

CSR Report of ATC Tires Private Ltd. Dahej Plant (Gujarat)

Business activities: Manufacturing and marketing of Agricultural, Forestry, Construction, Industrial and OTR tires

Total site area: 434,605 m²

Number of employees: 1,347 (as of December 2017; includes contracted laborers)

Location: D-3-23 & 23-A, GIDC, Phase-III, Industrial Estate, Dahej, Village, Samontpore, Taluka-Vagra, Distt: Bharuch, Gujarat – 392130. (India)

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Message from the President



Amberish Shinde

The Dahej Plant team is comprised of a group of extremely motivated young specialists. Thus, we take great care to effectively maintain very high standards with respect to issues of safety, the environment, quality and deliveries. By placing a great importance on our customers, we also carefully cultivate a high level of morale among our workforce. We are aiming to become a zero emissions plant. What is more, in undertaking our business activities, as a company we are

committed to complying with all local laws and regulations that are in force where our plant is located.

For such reasons as well, an important issue for us is the development of programs for the nurturing of our human resources. Through engaging in such activities, we aim to be able to provide even better products.

Organizational Governance

Code of Conduct

In keeping with the ATC core values, this company undertakes suitable business activities with an emphasis being placed upon value creation. To achieve the organizational objectives which we base upon such behavior, we remain committed to superior levels of corporate governance while managing our business.

This policy covers various fields such as compliance with applicable laws and responsibilities to shareholders, etc.

Schedule of Authority (SOA)

The SOA review that was conducted in December of 2017 clarifies the various decision-making powers within the organization.

Organizational Structures & Standard Operating Procedures (SOP)

To improve the company's reporting system, we review the organizational system every quarter. Furthermore, each department has its own SOP to assure the maintenance of consistent product quality.

Whistle-blower policy

Concerning the company's whistle-blower policy, in addition to it acting to protect employees from unethical business practices, we have put in place a system to provide for the reporting of real concerns and complaints. Furthermore, regarding both the basic principles of the company's business and the reporting of any habitual practices, such matters are processed using methods that are fair and unprejudiced as is regulated by the corporate laws of 2013 and company rules 177 (9) and (10) from 2014.

Human Rights

Promotion of gender equality

We commenced the recruitment of female employees in 2017. In the future, we also plan to participate in the "Girls on Floor" initiative. Our "Sexual Harassment Prevention Policy" is the result of considerable hard work on the part of ATC India Pvt. The aim of this Policy is to provide employees with a workplace that is free from sexual harassment, intimidation, and exploitation. The objectives outlined in the Policy are to protect all employees in the specified workplaces from the misery of sexual harassment, and provide assistance in cases where it has been experienced, as well as protecting employees from related problems. In order to raise awareness among all of the company's employees, sexual harassment prevention training is being implemented in individual workplaces in line with the Policy.

The company has established an Internal Complaints Committee which is responsible for the following matters:

- Investigating all formal complaints of sexual harassment
- Implementing appropriate corrective measures in relation to reports of sexual harassment

- Combating and preventing employment-related sexual harassment
- The company's corporate values, which are outlined below, offer assurance that the proper approach will be adopted in all of our business activities:

"Fidelity": The company will maintain fairness in its dealings with all stakeholders, and will always act in an appropriate manner.

"Responsibility to explain": The company recognizes the need for accountability in all of our actions, and in relation to all of our responsibilities. The company's Code of Conduct includes the following stipulations relating to discrimination and harassment:

The company shall maintain a workplace environment in which every employee is protected from discrimination or harassment based on race, gender, nationality, age, religious affiliation, sexual orientation, genetic information, sexual preferences, disability, or other aspect of the employee's status or personal characteristics that is protected by law, and in which every employee is able to maximize their potential.

Quality, Environment, Health, and Safety Policy (QEHS)

ATC Tires Pvt Ltd, which is a company engaged in the manufacturing of off-the-road (OTR) tires, is committed to the creation, maintenance and assurance of product quality, health and safety, and environmental protection, for all of the people and businesses with which the company is involved. This stance is a vital element in our planning and decision-making, and is embodied in the following items.

- In carrying on our business activities, we demonstrate respect and care for our customers, people in general, and the environment.
- By manufacturing and providing products that meet our customers' needs, we realize customer satisfaction.
- We meet product quality requirements.
- We ensure the health and safety of all of the company's stakeholders in our workplaces.
- We fulfil our legal compliance responsibilities in relation to environmental risks and occupational health and safety risks.

To this end, we realize the following items:

- We safeguard the environment by ensuring efficient utilization of resources (through recycling, etc.) and through pollution prevention, and we use new technologies etc. to properly manage emissions from production processes.
- To protect against injuries and illnesses resulting from occupational health and safety incidents, we ensure that appropriate systems and processes are put in place for all employees.
- We make use of a variety of different forums to promote dialog with all of our stakeholders in regard to quality, health and safety, and environmental performance.
- We make efforts to conserve biodiversity in our business activities.
- We implement ongoing improvements in regard to the effectiveness of our integrated management systems and their performance.
- We shall disclose this policy to stakeholders.

