

# Business Responsibility Report

## Business responsibility at Welspun India Limited

Welspun India Limited (WIL) is one of the world's leading home textile manufacturers with a diversified brand portfolio and a robust global distribution network present in more than 50 countries and a strategic partnership with leading global retailers.

A key component of Welspun India Limited's endeavour towards contributing to a better tomorrow is being more transparent with all of our stakeholders. This report presents Welspun India Limited's approach to its business responsibilities spanning across aspects of ethics and integrity, social inclusion, environment, customer services, human resources and community engagement, human rights and supply chain.

## Our vision

Delight our customers through innovation and technology, achieve inclusive and sustainable growth to remain eminent in all our businesses.

## Our differentiators

- Leading market player with a wide product range.
- Vertically integrated presence with significant capabilities Global distribution network with marquee clients
- Diversified brand portfolio
- Track record of innovation
- Consistent financial performance record

## What business responsibility means to us?



### Working responsibly

We have implemented the highest standards of corporate governance with adequate systems and policies to secure ethical business practices and processes.



### Customer centricity

Our goal is to provide our customers with great experience by delivering high quality designs and solution, and maintaining healthy relationship.



### Empowering our people

We work as a team with a shared sense of purpose towards a common goal and we provide our people an enabling environment in which they can maximize their potential and learning.



### Protecting the planet

We are mindful of our responsibilities with respect to minimizing environmental damage through our business operations.



### Creating healthy communities

Our community impact interventions are carried out through Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence.



### Collaborating with stakeholders

Through regular formal and informal engagements, we develop mutually beneficial relationships with our stakeholders.

## Working responsibly

We have implemented the highest standards of corporate governance with adequate systems and policies to secure ethical business practices and processes.

**Our aim is to gain investor's confidence, encourage positive behaviours, create a conducive work environment, effectively manage risks and enhance sustainability across our value chain.**

We understand that corporate governance plays a vital role in our organization. It protects the interests of our investors and other shareholders and also ensures a trustworthy, moral and ethical work environment at our work premises. We are up to date on the progressive and transparent processes introduced in the Indian Companies Act, 2013 with respect to the governance structure of a firm and we have incorporated the same for the benefit of our stakeholders, directors as well as management.

Our policies and practices ensures high standards of business ethics and integrity, accurate and timely disclosure of all material matters as well as creating accountability for the interest of all the stakeholders.

### The Board of Directors

Transparency, accountability and integrity are the three pillars on which the Board lays its foundation for effective governance of economic, social and environmental aspects

The Board of Directors comprises nine members who bring significant experience and expertise in the field of finance, account, legal, general management and business strategy. The Directors, through their participation in board meetings provide inputs to management from their relevant fields of knowledge and expertise.

At present the board has one independent Director and one female Director.

The Board members are responsible for ensuring strong operational performance, innovation and responsible governance in the Company. They provide direction, supervision and guidance for designing a long term strategy for the same. The Board act as a trustee and assumes fiduciary responsibility of protecting the right of the Company, its members and other stakeholders.

### The Board performs the following key functions:

- Reviews and assesses the business strategy and operational plans developed by management
- Responsible for CEO succession, evaluation and compensation
- Provides oversight on corporate governance practices
- Monitors and reviews performance
- Reviews the risk management approach
- Discharges statutory or contractual responsibilities
- Oversees the reliability of external communications
- Oversees the process for compliance with laws and regulations
- Monitors and reviews the Board Evaluation framework

### Management Team of WIL:

- B.K. Goenka: Chairman
- Rajesh Mandawewala: MD
- Dipali Goenka: CEO & Joint MD
- Altaf Jiwani : CFO

### Committees of the Board

The Board's various committees comprises members of the Board of Directors and is responsible for carrying out specific functions assigned by the Board. The Board Committees focus on specific areas and make informed decisions within the authority delegated. The Committees also make specific recommendations to the Board on various matters whenever required. The Board takes a final call on the recommendations of the Committees after considering all the relevant aspects.

### At WIL, there are four committees :

- Audit Committee
- Nomination and Remuneration Committee

- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee

The Board Committee is involved in the matters of sustainability at different frequencies. The Audit committee takes note of the risk management and business continuity. The CSR Committee reviews CSR activities on an on-going basis. The Board takes note of the status of sexual harassment cases on a quarterly basis.

### Managing our risks

We acknowledge the risks that we are exposed to across all our business functions. To mitigate these risks, the Board has formulated a well-structured Enterprise Risk Management (ERM) framework.

The key objective of ERM framework is to identify the risks, assess them and take precautionary actions in advance. ERM effectively governs and addresses financial, operational, business, regulatory, compliance and strategic risks.

We also identify our environmental risks and opportunities, which are integrated in the ERM framework. We have a robust environment management system in place at all our facilities.

All our company's facilities are ISO 14001 and OSHAS 18000 certified.

### Ethical business conduct

Ethical conduct of business is at the heart of our business and operations. We follow a zero tolerance policy for disruptive behavior and are committed to highest standard of ethical, moral and legal business conduct.

### Whistle Blower Policy

We have implemented a Whistle Blower Policy to encourage open communication and create a platform for stakeholders to make protected disclosures to the Chairman of the Audit Committee.

A "Whistle Blower Policy" enables employees, partners and business associates to raise a concern against any malpractices (such as unethical conduct, fraud, corruption, breach of copyright etc.) undertaken in the firm through a systematic process. The stakeholder can report any legitimate concern through email, or a written complaint to the Chairman of our Audit Committee.

### Code of Conduct (COC)

We believe in incorporating Human Rights in the day to day functioning of the Company to ensure a free, fair and non-discriminatory work place environment. To accomplish the same, we have relevant policies and a CoC in place. The CoC lays down guidelines on ethical business conduct for our business practices. All the Board members and senior management personnel affirm to the compliance requirements of the CoC each year.

### Prevention of Sexual Harassment (PoSH) Policy

Providing a safe and conducive workplace to all our employees is our utmost priority. To encourage healthy work environment, we are committed to following the laws and regulations pertaining to the protection of employees. In this regard we have constituted a Prevention of Sexual Harassment (PoSH) Policy in accordance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All our employees are trained and informed on the functioning of the Internal Complaint Committee where they can report any unwelcoming sexual advances, requests for sexual favours or other verbal or physical conduct of sexual nature.

