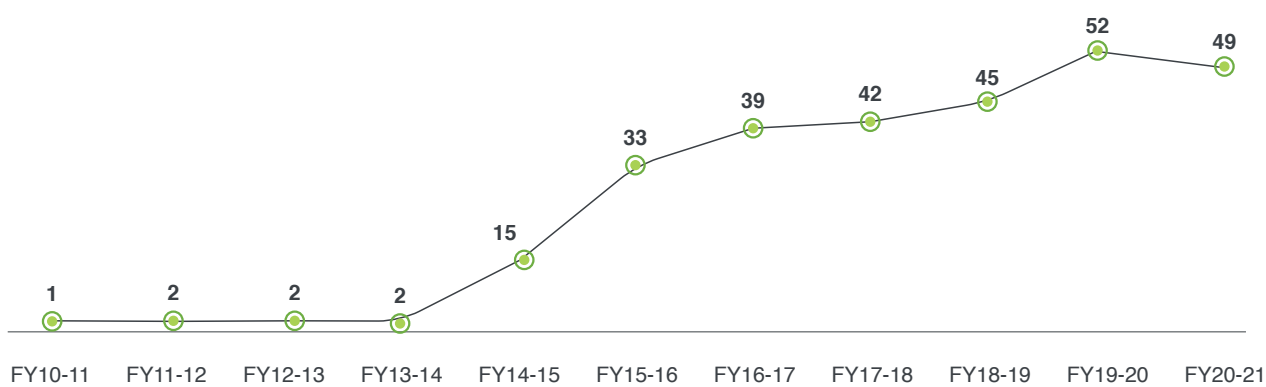
Integration of Energy Efficient Measures:
In FY 2020-21, our specific energy consumption was 8.69 GJ/T of production, a 26 per cent decrease from FY 2011. Our energy conservation initiatives include using effective and resource efficient processes, equipment and technologies. We have also streamlined capacity of pumps, compressors, motors, cooling towers and other systems to improve system efficiency. Moreover, we have commissioned briquette boilers in place of fossil fuel based boiler for heating our thermic fluid, and installed evaporative condenser in our chillers to conserve energy.

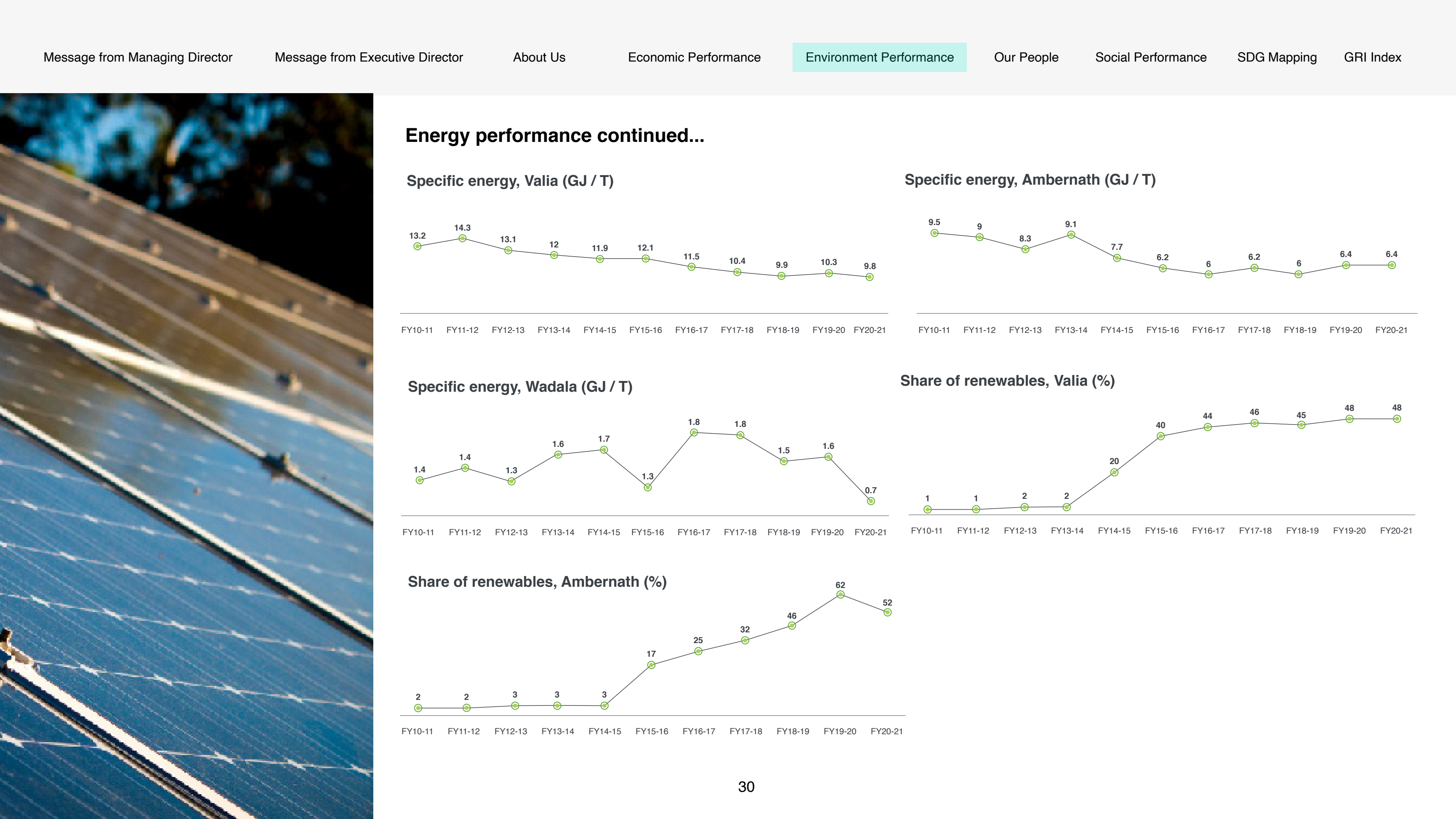
Energy performance

Specific energy, GIL Chemicals (GJ / T)



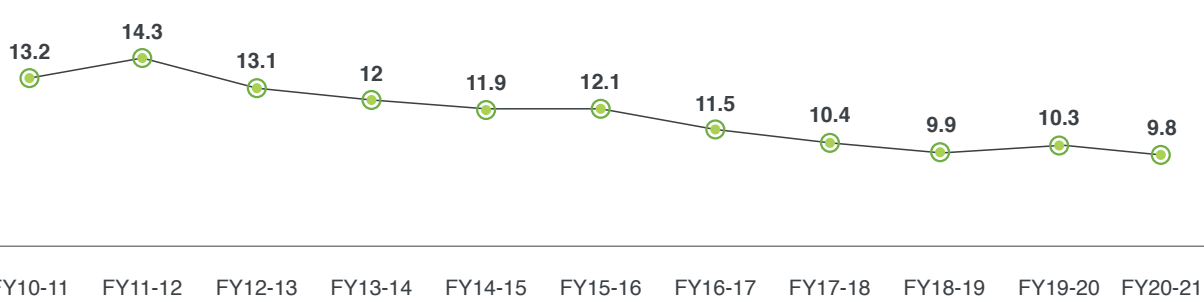
Share of renewables, GIL Chemicals (%)



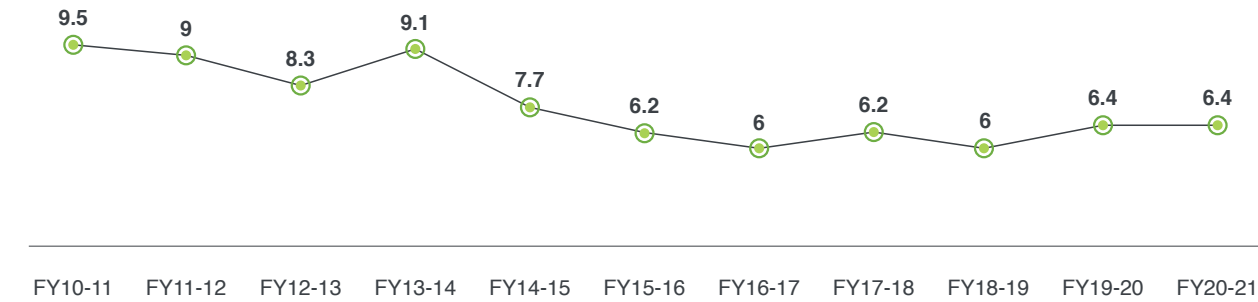


Energy performance continued...

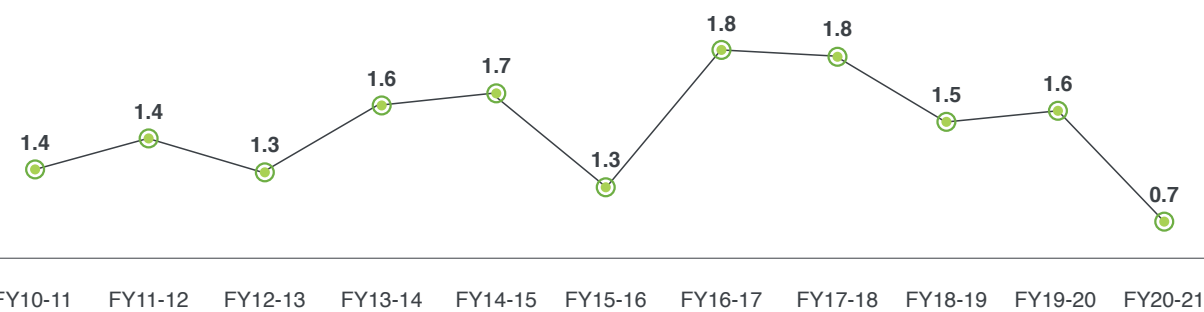
Specific energy, Valia (GJ / T)



Specific energy, Ambernath (GJ / T)



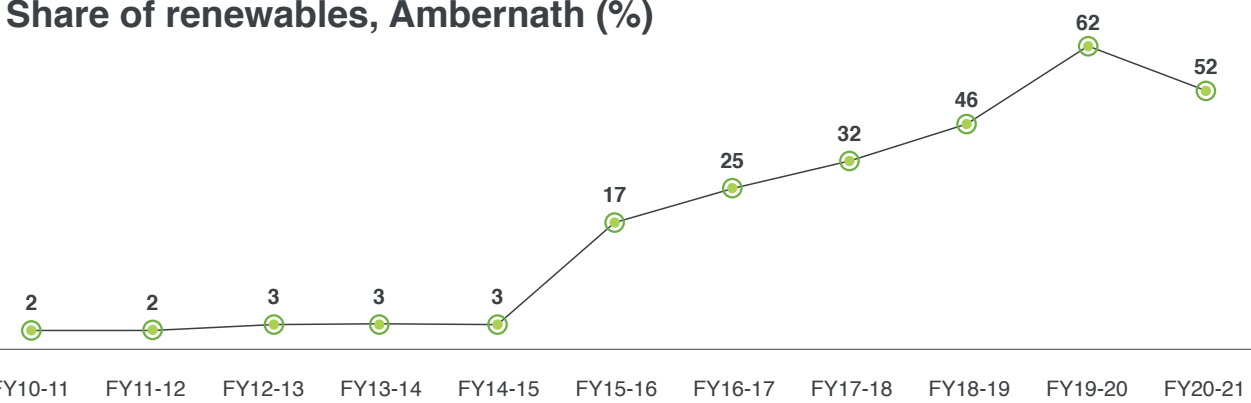
Specific energy, Wadala (GJ / T)



Share of renewables, Valia (%)



Share of renewables, Ambernath (%)





Evaporative condenser

Energy: Initiatives in focus

Ambernath plant - Installation of Evaporative Condenser

At Ambernath, to meet the chilling requirement of Alpha Olefin Sulfate (AOS) plant section, we utilize the Brine & Water chilled system. The system is operated with water cooled condenser.

