



FINOLEX INDUSTRIES LIMITED

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FINOLEX INDUSTRIES LIMITED



Sustainability
Report of
Finolex
Industries Ltd.
2021-2022

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FINOLEX INDUSTRIES LIMITED

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Established in 1981

**FINOLEX
INDUSTRIES
LIMITED**

FINOLEX forever

Established in 1981, Finolex Industries Limited has built a resilient organization over the years to emerge as the largest backward integrated and one of the most trusted pipes and fittings manufacturer in the country with quality at the forefront of business operations. Our PVC pipes and fittings are synonymous with superior quality, robust strength, and unequalled durability. Throughout our journey, we have been the pioneers in many aspects and created a community of trust that enables us to deliver sustained value.

The groundwork established by our founder Late Shri Pralhad P. Chhabria has helped us build our company on firm, unshaken grounds while staying relevant through changing as well as challenging times. We firmly believe in adapting to industry changes. This is reflected through our robust business model, adoption of emerging technology and automation, brand strength, and customer-centric approach along with our legacy of trust and consistency.

We believe in growing together as a community. Finolex is run by a large extended family of employees, dealers, distributors, retailers, and customers. Through educational, social welfare, and healthcare initiatives, we have attempted to uplift our communities and create opportunities for growth and development for them. We have also

tried to contribute to the preservation and conservation of our environment through mass afforestation initiatives through the years to develop a green belt in the proximity of our plants and operations.

As the world went through a paradigm shift in the past two years, owing to the COVID-19 pandemic, the resilience of our workforce, supply chain, plants as well as support teams helped us provide better service and work towards collaborative growth. This enabled us to continue our growth trajectory in line with the industry growth rates.

As we stand on the brink of our 42nd year in the industry, we have embarked on our ESG journey to grow holistically as an organization and create value for all our stakeholders. We took our first step in this direction in FY 2021-22 by gaining the 'Responsible Care' accreditation from the Indian Chemical Council. Through this, we strive to drive continuous improvement in safe chemicals management and achieve excellence in environmental, health, safety, and security performance. It is our constant endeavor to deliver products and services of the highest quality to our customers while ensuring minimal harm to the environment and society. At Finolex, we remain committed to creating a better today and growing with changing times to create a stronger tomorrow.

From the Chairman's Desk

Dear Stakeholders,

It gives me immense pleasure and joy to present our maiden ESG Report, themed 'Forever Finolex' illustrative of our sustainability commitment and performance. This Report provides a consolidated overview of the activities carried out by Finolex socially as a responsible corporate citizen in developing a better community for a brighter tomorrow. We believe that this report will encourage us to reflect and challenge us to find innovative and best-in-class product solutions.

Ever since our incorporation, in 1981, Finolex Industries has been synonymous with product innovation in all the markets that we serve. The vision of our founder Late Shri. Pralhad P. Chhabria, where the journey of being one of the most trusted brands started with best-in-class premium PVC products such as PVC pipes and fittings segment. In FY 2021-22, we saw a considerable rise in the revenue by 34% from FY 2020-21 to ₹4,647 crores and an EBITDA of ₹1,024 crores. This was made possible with the continual support of all our stakeholders.

The past two years of the pandemic were indeed a test of our business resilience, which has been nurtured through the consistent efforts of

notable and committed individuals. I acknowledge our employees who have shown a lot of character in facing challenges of health constraints, economic uncertainty, climate change, and business disruptions in the supply chain head-on while contributing to our growth. We always believe in inclusive growth and try to include our key stakeholders in our decision-making process. Last year, in association with Mukul Madhav Foundation (MMF), we spent ₹19 crores on our CSR initiatives in the areas of education, healthcare, sanitation, skill developments, social welfare, water conservation, and women empowerment.

This Report demonstrates our dedication to effectively managing air, water, and land quality while enhancing our production processes. We give due importance to the holistic well-being of our employees across our business operations. Being part of the Responsible Care Initiative necessitates us to enhance our business capabilities and reinforce the health and safety of employees and local communities in the near vicinity of our operational boundaries. The Indian Chemical Council (ICC) accreditation made us a part of the top 100 companies in the country to receive the logo.

Aligning with the Global Environment, Social, and Governance (ESG) traction, we are gearing up to take part in the S & P Global Dow Jones Sustainability Indices (DJSI). This continual initiative would empower us to evaluate and better our ESG performance.

Last but not the least, I express my sincere gratitude to our extended family for their dedication and hard work toward strengthening our strategies and processes for building a better tomorrow. I would like to thank our stakeholders for their input and support, and we look forward to their contribution to our journey toward boosting ESG at Finolex.

Warm regards,

Prakash P Chhabria

Executive Chairman



Message from Managing Director



Dear Stakeholders,

The challenges posed by the pandemic have enabled us to showcase our business resilience and supply chain capabilities. While ensuring business growth, we also gave importance to all our employees, stakeholders, and the communities we serve.

Our business resilience resulted in revenue growth of 34% from FY 2020-21 to FY 2021-22. We are glad to become one of the Top 100 companies in the country to receive the 'Responsible Care' logo from the Indian Chemical Council (ICC). This enabled process streamlining and production enhancement incorporating aspects of the health and safety of all our employees at Finolex. Effective implementation of necessary measures and processes for alignment with ICC guidelines within a short turnaround is illustrative of our business agility.

As we navigate the journey of financial growth, we did not lose focus on our mission to become sustainable. This Report details our vision and strategy to drive the progress of integrating ESG parameters into our business operations. Our ESG vision is a step toward affirming our commitment as we call out the progress we are making as an organization. This not only will guide us and hold us accountable to

deliver our ESG goals and drive our performance. Noteworthy progress that we made over the last financial year are the following:

- 1,000+ students supported with quality education Pan-India through Mukul Madhav Foundation
- 2,739 trees were planted during the financial year
- Implementation of a standalone ESG Policy in line with the mission, vision, and value of the company
- Constitution of ESG Committee reporting to the Board to oversee the planning, implementation, and integration of ESG-related initiatives into the organization's strategic plan
- Certification of all facilities with ISO 9001

Going a step further, we have decided to take part in the S&P Global Dow Jones Sustainability Indices (DJSI) and get ourselves evaluated in the (ESG) parameters. This will help us learn and progress better for all our future endeavours and progresses that we make as an organization.

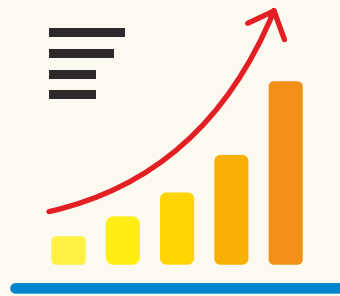
We draw pride from our achievements, but more importantly, we look at them as an inspiration to do even better, try harder, and aim higher in the coming years. Our overarching vision remains unconditionally clear that we will continue to explore and innovate to enable harmony between people, community, planet, and prosperity.

Warm regards,

Mr. Anil V. Whabi

Director - Finance & Chief Financial Officer*

*Note: Mr. Anil Whabi has been appointed as the Managing Director of Finolex Industries Limited with effect from 1st June 2022.



About the Report

**FINOLEX
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Our goal has always been to embrace sustainability in all elements of our organization and to match our efforts with national and global concerns to affect large-scale change. Finolex Industries Limited (the Company) is releasing its first Sustainability Report for FY 2021-22. The Report demonstrates our dedication to managing our operations sustainably and responsibly, sharing the advantages of our business and enriching the lives of our employees as well as the surrounding communities.

The Report contains quantitative and qualitative functioning of the sustainability parameters for the reporting period of 1st April 2021 to 31st March 2022, considering 2021-22 as the base year for reporting and data representation in our future reports. We have included aspects of ESG and the sustainability performance of our business in our Annual Report, and with the release of a stand-alone sustainability report, we also aim to highlight significant material issues and our performance against them for our business. The Company has conducted a materiality assessment which also takes into consideration the views and opinions of both internal and external stakeholders.

As part of this Report, we have examined various aspects such as corporate governance, environmental

performance, and social performance of Finolex Industries. This Report encompasses our strategies and goals toward best-in-class sustainability practices and actions to be incorporated throughout our business operations.

Reporting Framework and Reporting Boundary

The Report has been developed in accordance with the 'GRI Standards - Core option'. In addition to the GRI, this report refers to additional standards and frameworks including, the National Guidelines on Responsible Business Conduct (NGRBC), United Nations Sustainable Development Goals (UN-SDGs), and United Nations Global Compact (UNGC). This report communicates our sustainability performance for the Company's operations in India.

Forward-Looking Statement

Forward-looking statements address matters that are, to varying degrees, uncertain and subject to risks, uncertainties, and assumptions, many of which are beyond Finolex's control, that could cause actual results to differ materially from those expressed in any forward-looking statements. Forward-looking statements are not representations or warranties or guarantees of future results.

Contact point for Feedback and Queries

For any queries or comments on our sustainability report, please reach out to investors@finolexind.com

About the Company

Established in 1981, Finolex Industries Limited is one of the largest manufacturers of PVC pipes and fittings with a production capacity of P2F 3,70,000 MT per annum and one of the leading producers of PVC resins with a production capacity of 2,70,000 MT PVC per annum. At Finolex, right from sourcing quality raw materials and resin production to delivering the products include end-to-end customer engagement which has earned us ISO 9001:2015 certification across plants and the trust of all our stakeholders who have been part of the Finolex family.

We offer a wide range of PVC pipes and fittings suitable for plumbing, agriculture, and sanitation application. With three state-of-the-art manufacturing facilities in Maharashtra and Gujarat, we leverage our wide distribution network supported by dealers and sub-dealers to support our growing customer base.

Products

Plumbing & Sanitation Pipes & Fittings



CPVC



PLUMBING



ASTM



SWR

Agricultural Pipes & Fittings



**SOLVENT CEMENT,
PRIMER & LUBRICANT**



AGRICULTURAL



CASING



COLUMN

Our Presence



9
Branch Offices

900+
Dealers

21,000+
Retailers

Highlights of the year

Operational highlights

- Wide range of products
- 11.7% y-o-y increase in production volume for pipes and fittings

Environmental highlights

- 2,313.17 GJ of energy conserved during the year
- 306462 m³ Effluent recycled during the year
- 20,465 trees planted since 2014 (2,739 planted in FY 2021-22)

Economic highlights

- ₹ 4,647 crores revenue from operations
- ₹ 1,053 crores profit after tax
- ₹ 16.98 earnings per share

Workforce highlights

- 1,379 Total workforce
- 7% voluntary attrition rate

Social highlights

- 3,000+ Students supported with quality education pan-India since 2020
- 600+ Widowed women farmers supported since 2019



- Conferred Yuva Unstoppable 2021 Changemaker Award
- BW Businessworld Award – Social Entrepreneurship Award – Mrs. Ritu P Chhabria
- Corona Yagna Seva Felicitation – Gujarat
- British Association for Physicians of Indian Origin (BAPIO) Award
- CSR Times Award
- Global CSR Excellence and Leadership Award
- Exceptional Women of Excellence – Mrs. Ritu Chhabria for exemplary service – G100 and Denim Club
- Vivekananda Sustainability Award

Stakeholder Engagement & Materiality Assessment

We strive to build long-lasting relationships with our internal and external stakeholders through clear and transparent communication not just to understand, but also to involve them in our decision-making processes wherever relevant. We engage with our stakeholders to understand their perspectives, needs, and expectations and integrate their responses into our decision-making.

Stakeholder Engagement

Our stakeholder identification and prioritization process are based on the principles of inclusivity, materiality, and responsiveness. The nature of our engagement with stakeholders depends on the stakeholder category, their expectations from us, and the criticality of the relationship. We continuously engage with them through various online and offline modes such as surveys, conferences, one-one meetings, email/telephonic communication, townhalls, and others. Simultaneously, we ensure that their suggestions and comments are addressed and incorporated appropriately.

Our stakeholder engagement mechanism has been summarised below.