### Embedding sustainability

Sustainability at Welspun is the intersection between business responsibility, ecological sensitivity and social development

We care about the environment and believe in an ecological balance to protect our natural resources. We have taken initiatives in areas of emission management, energy efficiency and water management across locations to minimise its environmental impact.

### Sustainable Production

Welspun is committed to sustainability and we focus on designing production cycles that minimise resource use and maximize recycling opportunities.

### Some of our key sustainability initiatives include:

- 1) Life Cycle Assessment (LCA) to help us identify improvement opportunities and align product design and innovation towards reducing environmental impacts from cradle to grave
- 2) Global Organic Textile Standard (GOTS) to ensure textile products are manufactured in an organic way, right from the harvesting of raw materials to manufacturing processes

- 3) OEKO-TEX ® Standard 100 certified - eliminates potential sources of problematic substances at each processing stage
- 4) ZDHC (Zero Discharge of Hazardous Chemicals) - aligned to the guidelines to ensure elimination of harmful chemicals in manufacturing as well as waste water discharges

WIL has undertaken several initiatives to manage the amount of energy and water used across during production.

The table below lists our products with sustainability features embedded into them:

Value Addition	Product Category	Sustainability Features
Organic / Fair Trade	Towels, Sheets, Rugs	Sustainable farming practices
Better Cotton Initiative	Towels, Sheets, Rugs	Cotton from sustainable sources
Natural	Towels, Sheets, Rugs	Chemical free
Ecolon Drylon	Bath Rugs	No water is used during processing
Recycled Polyester	Bath and Area Rugs	Environment friendly - recycled
Cotton / Recycled Poly Blend	Sheets	Environment friendly - recycled
100% Recycled Micro Fibre	Bath Rugs	100% recyclable synthetic product
Spun	Rugs, Deck Pillows, Cushions, Quilts	Women empowerment and livelihoods, conservation of traditional crafts, waste to wealth

### Responsible supply chain practices

We have been at the forefront of adopting smart and sustainable sourcing conducts in our supply chain. For the same, we have collaborated with suppliers with an aim to achieve synergetic benefits through lower

transportation costs, lower inventory, faster working capital cycle and recycling of packaging.

Our association with Better Cotton Initiative's vendors has helped us to procure cotton from responsible sources that enables reduction of environmental impacts from cotton production and improvement of socio-economic status of communities residing in cotton production areas. An agreement with Cotton Egypt Association is also one of our key association which involves the use of Egyptian Cotton Logo till 2022.

To ensure effective implementation of the sustainable sourcing practices in our supply chain we make sure that all our supplier locations are SA 8000 certified, our vendors are assessed on a regular basis on their social and environmental performances and we organize annual supplier meets to discuss and strategize on our environmental and social goals.

With an emphasis on technology through Data Analytics and Vendor Managed Inventory Support, our focus remains on enhancing product differentiation. Our integrated systems help us manage our supply chain and provide real-time information to customers, enhancing our pro-retail approach.

Some of our other initiatives to promote sustainable sourcing include:

- Our vendor evaluations and supplier audits consist of social and environmental aspects
- Our customers frequently carry out assessments that evaluate us on aspects like -environmental, social, governance and safety
- All locations are SA 8000 certified and we make our suppliers aware of its performance criteria which includes - child labour, forced labour, freedom of association and collective bargaining, health and safety, discrimination, disciplinary practices, working hours and remuneration.
- Annual supplier meets are organized, where we emphasize our environmental and social expectations

## Customer centricity

Our goal is to provide our customers with great experience by delivering high quality designs and solutions, and maintaining healthy relationships.

**Our consistent delivery of high quality services assures an excellent experience to customers. We are relentless in our efforts to ensure consistency between all service interfaces.**

Customer centricity is one of the four critical elements of our Welspun 2.0 transformation. Our journey from being a process oriented to a customer-centric organization is aided by a host of service improvement, awareness generation, engagement enhancement and satisfaction measurement projects undertaken by our dedicated customer services department.

We are relentless in our efforts to ensure consistency between all service interfaces.

### Delivering quality products through innovation

As customers demand better and more innovative products, we are strengthening our capacities and capabilities to be at pace and at par with changing times. Our products are made specifically to cater to the demands of our customers.

Certain requirements on product use and specifications of the product are clearly mentioned depending on the customer base to which the product caters. Furthermore, customers are kept informed on wash and care requirements.

We focus on quality, compliance and innovation to consistently develop our products. Our products are present in over 50 countries and we will continue to explore new markets and engage with more customers to create sustainable value.

Innovation is a key differentiating factor for Welspun. We have developed many unique patented products, some of which are listed below:

Hygrocotton® is a patented spinning technology that uses a hollow core cotton yarn. The fabric made from Hygrocotton® is ultra-soft, ultra-absorbent and plumps up after every wash, thus keeping its soft and plush feel. It also helps to regulate the temperature of the fabric,

keeping it cool in the summers and warm in the winters, which makes it an ideal sheeting product. Sheets and towels made from Hygrocotton® are extremely popular in all markets

Nanocore® technology prevents dust mites and other allergens from entering. The technology has received Asthma and Allergy free certification for bedding products in US, post stringent testing

'Interactive Textile Article and Augmented Reality System' is another unique patented product that we developed during the year. It uses an app designed for the duvet cover and rug, allowing the user to experience the world of augmented reality.

Wel-Track is another patented traceability system developed by us. This innovative technique traces textile production at every stage. Therefore, allowing our customers and end users to trace any Welspun-made products back to its fiber source.

We have our own innovation lab and we collaborate with different institutions (university), technology partners and industry associations to develop new products and processes.

Going forward we will continuously engage in innovation to explore new markets and fulfill customer needs in a creative way.

### Caring for the customer

We engage with our customers on a regular basis at operational and strategic levels. We assess the needs of customers when creating our products and their feedback has been extremely valuable during product development and design.

We have incorporated technology to enable seamless consumer/customer interactions. Our two way communication process known as "Interactive Zone" enables customers to conduct a detailed analysis of our product's performance.

Our customer interface teams are always at the forefront of providing assistance on product development, innovation, timely delivery and addressing customer grievances. We have a robust customer feedback

system in place to stay on the pulse of the customer and evolve our strategy to meet their changing needs.

### Being responsive to the customer

Being proactive in responding to the requirements of the customer is the need of the hour in an emerging competitive environment. It strengthens customer trust of the brand and acts as a base for developing long lasting healthy relationships with them.