Intervention:

To maximize the efficiency of overall system of chiller, the team decided to replace the water cooled condenser with evaporative condenser. The evaporative condenser has higher heat transfer coefficient which makes the refrigeration system operate at low condensing temperatures, hence reducing power consumption.

Installation of evaporative condenser leads to reduction of discharge pressure from 125 psi to 105 psi; results into drop in condensing temperature from 38 degree celsius earlier to 33 degree celsius. This improves cooling capacity by 15 kW & reduces power consumption by 12 kWh. For Brine system, discharge pressure was reduced from 110 psi to 100 psi; results into drop in condensing temperature from 33 degree celsius to 30 degree celsius. This improves cooling capacity by 5 kW & reduces power consumption by 5 kWh. This has a lower footprint compared to conventional water cooled or air cooled system.

Annual Impact:

- 1. Initial Investment - ₹35 lakhs
- 2. Cost Savings - ₹21 lakhs
- 3. Energy Savings – Approx. 2,31,000 KWH

Installation of Mechanical Vapor Recompression (MVR) System in Zero Liquid Discharge (ZLD) Plant

Both our Valia and Ambernath manufacturing plants are zero liquid discharge plants with implementation of Effluent treatment system followed by Reverse Osmosis (RO) and Multi effect evaporator (MEE). The effluent generated in the process gets treated in ETP, RO further treats the ETP outlet and finally MEE processes the high TDS reject water from RO plant to further recover water. MEE uses steam for evaporating the water and recover it. Our daily steam consumption for MEE was around 12 Ton.

Intervention:

This To further optimize the consumption of steam, the plant team installed Mechanical Vapor Recompression (MVR) system. We have partly diverted the load from MEE evaporator to the MVR system. MVR recycles steam required for evaporation, thus eliminating the continuous use of external heating source. It has low energy consumption and higher performance coefficient which has increased the steam economy from 3 kg of water evaporated/kg of steam to 3.33 kg of water evaporated/kg of steam. Moreover, the effluent processing capacity improved from 30 Ton per day to 45 Ton per day.

Annual Impact:

- 1. Initial Investment - ₹60 lakhs
- 2. Cost Savings - ₹30 lakhs
- 3. Energy Savings - 1,500 tons of steam
- 4. Other Intangible Benefit - Improved condensate recovery from the system due to no contamination carryover.

Valia Plant – Optimising Chiller Power Consumption

In our Old Sulphonation plant, we have chiller compressor to maintain desired vacuum in the equipment. The chiller system is one of the high energy consuming equipment. To further optimize its power consumption the plant team carried out a detailed analysis of the Vacuum requirement and its Chiller load requirement.

Intervention:

It was observed that for one of the products required vacuum is 180 mbar. The desired vacuum level can be met by circulating cooling water across heat exchanger. The team ran several trials running the product with cooling water and observed the impact on quality. The trails were successful with no impact on quality and desired vacuum was achieved by circulation of cooling water.

Benefit:

Chiller running hours have been reduced by 288 hrs/month. The Chilled water pumps remain off for 12 days / month.

Annual Impact

- 1. Energy Saving - 1,99,790 KWH
- 2. Monetary Benefit - ₹14 lakhs



Emissions

As we run energy intensive operations, emission management is of critical importance to us. It is also one of our material aspects. In order to ensure all the emissions are managed responsibly we follow a systematic approach and make continuous efforts to reduce our overall emissions. Our initiatives such as replacing fossil fuel with biomass in boilers, and using solar and wind power have helped us reduce a considerable amount of carbon emissions.

As of FY 2020-21, our interventions have helped us mitigate 45% of our carbon impact as compared to FY11 baseline.

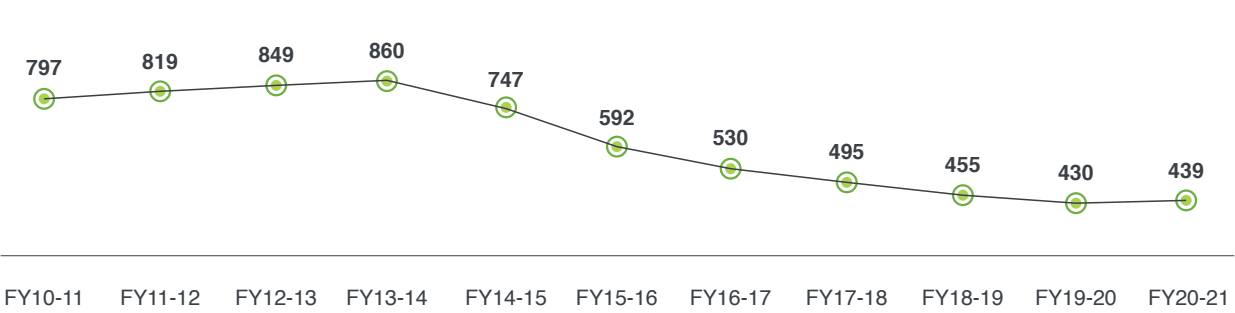
We regularly monitor emissions across our facilities to identify high impact zones. Emissions data is verified through a third-party certification body, TUV India Pvt. Ltd. In FY 2020-21, our total carbon impact, both direct and indirect, at Valia and Ambernath was 73261 tCO2e (scope 1+2). Carbon impact in Wadala was 805 tCO2e (scope 1+2).

Integration of Carbon Efficient Measures:
We work continually to monitor and manage emissions from logistics, putting in place customised interventions. To reduce transportation impact, we have redesigned the transport containers to load more

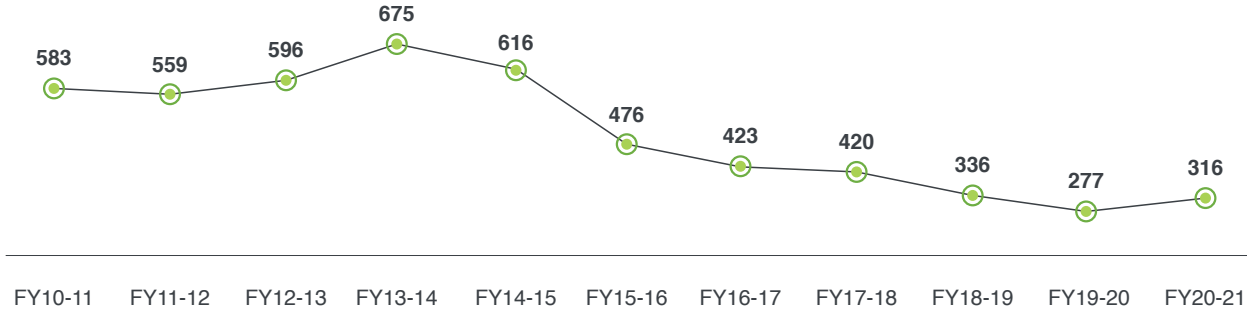
goods and utilize the full capacity of the vehicle. It has further reduced the number of trips of vehicle. To reduce scope 1 emissions in our operational areas, we have increased the number of briquette boilers for steam generation and also for thermic fluid heating in plant. For controlling our scope 2 emissions, we have installed solar rooftop for electricity generation and have also started wheeling our wind energy power for Ambernath unit. For Valia, we are in process of commissioning of biomass based cogeneration plant that will generate electricity and also fulfill the steam requirement. It will reduce our scope 2 emissions and also drastically improve our renewable portfolio.

Emissions performance

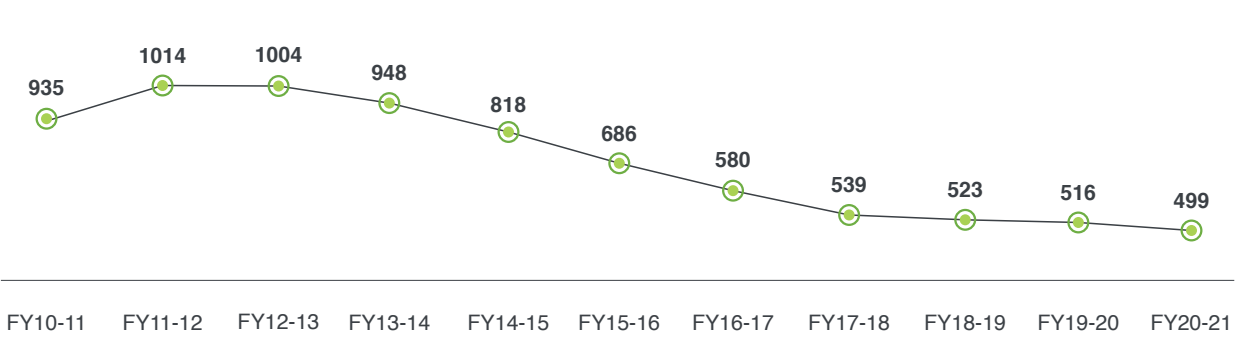
Specific GHG emission, GIL Chemicals (kgCO2 / T)



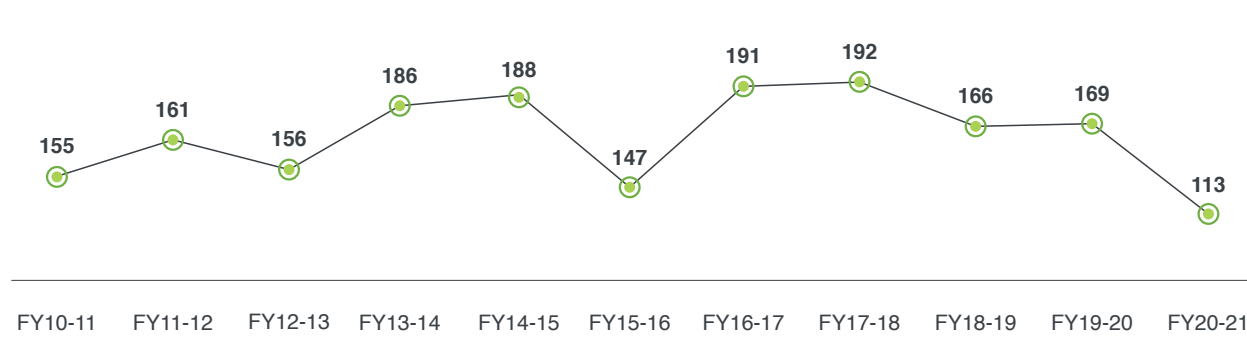
Specific GHG emission, Ambernath (kgCO2 / T)



Specific GHG emission, Valia (kgCO2 / T)



Specific GHG emission, Wadala (kgCO2 / T)





Emissions: Initiative in focus

Ambernath plant: Replacing Natural Gas Based Thermic Fluid heaters with Briquette Fired Boilers

We use fossil fuels to generate steam which is utilized in our manufacturing process. Fossil fuels produce large quantities of carbon dioxide when burned. These carbon emissions trap heat in the atmosphere and lead to climate change. Besides CO2, they also emit Sulphur and Nitrogen Oxides (NOx). In line with our goal of becoming carbon neutral we are switching from fossil fuels to renewal energy sources to reduce our overall emissions. In last seven years, we have replaced our five natural gas based boiler with Briquette boilers and and reduced our GHG emissions.

Intervention:

This year in Ambernath plant, we have replaced Natural gas based thermic fluid heater system with a 10 lakh kcal briquette fired boiler system.

Annual impact:

- 1. Investment: ₹40 Lakhs
- 2. Monetary Benefit: ₹104 Lakhs
- 3. Increase in renewable energy portfolio by 3.6%
- 4. Natural Gas replaced: 3,16,800 scm
- 5. GHG emission reduced: 640 tons of CO2 eq.

Renewable: Initiative in focus

Ambernath plant - Powering with Wind Energy

Over a decade ago, GIL Chemicals had installed wind turbines in Dhule, Maharashtra. Back then, we sold the power to Maharashtra State Electricity Distribution Company under an agreement.

Intervention:

Last year the agreement ended and our team worked to wheel the power back to the plant. A big challenge was the government permissions, approvals, and transmission cost negotiations. After relentless follow-ups the team succeeded.

