

Disclosure Of Management Approach



Overarching Approach

At Tata Chemicals, we ensure good governance through various mechanisms that include the Enterprise Wide Risk Management Process - "Samrudhi", Management of Business Ethics and having systems and controls across the organizations that are led by the Board of Directors. We have adopted the "Tata Business Excellence Model" (TBEM), a Tata Group wide system to drive excellence within the organization. All processes across the organizations are mapped through the Enterprise Process Model (EPM) and integrated management system. Our Corporate Sustainability Policy is the guideline for promoting and supporting sustainability programs and processes at all levels.

Economic Indicators

Various committees of board of directors such as the Audit Committee headed by an independent Non Executive Director, Shareholder Grievance Committee, Remuneration Committee & Committee of Directors monitor & effectively supervise the financial reporting, risk management, short-term & long-term business planning & sustainability. Our integrated financial accounting system has in-built controls with both internal & external audits, which ensures a reliable & effective financial reporting. Our audit mechanism periodically reviews control & compliance of legal & regulatory requirements. The Management of Business Ethics (MBE) process ensures raising of concerns by all stakeholders to control frauds & negligence. We run & sponsor capacity, capability & skill building programs for communities around our areas of manufacturing facilities so that they improve their livelihood options & improve the quality of life. Programs such as Rural Enterprise Development & our efforts through the Apprentice Training School & Rural BPO services are some of the examples of our efforts.

Environmental Indicators

At Tata Chemicals, Safety Health & Environment (SHE) are driven by SHE policies that are both at the Corporate & site level. The approaches are driven by our commitment to guidelines of Responsible Care, World Safety Declaration and various global & national industry forums. We have adopted some of world-class practices such as "DuPont Safety Way" & the British Safety Council Five Star Audit for Safety & Environment Sustainability. All our sites are ISO 14001 (Environment Management Systems) & OHSAS 18001 certified & some of the sites are going through ISRS rating on safety. 'SHE' is reviewed at all levels within the organization starting at the Board level & includes the EXCOM, Business Councils, Apex Quality Council (AQC) & Departments. Also Risks Management Programs' compliance are monitored at all levels. As a part of our continuous improvement cycle, the manufacturing divisions establish goals & objectives, under

Environment Management Programs (EMPs), to improve their environmental performance. These EMPs are reviewed regularly at the Plant, Business & Corporate Reviews & are integrated in Enterprise Balance Score Card, Environment committees & Safety Committee meetings that are presided over by Site Heads with representation at all levels.

Labour Practices & Decent Work Indicators

We consider employees as a key stakeholder. Our focus is to not only improve the current skills but also to build skills for future requirement. Training plays a vital role in enhancing efficiency, productivity & performance of our employees. Programs such as Management Development Program, Supervisory Development Program, Operators Certification Program, Employee Growth Scheme & Achievement Orientation are some of the initiatives deployed across the organization that provide customized training to achieve higher skills & build capacity for future leadership & succession planning. In the organization all the employees whether directly employed by company or through contract are considered as workforce with no differentiation in the workplace practices related to safety, health and environment. Our manufacturing sites are OHSAS 18001- Occupational Health & Safety Management certified. As a part of our continuous improvement cycle, the manufacturing sites establish goals & objectives, under Occupational Health & Safety Management & departments have specific goals to improve safety performance. The Safety Committee that is presided by Site heads & Head of Departments review Safety & Occupational Health. This is also reviewed periodically by the EXCOM. Ergonomic study & health checks are regularly conducted.

Human Rights Indicators

Tata Chemicals has consistently worked towards strengthening the governance & legal compliance systems with regular reviews to identify gaps & improvement. We have an open work environment with clearly articulated policies for ensuring transparency & Non-discrimination. Systems ensuring equal opportunity & capturing concerns are in place,

which have a direct line of sight at the group level through the Tata Code of Conduct. An anti sexual harassment policy along with its redressal mechanism that is chaired by a woman employee is also in place to ensure a safe work environment & gender equity. We have implemented SA8000 systems in our three manufacturing sites. We support "fundamental human rights" in all our operational activities & comply with the law of the land.

Society Indicators

Tata Chemicals has always stood by the community around. Aligned with the goals & vision of the management, our social initiatives programs are guided by a "Community Development Policy". The key focus is on integrated community development through a participatory approach with emphasis on sustainability & capacity building of the community. The process of engagement with the community starts with the identification of key community, their needs & prioritizing interventions. The prioritized needs are translated into appropriate development/ support interventions to meet the requirements of the community. Programs include key areas of Natural Resource Management, Livelihood, Health, Education & Infrastructure. We share our resources with the neighbouring communities, providing them subsidized Medical & Health Care, building infrastructure such as roads, schools, health care centers & cattle sheds to name a few. We have established the Tata Chemicals Society for Rural Development (TCSRSD) for implementing Community Development interventions.

Product Responsibility Indicators

We have adopted the "Responsible Care" Principles & have integrated them into our processes. The Product Stewardship Code under Responsible Care drives our effort to minimize health safety & environmental impact of our products across the supply chain. Furthermore, our Innovation Center is focused on developing greener & safer products & alternatives. We adhere to all Indian laws related to marketing communications, including advertising, promotion & sponsorship.