For our customers to have a seamless experience when engaging with us and using our products, we provide adequate information about the specifications and requirements pertaining to product use through our product labels. We keep them informed about the wash and care requirements and also environmental

credentials like OEKO-TEX Standard 100, GOTS and the Organic Content Standard.

### Improving our distribution channels

WIL is building an Omni-channel strategy to serve its end customers. We relentlessly work on improving the channels of distribution of our products. Recently, we refined our focus on new channels, including e-commerce and hospitality segments. In the e-commerce segment, WIL serves its customers through its own online portal, e-commerce marketplaces as well as brick and mortar retailers.

## Empowering our people

We work as a team with a shared sense of purpose towards a common goal and we provide our people an enabling environment in which they can maximize their potential and learning.

**At WIL, our people have access to continuous mentorship, training, networking and skill enhancement opportunities to motivate them to build lasting careers and to shine with excellence.**

We understand that Human Capital is at the heart of driving success for any organization. Our dynamic and diverse workforce is not only a key asset for WIL but also a significant player in strategizing for, and shaping our long term growth plans.

### Building our family

In India, we are a family of 21,490 permanent employees as on 31st March, 2018.

We are cognizant of the fact that management of people, staff practices and supporting policies enables an organization to operate smoothly.

We believe that an empowered workforce is what drives our success. We are committed to providing an enabling work environment for our employees to help them in achieving their individual career goals as our organization reaches new heights. We recognize that a young and dynamic workforce plays an important role in shaping our future success.

We pride ourselves on our highly motivated and engaged workforce. Employee engagement, training as well as career development are strategic imperatives for us, bearing a direct impact on service delivery and customer satisfaction.

As an equal opportunity employer, we believe in meritocracy. To this end we have instituted a fair and an objective system to evaluate our people's performance, ensuring that it is aligned with our broader strategic objectives and operational goals.

At WIL, constant effort is made to align employee expectations with business requirements. As a result, we started an internal HR survey initiative and based on feedback received, the HR team moved their focus from employee communication to the next level- employee

development. A need for various training and development initiatives were felt across business verticals. The HR team has launched an approach to customize employee development goals.

### Nurturing talent

Our people are integrated into our culture through extensive training programs, targeting knowledge, skill enhancement, attitudinal and behavioural aspects.

Our approach to people management continually cultivates leadership qualities and encourages employees to learn and explore at all stages, to enable them to be the leaders of tomorrow. Learning is a vital part of our culture, and we believe that it is best achieved through observation, experimentation and reflection. Our training and development programme is aligned with the development needs of our people and our business goals

To understand the training requirement of individual, psychometric tests are conducted. To meet the specific needs of each individual, training needs were identified and Individual Development Plan were prepared for each team member. Customized programs were launched with new training techniques like Simulation, Role Plays, Outbound trainings etc. Team wise skill directory was also framed based on competency framework to set standard skillset requirement for the business.

At the plant level, programs for supervisory staff were launched and executed and at the Head Office, a series of learning interventions were initiated through 'Corporate Studio'. Varied range of programs like Impactful Communication, Personal Brand Management, Negotiation Skills, Presentation skills, Time Management, Interpersonal Skills, Business Etiquettes etc. were covered. Multi-skilling was a high focus area at the plant locations, wherein around 500 employees went through the program at each of the plant locations.

AYLP (Achieving your leadership potential) was initiated to train and nurture the top talent in the organization. Via an extensive assessment program, we identified 92 employees to be a part of the program. Various training programs in partnerships with institutes will be a part of this initiative.

### Engaging with our employees

WIL pursues the highest standards of employee engagement by imparting their workforce with requisite skills training and providing resources essential to perform their job functions, thus reinforcing an environment of excellence through learning and development.

We believe in engaging with our employees through open and interactive channels of communication. During the year, we have undertaken a number of employee engagement activities to connect with our employees better and strengthen our relationship of trust. Our open communication forum allows our employees to have an interface with the leadership team.

#### Examples of unique employee engagement initiatives include the following :-

**Amber** - We launched an AI chatbot named Amber, which acts as the CHRO's assistant. Amber talks to our employees at regular intervals, understand their major issues and concerns and shares the info with the CHRO. This enables the CHRO to make effective decisions to improve the organizational culture and employee engagement

**Coffee with CEO/ Plant head** - A quarterly event where a select set of employees get to interact informally with the CEO/Plant head, over a cup of coffee. The employees get to share their experiences at Welspun, issues, if any, directly with the CEO

**Tree of Good Work:** Under this initiative all the employees congregate from and vote to reward the exceptional contribution made by the co-workers, subordinate, superior and peer. The activity encourages the employees to perform well and seek inspiration from their co-workers.

**Tree of Good Wishes:** In this initiative the HR felicitate the employees on their Birthday, Work Anniversary etc. with greeting cards and token of best wishes.

**Townhall** - Townhall was conducted across locations wherein the leadership team shared the business updates with employees. Employees also engage with the senior leadership on the organizational updates as well as concerns.

### Diversity and inclusion

We believe that a strong team is an amalgamation of people with different skill set and values. We encourage diversity at WIL because it broadens the scope for Innovation within the Company, facilitates better decision making, enhances the talent pool of the company and augments the

knowledge about different geographies and culture. We are always keep to encourage varied talent in the company. We are committed to ensure that by 2020, our 20% workforce comprise of women. We believe that every individual can contribute to an organization in their own respective ways.

We initiated Project Utthaan, a career development program for female workers at the plant locations. The project was initiated to nurture and help develop the females at the shopfloor and train them for supervisory roles. Welspun 2 is the female only unit (Bedsheet - Cut and Sew unit) at Anjar wherein we have 782 employees working in the unit.

We encourage employment of differently abled employees in our Company. Currently we have employed 200 specially abled employees.

### Respecting human rights

We consider human rights as articulated in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact to be inviolable. We are committed to respecting the rights of individuals and treat our people with trust, respect and dignity. With a view to promote the rights of our people and enable a decent and ethical work place, our locations are SA8000 certified.

### Occupational health and safety

We are conscious about the health and safety risks that our workplace is exposed to. We give utmost importance to the safety of our employees and are committed to maintain a zero harm workplace.

All our facilities are Occupational Health and Safety Assessment Series (OHSAS) 18001 certified. In addition to it, we are OEKO-TEX® Standard 100 certified and follow the REACH regulations that restrict the use of harmful substances in our manufacturing processes. We provide timely training to our employees, contractors, sub-contractors and other agencies with respect to our safety protocols and expectations.