From October 2020, we’ve started getting power from our wind turbines to our GIL Ambernath manufacturing plant. We’ll receive an estimated 42 lakhs units of electricity / annum which will replace close to 30% of the plant’s electric power consumption. This will further push the plant’s total renewable energy portfolio up by 4% and reduce scope 2 emissions.

Impact:

- 1. Initial Investment - ₹20 lakhs
- 2. Wind Energy Power Consumption: 695.878 MWH
- 3. GHG Emissions Reduced: 577.57 tons of CO2 eq



Solid waste and effluent management

At GIL Chemicals, we have developed a robust waste management framework to meet with the sustainability challenges of the chemical industry. All materials use and manufacturing processes are conducted in a conscious manner to yield minimal waste. We follow five R’s of waste management - reduce, reuse, recycle, recover and residual management. We go beyond compliance to ensure effective waste management.

Our waste management strategy includes collection, segregation, recycling and disposal in a scientific manner. We have an in-house effluent treatment plant (ETP) to treat wastewater generated at our facilities.

The biological and chemical sludge generated from the ETP is separated. The biological sludge is converted into compost and used for gardening and chemical waste is further treated. Since 2013, we have been involved in producing bricks from the ash generated during our manufacturing processes.

In FY 2020-21, our waste footprint was 7929 tons; 689 tons was non-hazardous waste and 7,240 tons was hazardous waste. The third party assessment was done by TUV India on quantity of hazardous & nonhazardous waste. Our waste to landfill impact per ton of product produced has reduced by 86 per cent as compared to our FY11 baseline.

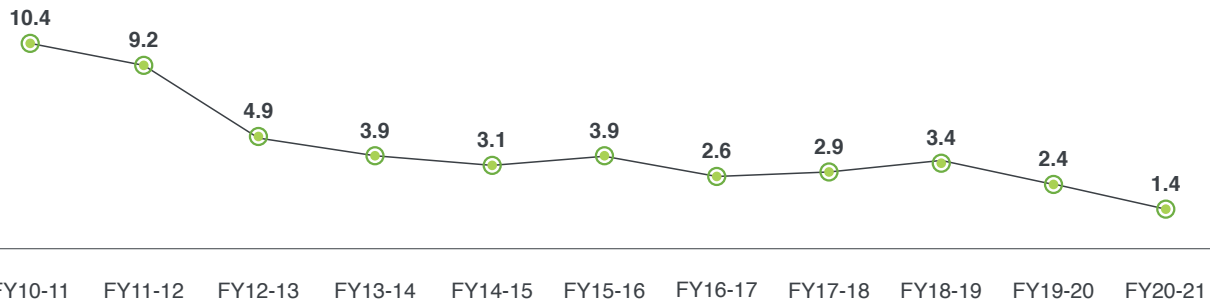
We are also working towards planning our targets for EPR (Extended Producer Responsibility) compliance rules and strategizing ways to achieve it.

Effluents

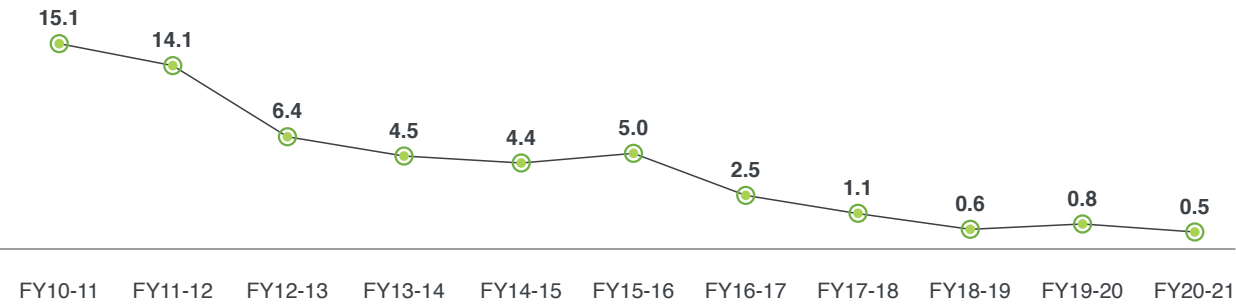
Our ETP plant manages effluents generated from our facilities. Our effluent management has helped us reduce our impact on local water resources. Both our manufacturing sites - Valia and Ambernath - are zero liquid discharge facilities (ZLD). Since FY11, we have reduced our specific water consumption by 41%. We treat wastewater and reuse it in our process. We have also reduced our dependency on raw water consumption by installing condensate recovery systems that recovers and reuses the condensate in the process.

Waste performance

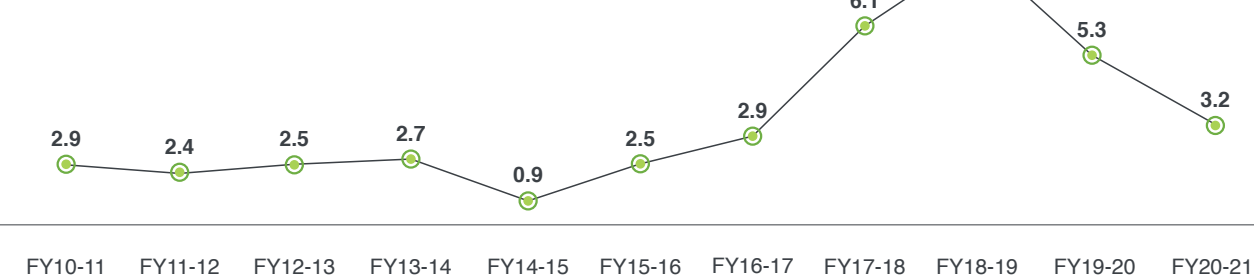
Specific waste to landfill, GIL Chemicals (kg / T)



Specific waste to landfill, Valia (kg / T)



Specific waste to landfill, Ambernath (kg / T)





Waste: Initiative in focus

Valia plant - 5S initiative

5S is a system for organizing spaces to perform work efficiently, effectively, and safely. This system focuses on putting everything where it belongs and keeping the workplace clean, making it easier for people to do their jobs without wasting time or risking injury. In line with our vision to become world class manufacturing plant we started our journey of 5S in our manufacturing facilities in FY20 and in the reporting year, our Valia Plant got 5S certified.

Intervention:

We formed a core committee for 5S implementation and hired a consultant and trained the employees and guided us for certification. We have also presented 5S case studies in Quality Circle Forum of India (QCFI) competition & were also felicitated at 45th International Convention on Quality Concepts with Platinum Award at ICQCC 2020, Dhaka Bangladesh. Here are some of the 5S initiatives we undertook:

1. Beautification from Waste:

- Waste pallets were used to make flower basket, flower vase. Unused cement blocks were used to make benches and sitting areas. Waste bottles were painted and hanged on a wall for enhancement.
- Scrapped metal/Iron pipes were used to make benches
- Used wooden blocks were used to make cages and hanged on the tree for birds.
- Waste nut, bolts and piece of waste pallet were used to display the Area name
- Metal scrap were used to make pipe stand
- reduce the weight of final sludge dispatched to landfill.

2. Making Lapping tool from waste items:

In manual lapping, person had to hold glass in one hand and put silica gel over it. The seat is to be held in another hand and it is to be rubbed on glass. This process takes long time to complete and there is a probability that lapping isn't done properly. But with the help of lapping tool, the motor continuously rotates the glass at fixed speed. The person has to put the silica gel on the glass and move the seat for lapping. Thus lapping of one seat can be done in optimized time. This has resulted in saving of 2 hrs for this process.

3. Electronic Card holder with exhaust fan made from waste:

We made a card holder from waste clamps of pressure transmitters and electronic card from exhaust. During checking card or soldering, the holding clamp is used for fixing the card which makes it easy for the person to work. During soldering, the exhaust fan ensures that inhalation of those fumes are avoided.



Materials

Being industry leaders in oleo chemicals production in the Indian market we produce a wide range of chemicals including fatty alcohols, fatty acids, surfactants, glycerin, additives, catalysts, resins, oleo derivatives & specialty chemicals and other packaging material. We understand that material management is directly linked to operational efficiency, hence, we strive to develop an efficient material management framework to ensure minimal wastages and losses in production.

To minimise material procurement impact, we are constantly looking at ways to source our raw materials locally. We are one of the leading Indian entities to be a part of the Roundtable on Sustainable Palm Oil (RSPO) and Action of Sustainable Development (ASD). All our suppliers are also active part of the roundtable.

We ensure appropriate material utilisation through continual monitoring with the help of online systems. In order to understand the product impact throughout the life cycle, we conduct Life Cycle Assessments (LCA) of all our major products. We are increasingly exploring and using green materials for our products such as BioGod. We also use recycled materials such as biomass as fuel for our boilers for producing steam and for heating thermic fluid.

Packaging material management is an important aspect of our material portfolio. We follow sustainable packaging material practices such as:

- Increased the utilisation of reusable material in packaging.
- Initiated the utilisation of biodegradable vegetable oils as raw materials to manufacture fatty acids,

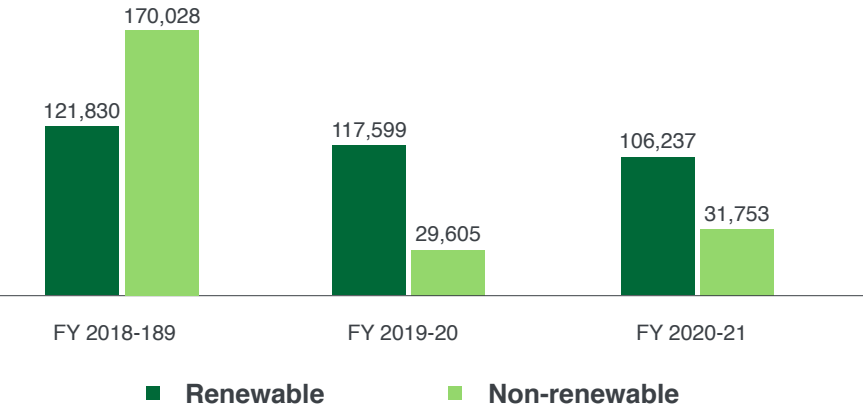
glycerin, fatty alcohols and surfactants and development of Green materials like BioGod.

- Completed LCA of Alpha Olefin Sulfate.
- Our Valia Unit in the reporting year has successfully completed 5S certification and with it we have established a system where the team first checks the sieri material list before ordering any new material to ensure that there is optimised material sourcing and reduced wastage.

Materials used (in tons) FY 20-21

Materials used	Usage in tons
Gaseous chemicals	79.8
Oils, fats (renewable)	1,06,020
Inorganic chemical	12,727
Organic chemical	13,919
Plastic	2,278
Metals	66
Oil and grease	9.89
Papers	0.35
Additive, catalysts and resins	1,033

Renewable vs non-renewable materials used (tons)





Materials: Initiatives in focus

Valia plant - Sustainable design to utilize maximum transportation capacity

We supply our customers sodium lauryl sulfate (SLS) in liquid, paste, needles and granules form. In Valia, we initially used to produce SLS granules by drying the SLS liquid in wiped film dryer (WFD plant).

Intervention:

Our internal process optimization team works round the clock to improve & optimize the plant processes. The team found that if we produce the granules by drying SLS paste rather than liquid, it helps us achieve greater overall production through dryer. By processing liquid, we are able to achieve 6 MT/day of granules production but with processing paste, we are able to produce 4 MT/day of granules along with 14 MT/day of needles. This overall increase in production in dryer has not only led to improved production but also reduced fixed and variable cost of the dryer plant.

We had to overcome a challenge to switch to this process. To able to dry SLS paste in WFD, we needed to maintain its free oil under required limit. We don't face this his constraint in SLS liquid. Through conventional loop route from which SLS paste is made, it was difficult to maintain the required free oil. Our process team brainstormed and we took multiple trials and switched to making the paste through vacuum neutralizer route. The free oil through this route was well within control.