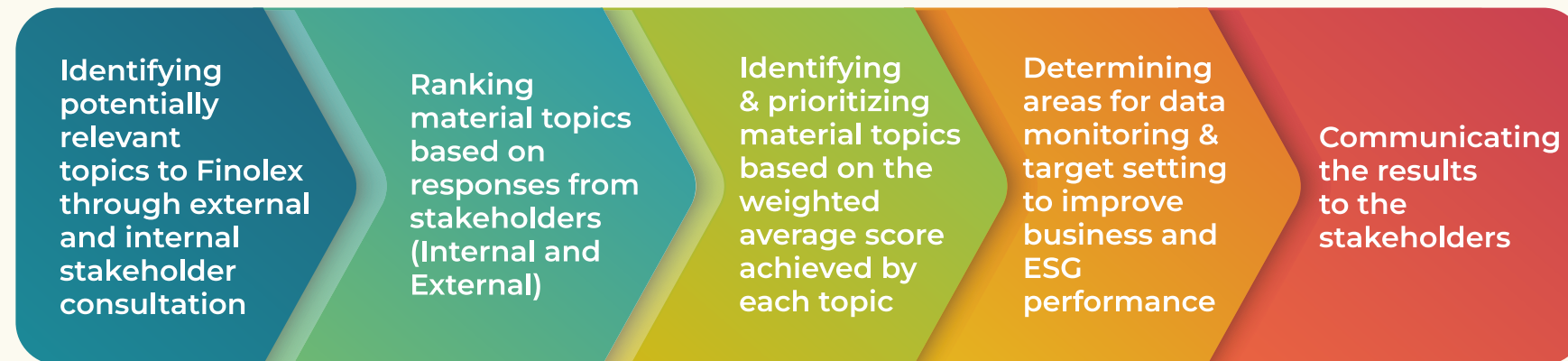
Sr. No.	Stakeholder Group	Channels of communication	Frequency of engagement	How we deliver value
1	Customers	<ul style="list-style-type: none"> Financial results declaration (quarterly) Annual General Meetings Media releases, Annual Reports, Sustainability Reports, websites, and others 	Regularly on a need basis	<ul style="list-style-type: none"> Reliable supply of best-in-class products and services Easy access to products and services
2	Investors / Shareholders	<ul style="list-style-type: none"> Investor presentations Annual General Meeting Annual Report Investor/analysts meet Media releases 	Quarterly / Annually	<ul style="list-style-type: none"> Information on Company's financial and non-financial performance Transparent disclosures Good governance practices
3	Community	<ul style="list-style-type: none"> CSR partnership with Mukul Madhav Foundation Contribution towards various causes like Education, Healthcare, Rural Development, Environment initiatives, etc. 	<ul style="list-style-type: none"> Social contribution / CSR activities Community impact assessment surveys 	<ul style="list-style-type: none"> Proactive involvement Community development

Sr. No.	Stakeholder Group	Channels of communication	Frequency of engagement	How we deliver value
3	Community	<ul style="list-style-type: none"> Minimization of environmental footprint Contribution towards various initiatives in fighting COVID-19 	<ul style="list-style-type: none"> Social contribution / CSR activities Community impact assessment surveys Complaints and grievance mechanisms 	<ul style="list-style-type: none"> Proactive involvement Community development
4	Employees	<ul style="list-style-type: none"> Feedback and surveys Performance updates Learning and development programs Employee engagement programs Townhalls Internal publications and circulars 	<ul style="list-style-type: none"> Daily (department-wise internal interaction) L&D programs, feedback, and surveys conducted periodically Half-yearly/ Annually 	<ul style="list-style-type: none"> Health and Safety Opportunities for personal and professional growth Learning and development Work-life balance and career progression Transparency and involvement in Company's strategies
5	Suppliers	<ul style="list-style-type: none"> Meetings Conferences and workshops Communication via telephone, email, etc. 	<ul style="list-style-type: none"> Regularly on a need basis 	<ul style="list-style-type: none"> Long-term relationship Quick response to queries Service support and timely deliveries
6	Media	<ul style="list-style-type: none"> Written Communications Interviews and Forums Meetings Publications & Announcements 	<ul style="list-style-type: none"> Quarterly/ Half-yearly/ Annually Need basis for forums & meetings 	<ul style="list-style-type: none"> Credible information on progress to stakeholders
7	Regulators	<ul style="list-style-type: none"> Meetings Representation through various trade bodies Workshops Written communications 	<ul style="list-style-type: none"> Quarterly / Half-yearly / Annually 	<ul style="list-style-type: none"> Compliance with rules and regulations Timely reporting through various compliance-based forms

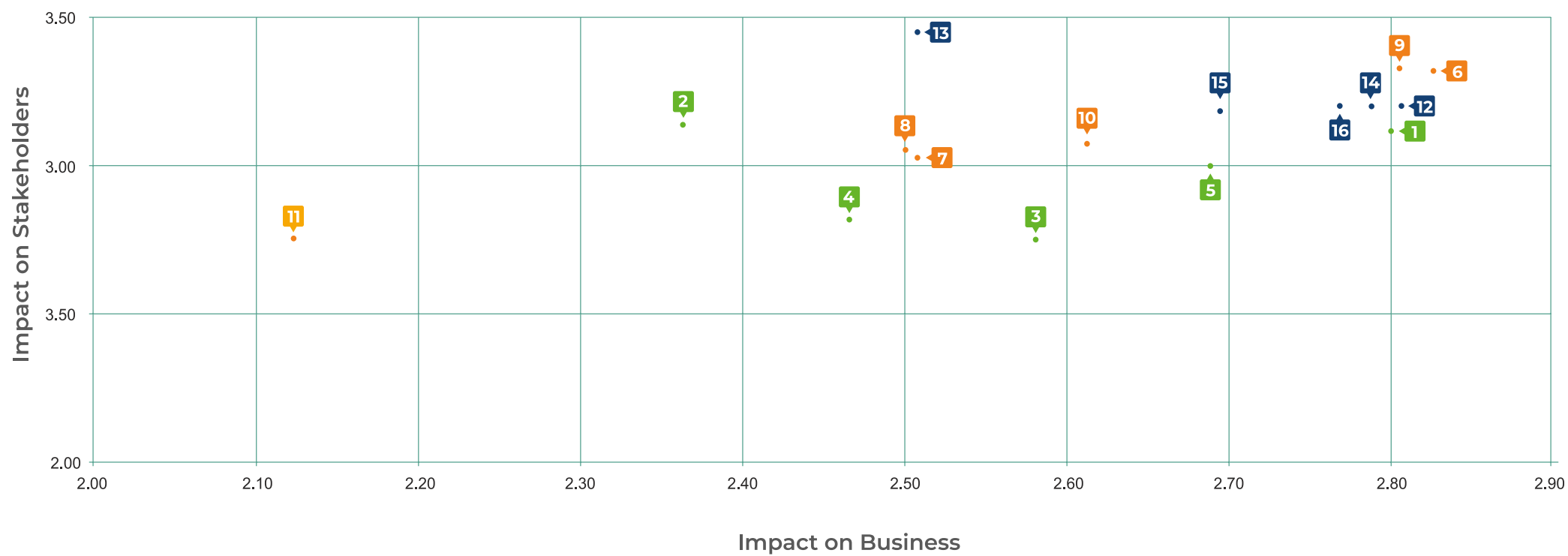
Materiality Assessment

We conducted our first materiality assessment in FY 2021-22 to gain a comprehensive understanding of the material issues and assess their impact on the long-term performance of the business and value creation. A detailed materiality assessment exercise was conducted with our internal and external stakeholders to gain insights on each of the key issues impacting value creation.

Our approach to materiality



Materiality matrix



Environmental

- 1 Quality management & Product stewardship
- 2 Resource management
- 3 Climate change
- 4 Ecosystem and biodiversity
- 5 Environment Management



Social

- 6 Customer relationship management
- 7 Human Rights
- 8 Talent management
- 9 Occupational Health and Safety
- 10 Sustainable supply chain management
- 11 Community Development



Governance

- 12 Risk management
- 13 Data privacy & security
- 14 Operating & Financial Performance
- 15 Market Presence
- 16 Corporate Governance

Sr. No.	Material Topic	GRI Topics	GRI Indicators	Topic Boundary
1	Quality management and Product stewardship	• Non-GRI	• NA	Internal and External
2	Resource management	• GRI 301: Materials 2016	• GRI 301-1, GRI 301-2	Internal and External
3	Climate change	• GRI 305: Emissions 2016	• GRI 305-1, GRI 305-2, GRI 305-4, GRI 305-5, GRI 305-7	Internal and External
4	Ecosystem and biodiversity	• GRI 304: Biodiversity 2016	• GRI 304-2, GRI 304-3	Internal
5	Environment Management	• GRI 302: Energy 2016 • GRI 303: Water & Effluents 2018 • GRI 306: Waste 2020 • GRI 307: Environmental Compliance 2016	• GRI 302-1, GRI 302-3, GRI 302-4 • GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5 • GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-5 • GRI 307-1	Internal and External
6	Customer relationship management	• GRI 416: Customer Health and Safety 2016	• GRI 416-1, GRI 416-2	Internal and External
7	Human Rights	• GRI 401: Employment 2016 • GRI 408: Child Labour 2016 • GRI 409: Forced Labour 2016	• GRI 401-1, GRI 401-2 • GRI 408-1 • GRI 409-1	Internal and External
8	Talent management	• GRI 404: Training and Education 2016 • GRI 405: Diversity and Equal Opportunity 2016	• GRI 404-1, GRI 404-2 • GRI 405-1	Internal
9	Occupational Health & Safety	• GRI 403: Occupational Health and Safety 2018	• GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9	Internal and External
10	Sustainable supply chain	• GRI 204: Procurement Practices 2016	• GRI 204-1	Internal and External
11	Community Development	• GRI 413: Local Communities 2016	• GRI 204-1	Internal and External
12	Risk management	• Non-GRI	• NA	Internal and External
13	Data privacy and security	• Non-GRI	• NA	Internal
14	Operating and Financial Performance	• GRI 201: Economic Performance 2016	• GRI 201-1	Internal and External
15	Market Presence	• GRI 202: Market Presence 2016	• GRI 202-2	Internal and External
16	Corporate Governance	• GRI 205: Anti-corruption 2016	• GRI 205-3	Internal

At Finolex, we continuously strive to positively impact the societies in which we operate. Our efforts towards this through the Mukul Madhav Foundation has ensured that Community Impact scores lower as material issue. However, we will continue to invest in our CSR priority areas and contribute towards the Sustainable Development Goals.

Our ESG Commitments



ENVIRONMENTAL

REDUCE CARBON FOOTPRINT

- 100% electric powered forklifts by 2030 at all the plants
- Implement Responsible care program at all the sites by 2025

BIODIVERSITY

- Conduct Biodiversity study in Ratnagiri plant by 2025
- Plantation of 1,00,000* trees by 2025 with regular monitoring of the survival rate of the saplings
- Public commitment to no deforestation and publicity available biodiversity policy by 2025

(*increase plantation from present 62,000 to 100,000 nos)



SOCIAL

ESG POLICY

- Publicly available ESG policy by 2022
- Establishing an ESG policy framework and monitoring mechanism by 2023
- Implementation of an organization-wide ESG Policy by 2023
- >95% coverage of ESG awareness / training sessions for eligible employees across the organization by 2023

ATTRACT & NURTURE TALENT

- Maintain employee turnover rate consistently under 10%



GOVERNANCE

ENSURE DATA PRIVACY & SECURITY

- ISO 27001:2013 certification for information Security Management system
- 100% of employees to be trained on information security by 2023

CODE OF CONDUCT

- >95% compliance with the Employee CoC through written / digital acknowledgment and regular training of eligible employees by 2023
- >95% Compliance of the Third-party CoC through written / digital acknowledgment and regular training of eligible third party personnel by 2025

Corporate Governance & Ethics

Finolex as an organization has been built on the foundation of quality, resilience, and foresight. Our culture is governed by ethics and integrity while our values are ingrained in our culture and practices. The Board plays a key role in setting a strategic direction along with ensuring the highest standard of ethics and sustainability throughout the organization. At Finolex, we believe that adherence to high standards of corporate governance is essential for sustained corporate growth.

We strive to achieve optimum performance across our operations by adhering to corporate governance practices, such as:



Board of Directors

Our Board of Directors comprises a diverse group of individuals with varying academic backgrounds, industry experience, skillsets, etc. Each individual brings their knowledge, and the Board of Directors has guided the organization's strategy based on the Company's external and regulatory environment, material issues, and stakeholder requirements.

We have a Board Diversity Policy which covers aspects such as gender, race, ethnicity, skillset, etc. of the Board members. This helps in effective decision-making and risk management. The Board's effectiveness is assessed on various criteria laid down by the Nomination and Remuneration Committee for performance evaluation of all the Board members including Independent Directors, Committees of the Board, and the Board as a whole. Board meetings and Board attendance at these meetings are in line with the requirements mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Name	Designation
Mr. Prakash P. Chhabria	Executive Chairman
Ms. Bhumika L. Batra	Independent Director
Mrs. Ritu P. Chhabria	Non-Executive, Non-Independent Director
Mr. Saumya Chakravarti	Director - Technical
Mrs. Kanchan U. Chitale	Independent Director
Mr. Saurabh S. Dhanorkar	Non-Executive, Non-Independent
Mr. Sanjay S. Math	Managing Director #
Dr. Deepak R. Parikh	Independent Director
Mr. Pradeep R. Rathi	Independent Director
Mr. Anami N. Roy	Independent Director
Mr. Anil V. Whabi	Director - Finance & Chief Financial Officer*

*Note: Mr. Anil Whabi ceased to be Director-Finance & Chief Financial Officer and has been appointed as the Managing Director of Finolex Industries Limited with effect from 1st June 2022.

Mr. Sanjay S. Math, Managing Director upto 31st May, 2022.

Mr. Saumya Chakravarti appointed as Director -Technical with effect from 1st June, 2022

Board of Directors



Mr. Prakash P. Chhabria
Executive Chairman



Ms. Bhumika L. Batra
Independent Director



Mrs. Ritu P. Chhabria
Non-Executive & Non-Independent Director



Mr. Saumya Chakrabarti
Director - Technical (w.e.f. June 1, 2022)



Mrs. Kanchan U. Chitale
Independent Director



Mr. Saurabh S. Dhanorkar
Non-Executive & Non-Independent Director



Mr. Sanjay S. Math
Managing Director (upto May 31, 2022)



Dr. Deepak R. Parikh
Independent Director



Mr. Pradeep R. Rathi
Independent Director



Mr. Anami N. Roy
Independent Director



Mr. Anil V. Whabi
Director Finance (upto May 31, 2022)
Managing Director (w.e.f. June 1, 2022)