Social Security and Health Insurance

Our company provides employees with social insurance coverage and medical/injury insurance such as PF, worker's compensation, Gratuity, and Group Accident Insurance, etc.

We have a six-member specialist safety team that takes the lead at the AGM and with respect to matters of environmental health and safety.

Within the Policy's code of conduct, the following is stipulated:

"Our company strives to supply a safe and healthy workplace environment in all areas." Each workplace is operated according to the hygiene and safety requirements of all applicable regions, states, and countries, and it is necessary not to be affected by illegal drugs, alcohol, or substances. All employees have a responsibility to support the maintenance of a safe and healthy workplace by obeying applicable laws and the code of conduct.



Health Checkup

Festival celebrations

The company celebrates events such as Independence Day (August 15), Republic Day (January 26), National Safety Week, World Environment Week, and Vishwakarma Puja, etc. On such national public holidays, all employees celebrate together.



World Environment Week celebrations



Vishwakarma Puja

Training

As is required, we implement actionable, general, and technical training for our employees based on their needs. In the course of such activities, we undertake to carry out classroom training, open forums, and on-the-job training (training in the workplace).

For all new workers who join the company, we implement an introductory seven-day training program whose lessons deal with matters of Employment, Health, and Safety (EHS), quality, and corporate policies, etc. In 2017, we conducted a total of 10,656 hours of training in programs for all our employees. On average, that meant that each employee was subject to 8.2 hours of training.

In participating in a new university program entitled, "Learning while Studying" (experiencing working while learning), for the purpose of both having students understand the work of this company, its corporate culture, and its remuneration policies, etc., and also for the purpose of securing a supply of future employees, we registered as interns some 40 university students who aim to complete their studies in engineering and polymer chemistry.



Training programs



Scene from a workplace training session



Mr. Vikram Singh (of the Maintenance Section) planting a tree in commemoration of his birthday

Labour Practices

We have also undertaken the following initiatives for the benefit of our employees:

- A staff canteen facility is provided for all employees.
- Transportation (buses) is provided for all employees on all shifts.
- All employees undergo medical checkups.
- We have started to celebrate employee birthdays once each month.



Birthday



- We celebrate the Deepawali Festival for all employees.



Diwali



The Environment

Environmental data

Category	FY2013	FY2014	FY2015	FY2016	FY2017
Waste generated (t)	—	—	—	680	25,000
Proportion sent to landfill (%)	—	—	—	—	—
Landfill waste (t)	—	—	—	—	—
Energy use (oil equivalent: kl)	Electric power	—	—	21,414,147	29,168,770
	Fuel	—	—	—	—
	Total	—	—	—	—
Greenhouse gas emissions (1,000 t-CO ₂)	—	—	—	—	—
Water usage (1,000 m ³)	—	—	—	91.3	198.8

* FY: January to December

* Greenhouse gas emissions were calculated based on the Calculation and Reporting Manual for Greenhouse Gas Emissions jointly published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, Japan. The calculation of emissions from overseas business locations since FY2015 has been based on the Greenhouse Gas Protocol Initiative.

We are also continuing the practice of planting trees within the grounds of the plant.



Tree Plantation

Fair Operating Practices

Code of conduct to regulate fair competition and trade

The tire business is a competitive industry. Nevertheless, at this company we are entirely committed to behaving in a manner that supports fair competition and business dealings.

All our employees are required to act ethically, and to communicate frankly and honestly. We act fairly in all our dealings with colleagues, managers, customers, suppliers, consultants, and government officials (both domestically and overseas).

Consumer Issues

Product & Service safety and quality

For the purpose of being able to suitably provide information to our customers, we are undertaking to improve both our marketing and our communications ability with respect to product information. Concerning complaints received from customers regarding the performance of our tires and any newly-occurring defects, we work to

resolve such issues through the undertaking of corrective measures. The company complies with the occupational health and safety requirements of product manufacture. It acts in accordance with matters of compliance when concluding contracts, and it undertakes training for the purpose of resolving problems.



Social contribution activities

We are undertaking the following measures for the purpose of assisting in the development of local society:

- We are helping protect the water sources of Samontpore Village
For the purpose of protecting both above-ground and subterranean water sources, as was done for the nearby villages of Neem, Nilgiri and Gulmohar, we undertook plantings of Sambheti Gram Panchayat, a local tree species.
- Support of Banaskanta Village
To save the villagers of Banaskanta who suffered from flooding in September 2017, we undertook to support them through the donation of 10,000 meals.

Additionally, we are carrying out other activities such as providing medical checkups for children.