Annual impact:

- 1. Overall Savings: ₹23 Lakhs



Water

Water is a primal part of our operations at GIL Chemicals and is one of our key material aspects. We are committed to contributing to sustainable use of water within our facilities.

Our water management agenda focuses on efficient and effective usage of water resources at both process level, as well as plant level. Our main source of water is the municipal water supply & the Tapi river. We continually monitor, review and analyse water consumption across our operations to understand consumption patterns.

We have a designated Water Management Cell at the Corporate and Plant level responsible for monitoring water management. Quarterly meetings are done at the corporate level and monthly/daily meetings at the plant level to discuss the results of such monitoring activities.

In order to promote sustainable water usage, we have installed a rainwater harvesting system and condensate recovery system to supplement our water requirements. We have developed several alternative methods of manufacturing that would consume less water. We have also crafted a water conservation policy that entails several components including:

- Minimising water consumption in plants, supply chain & product/ service lifecycle
- Water efficient processes
- Protecting local water bodies to sustain communities
- Replenishing water resources and giving back to the communities
- Adhering to all water management laws
- Mitigating risks and developing long term solutions through partnerships & collaborations
- Training all our stakeholders on the importance of responsible water management

In FY 2020-21, we consumed a total of 6,60,323 kL of fresh water. Our specific water consumption was 4 kL/ton of product, 41 per cent lower than the FY 2011 baseline. Our reused and recycled water consumption this year was 27 per cent of the total water consumed. We will continue to reduce our freshwater consumption by following the principles of Reduce, Reuse and Recycle.

In line with our goal to becoming water positive, we have undertaken a number of initiatives. As a result, we have reduced our specific water consumption by 41% from our FY 11 baseline, however our water consumption of last year has increased compared to previous year. The reason behind is civil construction in Valia plant, product mix and less condensate recovery & RO recycle in both plant in first quarter of FY20-21 compared to previous year.

Last year, we conducted a detailed initial water audit in Valia aligned with our goals. We identified and attended various leakages. We calculated domestic water consumption per person and studied pipeline network to avoid mixing of process and domestic water line. We also drew a water circuit diagram to provide us with a better understanding for improvement. Moreover, we have done a study of IOT server for smart water metering in plant, and the project is under evaluation.

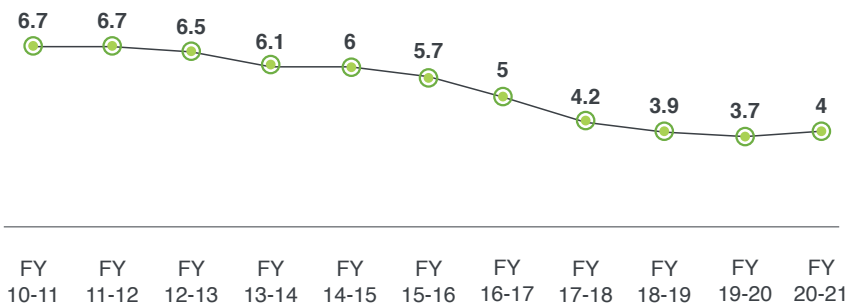
Water withdrawn by source

Source	Total water withdrawn (m³)
Municipal fresh water	6,60,323
Recycled and reused water	3,37,220
Total	9,97,543

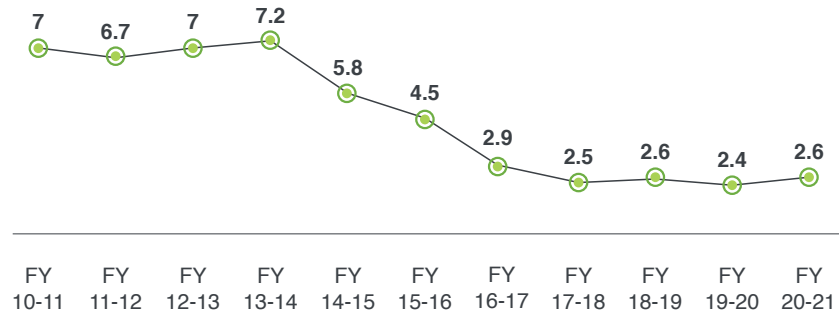


Water performance

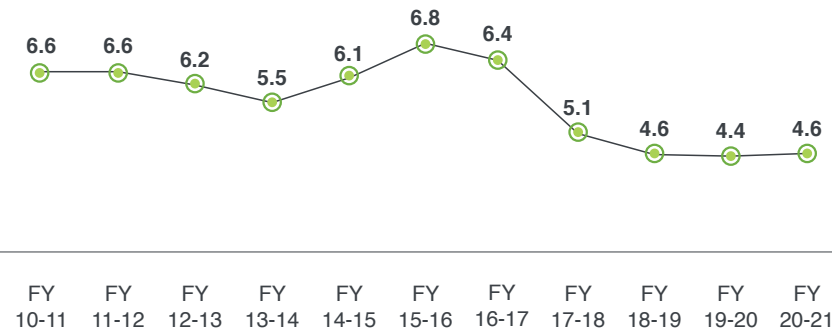
Specific water use, GIL Chemicals (m³ / T)



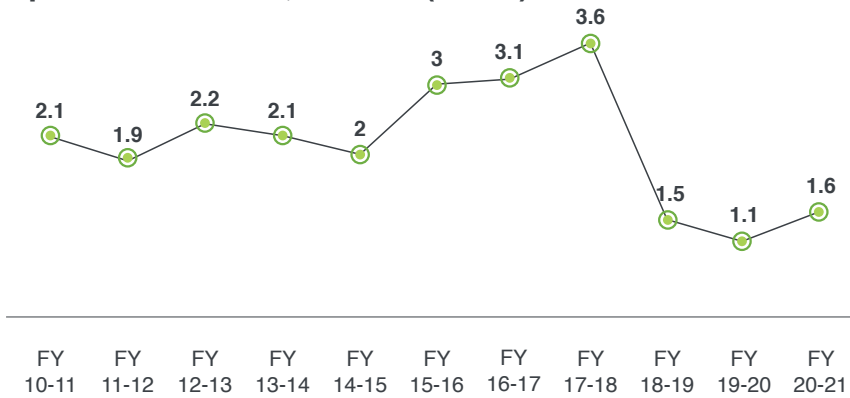
Specific water use, Ambernath (m³ / T)



Specific water use, Valia (m³ / T)



Specific water use, Wadala (m³ / T)





Biodiversity

As we run our plants in regions rich in local biodiversity, we make sure our operations are in harmony with the nature. To promote, enhance and restore biodiversity around our operational locations, we have initiated various landscaping activities.

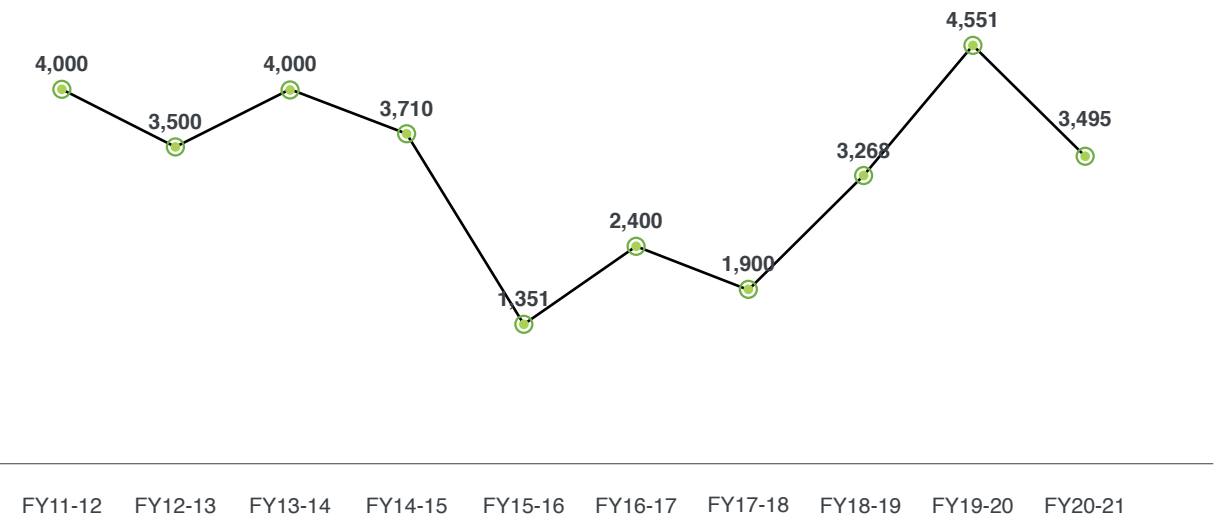
We go beyond the regulatory requirements with respect to green belt development. Over 39 percent of our industrial areas have been developed into green belt zones.

We’ve planted and care for a variety of plants namely Kaner, Ashoka, and Shankasur along with trees of Chaffa, and Tamarind, Sitafal, Jamun, and Kaju.

The birds, animals and reptiles found around out manufacturing sites include butterflies, Indian flying foxes, mynas, pigeons, squirrels, peacocks, monkeys, and snakes.

In FY 2020-21, we planted over 3,375 saplings at Valia and 120 at Ambernath. We have put in various measures to protect floral and faunal species around operational sites.

Annual tree plantations



Our People

We're an award winning company for our holistic HR practices.
In this section we detail:

Diversity and Inclusion
Rewarding our Human Capital
Talent Development and Management
Employee Engagement and Performance

Ethics and Human Rights
Occupational Health & Safety
Leveraging Employee Communication





Our people

Our strategic people management framework is designed to create value & execute the business strategy. Built on three pillars of talent, organization & culture, we strive towards creating agile & inclusive workplace by defining & developing new capabilities and accelerating total engagement to build a high-performance culture.

People are our strength. We have a relentless focus on building a right blend of workforce which is diverse in form of talent resource, expertise, age, experience, and gender. We continually attract, develop and retain the best talent in the industry. We strive to uphold the Godrej Group’s 120-year legacy by living the values and strengthening the culture of trust, integrity and respect for others.

The Godrej Group’s core people philosophy, our talent management efforts, and various training & development programmes, help us to develop people capabilities. Our rewards & benefit schemes boost our employees to perform to their full potential by timely rewarding and recognizing their efforts.

Employee wellbeing is a key priority for us. Our employee friendly policies are meant to create enabling workspace for employees across locations. We continue to offer value through close partnering with business stakeholders and create satisfaction through agile service delivery.

Last year, we won numerous Industry level awards for our work in ‘employee relations & engagement

practices’ as well as for the holistic efforts during unprecedented times of COVID-19 in terms of ‘health, safety, and well-being practices’. Our work on creating a total employee engagement framework in Godrej Chemicals was recognized at Godrej Group HR Conclave 2021.



World HRD Congress award ceremony for ‘Organization with best employee relations practices’



Diamond Award for ‘Most Innovative COVID-19 Response’ by HR Association of India.

Our core people philosophy



Your canvas

Developing an empowering work culture letting our talent grow as we grow.



Tough love

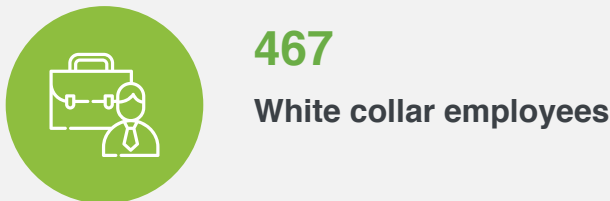
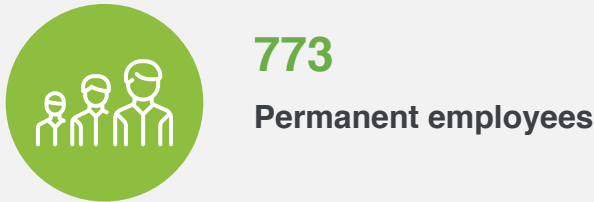
Encouraging our team members to challenge themselves, recognising high potential employees



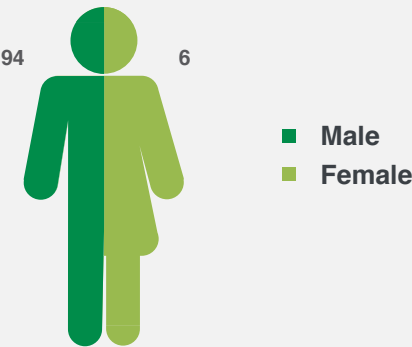
Whole Self

Supporting our team members in developing their whole self, thus creating passionate and rounded individuals with diverse interests.