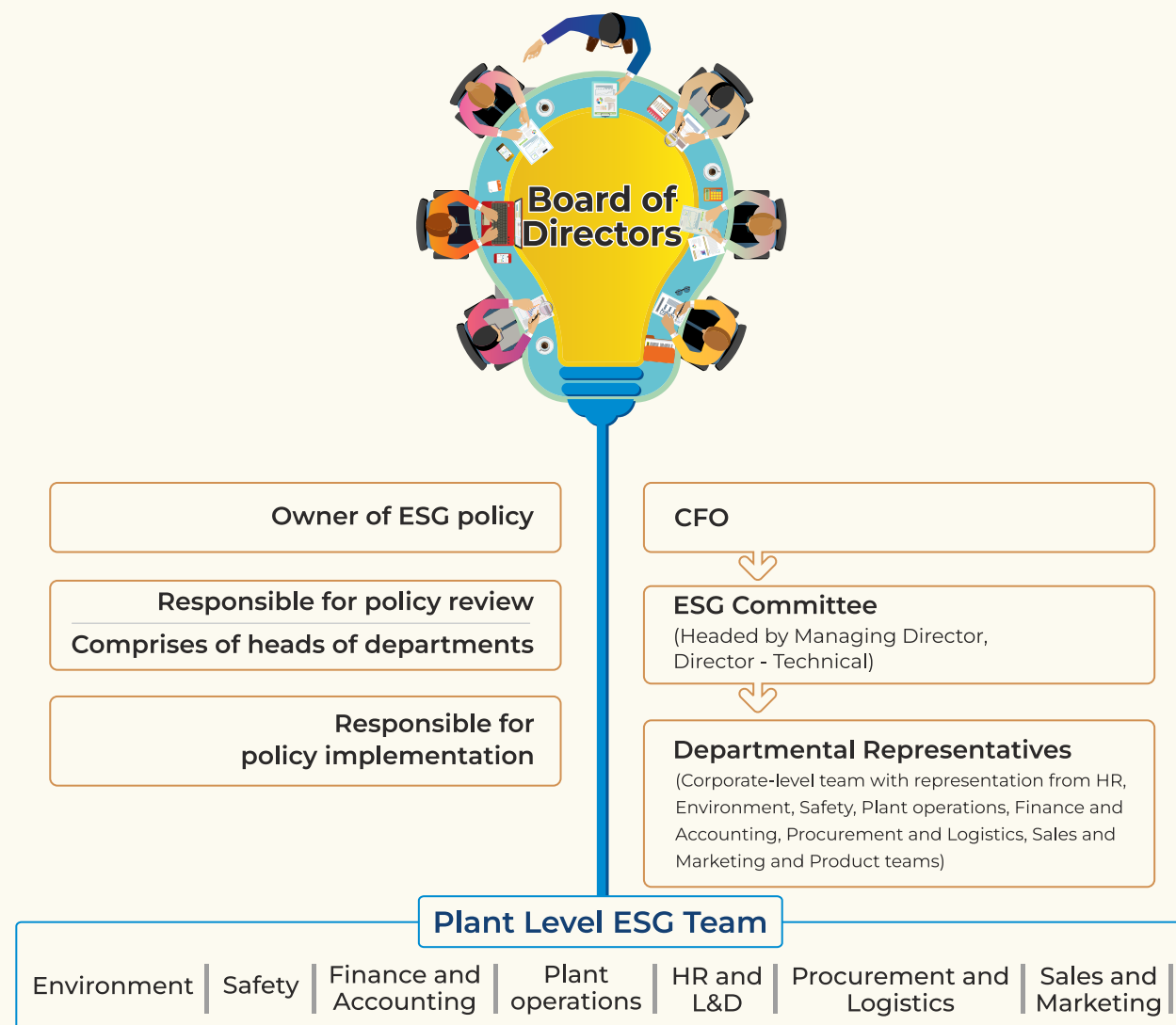
Committees at Finolex

Name	Designation	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee	Share Transfer Committee	Finance Committee
Mr. Prakash P. Chhabria	Executive Chairman	----	----	Member	Member	Member	Member	Chairman
Ms. Bhumika L. Batra	Independent Director	Member	Chairperson	Member	Member	Member	Member	Member
Mrs. Ritu P. Chhabria	Non-Executive, Non-Independent Director	----	----	----	----	Chairperson	----	----
Mrs. Kanchan U. Chitale	Independent Director	Member	Member	----	Chairperson	Member	Chairperson	Member
Mr. Saurabh S. Dhanorkar	Non-Executive, Non-Independent Director	Member	Member	Member	Member	Member	Member	Member
Mr. Sanjay S. Math	Managing Director (upto 31st May, 2022)	----	----	----	Member	Member	Member	Member
Dr. Deepak R. Parikh	Independent Director	Member	Member	Member	Member	Member	Member	Member
Mr. Pradeep R. Rathi	Independent Director	Chairman	Member	Member	Member	Member	Member	Member
Mr. Anami N. Roy	Independent Director	Member	Member	Chairman	Member	Member	Member	Member
Mr. Anil V. Whabi	Managing Director	----	----	----	Member	Member	Member	Member

ESG Governing Body

We have recently established a company-wide ESG policy that elaborates on our key focus areas in terms of ESG parameters. The policy underlines our ESG practices and defines the roles and responsibilities of various individuals. It focuses on Finolex's approach towards environmental, social, and governance (ESG) aspects and acts as a guiding framework to manage related impacts and risks for continued value creation. We have adopted a top-down approach for our ESG governance framework with the key role of implementation assigned to respective department heads at each of our manufacturing units at Ratnagiri, Urse, and Masar.

ESG Governance Framework



Risk Management

Risk management forms an integral part of business planning and forecasting. Effective management of risks is essential to achieve the Company's strategic, business, and operational objectives and goals. We have a robust and continuously upgraded risk management structure in place for the identification, evaluation, and mitigation of potential internal or external risks.

We have a robust risk management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, identify risks that are prevalent or may arise in the future, and minimize adverse impacts on the business objectives. Our business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting and helps us take a proactive approach to risk management.

Our risk register enlists risks identified by us at the company-level and our risk management framework defines several risk models which help in understanding the trend of risks and opportunities, exposure, and potential impact analysis at a company level as also separately for business segments. The key business risks identified along with its mitigation plans are included in the Management Discussion and Analysis report in the Annual Report.

A risk resulting from a newly identified

hazard to which a significant exposure may occur, or from an unexpected new or increased significant exposure and / or susceptibility to a known hazard. We have also identified and enlisted two of our identified emerging risks as follows:

Geopolitical tensions

The increased unrest amongst nations as a result of militarization and weaponization-based competition has led to rethinking the occurrence of geopolitical unrest as an emerging risk to our operations. Such tensions lead to increased risk arising from financial, technological and scientific power struggles and the global impact arising from the reduced availability of key commodities, increased threat to cybersecurity and interruption to the trade industry and supply chain management. Apart from this, there is an impending risk to human lives and social unrest which poses a great threat to the company's operations. This kind of a risk may lead to disruption of our manufacturing processes, availability of raw materials and resources and constraints on products being sold to consumers of a particular region or country. As an organization, we have drawn a meticulous mitigation plan to tackle such a risk in case it arises. Depending on the situation arising, geopolitical risks can be mitigated by adopting structural or non-structural mechanisms or framework, adhering to the disaster frameworks, guidelines, plans, policies and SOP and

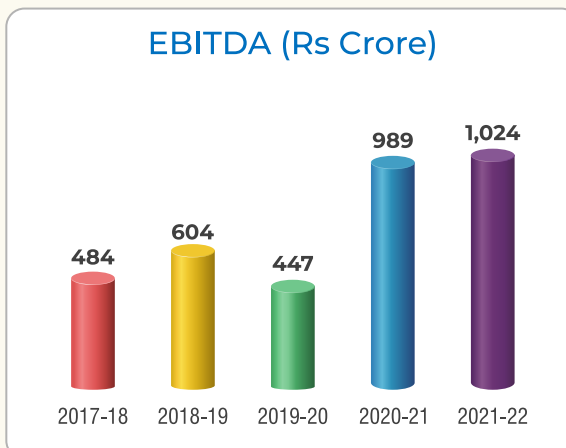
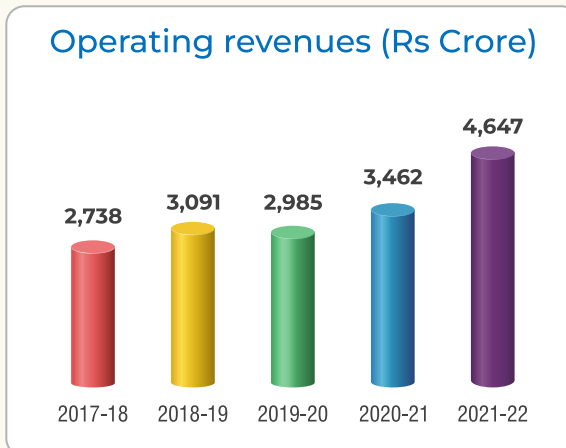
maintaining a backup inventory of resources. To further mitigate this emerging risk, losses incurred has to be calculated in terms of environment, social, political and economic losses which will act as an aid to ensure that the impact of this risk is minimized and preventive action can be taken in the future.

Technological risk

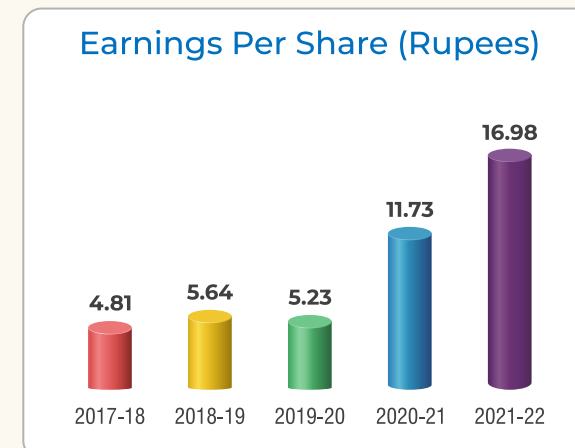
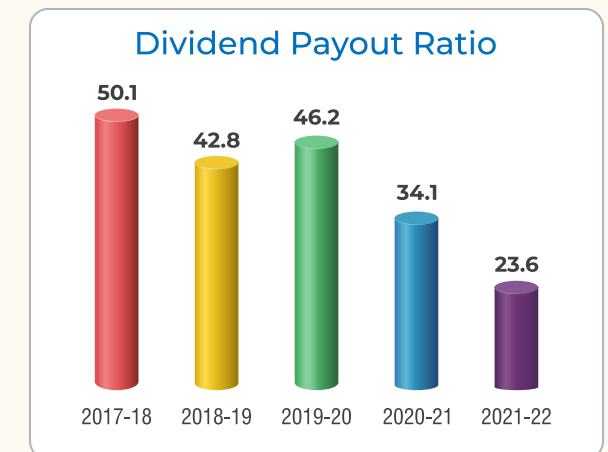
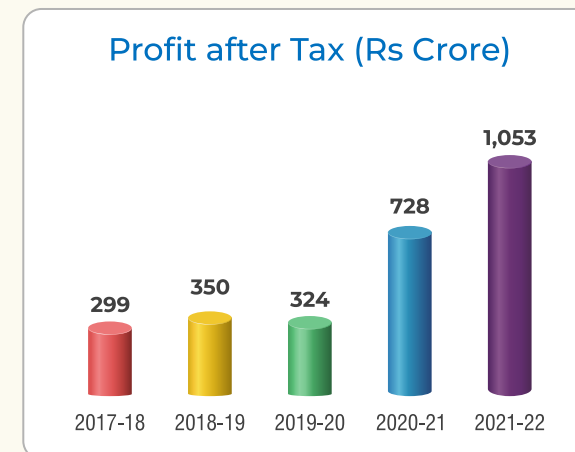
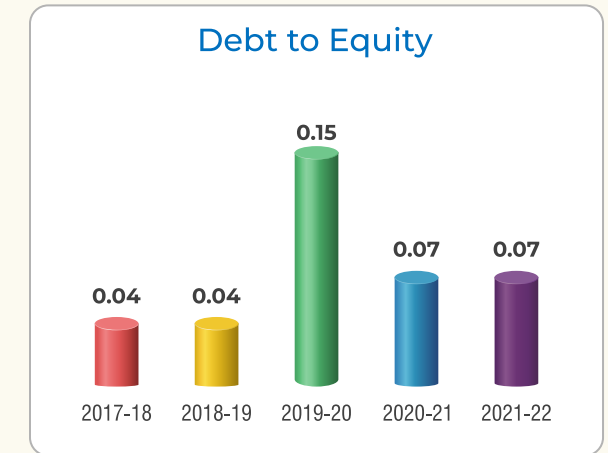
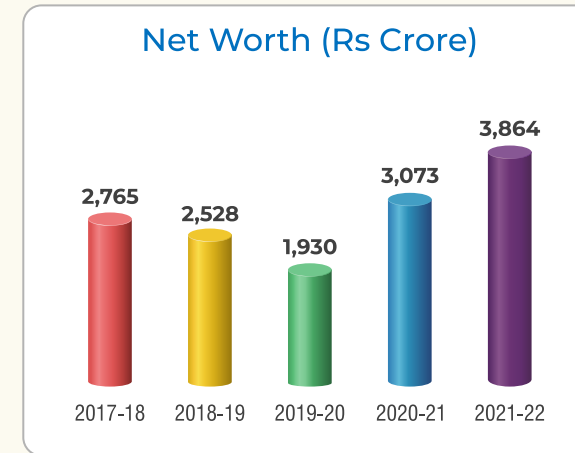
Technological innovations are expanding at breath-taking speed, confronting society with unknown impacts and new opportunities as well challenges. Successful new technologies may quickly replace those existing, and the need to conquer markets may supersede consideration of all the implications. The advent of technology cannot be predicted accurately, however, it is important to be ready for challenges that may arise due to development of new and modern equipment and tools. However, technological present a challenge of huge financial investments in R&D, equipment and upskilling of labour. It is important to stay updated with the latest technology and we, as an organization, are prepared to stand up to this challenge, make better use of technological potential, enhancing research efforts equipment required to maintain our position as one of the leading pipes and fittings manufacturers in the country.

Economic Performance

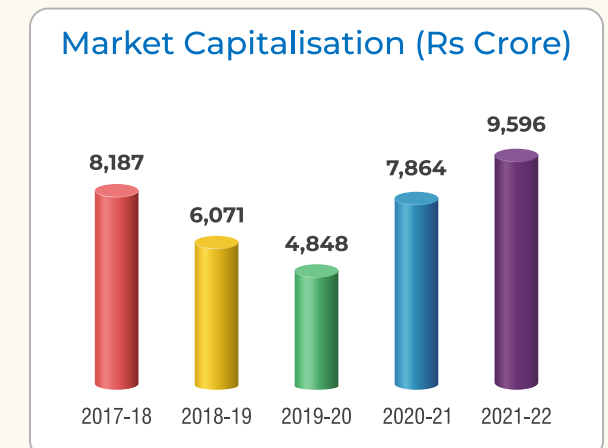
We have a robust financial planning process that makes the best use of our resources while scaling up the business to generate prudent returns and ensure growth opportunities. Our rational capital allocation decisions have led to strong cash flow generation and consistent returns for our shareholders. Our operations backed by a dedicated workforce, technological strength and strong corporate governance enabled us to weather the tough times posed by the COVID-19 pandemic.