Aspect	Welspun employees	Contractual labour
Near miss cases	168	17
Reportable injuries	3	1
Lost days	6037	7
Fatalities	1	0
Minor injuries and first aid cases	328	14
Manhours worked	42480744	5469073

## Caring for the environment

We are mindful of our responsibilities with respect to minimizing environmental damage through our business operations. We have undertaken environment initiatives in the spheres of energy efficiency, carbon reduction, water and waste management.

All our facilities have robust environment management systems in place, which are ISO 14001 certified to ensure environment friendly operations. In addition, our facilities in Anjar and Vapi are OEKO-TEX® Standard 100 certified and are designed with an environmentally sensitive approach.

We conducted a Life-Cycle-Assessment (LCA) for all our product categories i.e. Towel, Sheets, Rugs and Comforter to understand the impact of these products on the environment throughout its entire value chain. The assessment helped us to identify the potential environment impacts and plan mitigation measure/alternate for the same.

### Environmental Management Systems

We have a robust environmental management system in place that helps in efficiently channelizing our energy consumption. All our facilities are ISO 14001 certified. Moreover, our facilities in Anjar and Vapi are OEKO-TEX® Standard 100 certified and are designed with an environmentally sensitive approach.

We have undertaken initiatives to manage and minimize our footprint, control energy consumption across our operations, manage our emissions, manage use of fresh water and waste management.

#### Water Management

We have reduced our dependency on Narmada River for fresh water by installing 30 MLD Waste Water Treatment Plant (STP) at Anjar. In this facility, we process waste water from neighboring areas of Anjar, Gandhidham, Adipur and ensure that more fresh water is available for intake for surrounding communities. Also, we have been able to reduce water pollution and related health risks since a sewage treatment plant was absent in these nearby areas.

We understand the importance of efficiently using water and hence recycle waste water in our factories. In textile production processes, we are independent of fresh water requirement and utilize 100% recycled water at Anjar.

Parameter	Unit	Quantity
Freshwater consumption	KL	2079848
Water recycled	KL	5029018
Waste water discharged	KL	5330540

### Energy Efficiency and saving

Efficient utilization of energy as a resource is one of the key areas for intervention. We have a premeditated process in place to ensure that energy consumption at our Vapi and Anjar facilities monitored and managed. Some of the measures include periodic energy audits, proactive maintenance of equipment, upgrading technology and process redesign. At Anjar and Vapi, we have reduced our energy consumption by implementing various projects such hot water recovery; pipeline and steam line modifications; and compressor cooling tower pump modifications.

Through our continuous effort to improve energy efficiency in FY 2017-18 cumulatively, we have saved 266.34 TJ and saved costs by INR 99.59 million/year.

We also purchased renewable energy certificates to a tune more than 50 GWh which translates to 10% of our total energy consumption.

Energy	Unit	Value
Direct energy	GJ	3703063
Indirect energy	GJ	123746470

GHG emissions	Unit	Value
Direct GHG emissions	Tons of CO2 e	360692
Indirect GHG emissions	Tons of CO2 e	12321880

### Chemical Management

We use chemicals responsibly and safely. Our production and manufacturing processes at Anjar and Vapi follow the European Union's REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) regulations, which are aimed at protecting human health and the environment from the risks posed by chemicals.

To reduce our chemical consumption, we are actively working on reducing the consumption of soda ash, used in our processes for fixing of reactive dyes. For our bedsheets, we use bio-scouring, which replaces chemicals with enzymes in the process of de-sizing and pre-treatment of cotton fabric. We strictly abide by the Restricted Chemicals List (RCL) and Manufacturing Restricted Substance List (MRSL) to avoid the usage of any hazardous chemicals in our manufacturing processes.

In addition we are aligned to the ZDHC guidelines that prevents harmful chemicals as prescribed by the guidelines during manufacturing as well as discharging waste water.

### Waste Management

We have a diligent waste management system to ensure effective reduction, storage and safe disposal.

We reuse the waste generated in our premises, in our other business operations.

- In our Anjar factory, food as well as horticulture waste is converted into biogas which is used as fuel for cooking in our canteen.
- Furthermore, at our Vapi factory, food waste from canteens is converted to manure for plants.
- We utilize the fabric waste as a replacement for packaging bags for covering products like pillow cases and bed sheets.
- We have initiated the recycling of waste paper and PET bottles in our corporate office.

Our office staff are encouraged to dispose of their e-waste at designated collection bins in our offices to ensure that it is sent to authorized vendors for disposal.

Our waste disposal is carried out by appropriate methods and is further directed to authorized channels or recyclers.

As part of Swachh Welspun Abhiyan, we encourage our people to incorporate better waste management systems, better hygiene standards, environment management and sanitation systems at work and at home.



As part of this program every Welspun member has pledged to inculcate the habits prescribed under the Swachh Welspun Abhiyan. We conduct workshops on clean environment and its various aspects through our training programs and promotional activities, which include skit performances, essay/slogan competitions, newsletters, sworn oaths and exhibitions. Through this we have tried to create a dialogue in the areas of clean habits, zero discharge, workplace management, recycling or reusing and sanitation and tree plantation.

## Creating healthy communities

We strive to improve the quality of life of the communities in which we operate and our community impact interventions are carried out through Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence.

Our corporate social responsibility (CSR) approach transcends the core pillars of sustainable development and is rooted in strengthening educational foundation, improving access to healthcare services, empowering people and conserving the environment.

Welspun impacts lives by working with our communities through a diverse range of social interventions that aimed at securing stable and sustainable futures. Our CSR activities are carried out through Welspun Foundation for Health and Knowledge (WFHK), which works across a diverse spectrum spanning sustainable livelihood, hygiene and sanitation, health, education and gender.

We have a corporate social responsibility (CSR) policy which is overseen by the CSR committee of the Board. In line with our CSR policy, we undertake activities that are aligned to schedule VII of Companies Act, 2013.

### Social impact strategy

WFHK engages with local stakeholders, through a consultative and collaborative approach to identify community needs and design programmes that engage, empower and inspire visionary futures.

Local Stakeholder Engagement is extremely important and in most of our project centres we have successfully managed to integrate with and develop mutually beneficial relationships with them by supporting innovative programmes in health, education, environment, as well as cultural and civic projects.