Employee diversity



Workforce by gender (%)



Diversity & Inclusion

We are focused on building a diverse and inclusive work culture that values diversity of experience, knowledge and ideas. We aim to foster innovation and collaboration for organizational success.

Starting with our talent acquisition strategy that is focused on increasing the workplace diversity for a competitive advantage. This entails diversity of ideas, perspectives, age, and gender among other aspects, to infuse creativity and greater productivity. Our hiring plan is centered at improving age & gender diversity year on year.

Frontline Manufacturing Excellence: We hire entry level plant operators from diverse geographies and experience in chemical industries. These hiring efforts have benefitted the business in bringing new ideas and implement best practices from all over the industry.

Graduate Engineer Trainee (GET) Programme: Having young & dynamic talent as a pipeline for emerging leadership roles is critical for us. Our Graduate Engineer Trainee (GET) programme inducts fresh talent from premier institutes and provides exposure through cross-functional training and mentorship through senior leadership. This programme fuels their career aspirations, individual growth and in turn adds diversity to manufacturing leadership talent.

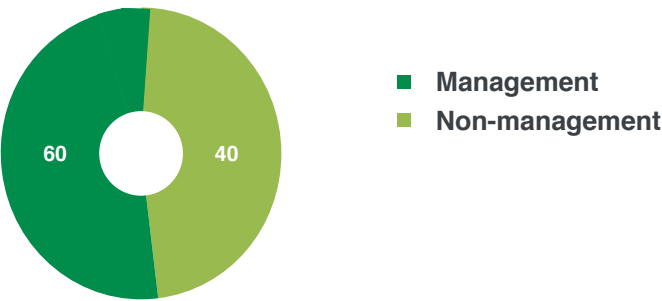
Our commitment towards diversity further extends to strategizing employee centric policies that are conducive to a diverse workplace where employees are valued and potential of employees to perform well is maximized. Workplace perks such as flexi working hours, work-from-home policy has been institutionalized to promote work life balance. Further, we also have:

Godrej Careers 2.0: Continuing our commitment to creating an inspiring workplace for women, our second career program offers women who have taken a career break and gives them a chance to return to workplace with added flexibility for balancing their career and personal life.

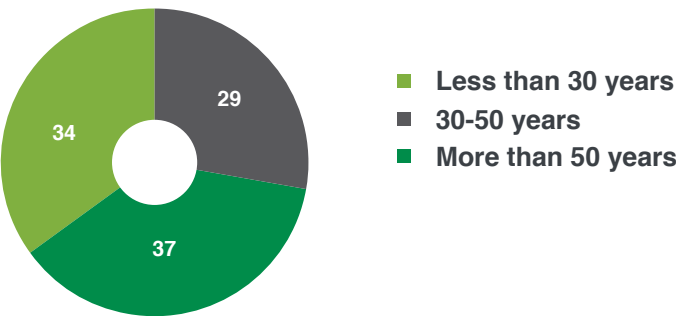
Embracing inclusion: As a group, Godrej champions diversity and inclusion as part of its core values and is among the first few companies in India to introduce Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) favourable policies at the workplace.

Caregiver’s travel policy: The Caregiver travel policy is designed to support the transition of new mothers back to work. Under this policy, mothers can bring along a caregiver and the child (or children), up to the age of one year for necessary work related travel.

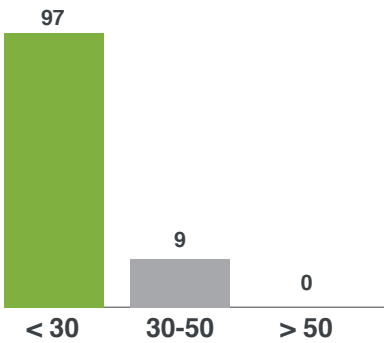
Workforce by cadre (%)



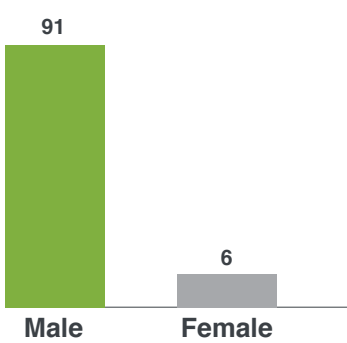
Workforce by age (%)



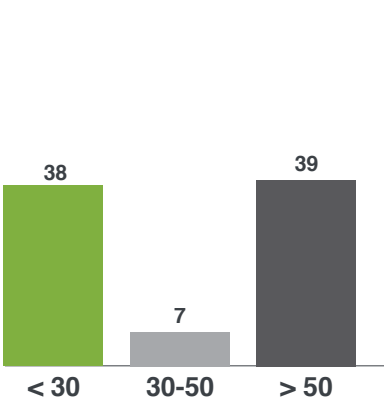
Number of hires by age



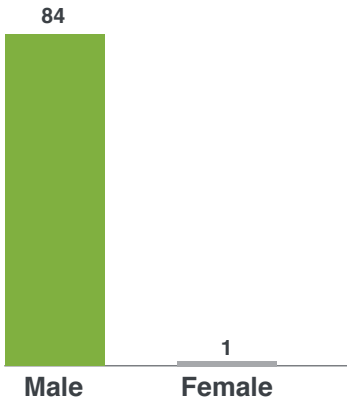
Number of hires by gender



Employee turnover by age (no. of people)



Employee turnover by gender (no. of people)





Rewarding Our Human Capital

At GIL, our total reward system encompasses compensation, and reward & benefits, to solely support employees and take care of them and their families’ well-being. In order to promote individual & organizational excellence, we conceptualized recognition framework to recognize employees based on the Godrej Capability Factors (GCFs).

Chemstars: Last year, we introduced a monthly recognition programme at all our work locations to appreciate milestones accomplished by employees and teams. It includes a felicitation ceremony by senior leadership team and has been well received by all our stakeholders, resulting in higher employee engagement. Over 150 employees have been recognized since the rollout of the programme.

Personalized Appreciation from CEO’s Desk: Our employees and their families have been our pillars of strength. Amidst the uncertain times in the last year, we kept the business’ wheels turning as a result of collaborated efforts from our team members. The biggest credit goes to the families of our employees for their relentless support. As a token of appreciation, an appreciation letter was sent from CEO’s desk to the family of our employees.

Rewards: Our basket of benefits and schemes are further designed to support the well-being of employees and their families. We also included COVID-19 treatment in our medical insurance scheme. Besides maternity benefits and paternity scheme our benefits package includes:

Employee Assistance Programme: Last year, with an intent to enable employees to manage working in hybrid model during uncertain times, balancing work life and well-being, various interactive sessions were conducted through trained counsellors and practitioners.

Parental leave: At GIL, we value the needs of our employees and understand the importance of provision of parental leave to all individuals. In the reporting period, a total of 399 males and 43 females of our team were entitled to parental leave.

Other benefits include:

- Subsidised meals in the canteen for all Godrejites, against Sodexo coupons.
- Sales shop and discount on all Godrej & Boyce products in the campus.
- Safe commutation services through company tie up OLA service provider.
- Shuttle service catering to all team members - regular, temporary, apprentices and contract employees.
- Vodafone, Airtel and Jio corporate mobile connection for employees.
- Housing facilities provided to 46 team members.

Parental leave

Description	Male	Female
No. of employees who took PL	7	1
No. of employees who returned to work after PL ended	7	0
No. of employees who returned to work after PL ended, still employed 12 months after return	7	0

As per GRI, employees entitled to parental leave are those employees that are covered by organisational policies, agreements or contracts that contain parental leave entitlements.



Monthly felicitation ceremony to reward & recognize employees of the month



Personalized token of appreciation sent to all employees from CEO’s desk



Over 200 employees from across all our locations attended an external Masterclass on best industry practices



Launch of eLearning catalogue to facilitate self-paced learning for all employees

Talent Development and Management

At Chemicals, we embarked on a journey to create a learning organization where employees aspire to grow by developing their skills and add value to business. Amidst COVID-19 uncertainty, we had to relook at ways to ensure the learning momentum especially when lockdown commenced and employees were working remotely. In the virtual context, we introduced different initiatives and programmes which include:

Virtual Catalogue: To facilitate self paced learning, we launched elearning catalogue with 120+ articles, videos, courses on key functional areas of the business on Learning Management System (LMS). Realizing the positive feedback from employees, we took a step ahead and launched a catalogue with diverse range of topics exclusive for families of employees.

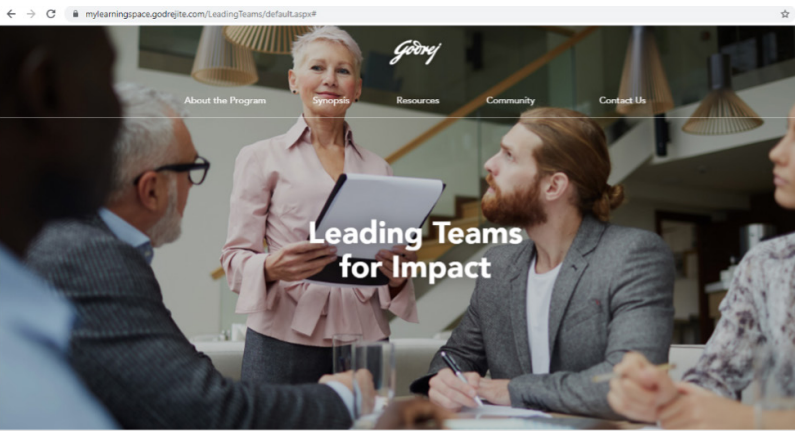
ChemX: We launched this initiative, on the concept of TedX, to offer virtual masterclasses on topics related to business, industry best practices and thought leadership and management lessons. Two masterclasses were successfully conducted covering 200 employees. NPS stands at 90% with excellent stakeholder feedback on programme conceptualization and execution.

Leading Teams for Impact: A focused learning workshop for people managers to enable them to enhance their managerial effectiveness. The format of the program was blended comprising of e-learning modules and facilitator driven workshop. 28 managers completed different e-learning programmes based on their development need and 1 manager completed the full workshop.

Learning Labs: Last year, with the introduction of new innovative products related to personal care by R&D team, we strengthened the knowledge and selling skills of our sales and product managers through learning lab session covering 25 participants.

Virtual Induction: We continued to assimilate new joiners to the work culture across our locations by leveraging technologies. The programme comprised of sharing business overview, functional induction, factory walkthrough and interaction with various leaders. Besides lateral hiring, young Graduate Engineer Trainees (GETs) were also inducted to the organization through comprehensive orientation program. GETs gained knowledge in form of live projects supported with regular mentoring by senior leadership team.

R&D Webinars: As we realized the immense potential of surfactants and glycerin portfolio due to increasing need for personal hygiene and cleaning in the covid-19 scenario, various webinars were conducted for esteemed partners and customers inducting them about the formulations related to this segment. These efforts helped us with new customer acquisition and expedite sales.