* EBITDA - Earnings before exceptional items, Interest, Tax, and Amortisation



*EPS/Book Value has been adjusted for the share split



Responsible Care

We believe it is our responsibility to take holistic actions in making Finolex amore resilient, sustainable, and nurturing organization. Being a chemical sector organization, we acknowledge our footprint on the environment and the criticality of handling our operations with the highest level of safety and care. We have aligned ourselves to standards beyond legislative and regulatory compliance and have received the honour to have permission to use the Responsible Care (RC) Logo for our Ratnagiri site. We are the 77th company in India to have been conferred permission to use the RC logo.

Responsible Care is a global initiative of the chemical manufacturing industry. Indian Chemical Council (ICC), the apex industry body representing the chemical industry in India is a nodal body pursuing the 'Responsible Care Programme', a global initiative through the International Council of Chemical Associations (ICCA). This initiative is driven by its guiding principles through which the chemical industries strive to improve the environmental, health, safety, and security performance of facilities, processes, and products throughout the entire operating system to promote sustainable development.

ICC takes into consideration six codes of management practice to award the RC logo to the member industries as follows:

- Product stewardship code
- Process safety code
- Employee health and safety code
- Pollution prevention code
- Emergency response and communication code
- Distribution code

With an aim to adopt the best industry practices, we have adopted system centric process change management systems to make our operations at Ratnagiri site more streamlined, efficient and circular. We have also enhanced our data recording and monitoring systems to ensure uniform and timely data collection which has helped us curate the necessary gaps and changes required to address the same. We plan to expand the scope of this process to our other sites in the upcoming years. This is one amongst the many steps towards our journey to build world-class sustainable manufacturing operations at Finolex and is an enhanced value to all our stakeholders while demonstrating our commitment to the environment, health, safety, and security.

Environmental Performance

As a responsible corporate, we understand the organization's responsibility towards the environment. Our business has been prevalent for over 40 years, and we have tried to adapt to changing technologies and leverage solutions to ensure that we quantify our operational eco-efficiency and take steps to reduce our environmental footprint.

Finolex Industries Limited is a leading pipes and fitting manufacturer and is India's largest backward integrated and most trusted manufacturer of PVC-U pipes and fittings for the plumbing-sanitation and agricultural sectors. It was established in 1981, making PVC pipes from a plant in Pune, Maharashtra. Today, it has two strategically located plants in Maharashtra, at Ratnagiri and Urse, and a third in Masar, Gujarat.

Our flagship facility in Ratnagiri, spread over 300 acres, consists of an open sea cryogenic jetty and storage facility to receive raw materials, a PVC resin manufacturing facility in technical collaboration with Uhde GmbH, Germany, with Hoechst technology, and a PVC pipe manufacturing facility. In-house resin manufacture ensures that all our pipe manufacturing facilities in all locations receive a dedicated supply of consistent and superior quality resin.

Our Polyvinyl chloride (PVC) plant located at Ratnagiri operates in a closed system with a computerized Distributed Control System (DCS) to control the plant operations. This ensures minimum human errors. Further, we focus on streamlining our processes and strive to maintain efficient utilization of resources to sustainable value. Our plants at Ratnagiri site have an Integrated Management System (IMS) which covers the aspects of quality management, environment management and health and safety while all our pipes and fittings manufacturing units at Urse and Masar are ISO 9001 certified. Our effective implementation of the Environmental Management System has helped us in ensuring that there are no fines related to environmental and ecological issues in the FY 2021-22.

At our PVC plant at Ratnagiri, environment protection forms an integral part of work system with following features:

● Process control

Plant operates in a closed system and is controlled through Distributed control system (DCS). This helps in minimizing human errors.

● Emission control

- Stack gas and chimney vents are regularly monitored for emissions. Our power plant stack is equipped

with continuous emission monitoring system.

- Closed sampling system (Septum) for hydrocarbons has also been installed.
- The noise level and ambient air quality, wind speed and direction is monitored and recorded.

● **VOC's Control**

HCl, Chlorine and Hydrogen monitors are installed at various places to detect any fugitive emissions. There are three continuous ambient air quality monitoring systems installed. Additionally ambient air is monitored at 3 stations with ADS for 104 samples per year for all 12 parameters as per national ambient air quality standards (NAAQMS).

● **Firefighting System**

A full-fledged firefighting system with fire hydrants, water / foam monitors, DCP / Co2 / foam extinguishers, automatic medium / High velocity sprinklers, water curtains, manual call points, smoke detectors and fire tenders as appropriate are available.

Air, water and land pollution control, effluent treatment and recycle:

- For controlling air pollution, equipment like scrubbers, ESP's, bag filters are provided. A flare is provided to burn emergency gas vents due to pop-up of safety valves in process-upset conditions.

- Process plants are provided with primary treatment facilities for aqueous effluent. Pre-treated effluent is treated in a Central Effluent Treatment plant, which includes primary, secondary and tertiary treatment.

- Treated effluent quality is maintained within MPCB specified limits. Major part of the effluent from PVC plant recycled back into the system after extensive treatment using DM plant.

● **Hazardous waste handling**

Hazardous solid wastes are handed over to an approved common waste disposal facility (Mumbai Waste Management, Talaja, Mumbai).

● **Green belt development**

- Treated effluent is used for irrigation of more than 62,000 trees of various species which includes Mango, Cashew, Coconut, Acacia and Nilgiri on about 150 acres of land. Lawn is developed on five acres of land.

- Fruit bearing trees inside plant premises show that plant is in close harmony with environment.

● **Flora and fauna and biodiversity**

The main plant at Ratnagiri is outside the 500-meter high tide line. Around the coastline near our facility, no major mangroves are seen. Local flora includes horticulture crops like mango; other flora of importance includes coconut, cashew, kokam, jamun etc. Our facility

in Ratnagiri has taken special care by planting such indigenous varieties along with other species required to develop green belt around the plant. So far more than 62,000 trees are planted and are surviving.

This green cover also protects fauna

around the site.

The air and water emissions are maintained to the minimum (prevention) without affecting biodiversity around the plant site (protection).

Health, Safety & Environment (HSE) Expenses			
HSE Expenses (Rs. in Crores)	FY 2021-22	FY 2020-21	FY 2019-20
	19.2	17.5	17.3

● **Energy efficiency of operations**

To cater one of the primary resource i.e. energy, we have established a 43 MW Captive Power Plant (CPP) at our Ratnagiri plant to meet our energy requirements within the plant while our Urse and Masar plants and our corporate office depend on grid electricity.

We adopted best-in-class technologies, good operations, and maintenance practices that ensure optimal energy consumption at our sites. We have an efficient in-house monitoring mechanism to monitor various energy usage parameters. We believe in making optimal usage of energy through effective energy usage monitoring and production control systems to make our energy management agile and efficient. We have taken measures to conserve energy at our facilities by using energy-

efficient technology and implementing energy-saving SOPs and practices. We also conduct internal energy audits periodically to monitor process gaps and ensure continuous improvement.

Our operations have incorporated energy optimization and waste heat recovery systems at the design stage itself. This helps reduce the usage of fossil fuels and save energy. Our waste heat recovery systems at Ratnagiri facility contributes to 43000+ MT of CO2e saving per annum.

Energy Consumption and Conservation

Indicator	KPI	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Energy consumption	Direct Energy	GJ	37,71,954.8	34,19,643.2	40,20,199.2
	Indirect energy Electricity Purchased from Grid	GJ	2,33,232.6	2,03,274.5	2,05,836.5
	Total energy consumption	GJ	40,05,187.4	36,22,917.8	42,26,035.7
Energy conservation	Various energy saving schemes	GJ	1,982.2	2,454.1	11,543.8

Indicator	KPI	Unit	Ratnagiri	Urse	Masar	Total
Energy consumption	Direct Energy	GJ	37,69,999	1,281	675	37,71,955
	Indirect energy Electricity Purchased from Grid	GJ	69,574	94,431	69,228	2,33,233
	Total energy consumption	GJ	38,39,573	95,712	69,903	40,05,187
Energy conservation	Various energy conservation schemes	GJ	1,242	384	687	2,313

Management of GHG emissions and Climate action

Climate change is a reality that businesses around the world have recognized. To minimise our environmental footprints, we ensure that we contribute minimally to climate change through our operations. We strive to ensure that our systems are closed loops and we adhere to all the protocols and practices mandated by the state as well as the central pollution control boards. Across all sites, natural capital considerations (air, water and soil) are integrated in our decision-making at all stages: design stage, plant operation stage, equipment operation stage and above all, the way it deals with the external world.

We have implemented effective governance mechanism at each manufacturing sites that works towards diligent use of scarce resources. We believe that timely and sufficient availability of natural resources is imperative for continuity of business operations and it is an obligation for any industry towards all its stakeholders. We developed more than 150 acres of green belt, enriching ecological balance and biodiversity.

We have recently started monitoring our Scope 1 and 2 emissions by monitoring our fuel and energy consumption and plan to expand our scope in the upcoming years.

Total Scope 1 and 2 emissions in tCO2e

Indicator	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Scope 1 emissions	tCO2	3,67,055.95	31,142.43	3,92,083.53
Scope 2 emissions	tCO2	30,534.12	21,468.79	19,227.72
Total Scope 1 & 2 emissions	tCO2	3,97,590.08	52,611.23	4,11,311.26

Air emissions

Apart from GHG emissions, we take cognizance of the various other air pollutants such as oxides of sulphur, nitrogen, and particulate matter generated through our operations. We have adopted comprehensive measures and multiple layers of safeguards to abate air emissions. The technologies and mechanisms we deploy to monitor and minimize air emissions include electrostatic precipitators, scrubbers, filters, economizers along with monitoring devices for ambient air quality.

We have installed various measures at each stage to minimize air pollution at our Ratnagiri plant. Some of these measures are as follows:

- Closed sampling system (Septum) for hydrocarbons Installation of Lower Explosive Limit (LEL) sensors which act as a leak detection system for hydrocarbons at various plant locations to monitor any fugitive emissions. The meters are connected to the central control room for continuous monitoring.
- Maintaining adequate stack heights and regular analysis of stack gas and

the chimney vents for monitoring emissions

- Installation of economizers to recover waste heat and maintain flue gas temperature below 180°C
- PVC dryer stacks are provided with efficient scrubbers and bag filters which undergo maintenance regularly to ensure optimal performance
- Continuous emission monitoring system and electrostatic precipitators provided for each boiler in CPP
- Fuels with low sulphur content such as LSHS and Naphtha are used to reduce the emission of SO₂
- Import coal with low sulphur content and low ash.

Air Emissions

Site	Unit	FY 2021-22			FY 2020-21			FY 2019-20		
		NOx	SOx	TPM	NOx	SOx	TPM	NOx	SOx	TPM
Ratnagiri	Tons	118.40	649.50	30.50	124.60	640.90	26.26	157.50	788.70	32.79
Urse	Tons	0.18	0.01	0.02	0.13	0.01	0.01	0.17	0.01	0.02
Masar	Tons	0.09	0.01	8.74	0.11	0.01	5.58	0.11	0.01	10.36
Total	Tons	118.67	649.52	39.26	124.84	640.92	31.85	157.78	788.72	43.16

Ambient Air Monitoring

Ambient air is monitored as per national ambient air standards by sampling at various locations twice a week by 24-hour sampling. 104 samples are collected throughout the year for 12 parameters. We have also installed three Continuous Ambient Air Quality Monitoring Stations (CAAQMS) across our Ratnagiri plant.

Noise Pollution

Our processes also emit noise and vibrations. Hence measuring noise levels are also an important indicator for our operations. At the plant level, we maintain noise levels within values prescribed by respective state authorities. This is done by providing acoustic enclosures to equipment generating high levels of noise and vibrations. Noise is monitored regularly at various plant locations and equipment which produces high levels of sound and vibration is identified. Workers are provided with Personal Protection Equipment (PPE) as per HSE guidelines along with training to safeguard themselves at such locations.

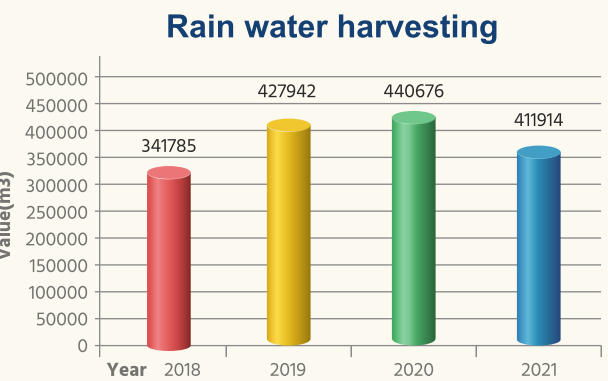
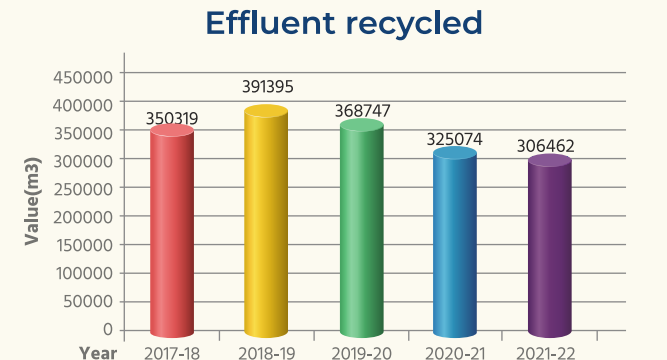
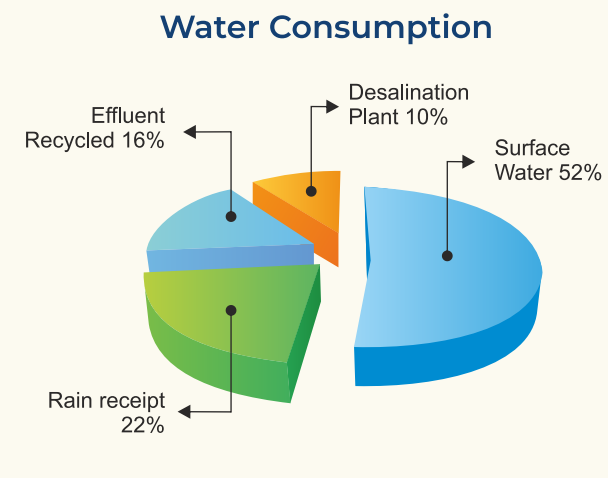
Water management

Water is critical resource used in operations. At our Ratnagiri plant, a significant portion of our water withdrawal is from surface water sources, and we use groundwater only for our operations located at Masar, Gujarat. At our Urse plant, water is outsourced.

