





Corporate Sustainability Policy

Tata Chemicals Limited will consistently strive to enrich the quality of life of people, positively impact the communities that we operate in and care for the environment, while generating economic benefit.

We respect the needs of both the current and future generations and are committed to Sustainable Development as a core business practice.

As a member of the Global Business Community, we shall conduct our activities with integrity and fairness, to the highest standards of Corporate Social Responsibility, while engaging with, understanding and respecting the interests of all stakeholders.

Specifically, the principles we follow are:

- Upholding the highest standards of Business Ethics and Corporate Governance.
- Respecting the universal declaration of human rights and the International Labour Organization's fundamental conventions on core labour standards
- Conducting all our operations in a manner that is protective of the environment, health and safety of our workforce, customers and the community.
 - Striving to develop new products and improve existing ones to consistently enhance the value proposition to our customers while taking care of the environment, throughout their life cycle.
- Advocating with, encouraging, and supporting our partners and others to embrace similar ethical and social responsibility standards.
- Encouraging diversity of culture, experience and expertise while creating an environment that fosters achievement, innovation, learning and teamwork in our workforce.
- Setting targets, measuring and reporting our performance across Human, Social, Environmental and Financial dimensions

TATA CHEMICALS LIMITED

A handwritten signature in black ink, appearing to read 'R. Mukunda', with a long horizontal stroke extending to the right.

Managing Director

Date: 21st May 2009

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VISION

Tata has always been values-driven. The core values of Tata Chemicals are: Integrity, Safety, Excellence, Care and Innovation.

The Tata Code of Conduct serves as the ethical roadmap and provides guidelines by which the group conducts its businesses.

The Tata Chemicals corporate philosophy is deeply rooted in the principles of sustainability which implies a commitment to environmental stewardship while adding economic value, promoting human rights and building social capital.

The Guidance to Suppliers for Sustainable Supply Chain envisions a sustainable business model, within the ethical road map and guidelines given in the Tata Code of Conduct, through united, responsible and understanding efforts with our valued business partners thereby leading in corporate sustainability.





INTENT

The Supply Chain Partners of Tata Chemicals are valued business associates of the company and integral stakeholders in the success of the company. The Company strives to achieve success for all stakeholders by an Enterprise Wide Risk Management initiative to ensure smooth operations.

The document intends to establish sustainability expectation in the supply chain. The document highlights the means of achieving a perfect balance in business economics with environmental and social responsibility in a transparent ethical manner, in the value chain. This shall help minimize business continuity risks; regulatory, reputational, market business acceptance and consumer requirement risks for all stakeholders in the business.

The Guidance for Sustainable Supply Chain outlines the safeguards to be adopted in labor engagement, occupational safety and health, environment and ethical conduct by our partners as a united effort towards lowering risks.

The document further elucidates the process for continual improvement through documentation, evaluation and monitoring which shall ensure a sustainable effort in risk management.



DEFINITIONS

1. Supplier

A supplier, in a supply chain is an enterprise that contributes goods or services in a supply chain.

2. Supply Chain

A supply chain is a system of organizations, people, technology, activities, information and resources involved in moving a product or service from supplier to customer.





SCOPE

1. Supplier Relationships

The provisions of this Code of Conduct set forth the expectations of all suppliers with whom the Tata Chemicals does business. Suppliers must ensure that this Code of Conduct is communicated to the employees and subcontractors of all suppliers, and that it is done in the local language and in a manner that is understood by all.

2. Promoting the Principles

Tata Chemicals expects that its suppliers will establish and maintain appropriate management systems whose scope is related to the content of this Code of Conduct, and that they actively review, monitor and modify their management processes and business operations to ensure they align with the principles set forth in this Code of Conduct.

3. Subcontracting

Tata Chemicals expects that its suppliers encourage and work with their own suppliers and subcontractors to ensure that they also strive to meet the principles of this Code of Conduct or equivalent set of principles.



GUIDANCE FOR SUSTAINABLE SUPPLY CHAIN

Tata Chemicals envisions engaging with its supply chain partners around the principles of UN Global Compact* to advance sustainable development objectives in its business endeavors.

1. ETHICS, TRANSPARENCY AND GOVERNANCE

1.1 Ensure highest level of compliance to TATA Code of Conduct and relevant regulatory bodies.

Suppliers of Tata Chemicals must pledge their support to the principles and guidelines provided in the Tata Code of Conduct and incorporate all provisions mentioned therewith.