We take utmost care to integrate community investment considerations into decision-making and business practices and assist in local capacity building to develop mutually beneficial relationships with communities.

Prior to the commencement of projects, we carry out a baseline study to assess the needs of the communities. Quantified targets are set for all projects and are monitored every quarter. Wherever necessary, midcourse corrections are carried out.

### Focus areas and interventions

#### Our focus areas include:

- **Model villages:** We aim to promote a modern vision for villages in India, where they are sustainable rural community that is able to generate and maintain the resources necessary to improve its level of wellbeing and happiness without depleting economic, social & environmental values. A 'Model and Sustainable Village' would provide communities with employment, while creating ancillary livelihood opportunities leveraging technologies and green growth opportunities. By 2020, we commit to working together with 20 villages to implement replicable smart solutions, that not only empower a better way of life, but also secure a healthier environment for residents by promoting greener living.
- **Women empowerment:** Our focus has been on enabling women to create alternative livelihoods and improve their earning capacities. Economic independence amongst women improves gender equality, advances their social status and increases civic participation. Vocational training and skills enhancement centers have been established to provide opportunities for women to learn and develop new skill sets such as garment making and sewing. Each training center is structured as a social enterprise and managed like a professional business with targets, quality standards and efficiency metrics. Our project on sponsoring sportswomen across the country is one of the key focus areas under empowerment. The foundation financially supports 10 potential girls from various disciplines of sports, coming from challenging backgrounds and lends a hand in making their dreams come true making our nation proud. Another special project under empowerment is on women hygiene and sanitary pads. In order to empower village women by providing them with an opportunity to earn livelihood and ensuring 100% usage of sanitary pads in rural communities of Gujarat, a sanitary pad making unit making 100% biodegradable napkins was set up in Vatar village near Vapi in May 2016. The unit is run by women Self-Help Group formed by Welspun named SETU. Our current reach is 4000 women in rural settings.

- **Promoting education:** Many of the schools around our operations do not have modern amenities, are poorly equipped and lack infrastructure. This leads to poor teaching quality, increasing drop-out rates and sub-standard learning. Over the course of the next five years, by 2020, we plan to extend the reach of our digital education through project Gyankunj to 500 government primary schools of Gujarat. An MOU for the same is signed between Welspun Foundation and the Government of Gujarat.
- **Improving access to healthcare:** We are committed to promoting and protecting community health through a range of initiatives from delivering preventive healthcare services; improving community hygiene and sanitation; providing clean drinking water; awareness and blood donation drives; and improving the quality of healthcare infrastructure. In order to curb malnutrition and anemia in 0-5 years children and reproductive age women, project Navchetna is initiated in total 15 villages of Anjar and Vapi. Through regular household visits, focused group discussions and monitoring of height and weight, there has been a significant shift of the children from red belt (severely malnourished) to green belt. As a result, 130 children out of 152 (who were malnourished) are now brought to the green belt.
- **Environmental conservation:** Recognizing concerns over climate change, we strive to reduce our environmental footprint and mitigate our emissions through tree plantation. Our tree

plantation activities are designed for multiple benefits to the natural environment and our rural communities. We launched a campaign to provide villages with vegetable and fruit saplings. Residents are also encouraged to nurture saplings and plant them near their homes. Over 5000 sanitation blocks have been constructed in Vapi and Anjar impacting more than 50 villages. A stark change in the openness towards the use of these facilities has been observed.

Under sustainable farming, our cotton farming initiative has reached out to more than 1000 farmers of 48 villages in Nakhatrana. Apart from plantation, this activity also helps in generating livelihood for the farmers

#### Project monitoring mechanisms

Quarterly review meet with the management includes updates on CSR initiatives, activities' impact and strategies to achieve the target. Two Corporate Social Responsibility (CSR) Committee meetings are held in a Financial Year. A half yearly meeting of the committee is scheduled to review project progress across focus areas. A second CSR Committee meeting is called to consider the Auditor's report of WFHK giving details of the project wise or program wise CSR eligible expenditure incurred by WFHK to ensure that the contribution being incurred is in alignment with the CSR activities as specified under Schedule VII to the Companies Act, 2013. WFHK engages a third-party external consultant to carry out impact assessments of our corporate social responsibility projects.

## Collaborating with stakeholders

We firmly believe in an inclusive participatory approach that values the voices of our stakeholders.

Engaging with our stakeholders helps us establish and maintain an inclusive relationship with them. While the inputs from our stakeholders help us understand their needs and expectations, addressing their concerns help us to establish lasting partnerships based on trust.

Depending on the purpose of the engagement, we adopt appropriate practices to interact with them. Post the engagement, we endeavor to close the loop as we believe that this is the key to maintaining symbiotic relationships with our stakeholders.

Refer to the next page for a detailed table listing of our key stakeholder groups, modes of engagement, their key concerns and our responses.

Key collaborations and partnerships

WIL is committed to embrace collaboration both within and outside the Company.

- Welspun is an Alliance Member of the Well Living Lab, in collaboration with Delos and Mayo Clinic. It's one of the first labs exclusively committed to researching the real-world impact of the built-environment on human health.
- Cotton Egypt Association (CEA), an agreement signed with Cotton Egyptian Covers, which is a joint marketing initiative to promote the logo that will help enhance the complete supply chain of the Egyptian Cotton starting from cultivation to the final

product, which will also benefit the Egyptian farmer. The Cotton Egypt Association has granted the Company the 'Gold Seal' certification and the right to use Egyptian Cotton logo for five years until 2022.

- In line with the Government's 'Swachh Bharat Mission', we initiated the 'Swachh Welspun Abhiyan' to provide hygiene standards, waste management, environment management and sanitation systems across Welspun Group.

### Responsible policy advocacy

We believe that driving change and taking efforts towards effective policy development fosters industrial growth. WIL prefers to be a part of the policy development process and hence, actively participates in all forms, but has not been lobbying on any specific issue.

We are a part of a number of associations that enable value addition to the pipe industry:

- Federation of Indian Chambers of Commerce and Industry (FICCI)
- YPO-Young President's Organization
- The Associated Chambers of Commerce of India (ASSOCHAM)
- Indian Merchants Chamber
- TEXPROCIL
- SRTEPC

Through our representation in the above mentioned bodies, we participate in relevant forums that are of interest to our industry and our stakeholders. All such engagements are done in line with our code of conduct.