Ratnagiri plant is in the coastal region of Konkan Maharashtra where rainfall is abundant for four months i.e., June-September. We rely mainly on surface water and seawater for our Ratnagiri operations. We have built a dam on a rainwater river named Thorli, seven kilometers away from the plant site. Water, which could have flown to sea otherwise, is pumped to the plant site and stored in large reservoirs. The river water dam has helped in increasing groundwater level in and around one km distance from the dam to have sufficient water to nearby villages in summer. We have built two large capacity surface water reservoirs lined with geomembrane at our Ratnagiri plant with a capacity of three lakh cubic meters each. Reservoirs use the natural

terrain aiding maximum harvesting of rainwater. Around 20 -30% of our freshwater requirement is met through direct rainwater harvesting through these reservoirs.

and used back in the plant. The remaining effluent is completely treated to meet Maharashtra Pollution Control Board (MPCB) norms in the ETP with primary, secondary, and tertiary treatment facilities and then used for watering plants within the plant boundaries.



We have installed a piezometric well to observe groundwater levels with a telemetry system at our Masar plant.

Our Masar and Urse plants have STP's installed on-site with a capacity of 40 KLD capacity. The water is treated and used for gardening and horticulture. For all three plants, no water is discharged directly without treatment, except sea water used in the main cooling tower for CPP and desalination plant.

We do not discharge any water outside the plant boundary. We have a fully functioning Effluent Treatment Plant (ETP) at our Ratnagiri plant. Out of the total effluent generated, about 60% effluent is treated to boiler water quality

Water withdrawal by source and category

Indicator	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Water withdrawal	KL	34,56,135.3	33,59,527.500	40,57,043.20
Water discharge	KL	14,84,283.0	14,10,662.589	18,90,455.35
Water consumption	KL	19,71,812.0	19,52,120.500	21,73,034.20

Waste management

As responsible corporate citizens, we believe in enhancing the circularity of our system. All our plants maintain emissions and waste within the permissible limits. We segregate various categories of waste and store them appropriately at designated waste storage areas across the plants. We only treat biodegradable waste which mainly consists of canteen waste. This waste is converted into manure through organic waste processor units.

Garden waste is crushed and either used along with canteen waste in an organic waste processing unit or converted into pellets.

The rest of the waste generated is disposed of through third-party vendors. Hazardous waste, used oil, lead acid batteries, and e-waste are sold to State Pollution Control Board (SPCB) authorized recyclers. Bio-medical waste is disposed of through a common biomedical treatment and disposal facility.

Waste Generated and Disposed

Indicator	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Waste Generation				
Hazardous waste	MT	252.23	182.03	248.76
Non-hazardous waste	MT	95.06	85.77	77.41
Fly ash	MT	6,410.50	4,757.10	4,640.27
Waste Disposal				
Hazardous waste	MT	241.42	184.55	245.78
Non-hazardous waste	MT	95.06	85.77	77.41
Fly ash	MT	6,354.385	4782	4,666.2

Green belt development

Our Ratnagiri site is located on top of plateau at sea-side off Ranpar coast. It is on a hilly terrain about 80 to 100 metres of above sea level. The land was barren with many up and down slopes. Because of the heavy rainfall, entire topsoil was eroded and in most of the areas hard weathered laterite rock could be observed on the surface.

As a part of our commitment towards tree plantation and green belt development and to effectively utilize treated effluent from plant which meets irrigation water quality. Various measures were taken as described below:

- Water requirement
- Hardiness to the prevalent climatic conditions.
- Salt tolerance
- Availability of saplings at social forestry / local nurseries
- Central Pollution Control Board guidelines for green belt development
- Local fruit-bearing trees

To have a direct test of the impact of the factory on local fruit-bearing trees, mango, cashew and coconut trees were planted. Along with this, several ornamental and flower-bearing trees were planted as well to enhance the aesthetics while preserving the local flora and fauna of the region.

Tree plantation was started in 1994 when the plant was commissioned for operations. In the past 28 years, we have managed to plant and maintain more than 62,000 trees on 150 acres of land with a survival rate of 90% and developed a lawn on over five acres across the plant. This green cover helps sequester more than 600 MT of CO2 annually. Our Urse and Masar plants also have green cover developed and maintained by Finolex with over 700 trees at each location.

Tree plantation activity has also been taken up at the Finolex Housing Colony at Ratnagiri where the land had been originally barren, and topsoil eroded.

Land Development

Total plant area, which had been fenced, is about 318 acres, while green belt is developed on 150 acres.

The site for tree plantation is totally hard laterite strata and on slopes (i.e. uneven). Hence, pits for planting the trees were excavated by use of pneumatic chisel. The size of the pits is standardized as 1m x 1m x 1m.

We have attempted to develop a green belt at our Ratnagiri plant with concentrated efforts to convert the barren rocky plateau into a rich, greenbelt. Over the years we have planted several thousand trees and in the past few years have committed to focus on planting indigenous trees. The trees have been mainly selected on the following basis:

Several garden and ornamental trees have been planted. We have planted more than 1,600 trees in the housing colony.



Site in 1993-94



Site at present

Environmental Compliance

We abide by all environmental norms and regulations set forth by the relevant regulatory authorities. We adhere to all the environmental laws, regulations and guidelines to the letter. During FY 2021-22, we did not incur any fines or penalties with regards to any environmental violations or non-compliance.

Human Capital Management

We continuously aim for career development of our employees by facilitating their growth and by having progressive policies. We encourage and endorse gender and diversity inclusion, non-discrimination policies, and work-life balance and further encourage employee wellbeing and safety. The Company values the services and capabilities of employees and works constantly for their development. We constantly motivate, encourage, attract, and retain our employees to build a progressive career pathway.

We have implemented a comprehensive HR policy encompassing career progression, talent management, ethical practices, employee wellness and engagement, work-life balance, and an inclusive work environment. The Company strives for sustainable development and believes in promoting equal opportunities without any discrimination on basis of gender, caste, religion, belief, age, etc.

We conduct various training programmes related to safety, health, environment, and technical and behavioural for the well-being of our employees through internal and external faculties. During the first quarter of FY 2021-22, we have given training of about 2,674 person hours. Further, we have sponsored 25 employees for various external training programs on virtual platforms and on-site levels. To further ensure employee well-being, yoga sessions and mental health initiatives were organized.

The Company also engages in the celebration of different festivals, sports, and medical activities to safeguard the health of its valuable employees.

We are committed towards creating a safe and enabling working environment for our employees by carrying out first aid training, Integrated Management System, Responsible Care, Quality Management System, Process Safety Management awareness training sessions, Hazard and risk identification study, Safety and Fire Fight training, etc. Our employees receive periodical training, and we have 150 trained emergency squad members and 148 certified first aiders.

We are cognizant of the significant role that diversity and inclusion has in improving the work environment. The Company facilitates and ensures to abide with customer privacy, no child labour/forced/compulsory labour, and inclusive of diversity in governance bodies and employees. For overall employee growth, we ensure to provide the highest standards of professionalism and work culture ethics and further encourage employees to be liable for their actions.

Connect during COVID-19

We utilized virtual platforms to keep our employees motivated and connected through virtual musical and zumba sessions. Furthermore, daily temperature checks, social distancing, sanitization, and sensitization along with routine check-ups were also arranged.

Gender Diversity and Inclusion

We strive to commit and engage in building a safe working environment that allows women employees to work without fear of prejudice, gender bias, or sexual harassment. We have a Policy on Sexual Harassment (POSH) that enables our employees to report any kind of unethical practices or sexual harassment in the workplace. The Company includes an Internal Complaint Committee (ICC) where the employee can report unethical practices or misconduct in the organization and redressal against the same is ensured.

Code of Conduct

We have a comprehensive Code of Conduct policy for the Board and Senior Management that defines the standards of company conduct. Aspects such as anti-corruption, discrimination, confidentiality of information, conflicts of interest, anti-competitive practices, money laundering, insider trading, whistle blowing etc. are important components of the Code of Conduct. In FY 2021-22, we did not report any cases of disciplinary action taken against Directors, Key Managerial Personnel (KMPS) and employees by any law enforcement agency regarding breach of the Code of Conduct. We did not pay any fines / penalties in

proceedings with regulators / law enforcement agencies / judicial institutions, in FY 2021-22.

Employee Diversity

We are conscious of the different contributions' employees can impart to the organization. We have made a tremendous and constant contribution to building inclusive employee diversity at Finolex. We further encourage training and retaining skilled employees of different target groups by developing an integrated development strategy. We endorse, ensure, and trust in gender equality and empowering women and provides them maternity leave as per the company policy. We also have two Ladies' clubs for better engagement and exchange of ideas among the women. We also provide aid to employees suffering from physical ailments or disabilities and promote inclusion.

Equal Remuneration Policy

The Company in its compliance with remuneration policy encourages fair, robust, and bias-free recruitment of candidates based on their merits, skills, and capabilities. We employ a fair and equal remuneration policy and foster equal opportunity and pay for female employees. The remuneration policy is bias-free and in compliance with statutory guidelines. We also monitor employee satisfaction by circulating various online questionnaires.

All Employee workforce details (Age wise)

Category	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Less than 30 years	Nos.	296	280	248
30-50 years	Nos.	849	863	805
more than 50 years	Nos.	234	234	178

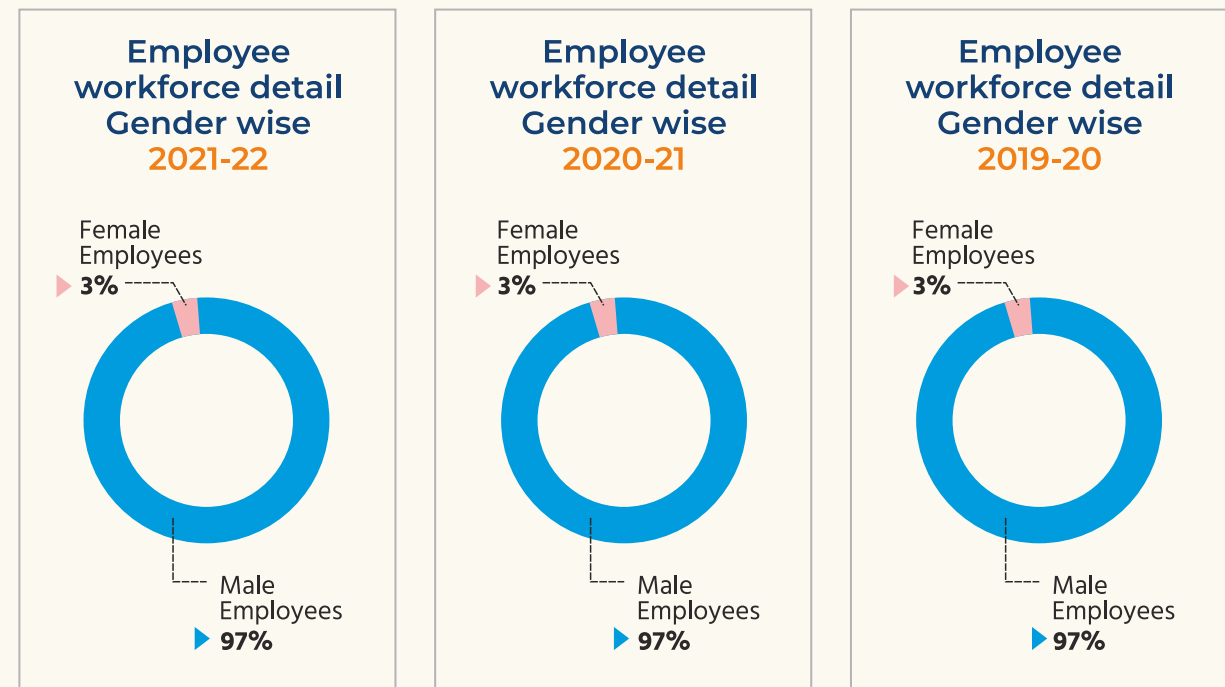
New Joiners (Gender wise)

Category	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Male employees	Nos.	143	117	135
Female employees	Nos.	9	11	8
Total	Nos.	152	128	143

New Joiners (Age wise)

Category	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Less than 30 years	Nos.	73	71	72
30-50 years	Nos.	74	52	63
More than 50 years	Nos.	5	5	8

All Employee workforce details (Gender Wise)



Workforce Turnover (Age wise)

Category	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Less than 30 years	Nos.	38	31	48
30-50 years	Nos.	72	28	60
more than 50 years	Nos.	37	31	25

Workforce Turnover (Gender wise)

Category	Unit	FY 2021-22	FY 2020-21	FY 2019-20
Male employees	Nos.	133	84	131
Female employees	Nos.	14	6	2
Total	Nos.	147	90	133

Fostering Employee Development : Training and Education

To up skill and evolve with trending capabilities, we continuously invest in the training and development of our employees to nurture their growth and keep pace with the trends of the business as per the need of the organization. The training program scheduled included holistic topics beneficial for the overall development of all the employees. The training is inclusive of all the employees irrespective of gender, age, hierarchy, etc.

The Company further promotes the development and refining of their skills by imparting vocational training, soft skills training, and communication skills.

