



# Rights & Diversity

## Insights

FUTUREScape : THE CUSTOMER EXPERIENCE COMPANY





# Human Rights & Diversity

## INTRODUCTION

**While most companies have policies on human rights the depth of disclosure varies across companies.**  
**Very few companies have policies on board diversity.**

THIS REPORT IS BASED ON INDIA'S TOP COMPANIES FOR SUSTAINABILITY AND CSR  
A 5 YEAR STUDY OF TOP 200 INDIAN COMPANIES

# Insight |

Human rights have emerged as a material aspect for businesses led by a push from both regulation and other social groups. In June last year, the Indian government ratified ILO conventions on child labour. And as part of SEBI (Securities Exchange Board of India) mandated Business Responsibility Reports, top 500 companies need to disclose their human rights practices.

There are various frameworks and guidelines – both global and national – that companies can align their policies with to manage human rights responsibly in their businesses. Some of these are the UN Guiding Principles on Human Rights, ILO framework, National Voluntary Guidelines (NVGs), and the National Action Plans (NAPs). We find that Indian companies follow a variety of frameworks.

While most companies have policies on human rights, the depth of disclosure varies across companies.

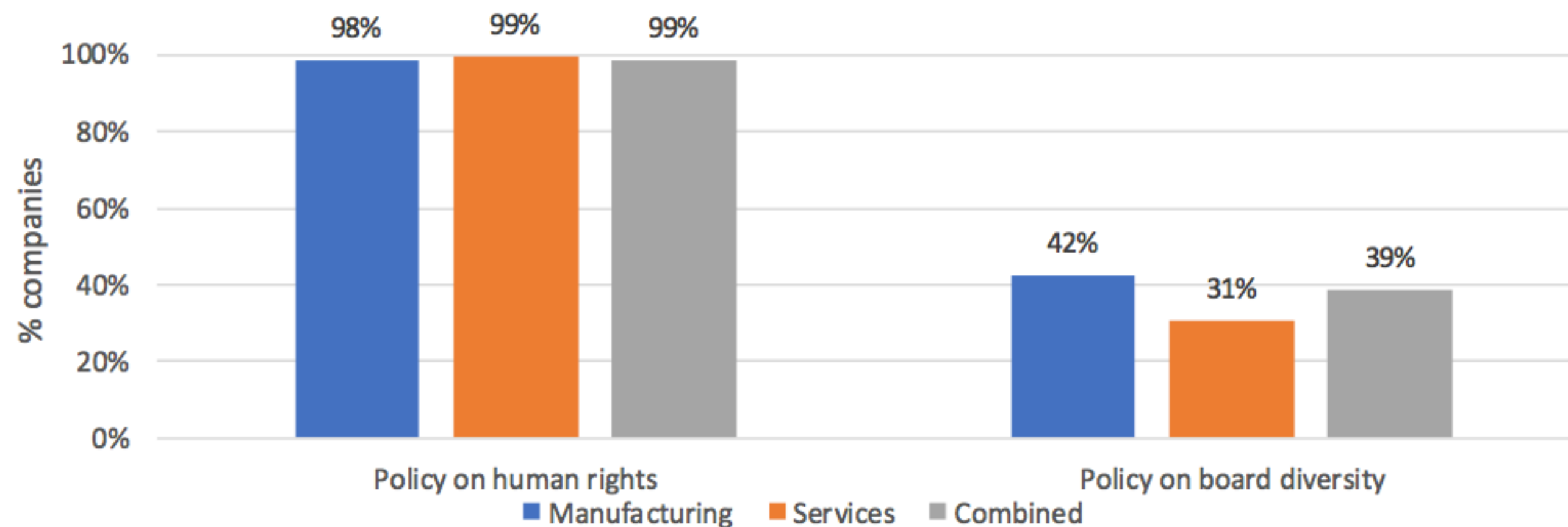
01

## Only 39% companies have a policy on board diversity

At a governance level, almost all companies have a policy on human rights. While many do not have it as a separate policy, they incorporate its components in their Code of Conduct and other corporate policies. Interestingly, only around 39% companies stated that they have a policy on board diversity.

At the same time, over 90% companies have woman/women board members. However, in most cases it was limited to having only one-woman director. To improve this gender balance, some companies have initiated specific programs such as “GearUp” at Tata Motors and “WE” at Ceat Tyres. Both Tata Motors and Welspun India aim to increase the number of women at the shop-floor level to 20% by 2020. Vedanta plans to raise women representation in board to 33% by 2020.

