

OUR COMMITMENT TO UN GLOBAL COMPACT

“COMMUNICATION ON PROGRESS”

JANUARY 2016



TATA PIGMENTS LIMITED

Sakchi Boulevard Road, Jamshedpur-831001, India

Tel 91 657 2290273 / 2290274 Fax 91 657 2290276

E-mail md@tatapigments.co.in Website www.tatapigments.co.in



31st January, 2016

COMMUNICATION ON PROGRESS

Introduction

Tata Pigments Limited is committed to the ten principles of the Compact which foster better corporate responsibility in the areas of human rights, labour, environment and anti-corruption.

This Communication on Progress provides an insight into our recent activities in support of the Global Compact's objectives.

Statement of Continued Support

As a member of the Tata Group we follow the principles of corporate governance and a code of ethics (called the Tata Code of Conduct) very similar to the Global Compact. This code of conduct is signed by all our officers and most of our employees and has been shared with our suppliers and customers too.

For further information of the Company, please visit our website www.tatapigments.co.in

For and on behalf of
Tata Pigments Limited

A handwritten signature in cursive script, appearing to read 'Shubhenjit Chaudhuri'.

(Shubhenjit Chaudhuri)
Managing Director

31st January, 2016

U N GLOBAL COMPACT
Communication on Progress

(A) HUMAN RIGHTS:

Principle 1: Support and respect the protection of internationally proclaimed human rights.

Principle 2: Make sure that they are not complicit in human rights abuses.

(A1) Company's Policies affirming this Principles:

Tata Group has a common code of conduct for its companies, which is a shared set of ideals and beliefs that govern and guide the business. Tata Code of Conduct is a guide to each one on the values, ethics and business principles expected from each one. The Code enshrine the human rights principles, the commitment towards environment protection, adherence to labour standards and anti-corruption. Besides, all employees are also governed by the Works Standing Orders duly approved by the concerned Government Authorities.

The Team comprising the Managing Director and Chief Ethics Officer, Chief Ethics Counsellor, Departmental Heads are in charge of resolving any concerns that are reported.

(A2) Company's Initiatives to support the Policies and outcomes:

- Tata Code of Conduct (TCoC) & Works Standing Order include clauses on Human Rights, advising every employee of a Tata Company to preserve the human rights of every individual and the community and strive to honor commitments. Total No. of employees (top to bottom) is 193 (as on 31.12.2015). All employees undergo training on TCoC on regular basis. The Code is posted on the company's Website www.tatapigments.co.in and printed copies are distributed to all employees, dealers and major suppliers. All employees of Tata Pigments have submitted a written undertaking to abide by the TCoC in letter and spirit. Systematic procedure has been established for receipt and resolution of concerns received on TCoC by any stakeholders of Tata Pigments. From time to time Management of Business Ethics survey is getting conducted from an independent agency to know Opportunities for Improvement for appropriate action.
- Employee Grievance Redressal, a part of the Human Resources Management Department, reviews and addresses the grievances of employees.

No human rights violation case has been reported till date.

- Established Disciplinary Procedure enumerated in the Works' Standing Orders (WSO) of the company deals with any violation on Human Rights. WSO is applicable to all employees and have been communicated to all employees at the time of joining the company. Besides, there is an Officers Rules abiding all officers of the company.
- Contractors' works for the company are required to follow the guidelines such as the Safety Rules and Regulations, compliance of all relevant acts including Payment of Minimum Wages Act and Provident Fund and Miscellaneous Provisions Act. **No Child Labour is employed.**
- Occupational Health and Safety issues related to various operations are systematically reviewed and improved through certification to OHSAS-18001:2007 which is audited thrice in a year by Internal Certified Auditors and once in a year by internationally accredited external authority for recertification. TCoC also deals with the subject. Regular safety campaigns are being conducted on 4th of every month for the entire workforce including contract workers. Entire workforce has to undergo yearly medical checkups. Besides, medical checks ups are being carried out to such employees who are required to under go medical checkups as per Factories Act & Rules.
- The Company not only provides medical facilities to its employees but also conducts free Medical Camps with registered doctors and pathologists in the adjoining villages for underprivileged class of the society under "Mother & Child Care" program.





- To support continuing education particularly to under privileged class – SC/ST, the company sponsors scholarships under Affirmative Action.

(B) LABOUR STANDARDS

Principle 3: The freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour;

Principle 6: The elimination of discrimination in respect of employment and occupation.

(B1) Company's Policies affirming the Principles:

- Tata Pigments Works Standing Orders
- Tata Pigments Officers Rules
- Tata Code of Conduct on Equal Opportunity Employer

(B2) Company's Initiatives to support the Policies and outcomes:

- Tata Pigments abides by the prevailing regulatory laws, in India. Its Human Relations and Industrial Relations practices allow collective bargaining. All employees other than officers are represented by the Tata Pigments Workers' Union. Collective bargaining issues are discussed with the Tata Pigments Workers' Union on regular basis.
- The Joint Works Council (Union & Management) meets periodically to discuss issues like productivity, quality, safety, environment and employee well being issues.
- Dialogues and meetings with the Union members, proactively deliberates issues of possible area of conflicts and creates a congenial environment in pursuit of corporate sustainability.