Nurturing and supporting Education

We believe that education is the biggest gift that can be provided to any student. We provide support or aid to needy students through our initiatives on education. The Company provides aid to students pursuing an MBA by paying 40% of their fees. A total of 23 students graduated in the first batch of MBA. We further promote the students to pursue engineering courses like B. Tech. The Company further provides them with an equal work opportunity. We also hire 30-40 apprentices and provide them with vocational training. Our engineers also undergo three months of training regarding understanding the procedure. The Company further helps them to learn different skills and techniques related to First Aid, IFS. To develop the capacity building, we run

refresher and certificate courses of short-term duration. The Company also imparts training related to Process Management Systems. To provide further exposure, interaction with technical experts of different domains like the National Safety Council of India, Civil Engineers, Mechanical Engineers, etc. is also organized. We have developed an Internal Management System (IMS) and further ensure that every employee is part of 6-8 hours of training. The Company further encompasses of Department Review Committee (DRC) which governs the different internal suggestions, training, and improvement required at the departmental level. We always take the upliftment of our employees as a prime factor for the development of the organization.

Valuing hard work

We have a very low attrition rate of 11% and the reason behind this is, we treat every employee with utmost respect and dignity. Our employees feel protected and encouraged and are treated like family. The Company nurtures the growth of all the employees without any discrimination of grade or position. The Company aims for overall development by creating a culture of education, safety and an immediate appreciation policy. Our average training hours per FTE during FY 2021-22 was 1.93 with an average of ₹ 826.68 spent per FTE. 15.03% of employees represented by an independent trade union or covered by collective bargaining agreements.

Building strong Employment Engagement

Finolex believes in and tries to provide a harmonious milieu to our employees through regular employee engagement interventions including festival celebrations, annual get-togethers, sports tournaments, knowledge imparting sessions, appreciation, and felicitation of children scoring decent scores in 10th and 12th and CSR activities.

Safety Management

Health and safety are of prime importance to all our operations, and we are committed to achieving the comprehensive well-being of all the employees and their environment. Our aim and focus are to strive towards efficient workplace well-being and safety by providing the highest safety standards. As part of our Integrated Management system, we are certified with ISO 9001 - Quality, ISO 14001 - Environment and ISO 45001 - Occupational Health and Safety. We are involved in different activities to ensure the safety of employees from hazards, work-related injuries, recordable work-related injuries, and ill health. Safety and health are the core value of our organization and several initiatives have been taken up like organizing national safety week, national fire services week, Workplace Inspections & Audits, first aid training, and mock drills to improve the overall working and operation of the company. All the employees and other non-executive staff actively participate

in this training to further acquaint themselves and robust their safety.

We are in alignment with our Integrated Management System (IMS) policy which includes and adheres to different PSM activities to improve our safety performance. At Finolex, we strive for the continuous betterment of our operations and management. The purpose of this Policy is to develop and Implement a Process Safety Management System in our company. Our management's goal is to prevent all SHE incidences, near-missevents, injuries, and occupational illnesses within its operation and to ensure the reliability of plant and equipment. To further increase the robustness, activities like conducting regular meetings, promotional activities, continual assessment, etc. are also of importance. To further motivate them, we have developed a safety index and recognition program where the best safety behaviour is taken into consideration for annual evaluation. We have further implemented Risk assessment measures by organizing safety walks and evaluating Existing and new process facilities of the operating plant having a potential of SHE hazards to identify and evaluate potential risk, unsafe conditions, and use of various techniques for risk assessment like Hazard Operability Study (HAZOP), Job Safety Analysis (JSA), etc. for risk reduction recommendations.

To ensure that the policies are implemented effectively, we have designed Standard Operating Procedures (SOP)

to be followed for safe and efficient working conditions. These SOP come along with clearly written Standard Maintenance Procedures (SMP) which further help to establish effective maintenance to obtain quality work which in turn enhances reliability. We also provide the required knowledge and skills to the employees and additionally train and develop employees and contractors for required competence.

We implement periodic evaluations of contractors and make them aware of the basic SHE requirements of the company. We conduct Pre-Start-up SHE Reviews (PSSR) before the initial start-up of new facilities or restart of modified facilities, to know the risk associated. The Company further provides an assurance of dynamic instruments and equipment by taking periodic inspections and incorporating corrective actions.

Periodic inspection on sites of mechanical, critical systems, devices, and pressure vessels is carried out along with a continuous review of its operation and maintenance. The Company also reviews adherence to General SHE Rules by the contractors and employees.

The organization has established safe handling and storing unit in our complex for the safe transport of chemicals and materials that reaches us and that goes out.

Employee Well Being

The health and safety of all the employees are of prime importance to our Company. We have well established Occupational Health Centre (OHC) to ensure the well-being of all the employees. Annual check-ups, physical examinations along with health counselling are arranged, and periodic check-ups twice a year focussing to detect any occupational health diseases are also arranged across all the locations. We consider employees' well-being as an asset for the company's growth and are further aware of them by organizing health talks by Factory Medical Officer.

▼▼▼▼ Ganesh Festival



Dassera

Women's Day Celebration Chinchwad & Outstation Sales

SHE Committee

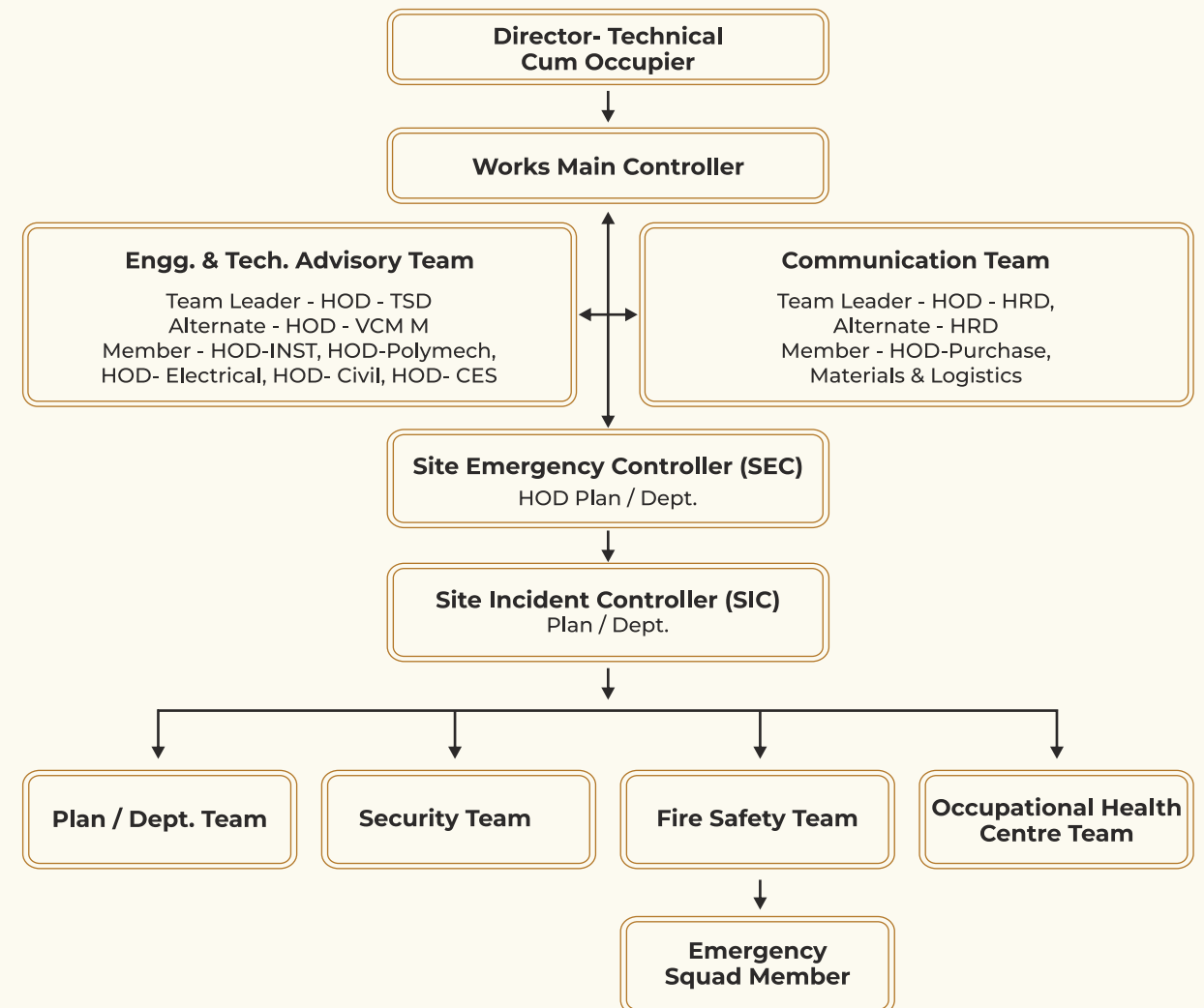
We have structured a safety team for constant monitoring and reviewing processes to safeguard the health of our employees. In alignment with the Factories Act, 1948 section 41G, Maharashtra Factories Rules, 1963, rule 73-J, PSM 1.0 – 'Process Safety System Management', ISO 45001: 2018, and section 22 of The Occupational Safety, Health and Working conditions Code 2020, have established six safety committees to ensure appropriate communication relating to Occupational Health and Safety. The composition of safety committees is as shown below:

Name of the safety committee	Frequency of meeting	Details of members
Central Safety and Health Committee	Quarterly	Department HODs are members of this safety committee.
Statutory Safety Committee	Quarterly	Members from workers shall be changed every 2 years. Whereas members from management shall remain permanent as per the position. Composition of the committee as per MFR
Plant safety coordinators committee	Half-yearly	The employees starting from the S or M grade can contribute towards the implementation of PSM and coordinate for conducting scheduled safety activities. Tenure - 3 Years
Safety subcommittee-I (VCM, PVC, ECF operation and services)	Half-yearly	Employee from W, S, or M grade from respective dept. Tenure - 3 Years "
Safety subcommittee-II (ETF, CPP, O&U operation and services)	Half-yearly	An employee from W, S, or M grade from respective dept. Tenure - 3 Years
Safety subcommittee-III (Contractor safety committee)	Quarterly	A contractor owner or site representative shall be a member of this safety committee.

Safety Management

At Finolex, we ensure that we continuously review and improve our health and safety performances. All activities relating to the Monitoring, Emergency handling, and reviewing team are supervised and directed by the Director-Technical cum Occupier. Our committee consists of manpower from both executive and workers level to guarantee maximum safety at the office as well as at our different sites. The details of Monitoring safety at our Ratnagiri Location are as below, other locations have similar structure and their plant head leads the emergency / safety monitoring organogram:

To further ensure the safety of the employees, Finolex conducts the National Safety Week celebration and imparting training on work place safety, Fire Prevention and Control, conducting quiz and poster competitions, and safeguarding the health of the employee by taking a safety oath.



IMS Policy

We are committed to ensuring the safety of the employee and their surroundings by deflecting workplace injuries, occupational illness, and other hazardous incidents by complying with standard working procedures, incorporating relevant techniques and methods, defining, and monitoring the roles and responsibilities, integrating IMS policy and constant reviewing of practices and procedures for continual improvement.

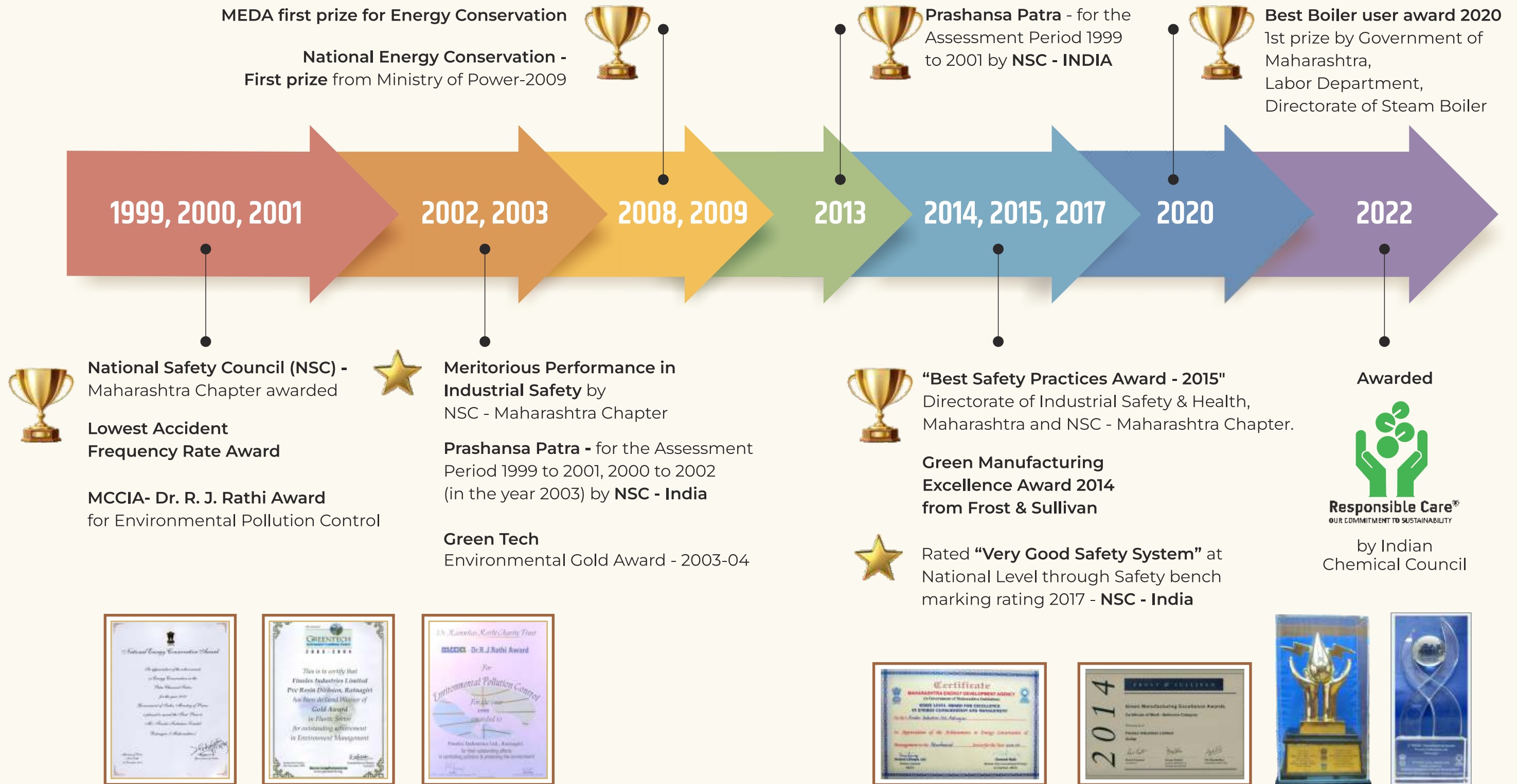
Safety performance during the last 3 years- Permanent Employees

Parameters	FY 2021-22	FY 2020-21	FY 2019-20
Injuries	0	0	0
Fatalities	0	0	0
Lost days	0	0	0
Manhours worked (in million)	1.30	1.05	1.47
LTIFR	0	0	0

Safety performance during the last 3 years- Contractual Employees

Parameters	FY 2021-22	FY 2020-21	FY 2019-20
Injuries	1.00	0	0
Fatalities	0	0	0
Lost days	47.00	0	0
Manhours worked (in million)	3.00	2.50	2.90
LTIFR	0.33	0	0

Awards and Recognitions



Supply Chain Management

We acknowledge the contribution of our supply chain partners in building our business resilience across our operations. The shared value that we have nurtured over the years has translated to goodwill which is among the drivers of our social license to operate. We have leveraged this goodwill, thus enabling us to sustain ourselves as veterans in the national as well as the international market.