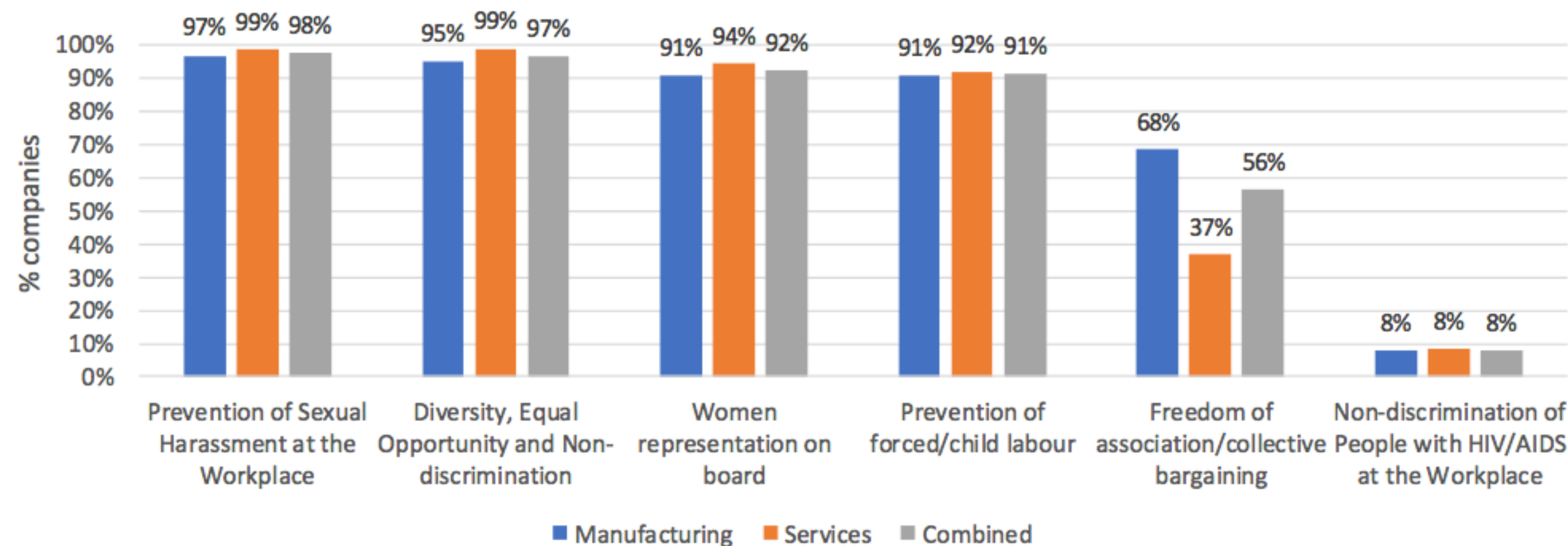
### Human rights - Governance



## 02

## More to be done for human rights implementation

Human rights - Implementation



Both manufacturing and service sectors implement various aspects of human rights similarly in their operations. All companies practice diversity, non-discrimination and equal opportunity in their operations.

Disclosure on respect for employees' right to freedom of association & collective bargaining and non-discrimination of people with HIV/AIDS is lacking in the top Indian companies. In the manufacturing sector, companies usually have recognized employee unions/associations. However, in services we find that other than banks (mostly Public Sector Units), less than 40% companies have disclosed the same.

## 03

## Less than 10% companies have programs for differently abled employees

Community programs	Key industries
Promoting special education among children, women, elderly, and the differently-abled	Telecom, Utilities, Consumer Staples
Provisions for aids and appliances to the differently-able persons	Other industrials, Telecom
Employment through vocation skills especially among women, elderly, and the differently-abled	Energy, Telecom, IT
Women Empowerment	Other Industrials, Telecom, Energy
Initiatives for senior citizens	Other industrials

Programs for engagement of differently-abled employees were mentioned by less than ten companies in our sample set. At IndusInd, training in sign-language was given to the reporting managers and colleagues of hearing-impaired employees. At Aditya Birla Fashion and Retail, specific positions and roles are identified that are conducive to differently-abled employees. Project Sankalp at Pantaloons has been designed to enable hiring of such employees in their front-end roles.

Indian banks are trying to address their differently-abled customers' right to access banking services. Some banks are providing ramps at their branches and ATMs for the physically challenged and 'Braille' keypad enabled ATMs for the visually challenged. These measures are in-line with the guidelines framed by the Indian Banking Association.