- As per the laws of the land, forced and compulsory labour is prohibited and Tata Pigments fully abides by the law. Senior Leaders and Ethics Counsellor periodically review any violation of such requirements.
- As per the Works Standing Order of the Tata Pigments Limited, minimum age required for the employment is 18 years and hence the company engages no Child Labour. The recruitment process requires furnishing of appropriate proof of age to ensure conformance to the age bar.
- All dealers, suppliers and contractors who work for the company are required to follow the guidelines of no Child Labour employment and Contract Labour (Regulation & Abolition) Act.
- The company is committed to be an equal opportunity employer and follows the company policy which states that employment will be solely based on eligibility and merit of the applicant without any discrimination against their gender, race, religion, caste, colour, ancestry, marital status, nationality and disability.
- The Tata Code of Conduct emphasizes equal opportunities and non-discrimination. The company Ethics Counsellor monitors concerns raised on discrimination in its activities, services and products. During the year no concern was received on discrimination or violation of the Code of conduct or Policy.

(C) ENVIRONMENT

Principle 7: Support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility;

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

(C1) Company's Policies affirming the Principles:

- Tata Pigments Environmental Policy
- Tata Pigments Corporate Sustainability Policy
- Tata Code of Conduct

Key Practice	Law/Rules	Risk associated	Processes/ Activities	Areas	Result ref/ (target)
Environmental monitoring	Water Act-74	Water pollution	Effluent treatment/ analysis	ETP	Fig. 7.4-10
	Air Act-1981	Air pollution	Measures ambient air quality	Boiler Stack SFD Stack	Fig. 7.4-12
Utilize waste	Environment Protection Act	Water pollution	WPL generated in Tube division. SFO generated in ARPs of sister concern	Plant	On continuous basis.
Conservation		Natural resource	Use of ETP sludge in Sinter making at Tata Steel	ETP's filter press	Environment compliance
Life protection	Electricity Act	Accidents	Safety norms	Plant	Compliance
Legal compliance	IT/PF/Wealth/ VAT/Excise Acts	Legal sanction	Filing returns; assessment; deposit; recover; declarations	Company and stakeholders	100% compliance within due date
Consumer Affairs	Consumer Protection Act	Legal sanction	Obtain BIS certification for Syn. Iron Oxide Pigments	Pigments plant	Before expiry
	Weight & Measures Act	Image	Obtain stamping/ calibrations from the inspector	Weigh bridge	Before expiry

Fig. 1.2-4: Compliance with regulatory and legal requirements related to risk of products, services & operations