Vendor selection process

Being certified with ISO 9001:2015 necessitates us to deliver high-quality products to all our consumers which ensures customer delight. This is being made possible through the continual monitoring of our raw material quality procured. In this regard, we have a rigorous supplier onboarding process that gives due weightage to their awareness and compliance with key environmental and social aspects. Our vendor screening criteria are due significant to both intent and compliance with the regulatory requirements along with the environmental management system, occupational health, and safety management system obligations.

As we embark on this journey of sustainability disclosures, we take it upon ourselves to enhance the existing system through the development of a standalone supplier code of conduct. We intend to align this document with all Universal Declaration of Human

Rights as well as prevalent industry standards. At the same time, it will also cover all other relevant and applicable statutory requirements. As per the relevant jurisdiction, concerning minimum wages, child labour, anti-bribery, anti-corruption, health, and safety, which impose the highest standards of supplier conduct. We intend to engage with existing suppliers to systematically enhance their compliance and performance pertaining to key environmental and social aspects of mutual value.

Constant and consistent engagement with our suppliers is considered an opportunity to recognize their key concerns. Our suppliers are also covered within the preview of our existing grievance redressal mechanism. We frequently provide awareness to all suppliers on utilizing our existing system. It is our earnest endeavour to constantly monitor and promptly resolve concerns reaching us through this mechanism, not only pertaining to suppliers.

Community Development

At Finolex, we strongly believe profitability and responsibility are inseparable. For us, community empowerment is a source of opportunities and value creation for our stakeholders.

We believe every individual has the power to change the world and the right to live with dignity. To facilitate this

pan-India, we have been nurturing our core philosophy of social responsibility and have built on our initiatives over the decades. Through our CSR initiatives, we strive to empower lives and be the change we want to see.

Our CSR partner, Mukul Madhav Foundation (MMF), formally onboarded in 2014, has been actively supporting us in our community development activities. This meeting of minds and aligning towards common goals between a corporate and an NGO has created a strong foundation of ethics and values that has seen dramatic growth in our CSR activities.

Our dedication to the causes close to our hearts is reflected in our CSR spending. Finolex has far surpassed the government-mandated 2% of average net profits over three years'. Our strengths, such as human and financial capital, allow us to work across India through our voluntary employee engagement program. Our ability to implement initiatives across the nation is further enhanced. Thanks to our pan-India offices. Diversity and versatility are reflected in our ability to respond to every occasion and need.

During FY 2021-22, 22% of our overall CSR expenditure was charitable donations and 78% was community investments.

Mukul Madhav Foundation

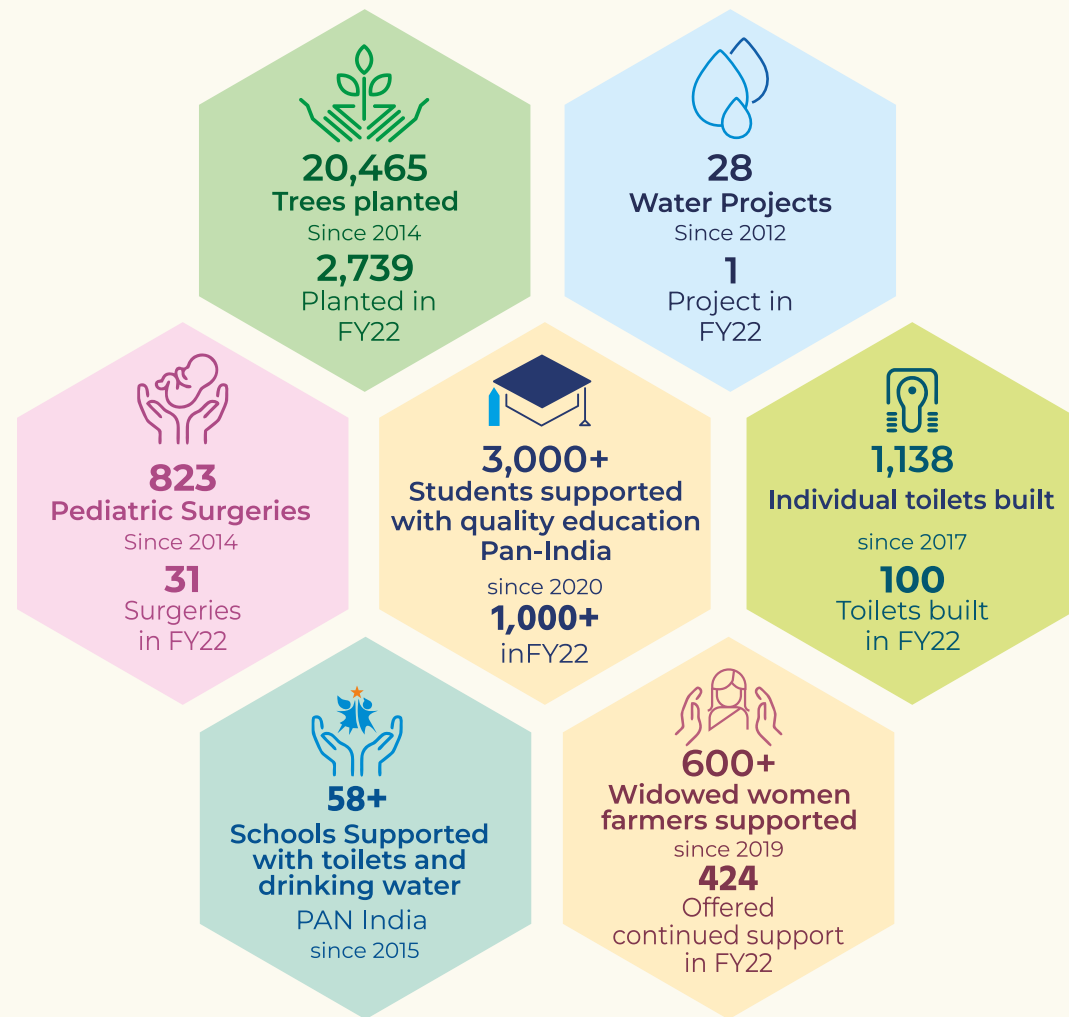
MMF was established in 1999 as an India-based charitable trust. The Foundation works at the grassroots level to empower marginalized communities. In 2018, MMF UK was registered as a charity with the Charity Commission of the United Kingdom. It is credited with working on several transformational projects such as:

- Upgrading and uplifting the infrastructure for urban and rural hospitals and medical centers
- Initiating Mission Cerebral Palsy since 2015
- Undertaking water conservation projects since 2016
- Assisting in the Swachh Bharat Initiative since 2017
- Supporting farmers and farming communities in rural and tribal areas since 2017
- Working towards COVID-19 relief since 2020

For detailed information on MMF's full scope of activities, visit www.mmpc.in and www.mmpc.org.uk

We also actively work towards fulfilling 13 of the 17 United Nations Sustainable Development Goals (UN-SDGs).

Our Impact On The Society And Environment



Being a Responsible Corporate Citizen

We have the honour of having met 14 of the 16 CSR mandates put forth by the Government of India. Our CSR activities are varied and range from helping to eliminate poverty and hunger, to reducing social injustice and promoting gender equality. We are providing skill enhancement and vocational opportunities to connect youth with various institutions.

Agriculture and Rural Development

With agriculture being the largest employer of Indians in rural areas, we realise the necessity to increase farm productivity and help raise farmers' income. We support farmer communities in farm and non-farm livelihoods, focusing on marginalised households, returning migrants, women farmers and widowed women. We offer seeds, saplings, bee-boxes, vocational training on farming

techniques, soil science, mechanisation, pricing and marketing of products to spread awareness and empower the farmer community to take judicious decisions. These measures will enable farmers to maximise their productivity and empower them with the knowledge and skills needed to succeed in the market.

Environmental Sustainability

Water scarcity can potentially affect millions of lives across the country. A third of Maharashtra's population faces drinking water shortages and drought. It is estimated that by 2030, 70% of the land available for cultivation will continue to be rain-fed; and decentralised interventions in water management are key to satisfying present and future water demand, especially in rain-fed areas.

To address this urgent issue, we have initiated multiple schemes across the rural regions of Maharashtra and Gujarat. Our activities include water conservation projects, rainwater harvesting, construction and cleaning of bund walls, desilting ponds and reservoirs, creating and repairing cement Nala bunds, building new wells and planting more than 18,000 trees to help improve the ecology of drought-prone regions.

Eradication of Extreme Hunger And Poverty

According to a 2020 World Economic Forum study, around 220 million people in India survived on less than ₹32 per day. Although our country has done a great job of alleviating poverty by lifting nearly 270 million people out of extreme poverty by 2016, around 0.8% (Source: IMF 2022 report) of the population still struggles with extreme poverty (defined as living on \$1.9 or less per day). This translates as extreme hunger and malnutrition and the cause of poor health for many Indians. Along with our CSR partner, MMF, we have worked tirelessly to alleviate extreme hunger and poverty in society.

We provide continuous monthly grocery support and other necessities, including diapers to 41 institutes and individuals working primarily in Maharashtra, Karnataka and Gujarat. Among other initiatives, the programme also provides mid-day meals in schools, senior citizens' homes, leprosy homes for the visually impaired, orphanage homes and homes for mentally challenged, differently abled and migrant students. In addition, we also provide daily meals to the homeless and those in need.



Education

As recently as 2014, an estimated 6.1 million children were out of school with nearly 29% (Source: UNICEF) of them dropping out before completing elementary education.

We strongly believe that education is imperative to fully realise a child's potential and hence, we actively support children's education. We help by upgrading infrastructure, providing safe drinking water and sanitation, educational equipment such as computers and sports gear, offering scholarships, and ensuring schools have quality faculty, by paying for their remuneration. To date, we have given out 2,901 scholarships, including individual monetary support to students as educational assistance.

We wholeheartedly support Mukul Madhav Vidyalaya, a school that aims to bring quality education to Golap village in Ratnagiri, Maharashtra. As of FY22, we have 658 students from nursery right up to junior college. Despite the impact of COVID-19, through 2021-2022, we ensured that education for all 658 students remained uninterrupted using online and offline methods. This was achieved by providing students with digital tablets to ensure no interruption in their education. Although established in a rural area, Mukul Madhav Vidyalaya looks to provide urban education facilities, including extracurricular activities such as studying German, Sanskrit, Karate, Table and Chess.

Finolex along with MMF has also supported other schools in Pune and Gujarat by renovating and refurbishing classrooms and providing computers and drinking water facilities.

We, at Finolex, believe that education should be a fundamental right of every individual and hence strive to further this cause by supporting scholarships in primary, secondary and higher education without any bias for caste, creed, or religion.



Vocational Skills and Livelihoods

Our commitment to empowering people to live life with dignity has led us to provide vocational skills to people so that they become independent and improve their livelihoods. To achieve this goal, we organise skill development courses in Ratnagiri in Maharashtra, Masar in Gujarat and Varanasi in Uttar Pradesh by focusing on skill sets such as tailoring and computers. By collaborating with our implementation partners, we undertake initiatives to train women and youth in multiple trades.

For instance, along with MMF, we reached out to local self-help groups, encouraging them to come forward and earn with our assistance. Ashradevi ladies and Yashashri's self-help group of women from Ratnagiri came forward to make brooms from coconut fronds provided from our factory gardens.



Gender Equality and Empowering Women

One of the key areas of focus for any society must be supporting women's rights to health, education and self-reliance. This forms the core of our CSR activities and with the support of our partners, we have helped over 30,000 women through our programmes. In addition to provided vocational and farming training to help women become self-reliant, we also provide healthcare, education and welfare support to underprivileged women. As part of our activities, we provided 200 bicycles to girls who found it difficult to travel to school, provided skilling and livelihood opportunities to 600+ widows and supported 9 senior citizen homes in Maharashtra.

Moreover, we also worked with the Women's rights organisation, Breakthrough to reach out to 4 lakh+ girls across 5 states to raise awareness and curb child marriage. Menstrual hygiene is one of our other key programmes. We have distributed over 9,000 sanitary napkins and opened 11 eco-friendly Period Positive Holiday Homes, enabling women to feel safe, healthy and happy while developing skills to become self-reliant.