Around 30% companies participate in initiatives that address human rights in communities. Companies focus mainly on women empowerment, and vocation and education for special groups (including differently-abled).



# 04

INSIGHTS 2018

## Human rights policies seldom extend to suppliers

While all companies have policy on human rights, only two-thirds of them extend it or require their suppliers to practice human rights in their operations. Few companies detail the various aspects within human rights to their supply chain members, while others do not.

In energy, materials, other industrials, consumer staples, telecom and IT industries, 80% and more companies require their supply chain to practice human rights.

- Tata Motors encourage suppliers to improve gender diversity and promote gender equality.
- Dabur conducts checks and audits to ensure their contractors do not employ child/forced labour.

05

INSIGHTS 2018

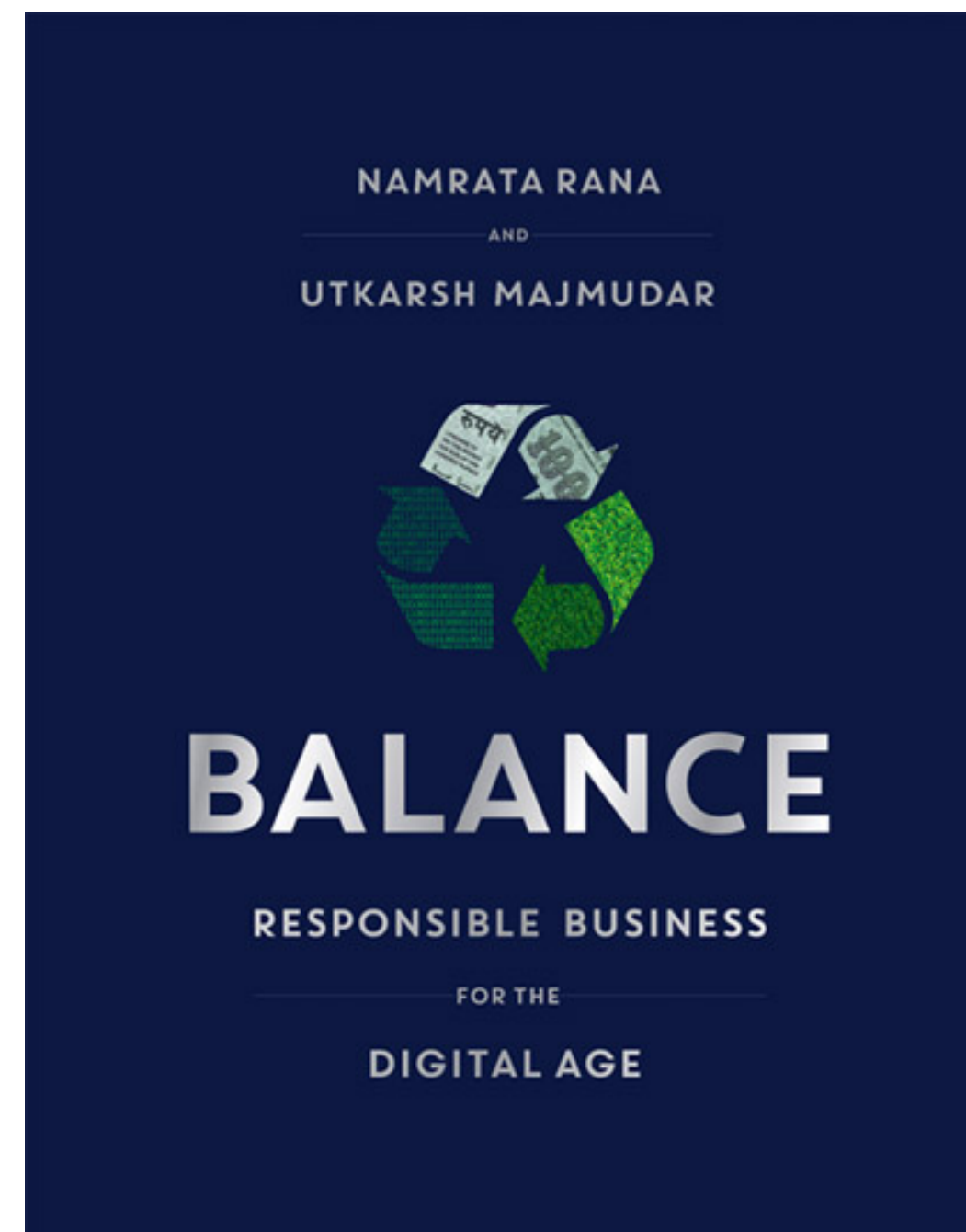
## **Disclosure on recognition of land rights was very poor**

Disclosure on recognition of land rights was very poor among the companies studied. Except for few materials companies that shared Rehabilitation & Resettlement plans for land losers, hardly any company reported it in their reports. Godrej Consumer Products stated that it recognises the importance of land rights and is committed to the principle of free, prior and informed consent.