As part of our stakeholder engagement process, we identified the following key stakeholder groups:

Identified Stakeholder Group	Mode of Engagement & Activities	Key Concerns	Our Responses
Investors	Quarterly investor meetings	Economic value of the company	Collaborating with investors through various business forums
	Presentations	Sustainable wealth creation	
	Investor relation calls	Risk management	
		Compliance and disclosures	
Government and regulators	Engagement on a need basis	Compliance	Active collaboration and participation with regulatory agencies
	Participation in industry level consultation groups	Sustainable practices	
	Participation in forums	Inclusive growth	
Employees	Employee surveys	Professional growth	HR initiatives to counsel, motivate and reward employees.
	Team building workshops	Diversity at the workplace	
	Capacity building and training	Leadership connect sessions	
	Annual appraisals	Workplace safety	Committed to achieving the goal of 20% women in the workforce by 2020
	Employee newsletters	Equal opportunities	
	Rewards and recognitions	Work-life balance	
	Volunteering opportunities	Wages and benefits	
Business partners / suppliers and contractors	Contract agreements	Payment processing cycles	Technology enabled payment processing and cloud based services
	Direct interactions	Business ethics	
	Supplier meets	Transparency	
	Membership in industry associations	Compliance	
Communities & NGO's	Direct engagement	Infrastructure development	Actively engaged by WFHK across areas such as education, healthcare, sanitation, environment conservation and livelihoods
	Dedicated CSR team	Education & healthcare	
	CSR projects and initiatives	Environmental protection	
	Visits and camps	Employment opportunities	
	Community needs assessments	Human rights	

## BRR Index

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<b>Corporate Identification Number (CIN) of the Company</b>	L17110GJ1985PLC033271
<b>Name of the Company</b>	Welspun India Limited (WIL)
<b>Registered Address</b>	Welspun City, Village Versamedi, Taluka Anjar, District, Kutch, Gujarat 370 110, India
<b>Website</b>	http://www.welspunindia.com/
<b>E-mail Id</b>	companysecretary_WIL@welspun.com.
<b>Financial Year reported</b>	2017-18
<b>Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	Manufacture of other textiles NIC code: 139 - 1393, 1392, 1399
<b>List key products/ services that the Company manufactures/ provides (as in balance sheet)</b>	<ol style="list-style-type: none"> <li>1. Towels</li> <li>2. Bed sheets and top of the bed</li> <li>3. Rugs</li> <li>4. Top of bed</li> </ol>
<b>Total number of locations where business activity is undertaken by the Company</b>	
<b>Number of International Locations (Provide details of major 5)</b>	<ol style="list-style-type: none"> <li>1. United States</li> <li>2. United Kingdom</li> <li>3. Germany</li> <li>4. Mauritius</li> <li>5. Cyprus</li> </ol>
<b>Number of National Locations</b>	<ol style="list-style-type: none"> <li>1. Mumbai, Maharashtra</li> <li>2. Anjar, Gujarat</li> <li>3. Vapi, Gujarat</li> </ol>
<b>Markets served by the Company - Local/ State/National/ International</b>	We serve both the national and international market

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

<b>1.</b>	<b>Paid up Capital (INR)</b>	INR 1,004.73 Million
<b>2.</b>	<b>Total Turnover (INR)</b>	INR 50,514 Million
<b>3.</b>	<b>Total profit after taxes (INR)</b>	INR 3,041 Million
<b>4.</b>	<b>Total Spending on Corporate Social Responsibility (CSR) as percentage of average net profits (%)</b>	INR 110.61 Million

#### List of activities on which CSR expenditure has been incurred:

Refer to chapter 'Creating healthy communities'.

### SECTION C: OTHER DETAILS

#### 1. Does the Company have any Subsidiary Company/ Companies?

Yes, we have 21 subsidiaries. These include:

1. Welspun Global Brands Limited
2. Welspun Captive Power Generation Limited
3. Welspun Zuchhi Textiles Limited
4. Anjar Integrated Textiles Park Developers Private Limited
5. Besa Developers and Infrastructure Private Limited
6. Welspun Anjar SEZ Limited
7. Welspun Flooring Limited
8. Welspun USA Inc
9. Welspun Holdings Private Limited, Cyprus
10. Welspun Mauritius Enterprise Limited
11. Novelty Home Textiles SA de CV, Mexico
12. Welspun Home Textiles UK Ltd
13. CHT Holdings Limited, UK
14. Christy Home Textiles Ltd, UK
15. Welspun UK Limited
16. Christy 2004 Limioted, UK
17. Christy Lifestyle LLC, USA
18. Christy Welspun GmbH Germany
19. ER Kingsley (Textiles) Ltd, UK
20. Christy UK Ltd
21. Welspun Nexgen Inc, USA

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The subsidiaries actively manage and carry out their own BR initiatives, which are in line with the policies of the Welspun Group and Welspun India Limited.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [ Less than 30%, 30-60%, More than 60%]

Currently, the suppliers/ vendors and distributors do not participate in our BR initiatives. However, we have shared our relevant policies with all our suppliers and business partners and they are expected to adhere to them.

## SECTION D: BR INFORMATION

### 1. Details of Director/ Directors responsible for BR?

- 1.1. Details of the Director/ Directors responsible for implementation of the BR policy/policies

1.	DIN Number	00007179
2.	Name	Mr. Rajesh Mandawewala
3.	Designation	Managing Director

- 1.2. Details of the BR head

1.	DIN Number	00007179
2.	Name	Mr. Rajesh Mandawewala
3.	Designation	Managing Director
4.	Telephone Number	022-6613600
5.	Email Id	companysecretary_WIL@welspun.com.