Suppliers should ensure the highest level of compliance in relevant environmental and social regulations as applicable at the state and national level.

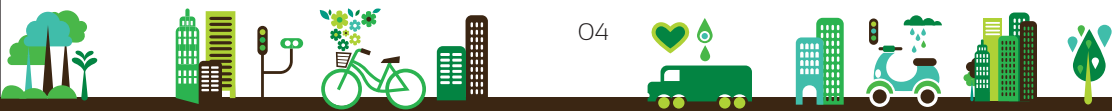
1.2 Maintain and share documentation regarding procurement practices, sub supplier engagement, labor engagement and applicable compliances for operation.

Suppliers must support creation of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

2. LABOUR

Suppliers should recognize and be committed to upholding the human rights of workers, and to treat them with dignity and respect as understood by the international community.

2.1 Elimination of forced and compulsory labor All work will be voluntary, and workers should be free to leave upon reasonable notice.





GUIDANCE FOR SUSTAINABLE SUPPLY CHAIN

2.2 Effective elimination of child labor.

Child labor is not to be used in any stage of manufacturing. The term “child” refers to any person employed as per the legal statutes

2.3 Promoting diversity in workforce

Suppliers shall promote adequate representation of socially backward classes and women in the workforce and prevent discrimination of any kind.

2.4 Ensure humane working environment and fair compensation

Work place must have an environment that treats all employees with dignity and respect. Work hours are not to exceed the maximum set by local law. Suppliers should pay fair wages and benefits that at least meet the minimum legal standards.

3. OCCUPATIONAL SAFETY AND HEALTH

Suppliers should recognize that the quality of products and services, consistency of production, and workers’ morale are enhanced by a safe and healthy work environment.

Management systems such as OHSAS 18001 and ILO Guidelines on Occupational Safety and Health were used as references and may be a useful source of additional information.

3.1 Ensure safe and hygienic working spaces, machine safeguarding, and fire safety.

Workers are to be provided with a safe and healthy workplace or any other location where production or work is undertaken. This includes at a minimum, reasonable access to potable water and sanitary facilities; fire safety; emergency preparedness and response; industrial hygiene; adequate lighting and ventilation; occupational injury and illness and machine safeguarding.





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Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment.

Physical guards, interlocks and barriers are to be provided and properly maintained for machinery used by workers.

3.2 Ensure emergency preparedness, provisioning for occupational injury and illness.

Emergency situations and events are to be identified and assessed, and their impact minimized.

Procedures and systems are to be in place to manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and d) facilitate return of workers to work.

3.3 Ensure preventive and protective measures to prevent accidents, illness and injury.

Worker exposure to physically demanding tasks is to be identified, evaluated and controlled.

4. ENVIRONMENT

Suppliers should recognize that environmental responsibility is integral to producing world class products.

Suppliers should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.





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4.1 Environmental Permits and Reporting

Suppliers will comply with all applicable quality, health, safety and environmental regulations.

4.2 Undertake precautionary approach towards avoiding spills or pollution – chemicals, air, land and water.

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

4.3 Adopt responsible use of natural resources – energy, raw materials and water; and environmentally friendly and clean technologies.

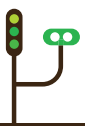
Use of primary energy and direct non renewable raw materials shall be judicious and should be replaced by renewable or recycled sources wherever possible. Usage shall be monitored, reviewed on periodic basis and use of alternative sources and alternative, environmentally friendly technology shall be applied with the objective of reducing consumption.

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials and use of cleaner technologies.

With applicable laws and the principles set forth in this Guidance document, including policies, training, monitoring and auditing mechanisms.





GUIDANCE FOR SUSTAINABLE SUPPLY CHAIN

Suppliers are expected to develop adequate documentation to demonstrate that they share the principles and values expressed in this Guidance document. This documentation may be reviewed by Tata Chemicals upon mutual agreement.

Suppliers should also apply these or similar principles to the subcontractors and suppliers they work with in providing goods and services to Tata Chemicals.

Tata Chemicals reserves the right to assess and monitor suppliers' compliance with this guidance. Suppliers who are not in compliance with this guidance are expected to implement corrective actions or they may not be considered for future business.



DOCUMENTATION AND REVIEW POLICY

Tata Chemicals expects suppliers to implement systems and controls to promote compliance





ACKNOWLEDGEMENT

I Acknowledge that I have received the Guidance to Suppliers for Sustainable Supply Chain.

I have read the principles and guidelines and agree to adhere to them.

Signature:

Date:

Name:

Address:

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