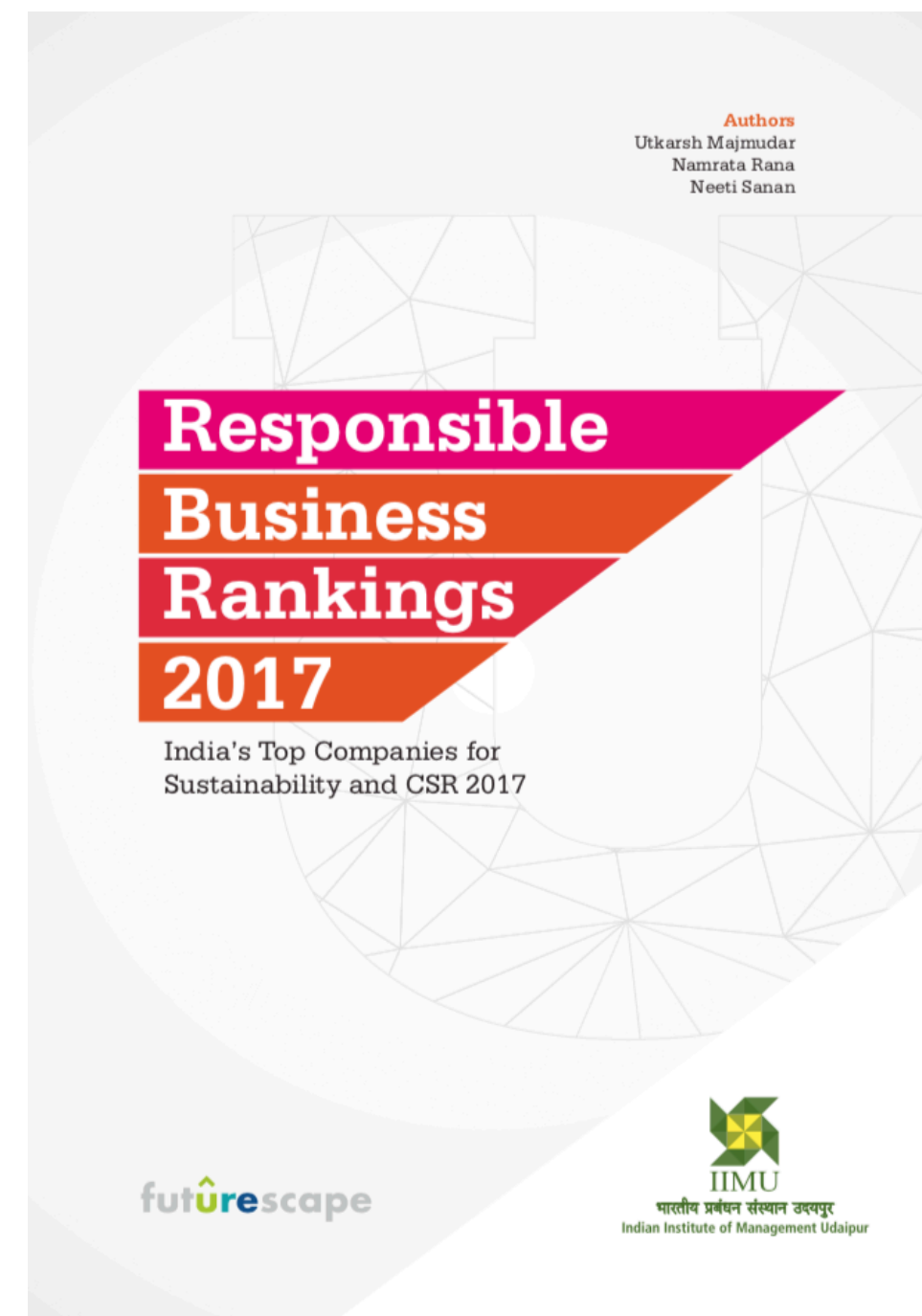


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