**The National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs), released by the Ministry of Corporate Affairs, is composed of nine principles of Business Responsibility.**

<p><b>Principle 1</b> <i>Businesses should conduct and govern themselves with ethics, transparency and accountability</i></p>	<p><b>Principle 2</b> <i>Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle</i></p>	<p><b>Principle 3</b> <i>Businesses should promote the wellbeing of all employees</i></p>
<p><b>Principle 4</b> <i>Businesses should respect the interests of, and be responsive towards all stakeholders</i></p>	<p><b>Principle 5</b> <i>Businesses should respect and promote human rights</i></p>	<p><b>Principle 6</b> <i>Businesses should respect, protect, and make efforts to restore the environment</i></p>
<p><b>Principle 7</b> <i>Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner</i></p>	<p><b>Principle 8</b> <i>Businesses should support inclusive growth and equitable development</i></p>	<p><b>Principle 9</b> <i>Businesses should engage with and provide value to their customers and consumers in a responsible manner</i></p>

**2. Principle-wise (as per NVGs) BR Policy/policies**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for#...	Y	Y	Y	Y	Y	Y	NA	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy confirm to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	NA	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Y	N	N	N	N	N	NA	Y	N
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	N	N	Y	NA	Y	N
6.	Indicate the link for the policy to be viewed online?*	All policies are shared directly with respective stakeholders. Some of our policies are available at <a href="http://www.welspunindia.com/advance-textile.php#/about-us.php#We_at_Welspun">http://www.welspunindia.com/advance-textile.php#/about-us.php#We_at_Welspun</a>								
	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	Y	N	N	N	Y	NA	Y	N

**Notes:** # WIL has the following policies covering the 9 principles: Criteria for making payments to non-executive directors, Modern Slavery Act Transparency Statement, Dividend Distribution Policy, Code of Conduct Insider Trading Policy, Code of Fair Disclosure, Policy on Related Party Transactions, WIL Whistleblower Policy and Vigil Mechanism, Policy on Material Subsidiary, Code of Conduct, Familiarization Program, CSR Policy, Records and Archival Management Policy, List and threshold of dissemination of information to the stock exchanges, Environmental Management Policy (Vapi & Anjar) and Human Resources Policy.

If answer to S. No. 1 against any principle, is 'No', please explain why:

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The Company has not understood the Principles	NA								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to Business Responsibility

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.**

The Board of Directors meet every quarter to discuss applicable BR issues and assess the BR performance of the company.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is WIL's second annual Business Responsibility Report and is available on the company website.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1:

**Businesses should conduct and govern themselves with ethics, transparency and accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs / Others?

WIL's Code of Conduct is applicable to our business partners, vendors and contractors, and we ensure that they are aware of, understand and adhere to its standards. Furthermore, we have a clause incorporated in supplier agreements which informs them of our policy of zero tolerance towards any unethical practices

Refer to chapter 'Working responsibly'

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

In FY2017-18, 42 complaints were received from shareholders/ investors and all of these were replied/ resolved to their satisfaction. Also, there was no complaint reported by any Director or employee of the company under our vigil/whistle blower mechanism.

Complaints from external stakeholders like suppliers and contractors are raised directly to business teams and are addressed by them on a case by case basis.

#### Principle 2:

**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

We have carried out Life-Cycle-Assessments (LCA) for our products to help us identify improvement opportunities and align product design and innovation towards reducing environmental impacts from cradle to grave. We also engage with our supply chain to promote best practices and minimize impacts right from sourcing raw materials to delivering our products to customers.

Furthermore, we have also aligned the manufacturing of certain amount of products to be as per Global Organic Textile Standard (GOTS) and our facilities in Anjar and Vapi are OEKO-TEX® Standard 100 certified and follow the REACH regulations that restrict the use of harmful substances in our manufacturing processes. Initiatives to reduce the impact of our operations are incorporated from the early stages of production.

Refer to chapter 'Working responsibly' and 'Caring for the environment'.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Refer to chapter 'Working responsibly'.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)

WIL has undertaken several initiatives for managing the amount of energy and water used across our operations and during producing our products.

Details of these initiatives have been provided under the chapter 'Working responsibly' and 'Caring for the environment'.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Please refer to chapter 'Working responsibly' and 'Caring for the environment'.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

SPUN is an initiative by WIL to change the lives of women of the Great Rann of Kutch by co-opting them into the revival of the dying arts and crafts of the region. Products are fashioned at our local village centers and are marketed with the aim of creating a global brand identity with a contemporary edge, rooted in handcrafted traditions and home-grown aesthetics. By reviving traditional arts and indigenous techniques such as block printing, kantha embroidery, mirror work and applique techniques, this project seeks to connect rural women artisans and craftsman with urban markets.

We acknowledge and promote local procurement for economic development of the region. We also work with local businesses and generate productive local employment by hiring talent from near our locations to meet requirements for services like waste handling, housekeeping, logistics and machine operations.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)**

While we have systems in place to recycle water, we are expanding our recycling capabilities. We have entered into a concession agreement with Anjar Nagar Palika (ANP) and Gandhidham-Adipur Nagar Palika (GNP) have set up a 30 MLD sewage treatment plant in order to recycle and reuse the wastewater generated in these cities. This would enable recycling and reusing of sewage water which will be used for our operations thus decreasing the intake of freshwater for our manufacturing processes.

Our 'Waste Water Recovery' plant at Anjar has multiple series of treatment stages that manages effluents, and thereby helps in recovery of waste water.

We also focus on intelligent recycling of waste and we adhere to the 3R and D system i.e. Reduce, Reuse, Recycle and Disposal. We reuse the waste as an alternate source of material, which can be consumed in other operations of our business. At Anjar, we reuse coal ash, which is a waste generated from our operations. Instead of landfill disposal, bricks are now made from fly ash which are utilized in building worker colonies near our operations in Anjar.

We have installed a biogas plant at Anjar that converts bio degradable waste to energy. The kitchen waste as well as horticulture waste is sent to the biogas plant that generates energy for cooking meals in our canteen at Anjar.

Fabric waste that is left out after cutting, is reused used as packaging bags for covering products like pillow cases and bed sheets instead of plastic packaging.

Some of our other initiatives include recycling of PET bottles that are sent to Stree Mukti Sanghatana, a local women's Self-Help Group for recycling, and we have been using recycled notepads in training centres made from paper waste generated from our corporate office.

**Principle 3: Businesses should promote the wellbeing of all employees**

1.	Total number of employees	21490
2.	Total number of employees hired on temporary/ contractual/ casual basis	5265
3.	Number of permanent women employees	4563
4.	Number of permanent employees with disabilities	200
5.	Do you have an employee association that is recognized by management?	All employees at our facilities in Vapi are members of an employee association.
6.	Percentage of your permanent employees is members of this recognized employee association?	100% of our workmen are a part of the recognised union in Vapi
7.	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	

No.	Category	Complaints filed during the financial year	Complaints pending as on end of the financial year
(i)	Child labour/ forced labour/ involuntary labour	0	0
(ii)	Sexual Harassment	0	0
(iii)	Discriminatory employment	0	0

**8. Percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

WIL pursues the highest standards of employee engagement by imparting their workforce with requisite skills training and providing resources essential to perform their job functions, thus reinforcing an environment of excellence through learning and development. We imparted a total of 514197 hours of training to our employees.