Launch of a learning initiative for all people managers to enhance their managerial skills

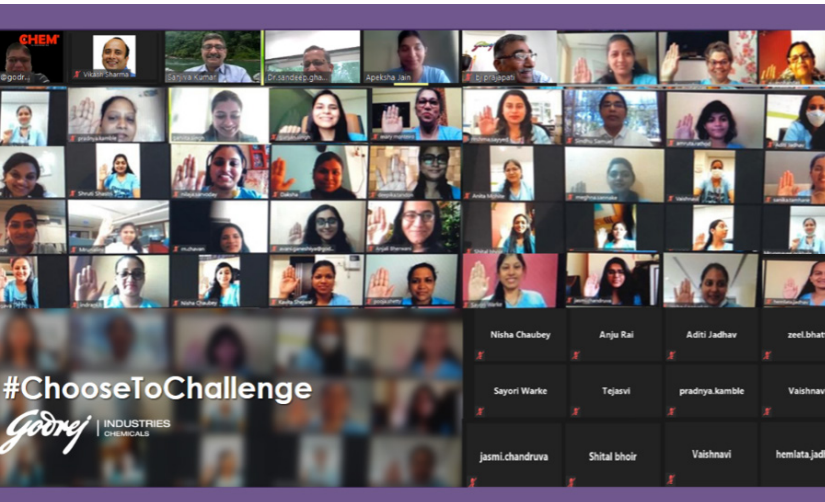


One-week orientation programme for freshly recruited GETs at Chemicals



CONNECT | CATALYSE | CELEBRATE

A new HR Shared Service System launched to enhance employee experience.



Virtual celebration on International Women’s Day with Senior Leadership Team

Employee Engagement and Performance

We believe that employee engagement is a way to achieve organization effectiveness. In order to strengthen our efforts, we took some strategic actions based on stakeholder inputs. This year, we did a deep dive on actionable steps through Intune action planning sessions across our plants and branches. At an organization level, we identified top themes to drive employee engagement- Communication & Connect, Recognition & Learning. We devised and launched various initiatives and programs as explained below:

Alchemy: A 360-degree engagement framework was introduced built on three tenets of recognition, learning, connect. As the word signifies translating metal into gold, with this initiative, we intend to take business to greater heights via sustainable employee engagement. This year, given the complex external scenario, there was a greater need to connect all employees together in the “remote” setup. Hence, we introduced various new engagement programmes using an innovative approach while revamping the existing initiatives throughout the year such as Diwali and Women’s Day among others.

Virtual Engagement: As technologies played a vital role, we organized a series of “Work from Home” contest for employees to participate during the initial days of lockdown. Different engagement events conducted per quarter based on different theme(s) such as MasterChef contest. All these efforts helped in creating a happy workforce in the unprecedented times and we achieved increase employee satisfaction.

Long Service Award Ceremony: We held a virtual recognition ceremony to celebrate milestones of

employees journey at Chemicals. A unique aspect was the inclusion of employees’ family in the virtual celebration.

Experience Center: With an intent to build an inspiring place to work, we reimagined ways to strengthen our people processes. We, therefore, set up a HR shared services ‘People Experience Center’ to improve the 3Es- Efficiency, Effectiveness and Experience of our employees around people processes. This has led to streamlining of existing practices with a strong support to people managers in managing employee lifecycle better which include onboarding to exit processes.

Ethics and Human Rights

Ethics and human rights care is central to our belief system. We are conscious towards respecting human rights and treating people with dignity and respect. Our code of conduct is a bedrock on which we base our individual and leadership commitments to core Godrej values. We protect the rights of our team members by putting in place policies, procedures and control mechanisms across our operations, developing efficient and effective ethics management frameworks.

Code of Conduct: This year, we did a refresher training on Ethics and Code of Conduct for our plant employees restating them about key clauses pertaining to conduct to conduct, whistleblowing mechanism and the process to report incidences of fraud, business misconduct, unethical practices, integrity violation. To check employee’s understanding, a quiz was conducted built on different scenarios. Participants were further guided on how to handle such complex

situations using right approach by the facilitator. 160 employees attended the training programme. Even our new employees are covered in the training through induction programmes.

We have put in place controls to prevent child labour through thorough screening and scrutiny during hiring processes. All our employment contracts for workers and employees are based on voluntary agreements. Building a resilient business and strengthening ethical business practices, we ensure that our contracts with business partners, vendors and other stakeholders have human rights clauses.

Policy on Sexual Harassment: In our venture to create a safe and inclusive workplace we have a gender neutral policy centered on prevention of sexual harassment. We have an e-learning course on POSH which all new employees have to compulsorily go through and take assessment. We have a dedicated Complaints Committee to monitor and address grievances of sexual nature.



‘Online Music Jam’ featuring our own Chemical employees as artists

Safety performance at Valia

Safety Statistics (Numbers)

Near misses	42
Unsafe Act & Unsafe condition	2,624
First aid cases	40
Number of employees trained	7,960
Total training hours	3,926
Safe manhours worked	20,13,029

Safety performance at Ambernath

Safety Statistics (Numbers)

Near misses	408
Unsafe Act & Unsafe condition	1,749
First aid cases	9
Number of employees trained	11,566
Total training hours	3,623
Safe manhours worked	64,4344

Occupational Health & Safety

Being in the Chemicals sector, occupational health and safety is one of the cornerstones to our business philosophy. Safety is of paramount importance to us and we have put in interventions to ensure provision of a safe and healthy working environment within our premises. Our resilient safety framework involves continuous monitoring, analysis, recording and review of the safety indicators in our operational areas. Our both Valia & Ambernath sites are certified with ISO 45001 (Occupational Health & Safety Management System). All employees of these locations who have access to our operating sites, are also covered under these OHS management systems which is audited periodically.

Our central safety committee and plant level safety committees are responsible for monitoring and managing safety aspects. Safety statistics are recorded and reported on our e-platform. We conduct root cause assessments in case of safety related events to understand the reason behind incidents to eliminate their reoccurrence. For all plant related activities, we have developed a HIRA register to track expected hazards and analysis risks. As per the identified risks, control measures are put in place. We have conducted a detailed safety assessment that showcases that none of our workers have a high incidence of occupational risk or disease. In FY 2020-21, there were no reportable incidences (LTI, dangerous occurrence, fatality) of work related fatalities in our business operations.

To further strengthen our occupational health and safety framework and to sensitize employees on various aspects of health and safety, we organise regular health and safety training programs. The training programmes include aspects such as use of permit to work system, accident / incident / near

miss reporting & investigation system, use of Personal Protective Equipment (PPE), housekeeping, safety of hot work, work at height, confined space, first aid training, emergency preparedness, firefighting theory and practical session, among others. We cover all our employees the occupational health and safety system.

In FY 2020-21, a total of 7,549 hours of safety training was provided to our team members. Our health and safety committees at the plant are adequately represented by permanent as well as contract workers. In the reporting period, the safety committee at our Valia & Ambernath plants had equal participation from management as well as non-management employees / workers. All visitors coming to the sites are also briefed about basic safety, before entering the premises.

Worker participation, consultation, and communication on occupational health and safety includes:

- Monthly learning from event meeting with all Site Head, HOD , Manager & In charges
- Quarterly site safety committee meetings with all committee members.
- Monthly department safety committee meeting with all committee members.
- Quarterly safety review meeting with central safety committee members.
- Monthly safety coordinator meeting.
- Monthly meeting with contractor supervisions.
- Monthly interaction with contractor workmen - “Safety ki Paathsaala”.
- Daily tool box talks for company employess and contractors by respective supervisors on various safety topics.
- Regular awareness sessions on events such as safety week, fire day and road safety day, gathering a large scale participation of workers.

- Regular safety related trainings to employees and workers as per the training schedule covering various safety topics.

We have included safety targets in the Key Performance Indicators (KPIs) of employees at all levels. This helps us to ensure that safety is not only a priority but also a value.

Improvement of Occupational health

We are conscious about employee health and safety. Plants are kept well ventilated through adequate ventilation system such AHU and local exhaust ventilation. A strict workplace monitoring is done to ensure that exposure of employees to occupational hazards is below permissible exposure limit. Basic health protection and safety of employees at work is ensured by use of PPE, periodic medical examination and sharing of good practices for employee health.

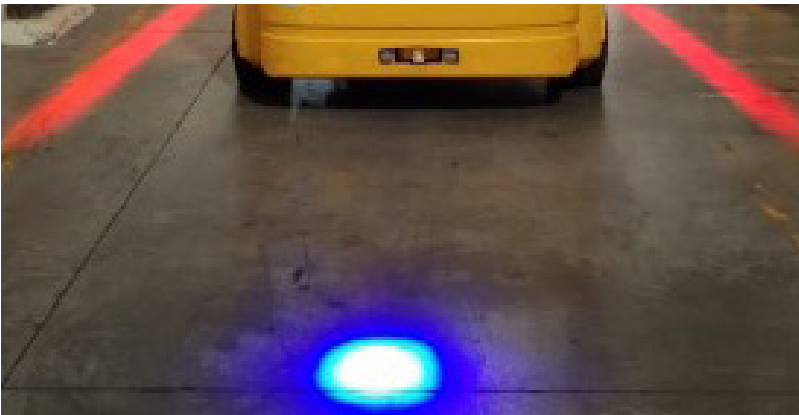
We also provide internal and external awareness training sessions on personal hygiene and occupational health. We also have an occupational health center complying with local laws, with an access to medical officer and male nurse at our both of our manufacturing sites.

We organise periodic medical check- up for all employees including contractor to ensure they are fit to work.

We periodically check our drinking water from recognized and authorized labs. Understanding the seriousness of occupational diseases and pest control is organised in the entire plant premises on a regular basis.



Improved forklift visibility with camera and video for stacking



Blue light LED on forklift to warn people on the shop floor, and red zone boundary markers



Inspection and FIT FOR USE tags on electrical boards and panels for equipment usage

The stories behind our data

Improving Forklift Safety

The problem: In the warehouse we have racking system to keep material with the help of stacker/ forklift. Our teams faced an issue of visibility as the driver was not able to get a clear view while lifting the fork to desired elevated areas. We had to completely dependent on the driver’s skill, experience and assumption. It was also an ergonomical issue for the drive as they need to keep watching in the upward direction till the material is safely kept at the desired level.

Another issue with the forklift was that it moves through all passages in the side warehouse. While moving the forklift barely makes a sound and there is always the risk of pedestrian accident with the staff that works in the same area. Due to the high noise in the surrounding areas of the warehouse the movement of forklift is not easily detected.

The solution: For visibility, we installed a camera that helps to show the exact site while placing a material. The display is near the driving seat so that while functioning a stacker, the driver can get a right view through the video.

For safety of workers on the floor, we installed a ‘Blue light LED’. It is a spot light that mounts on a forklift and shines a light on the floor a few feet in front of, or behind the forklift as it moves. Other forklift drivers/ pedestrians can see the blue light moving on the floor and they can stop and safely let the forklift pass. We also installed a ‘Red warning light’. It puts a

bright red line on the floor, near the forklift, to show pedestrians demarcating a boundary line of safe distance from the forklift. This zone can be adjusted to the distance of typically between 2-5 feet from the forklift based on the environment of operations.

Our drivers now feel more safe while operating the forklift. There are no forklift incidents reported after the installment.

CII in their second edition of ‘Competition on Best Practices in Occupational Health and Safety’ held in 2020, recognised our Forklift Safety system among top three best Occupational Health and Safety practices across industries.

Avoiding Electrical Hazards

The problem: While using electrical appliances, due to loose connection, wrong connection, and over voltage, electrical panel gets damaged. There were frequent incidents/accident where we observed electrical connectivity issues which led to many electrical hazards.

Contractors and other temporary work parties also used their electrical equipment where connections are not up-to-date. During plant inspection, we found few unsafe equipment usage.

The solution: All electrical panel / boards & equipment will be routed through site electrical team for inspection and approvals to ensure, provision and proper installation of protection device i.e.

RCBO /ELCB in electrical boards/panel, no Loose connections, and good physical condition of panel, board, cables & plug / tops.

Once inspection done by electrical team, a tag named ‘FIT FOR USE’, would be pasted on equipment as an approval mark with valid date and signature, and will be periodically reviewed.

The tag consists of following things:

- a. Electrical appliance name
- b. Electrical appliance identification no.
- c. Date of inspection/checked
- d. Due date of inspection
- e. Name of the inspector

Faulty board / panel & equipment are sent for correction & maintenance.