Preventive Healthcare

We constantly strive to upgrade and uplift the quality of healthcare services in India by ensuring affordable and world-class healthcare for everyone. The foundation facilitates training through

overseas expert faculties to enhance the skills of doctors, nurses, ASHA and ANM workers in urban and rural districts. Furthermore, we also conduct preventive diagnostic camps and awareness programmes, while supporting individuals and institutions with funds.



Sports

We take great joy in supporting athletes and sports persons in India. Some of the sports we have supported over the years include para-badminton, badminton, shooting, mountaineering, skating and weightlifting. We also encourage children to participate in competitive sports from an early age by donating sports equipment across schools and inspire them by sponsoring sporting events and role models.



Safe Drinking Water and Sanitation

In support of the Government's goal to make India Open Defecation Free (ODF), we have built toilets across 14 tribal villages in Maharashtra. In addition, we have equipped 58+ schools and institutions in Maharashtra and Gujarat with toilets and Reverse Osmosis (RO) water filters.



Support for the Differently Abled

MMF has been supporting various disabilities over the last 10 years, ranging from support to visually and mentally challenged individuals and individuals with Cochlear Implants and offering medical assistance to support the treatment of wheelchair-bound individuals. In addition, we have been supporting individuals with Cerebral Palsy through Mission Cerebral Palsy since 2015. Alongside this, MMF has partnered with various faculties from nursing colleges in India, faculty and hospitals from overseas to bring expertise and training to the nurses and doctors.



Technology Incubators

With the talent pool available in the country and the number of innovative start-ups that have come up in the last few years, we strongly believe that technology and innovation are key to unlocking India's future. In this regard, MMF supported the start-ups with mentoring and financial support. Recently, we supported the Capital Science and Technology Park (SciTech) in Pune by promoting, procuring and donating the technology developed under the Nidhi Prayas Programme initiated by the Department of Science and Technology (DST).



Armed Forces / Veterans

Since 2017, we have been partnering with MMF towards supporting and improving the lives of soldiers, veterans and their families through financial and occupational initiatives. We also support widows and disabled veterans and contribute towards improving their health and sanitation conditions. Some of our initiatives include the following:

- Supported the Sainik Welfare Association with funds for the welfare of war widows and their dependents
- Provided funds to 20 spouses of soldiers who lost lives at Galwan Valley as a symbol of solidarity
- Provided 50 heated high-altitude tents to accommodate 400 jawans in Ladakh in response to the Indian Army's appeal
- Built 12 toilets for both men and women in each of the Army hospitals in Pune, Maharashtra
- Installed solar pool heating system for a hydrotherapy pool in paraplegic rehabilitation centre at Pune, Maharashtra to benefit the armed forces of India (Army, Navy, and Air Force) who have been medically boarded out. The pool will provide underwater physiotherapy, neuromuscular revival and strengthen the body muscles of paraplegics / quadriplegics
- As part of our support of the Ex-Servicemen Contributory Health Scheme (ECHS) Lohegaon, Pune, we

provided the physiotherapy centre with equipment including a blood analysis machine, air conditioner and refrigerator for storing medicine

- Provided support to Command Hospital in Pune, Maharashtra with a Human Milk Bank
- Provided seven sewing machines to Aundh Military Station to assist spouses of servicemen in developing skills and generating income. Women trained through certified programs are well-connected with the International Garment manufacturing house, KASHKHA, which has a buyback system in place to collect the unsold inventories

We consider it an honour to be able to work for the armed forces and veterans who have dedicated their lives to protecting our nation.



Swachh Bharat Kosh Clean Ganga Fund (River Cleaning)

Swachh Bharat is the world's largest sanitation programme initiated by the Government of India. Our employees have partnered with volunteers, students and government officials to clean rivers, riverbanks and beaches, primarily in Pune and Ratnagiri, Maharashtra.

With a combination of high-level and grass-root level activities, we are committed to cleaning our life-

sustaining rivers and beautiful beaches along the coastline of Maharashtra. Furthermore, we have undertaken activities to clean the Mula Mutha river at Khadki, Pune. Volunteers from schools and colleges in Khadki supported us in this effort.



Animal Welfare

We are resolutely against animal cruelty and believe animals must be treated with dignity and empathy. We have worked towards creating protected environments for animals to live safely and ensure they are well-fed. In Maharashtra, our volunteers feed the cows daily and during the pandemic and horses and dogs were provided with fodder and warm blankets.

During the pandemic, we began feeding abandoned cows and provided shelter in the form of cowsheds. The number of cows increased as more were brought in from other parts of the state with their daily upkeep ensured. Our activities towards animal welfare also included the refurbishment of existing cowsheds and structures that were damaged due to torrential rains.

Annexure I - GRI Content Index

Customer Delight, Innovation, and Research and Development

All our products are epicentre around customer delight. In this regard, we have identified customer relationship management among our high-priority material topics. We continuously seek input from our customers through our feedback mechanism. Knowing the pulse of our customers propels our innovation, thus enabling us to retain our market pole positions. The insights obtained from these feedback mechanisms are given due consideration while showcasing our strategic business priorities, thus bridging the perceived gap. Our robust customer relationship management enables us to constantly provide customer delight by providing best-in-class products, thus making us Finolex synonyms with durable pipes and products, augmenting their user experience.

We have been nurturing our in-house capacity to cater to the various market demands. This has enhanced our business resilience. Aligning with our organization-wide intention to eliminate Lead (Pb) from all our products, we have continually innovated our product designs. This has enabled us to successfully reduce about 80 percent of lead content in all our products. We are on track to achieving 100 percent lead-free products by 2025.

GRI 102 - General Disclosures 2016				
	GRI Standard	Disclosure description	Chapter	Page No
Organizational profile	102-1	Name of Organization		Front Page, 3, 5-7
	102-2	Activities, brands, products, and services	About the Company	10
	102-3	Location of headquarters	About the Company	10,12
	102-4	Location of operations	About the Company	12
	102-5	Ownership and legal form	Front Page, About the Company	10
	102-6	Markets served	About the Company	10
	102-7	Scale of the Organization	Highlights of the Year, Human Capital Development	10,12, 39-45
	102-8	Information on employees and other workers	Human Capital Development	39-45
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	102-10	Significant changes to the organization and its supply chain	Vendor Selection Process	52
	102-11	Precautionary Principle/Approach	About the Report	9-10
	102-12	External initiatives	About the Report	9-10
	102-13	Membership of associations	Awards and Accolades	13, 50-51
Strategy	102-14	Statement from senior decision-maker	From the Chairman's Desk, Message from the Managing Director	4-7
	102-15	Key impacts, risks, and opportunities	Risk Management	25-27
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	102-21	Consulting stakeholders on economic, environmental and social topics	Stakeholder Engagement & Materiality Assessment	14-19
	102-22	Composition of the highest governance body and its committees	Board of Directors	20-24

GRI 102 - General Disclosures 2016				
	GRI Standard	Disclosure description	Chapter	Page No
Governance Structure	102-23	Chair of the highest governance body	Board of Directors	20-24
	102-24	Nominating and selecting the highest governance body	Board of Directors	20-24
	102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Governance & Ethics	20-24
	102-29	Identifying and managing economic, environmental, and social impacts	Stakeholder Engagement & Materiality Assessment	14-19
	102-30	Effectiveness of risk management processes	Risk Management	25-27
	102-31	Review of economic, environmental, and social topics	Stakeholder Engagement & Materiality Assessment	14-19
	102-35	Remuneration policies	Equal Remuneration Policy	40
	102-38	Annual total compensation ratio	Finolex Annual Report	Annexure II & III of Director's report
Stakeholder Engagement	102-40	List of stakeholder groups	Stakeholder Engagement & Materiality Assessment	14-15
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement & Materiality Assessment	14-15
	102-43	Approach to stakeholder engagement	Stakeholder Engagement & Materiality Assessment	14-15
	102-44	Key topics and concerns raised	Stakeholder Engagement & Materiality Assessment	14-19
Reporting Practice	102-45	Entities included in the consolidated financial statements	About the Report	8-9
	102-46	Defining report content and topic boundaries	About the Report	8-9
	102-47	List of material topics	Stakeholder Engagement & Materiality Assessment	16-19

GRI 102 - General Disclosures 2016				
	GRI Standard	Disclosure description	Chapter	Page No
Reporting Practice	102-48	Restatements of information	About the Report	8-9
	102-49	Changes in reporting	About the Report	8-9
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	102-51	Date of most recent report	About the Report	8-9
	102-52	Reporting cycle	About the Report	8-9
	102-53	Contact point for questions regarding the report	About the Report	8-9
	102-54	Claims of reporting in accordance with the GRI Standards	About the Report	8-9
	102-55	GRI content index	GRI Content Index	61-66

GRI 200 Economic Performance				
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GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Economic Performance	26-27
GRI 203: Indirect Economic Impacts	203-2	Significant indirect economic impacts	Community Development	52-59
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	205-2	Communication and training about anti-corruption policies and procedures	Human Capital Management	40
	205-3	Confirmed incidents of corruption and actions taken	Human Capital Management	40
GRI 206: Anti Competitive Behaviour	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Human Capital Management	40

GRI 300 Environmental				
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	302-2	Energy consumption outside of the organization	Environmental Performance	31-32
	302-4	Reduction of energy consumption	Environmental Performance	31-32
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	Environmental Performance	34-36
	303-3	Water withdrawal	Environmental Performance	34-36
	303-4	Water discharge	Environmental Performance	34-36
	303-5	Water consumption	Environmental Performance	34-36
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	Environmental Performance	32-33
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental Performance	32-33
	305-5	Reduction of GHG emissions	Environmental Performance	32-33
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	306-2	Management of significant waste-related impacts ³⁶	Environmental Performance	36
	306-3	Waste generated	Environmental Performance	36
	306-4	Waste diverted from disposal	Environmental Performance	36
	306-5	Waste directed to disposal	Environmental Performance	36
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Environmental Performance	38

GRI 400 Social				
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	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Management	39-45
GRI 403: Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	Human Capital Management	39-45
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Human Capital Management	48
	403-3	Occupational health services	Human Capital Management	43-48
	403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital Management	43-48
	403-5	Worker training on occupational health and safety	Human Capital Management	43-48
	403-6	Promotion of worker health	Human Capital Management	43-48
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital Management	43-48
	403-8	Workers covered by an occupational health and safety management system	Human Capital Management	43-48
	403-9	Work-related injuries	Human Capital Management	43-48
	403-10	Work-related ill health	Human Capital Management	43-48

Annexure II - Glossary

GRI 400 Social				
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	404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital Management	42-43
	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Management	42-43
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Human Capital Management	21-24, 40
	405-2	Ratio of basic salary and remuneration of women to men	Human Capital Management	40
GRI 406: Non discrimination	406-1	Incidents of discrimination and corrective actions taken	Human Capital Management	40
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply Chain Management	52
GRI 408: Child Labour	408-1	Operations and suppliers are at significant risk for incidents of child labour	Supply Chain Management	52
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GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Human Capital Management	40

B.Tech	Bachelor in Technology	HAZOP	Hazard Operability Study
BAPIO	British Association for Physicians of Indian Origin	HCL	Hydrochloric Acid
CAAQMS	Continuous Ambient Air Quality Monitoring Stations	HOD	Head of Department
CEMS	Continuous emission monitoring system	HR	Human Rights
CFO	Chief Financial Officer	HSE	Health Safety and Environment
CO2	Carbon Dioxide	ICC	Indian Chemical Council
Co2-e	Carbon Dioxide Equivalent	ICC	Internal Complaint Committee
CP	Cerebral palsy	ICCA	International Council of Chemical Association
CPP	Captive Power Plant	IMS	Integrated Management System
CSR	Corporate Social Responsibility	ISO	International Organization for Standardization
CT scan	Computed Tomography Scan	JSA	Job Safety Analysis
DCS	Distributed Control System	KL	Kilo Litre
DJSI	S&P Global Dow Jones Sustainability Indices	KLD	Kilo Litre per day
DM	De Mineralization	KPI	Key Performance Indicator
DRC	Department Review Committee	KSWA	Kherwadi Social Welfare Association
EBITDA	Earnings before Interest, Taxes, Depreciation, and Amortization	KWH	Kilowatt Hour
EPS	Earnings per share	L&D	Learning and development
ESG	Environmental Social Governance	LEL	Lower Explosive Limit
ESP	Electronic Stability Control	LSHS	Low Sulphur Heavy Stock
ETP	Effluent Treatment Plant	MBA	Master of Business Administration
FICCI	Federation of Indian Chambers of Commerce & Industry	MMF	Mukul Madhav Foundation
FIL	Finolex Industries Limited	MPCB	Maharastra Pollution Control Board
FY	Financial Year	MT	Metric Ton
GHG	Green House Gases	MW	Mega Watt
GJ	Gigajoule	NAAQMS	National Ambient Air Quality Standards
GRI	Global Reporting Initiative	NGRBC	National Guidelines on Responsible Business Conduct
		NOx	Oxides of Nitrogen

NSC	National Safety Council	SHE	Safety Health and Environment
OHC	Occupational Health Centre	SMP	Standard Maintenance Procedures
PAT	Profit After Tax	SOP	Standard Operating Procedures
Pb	Lead	SOx	Oxides of Sulphur
POSH	Policy on Sexual Harassment	SPCB	State Pollution Control Board
PPE	Personal Protection Equipment	STP	Standard Temperature and Pressure
PSM	Process Safety Management	tco2-e	Tonnes of Carbon Dioxide Equivalent
PSSR	Pre-Start-up SHE Reviews	TPM	Total Particulate Matter
PVC	Polyvinyl Chloride	UNGC	United Nations Global Compact
RC	Responsible Care	UN-SDGs	United Nations Sustainable Development Goals
RO	Reverse Osmosis	VCM	Vinyl Chloride Monomer
SARWC	Service Agency for Rural Women and Children	VOC	Volatile Organic Compound
		YoY	Year-over-year