Category	Total man-hours of safety in FY 2017-18
Employee	25344
Contractual workforce	3866

**Principle 4:**

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Refer to chapter 'Collaborating with stakeholders'.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, we have identified disadvantaged, vulnerable & marginalized stakeholders which include, rural communities, individuals with disabilities and special needs, women and the youth.

Refer to chapter 'Creating healthy communities' and 'Collaborating with stakeholders'.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

- **Employing people with special needs:** We aim to further increase the count of specially abled employees in the next few years, as per our effort to integrate them into the mainstream. In addition to providing special training for hearing and speech impaired employees, they are given a special pouch with a whistle and a notepad to enable them to communicate with other employees. All staff members are trained in sign language and sensitized toward the needs of these employees.
- **Promoting gender diversity:** A significant section of our employees at our Anjar and Vapi plants are women and it is fairly common for them to leave their jobs after getting married. To encourage them to continue working we provide married couples accommodation on priority. In addition, we have trained and employed over 700 women at our eight CSR centres at our plant. Further to that, we aim to increase the women employees at our locations in the coming few years. A special girls' hostel has been set up in Anjar and Vapi, to promote the employment of women.
- **Community outreach:** Our social impact programmes are implemented through the Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence. Refer to chapter 'Creating healthy communities' for details of our CSR initiatives.

**Principle 5:**

**Businesses should respect and promote human rights**

Human rights issues relevant to our operations are covered under our Code of Conduct and Ethics Policy, Prevention of Sexual Harassment (POSH) Policy, Whistle-blower Policy and Human Resource related policies and practices. These policies ensure that human rights are not violated and there is zero tolerance for human rights violations at WIL.

We are committed to respecting the rights of individuals, and treat our people with trust, respect and dignity. With a view to promote the rights of our people and enable a decent and ethical work place, our locations are SA8000 certified.

**1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

Our code of conduct promotes respect for human rights and we provide a free, fair and a discrimination free environment to our employees. We encourage our employees to raise any concern they may have and we have laid down procedures for addressing such concerns. Under our whistle blower policy, a fair and a transparent mechanism has been provided to report any violation to our code of conduct.

We do not deal with any supplier/contractor if it is in violation of local laws pertaining to human rights and we do not employ any person below the age of 18. Use of forced or compulsory labour is prohibited at any of our units and we discourage the same with our suppliers and contractors.

The above policies apply to WIL and are extended to subsidiaries and business partners. Relevant policies are shared with our suppliers and contractors and they are expected to uphold human rights.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no complaints related to human rights issues like child labour, forced or involuntary labour or discriminatory employment or sexual harassment in FY2017-18.

**Principle 6:**

**Businesses should respect, protect, and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others**

WIL strives at all levels to conserve natural resources and energy. Optimization of consumption and well planned wastage control & recycling measures are implemented at all facilities. Going beyond just compliance with applicable Health, Safety and Environment (HSE) legislations, we strive to ensure that all managerial decisions including selection/ procurement of materials, machinery equipment, placement of personnel and setting up of projects are integrated with the broader goals of our CSR policy

Our approach to environmental management extends to our subsidiaries and covers our suppliers and contractors.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

We are aware of the fast depleting natural resources and are making efforts to judiciously and efficiently use the available resources in our operations. In order to make our business sustainable in the long run, we are continuously putting in efforts to minimize our energy consumption and improving the green cover around our operation.

WIL has undertaken several initiatives in the areas of renewable energy, energy efficiency, emissions management and water management across locations to minimize its environmental impact.

Refer to chapter 'Caring for the environment'

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes, Environmental risk related to climate change, energy, waste & water management has been identified & necessary steps have been taken to mitigate them. The Life Cycle Assessment that we have carried out outlines the areas which have a high impact on the environment. The assessment was a cradle to grave type which covers the impacts right from cotton farming till the end use of our products. We make use of these results to choose the right resources in order to make our products more sustainable.

**4. Does the company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report is filed?**

No, we do not have any Clean Development Mechanism (CDM) projects.

- 5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, we have taken several initiatives across our operations in areas related to energy efficiency, emissions management and water management.

Refer to chapter 'Caring for the environment'

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the emissions and waste generated were within permissible limits given by CPCB/SPCB.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

We did not receive any show cause/legal notices from CPCB/SPCB during FY2017-18

#### **Principle 7:**

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.**

Refer to chapter 'Collaborating with stakeholders'.

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Through our representation in the above mentioned bodies, we participate in relevant forums that are of interest to our industry and our stakeholders. All such engagements are done in line with our code of conduct.

#### **Principle 8:**

**Businesses should support inclusive growth and equitable development.**

- 1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Our CSR activities are carried out through Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence. WFHK works across a diverse spectrum spanning sustainable livelihood, hygiene and sanitation, health, education and gender.

Refer to chapter 'Creating healthy communities'.

- 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

Our social programmes are implemented through the Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence.

Have you done any impact assessment of your initiative?

WFHK has engaged an external consultant to carry out impact assessments of our corporate social responsibility projects.

- 3. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

CSR expenditure in FY 2017-18 was INR 110.61 Million. Details of projects undertaken are provided the chapter 'Creating healthy communities'..

- 4. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

All our initiatives, whether implemented directly by WFHK or in partnership with another agency, are meant to address the direct needs of the intended beneficiaries. Since the projects are linked to the needs of the communities they are meant to serve, community buy-in is ensured in this manner.

**Principle 9:**

**Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

No cases or complaints were filed or are pending as on end of FY 2017-18.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)**

Yes, certain requirements on the usage of product and specifications of the product are clearly mentioned depending on the customer base to which the product caters to. Also, customers are kept informed specifically on wash care requirements and environmental credentials (eg.

OEKO-TEX® Standard 100, GOTS, Organic Content Standard) as applicable specifically for products in our environmental portfolio.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?**

There is a US class action complaint filed against WIL and WUSA Inc which stands pending as on 31 March 2018.

4. **Did your company carry out any consumer survey/consumer satisfaction trends?**

We endeavour to raise customer satisfaction levels, provide consistent product delivery experience and provide timely redressal to customer complaints and concerns. Individual departments seek feedback depending on the specific products, the feedback we obtain is used to ensure that we deliver the best to our customers.