Now near misses/unsafe condition/accident/incident related to electrical appliance are getting reduced. There is an increased confidence among employees as equipment is being checked by technical person prior to its use. There is clear and easy identification and communication with the usage of tags. We strictly follow the electrical safety compliance and no electrical equipment to be used without the tag.



Leveraging Employee Communication for Synergies

As we continued to work remotely throughout the pandemic, we focused on achieving greater camaraderie and ardent connect by leveraging on existing communication channels. A lot of emphasis was made towards employee safety and wellbeing while working both at factories as well as remote locations. To achieve this, we introduced different initiatives such as:

Virtual Townhalls: In order to have alignment of employees with changing business priorities due to the external uncertainties last year, we introduced quarterly Townhalls, anchored by Senior Leadership Team. This platform also served another benefit of answering to employees’ queries and acting on suggestions. All employees across locations attend the Townhalls.

Senior Leadership Connect: While a few segment of employees from both head office and branches were working from home however majority of workforce was stationed at factory where on ground situations were continuously changing such as government norms, customer requirements etc. Our Leadership team had group connects with all employees to check on their safety, health and well-being. More than 40 Senior Leadership group connects conducted for employees across location and factories

HR Connect Sessions: We leveraged on our business partnering efforts, through frequent check-ins with employees including their families on health and safety, family well-being. Employee suggestions were shared back with senior leadership team and relevant actions were taken such as: WFH infrastructure, flexi shifts at factories etc.

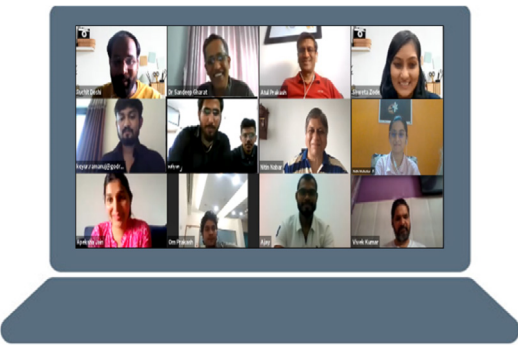
Covid-19 Repository: To support employees & their family during such unprecedented times, an employee resource group – COVID-19 Support – was formed to attend to employee’s queries. An online repository was created on company intranet platform, Godrejite, with access to important information like isolation centers, COVID-19 treatment hospitals, Do’s and Don’ts from doctors to stay safe and healthy.

Covid-19 Pulse Surveys: Last year, we ran frequent pulse surveys to seek feedback from employees on various work aspects that would enable them to perform well in the hybrid model of work such as: Safety & Security, Leadership, Social Cohesion & Inclusion, Individual Purpose, Relationship and Productivity Assistance. Suitable action steps were also taken based on improvement areas.

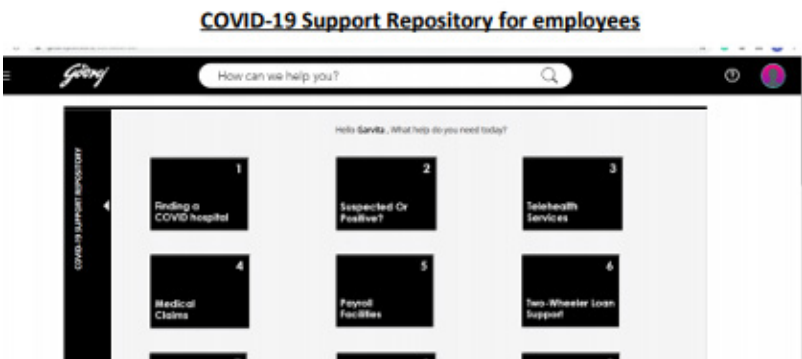
Supporting Employees’ Vaccination: Last year, we took additional steps towards employee safety and well-being by making COVID-19 inclusion in our medical insurance scheme. We encouraged employees to reimburse the cost of vaccination for all Godrejites and their dependents. We also initiated the process to organize vaccination drives across all locations by collecting and collating the employee & their dependents data.



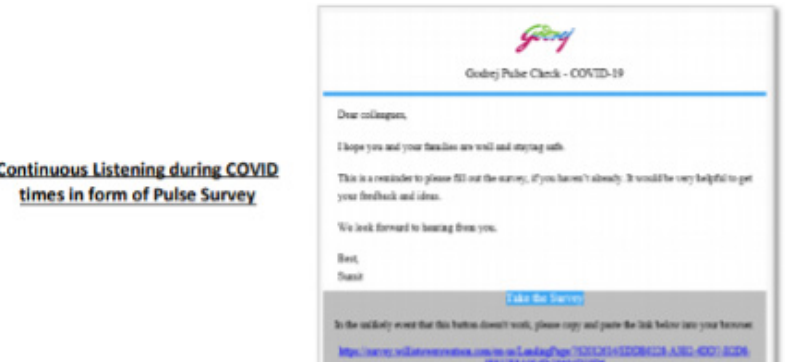
Our quarterly company-wide townhall



‘Senior Leadership Team’ connect with employees across locations



COVID-19 support repository



COVID-19 pulse survey

Social Performance

We aim to create a more greener and inclusive world through our social programmes. In this section we detail:

Community Development
Employee Volunteering
Awards & Recognitions





Social performance

Being a responsible corporate citizen, our core values have an embedded responsibility to the communities around our operational sites. With a firm belief in an inclusive society, we are committed to empowering our communities through social development activities.

Giving back is also a crucial part of our business development strategy. Since 2015, we have continually aligned our community development programs with the United Nations Sustainable Development Goals. We do so by conducting a thorough scoping and needs assessment in priority plant locations.

Once community needs are identified and prioritised, we form effective implementation frameworks to initiate our programme on ground, in line with our [CSR policy](#). We also have a CSR committee in place to review, monitor and provide strategic inputs on our sustainability efforts. Our CSR interventions include initiatives related to Education, Water, Sanitation and Skill Building Initiatives.

At GIL Chemicals, we continue to uphold Godrej Group's Good and Green vision, that aims to create a more inclusive and greener world.

For us, the focus is developing the communities around our manufacturing sites, and engaging more meaningfully with them through our volunteering initiatives.

Community development

We work closely with our communities to understand their needs and build synergies. In the past years, we carried out a detailed community needs assessment of villages around our Valia and Ambernath manufacturing plants. We invited an external agency to carry out the assessment.

The team followed a three-step approach – they connected with our plant and corporate office, held extensive field-based assessments, and backed up the study with thorough secondary research to validate key facts, and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and our way forward. Our community initiatives focussed on water, sanitation and education needs of the community.

In FY 2020-21, we worked closely with communities around Valia and Ambernath manufacturing plants. All our focus was on COVID-19 response.

Valia

We work closely with our neighbouring villages at our flagship plant in Valia, Gujarat. In April 2020, we provided ration kits to workers in the villages. Keeping in mind the need for hygiene, we distributed soaps to villagers. We also donated to local trusts and foundations who were on the frontline and provided food and meals to the underprivileged.

In May, we provided medical supplies to frontline workers. In June, we provided food and ration kits to families in Valia, Naldhari, Desal, Pansoli and Dediapada villages. In July, we gave portable hand sanitisers to the Valia police station.

Ambernath

At our Ambernath plant in Maharashtra, we made a donation to the Additional Ambarnath Manufacture's Association in April 2020. The Association provided hot meals to the migrant workers living around the nearby villages.



Providing food ration to communities around our manufacturing plants.



Employee volunteering

With a firm belief in ‘being a part of the change’, we continually encourage our team members to be a part of our social development initiatives. Our team members volunteer their time towards social causes, both directly (volunteering and participating in activities) and indirectly (through donations). Employee volunteering helps our team to connect more meaningfully with the communities around our sites and further our sustainability vision.

Godrej Global Volunteering Day

The Godrej Global Volunteering Day is our annual day of community service. Since 2015, every year over 130 of our team members volunteer their time to make a meaningful connect with our communities. In 2020, our teams volunteered from their homes. We tweaked our volunteering week to focus on tiny tasks on sustainable living, hosted on the Aimeo app that could be done from anywhere and at any time. This was the first time we experimented with hosting volunteering week online and the response was enthusiastic and truly inspiring. We had gamified our volunteering to rank the teams who had completed the most volunteering activities. Our Ambernath team was ranked first.

Across the Group, of the 56 tasks we hosted on the app, each volunteer on average completed 28 tasks. In this week, we helped save 67,560 litres of water, 13,658 kWh of electricity, and 2,735 kg of waste. We also got healthier, as we burned 177,500 calories and took time off for self-care.

World Environment Day

We celebrated the World Environment Week online during the week of June 5th 2020. We got together

and explored the theme of biodiversity. We hosted a webinar on how individuals can connect with the nature around us and hosted a photography, and quiz contest. Over 800 Godrejites across the Group participated over the week.

Energy Conservation Week

Every year we celebrate Energy Conservation Week around December 14. During this week, we sensitise our team members on the importance of sustainable lifestyle, and energy efficient practices. We organise training sessions and competitions to raise awareness. Our team also identifies areas of high energy wastage and feasible interventions are discussed and implemented.

Brighter Giving

These are one-time volunteering opportunities to help make a meaningful impact with your skills. We partner with Goodera to scope relevant volunteering opportunities and connect with our team members. Our volunteers provide career counselling, academic mentoring, take an online fitness class and help record an audiobook among other activities. In FY20-21 100 of our team members across the Group volunteered for a range of activities.

Godrej Corona Quilt Project

We partnered with the Corona Quilt Project that collates people’s experience of the pandemic on digital squares. These squares are weaved together in a massive quilt and showcased publicly across Mumbai. Over 292 Godrejites have shared their experience of the pandemic in the form of an artwork and attended an webinar. We’ve also got over 700 submissions from our NGO partners and together

our squares will be displayed at our headquarters in Godrej One, Mumbai after they’re back from the public showcase.

Daan Utsav and Workplace Giving

72 Godrejites across the Group participated in Daan Utsav through one-time donations, buying hand-made products from our NGO partner, participating in awareness session webinar, volunteering and signing up for Workplace Giving and supporting our NGO partners with a fixed monthly donation.



Godrej Corona Quilt Project public display at Worli, Mumbai

Awards & Recognitions



Our Ambernath plant was awarded a Silver rating by Ecovadis - a platform that assesses environmental and social performance along with their suppliers. With this, both our Valia and Ambernath plants are Silver rated.



Our Valia unit has successfully completed 5S and ISO 50001:2018 (Energy Management System) certification. The plant won the Platinum Award at the International Convention on Quality Control Circles.



In 2020, we ranked "B" in CDP's 2020 climate change disclosures as well as in water security scores.



We were ranked 11th among the top 200 most sustainable companies in India with an A+ rating by BW Business world.