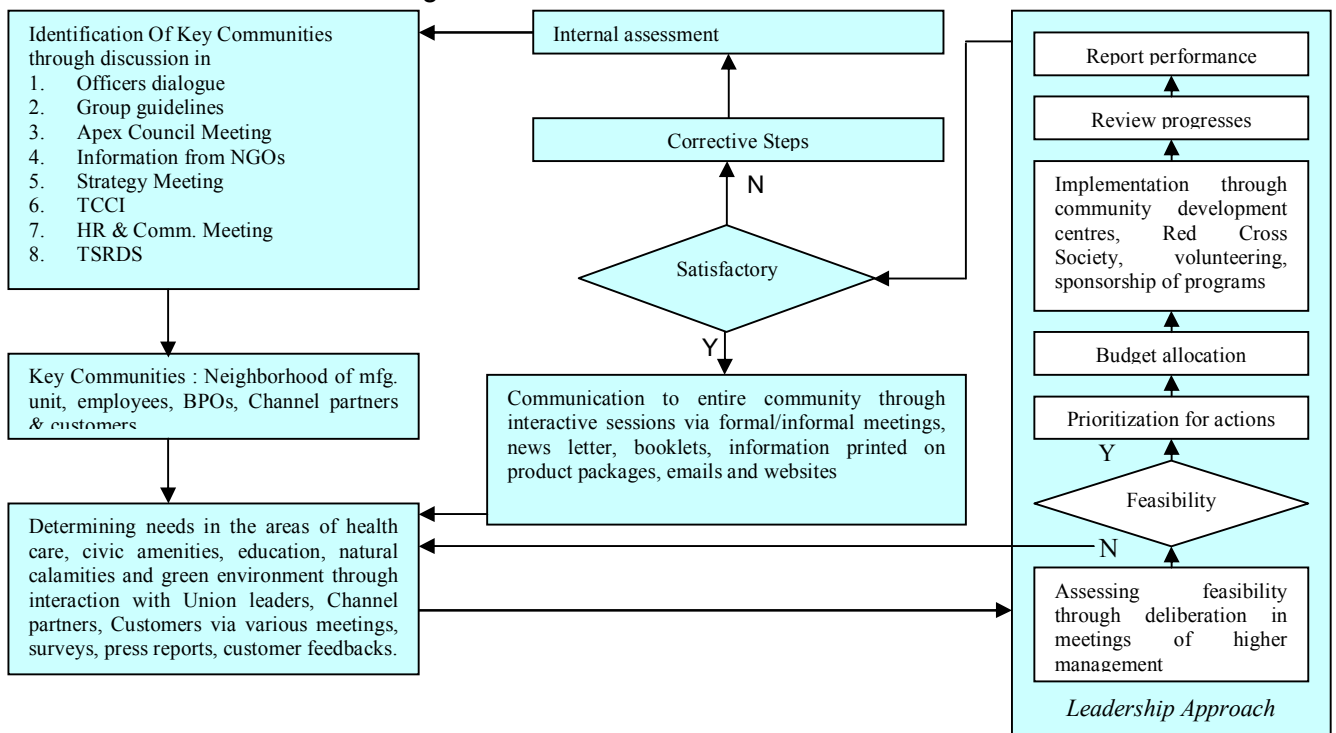
TATA PIGMENTS

Attributes	Action Taken	Impact
Social	Conduct medical camp for underprivileged class of the society under 'Mother & Child Care'. Contribution to 'Netrajyoti Mahayagna' Eye Camps, AIDS awareness programme to school children 7 community, blood donation, family planning initiatives through FPA of India & IRS, contribution to NGOs and philanthropic organizations.	Brand image and recognition to TPL from stockholders
Affirmative action	Scholarships to SC/ST classes for education and training for employability developed a team of 39 volunteers to serve the society, contributions for natural calamities and rehabilitation programmes through Tata Relief Committees and Indian Red Cross Society.	Brand image and recognition to TPL from stakeholders.
Water Conservation	Installation of additional clarifier in Effluent Treatment Plant further improved the quality of effluent discharged from our plant.	Conservation of natural resources & environment
Climate Change	Energy Conservation: Tray type drying ovens closed, installation of Spin Flash Dryer in YO drying, reduction in frequency of oil firing in Boiler heating, use of FTP sludge in sinters making in Tata Steel. Reduction in carbon footprint: distribution of sapling for plantation, installation of Solar Heater and Solar Street light inside plant, use of FRP board in place of wooden planks.	Conservation of energy and natural resources.

Fig. 1.2 -6 Attributes to societal well being

(C2) Company's Initiatives to support the Polices and outcomes:

- Tata Pigments uses proactive approach towards minimizing environmental impact in manufacturing processes.
- Tata Pigments uses environment-friendly technology in the manufacture of its products and ensures that all operation and activities not only conforms to statutory regulations but also strives to go beyond the regulatory norms. Tata Pigments continuously upgrades its manufacturing technology to reduce environmental impact, energy consumption, improve productivity and quality – Clause 8 and 9 of TCoC.
- The present technology used by Tata Pigments has completely eliminated the emission of CO₂ gases.



Identification of Key Communities. Support & Leadership Approach



- Tata Pigments is an Integrated Management System – ISO 9001:2008; ISO 14001:2004 and OHSAS 18001:2007 certified Company.
- Tata Pigments promotes Rain Water Harvesting in its work place and effluents generated in the plant are being sent to Effluent Treatment Plant. Treated water is recycled and thus conserving water and reduces requirement of fresh water.
- Tata Pigments promotes greening and therefore to offset climate change and to promote environment awareness saplings are being planted by its officers and employees on various occasions. Clause 8 of TCoC specifically mentions about offsetting the effect of climate change in all spheres of its activities.

(D) ANTI - CORRUPTION

Principle 10: Business should work against all forms of corruption, including extortion and bribery.

(D1) Company's Policy affirming the Principles:

- Financial reporting & Records
- Gift Policy;
- Whistle Blower Policy (WBP);
- Ethical Conduct

(D2) Initiatives to support the Polices and results:

- Tata Pigments has systems of internal controls and procedures covering most of the financial and operating functions to detect corruption and frauds Clause 2, 18 & 24 of TCoC. It provides reasonable assurance about existence of proper accounting controls, preventing corruption, the reliability of financial and operational information.
- Board of Directors of Tata Pigments monitor and review Company's performance, Corporate Governance and Corporate Sustainability in its quarterly meetings.
- All Tata Pigments employees are committed to abide by the Tata Code of Conduct and all managerial employees have signed their commitment to abide by it. TCoC has specific clauses on Gift & Donations (Cl.5); Ethical Conduct (Cl.17). The Whistle Blower Policy encourages employees to raise genuine concerns and provides assurance to protect the Whistle Blowers from any subsequent harassment or retaliatory action. For this a Whistle Blowers Protection Committee has been constituted.



TATA PIGMENTS

- Training on TCoC is made a part of the orientation programme of employees joining the company. All employees go through the reinforcement training on TCoC.
- All employees had participated in Management of Business Ethics (MBE) survey, which is used by the leadership team to review the effectiveness of business ethics programme and identify opportunities for improvement.

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(Shubhenjit Chaudhuri)
Managing Director