SDG Mapping



SDG Business Theme	Relevant section in the report
SDG 3: Ensure healthy lives and promote wellbeing for all at all ages	
Air quality	Pg. 32, Emissions
Waste	Pg. 34, Waste
Water quality	Pg. 34, Effluents; Pg. 38, Water
Occupational health and safety	Pg. 47, OHS
Insurance	Pg. 44, Human capital
SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	
Education for sustainable development	Pg. 51, Community development
Employee training and education	Pg. 45, Talent development
SDG 5: No Poverty - Achieve gender equality and empower all women and girls	
Economic inclusion	Pg. 51, Community development
Equal remuneration	Pg. 43, Diversity & inclusion
Gender equality	Pg. 43, Diversity & inclusion
Non-discrimination	Pg. 43, Diversity & inclusion
Parental leave	Pg. 44, Parental leave
Women in leadership	Pg. 43, Diversity & inclusion
Workplace violence and harassment	Pg. 46, Sexual harassment; Pg. 17, Business with integrity
SDG 6: Ensure availability and sustainable management of water and sanitation for all	
Sustainable water withdrawals	Pg. 38, Water
Waste	Pg. 34, Waste
Water efficiency	Pg. 38, Water
Water recycling and reuse	Pg. 38, Water
Water-related ecosystems and biodiversity	Pg. 40, Biodiversity
SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all	
Energy efficiency	Pg. 29, Energy
Infrastructure investments	Pg. 29, Energy
Renewable energy	Pg. 29-30, Energy, Renewables

SDG Business Theme	Relevant section in the report
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
Diversity and equal opportunity	Pg. 43, Diversity & inclusion
Earnings, wages and benefits	Pg. 43, Diversity & inclusion
Economic inclusion	Pg. 51, Community development
Employee training and education	Pg. 45, Talent development
Employment	Pg. 43, Employee diversity
Equal remuneration	Pg. 43, Diversity & inclusion
Labor practices in the supply chain	Pg. 46, Human rights
Occupational health and safety	Pg. 47, OHS
Youth employment	Pg. 51, Community development
SDG 12: Ensure sustainable consumption and production patterns	
Air quality	Pg. 32, Emissions
Energy efficiency	Pg. 29, Energy
Environmental investments	Pg. 28, Environment
Sustainable sourcing	Pg. 24-25, Sustainable procurement policy
Waste	Pg. 34, Waste
Water efficiency	Pg. 38, Water
SDG 13: Take urgent action to combat climate change and its impacts	
Energy efficiency	Pg. 29, Energy
Environmental investments	Pg. 28, Environment
GHG emissions	Pg. 32, Emissions
Risks and opportunities due to climate change	Pg. 18-20, Risk and oppoutunities change

GRI Index

Disclosure	Description	Page numbers	Status	Comments
102. GENERAL DISCLOSURE				
Organisational Profile				
102-1	Name of the organization	9	Reported	
102-2	Activities, brands, products, and services	9	Reported	
102-3	Location of headquarters	9	Reported	
102-4	Location of operations	9	Reported	
102-5	Ownership and legal form	15	Reported	
102-6	Markets served	9	Reported	
102-7	Scale of the organization	9	Reported	
102-8	Information on employees and other workers	43	Reported	
102-9	Supply chain	24-25	Reported	
102-10	Significant changes to the organization and its supply chain	24	Reported	None
102-11	Precautionary Principle or approach		Reported	None
102-12	External initiatives	51	Reported	
102-13	Membership of associations	21	Reported	
Strategy				
102-14	Statement from senior decision-maker	4-7	Reported	
Ethics and integrity				
102-15	Key impacts, risks, and opportunities	18-20	Reported	
102-16	Values, principles, standards, and norms of behavior	17	Reported	
Governance				
102-17	Mechanisms for advice and concerns about ethics	17	Reported	
102-18	Governance structure	15-16	Reported	
Stakeholder Engagement				
102-40	List of stakeholder groups	12	Reported	
102-41	Collective bargaining agreements		Reported	None
102-42	Identifying and selecting stakeholders	11-12	Reported	
102-43	Approach to stakeholder engagement	11	Reported	
102-44	Key topics and concerns raised	11-12	Reported	

Disclosure	Description	Page numbers	Status	Comments
Reporting Practices				
102-45	Entities included in the consolidated financial statements	3	Reported	
102-46	Defining report content and topic Boundaries	3	Reported	
102-47	List of material topics	10	Reported	
102-48	Restatements of information		Reported	None
102-49	Changes in reporting	3	Reported	No major changes
102-50	Reporting period	3	Reported	2019 - 2020
102-51	Date of most recent report	3	Reported	2018 - 2019
102-52	Reporting cycle	3	Reported	Annual
102-53	Contact point for questions regarding the report	3	Reported	atul.prakash@godrejinds.com
102-54	Claims of reporting in accordance with the GRI Standards	3	Reported	
102-55	GRI content index	56	Reported	
102-56	External assurance			None
103. MANAGEMENT APPROACH				
103-1	Explanation of the material topic and its Boundary		Reported	Reported with each topic
103-2	The management approach and its components		Reported	Reported with each topic
103-3	Evaluation of the management approach		Reported	Reported with each topic
201. ECONOMIC PERFORMANCE				
2. Topic-specific Disclosure				
201-1	Direct economic value generated and distributed	23	Reported	
201-2	Financial implications and other risks and opportunities due to climate change	19-20	Reported	
201-3	Defined benefit plan obligations and other retirement plans	44	Reported	
201-4	Financial assistance received from government		Reported	None
202. MARKET PRESENCE				
2. Topic-specific Disclosure				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Reported	According to local standards
202-2	Proportion of senior management hired from the local community		Reported	100%

Disclosure	Description	Page numbers	Status	Comments
203. INDIRECT ECONOMIC IMPACTS				
2. Topic-specific Disclosure				
203-1	Infrastructure investments and services supported	28	Reported	
203-2	Significant indirect economic impacts		Reported	None
204. PROCUREMENT PRACTICES				
2. Topic-specific Disclosure				
204-1	Proportion of spending on local suppliers	24-25	Reported	
205. ANTI-CORRUPTION PRACTICES				
2. Topic-specific Disclosure				
205-1	Operations assessed for risks related to corruption	17	Reported	100%
205-2	Communication and training about anti-corruption policies and procedures	17	Reported	
205-3	Confirmed incidents of corruption and actions taken	17	Reported	None
206. ANTI-COMPETITIVE BEHAVIOUR				
2. Topic-specific Disclosure				
Disclosure 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	17	Reported	None
301. MATERIALS				
2. Topic-specific Disclosure				
Disclosure 301-1	Materials used by weight or volume	36	Reported	
Disclosure 301-2	Recycled input materials used	36	Reported	
Disclosure 301-3	Reclaimed products and their packaging materials		Reported	None
302. ENERGY				
2. Topic-specific Disclosure				
Disclosure 302-1	Energy consumption within the organization	29-30	Reported	
Disclosure 302-2	Energy consumption outside of the organization		Not - Reported	
Disclosure 302-3	Energy intensity	29-30	Reported	
Disclosure 302-4	Reduction of energy consumption	29-30	Reported	

Disclosure	Description	Page numbers	Status	Comments
303. WATER				
2. Topic-specific Disclosure				
Disclosure 303-1	Water withdrawal by source	38	Reported	
Disclosure 303-2	Water sources significantly affected by withdrawal of water	38	Reported	None
Disclosure 303-3	Water recycled and reused	38	Reported	None
304. BIODIVERSITY				
2. Topic-specific Disclosure				
Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Reported	None
Disclosure 304-2	Significant impacts of activities, products, and services on biodiversity		Reported	None
Disclosure 304-3	Habitats protected or restored	40	Reported	
Disclosure 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Reported	None
305. EMISSIONS				
2. Topic-specific Disclosure				
Disclosure 305-1	Direct (Scope 1) GHG emissions	32	Reported	
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	32	Reported	
Disclosure 305-3	Other indirect (Scope 3) GHG emissions		Not Reported	
Disclosure 305-5	Reduction of GHG emissions	32	Reported	
Disclosure 305-6	Emissions of ozone-depleting substances (ODS)		Reported	None
Disclosure 305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		Not - Reported	
306. EFFLUENTS AND WASTE				
2. Topic-specific Disclosure				
Disclosure 306-1	Water discharge by quality and destination	34	Reported	
Disclosure 306-2	Waste by type and disposal method	34-35	Reported	
Disclosure 306-3	Significant spills		Reported	None

Disclosure	Description	Page numbers	Status	Comments
Disclosure 306-4	Transport of hazardous waste	34	Reported	
Disclosure 306-5	Water bodies affected by water discharges and/or runoff	34	Reported	None
307. ENVIRONMENTAL COMPLIANCE				
2. Topic-specific Disclosure				
Disclosure 307-1	Non-compliance with environmental laws and regulations		Reported	None
308. SUPPLIER ENVIRONMENTAL ASSESSMENT				
2. Topic-specific Disclosure				
Disclosure 308-1	New suppliers that were screened using environmental criteria	24-25	Reported	
Disclosure 308-2	Negative environmental impacts in the supply chain and actions taken		Reported	None
401. EMPLOYMENT				
2. Topic-specific Disclosure				
Disclosure 401-1	New employee hires and employee turnover	43	Reported	
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	44	Reported	
Disclosure 401-3	Parental leave	44	Reported	
402. LABOUR/MANAGEMENT RELATIONS				
2. Topic-specific Disclosure				
Disclosure 402-1	Minimum notice periods regarding operational changes		Reported	Intimation provided to all employees prior to changes
403. OCCUPATIONAL HEALTH AND SAFETY				
2. Topic-specific Disclosure				
Disclosure 403-1	Workers representation in formal joint management–worker health and safety committees	47	Reported	
Disclosure 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	47	Reported	
Disclosure 403-3	Workers with high incidence or high risk of diseases related to their occupation	47	Reported	None
Disclosure 403-4	Health and safety topics covered in formal agreements with trade unions	47	Reported	

Disclosure	Description	Page numbers	Status	Comments
404. TRAINING AND EDUCATION				
2. Topic-specific Disclosure				
Disclosure 404-1	Average hours of training per year per employee	45	Reported	
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	45	Reported	
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	45	Reported	100% employees go through performance review
405. DIVERISTY AND EQUAL OPPORTUNITY				
2. Topic-specific Disclosure				
Disclosure 405-1	Diversity of governance bodies and employees	13-14, 43	Reported	
Disclosure 405-2	Ratio of basic salary and remuneration of women to men		Reported	Equal pay to men and women
406. NON-DISCRIMINATION				
2. Topic-specific Disclosure				
Disclosure 406-1	Incidents of discrimination and corrective actions taken		Reported	None
407. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
2. Topic-specific Disclosure				
Disclosure 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Reported	None
408. CHILD LABOUR				
2. Topic-specific Disclosure				
Disclosure 408-1	Operations and suppliers at significant risk for incidents of child labor		Reported	None
409. FORCED OR COMPULSORY LABOUR				
2. Topic-specific Disclosure				
Disclosure 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		Reported	None

Disclosure	Description	Page numbers	Status	Comments
410. SECURITY PRACTICES				
2. Topic-specific Disclosure				
Disclosure 410-1	Security personnel trained in human rights policies or procedures		Reported	Human rights training is a part of out training programe for all security personnel
411. RIGHTS OF INDIGENOUS PEOPLES				
2. Topic-specific Disclosure				
Disclosure 411-1	Incidents of violations involving rights of indigenous peoples		Reported	None
412. HUMAN RIGHTS ASSESSMENT				
2. Topic-specific Disclosure				
Disclosure 412-1	Operations that have been subject to human rights reviews or impact assessments	46	Reported	All our employees are covered under human rights, assessments are underway
Disclosure 412-2	Employee training on human rights policies or procedures		Reported	100% employees trained
Disclosure 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Reported	All our agreements cover human rights
413. LOCAL COMMUNITIES				
2. Topic-specific Disclosure				
Disclosure 413-1	Operations with local community engagement, impact assessments,and development programs	51-52	Reported	
Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities		Reported	None
414. SUPPLIER SOCIAL ASSESSMENT				
2. Topic-specific Disclosure				
Disclosure 414-1	New suppliers that were screened using social criteria	24-25	Reported	
Disclosure 414-2	Negative social impacts in the supply chain and actions taken		Reported	None
415. PUBLIC POLICY				
2. Topic-specific Disclosure				
Disclosure 415-1	Political contributions		Reported	None

Disclosure	Description	Page numbers	Status	Comments
416. CUSTOMER HEALTH AND SAFETY				
2. Topic-specific Disclosure				
Disclosure 416-1	Assessment of the health and safety impacts of product and service categories	26	Reported	All our products are safe to use
Disclosure 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Reported	None
417. MARKETING AND LABELING				
2. Topic-specific Disclosure				
Disclosure 417-1	Requirements for product and service information and labeling	26	Reported	
Disclosure 417-2	Incidents of non-compliance concerning product and service information and labeling		Reported	None
Disclosure 417-3	Incidents of non-compliance concerning marketing communications		Reported	None
418. CUSTOMER PRIVACY				
2. Topic-specific Disclosure				
Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Reported	None
419. SOCIOECONOMIC COMPLIANCE				
2. Topic-specific Disclosure				
Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area		Reported	None



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