

TRENT LIMITED

Communication on Progress

2011-12

STATEMENT OF CONTINUED SUPPORT

Message from the CEO

To our stakeholders:

I am pleased to confirm that Trent Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

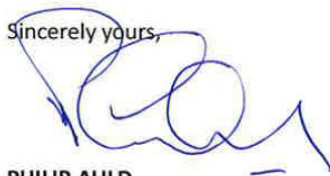
Trent Limited is a signatory to the United Nations Global Compact and remains committed to the enshrined principles. Corporate Sustainability at Trent integrates economic progress, environmental concerns and social commitment. We believe in fusing our business values, cultural pillars and operating principles to exceed the expectations of our customers, employees, partners, investors, communities and the wider society. We aim to move the agenda forward on performance related to human rights, labour rights, the environment and the fight against bribery and corruption.

We hereby submit our Communication on Progress to the Global Compact Society for the financial year 2011-2012.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

We look forward to your feedback on our progress.

Sincerely yours,



PHILIP AULD

CEO

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Abbreviations

AMC	Annual Maintenance Contract
BSC	Balanced Scorecard
CFTS	Customer Feedback Tracking System
CPSC	Consumer Product Safety Commission
CSS	Customer Satisfaction Survey
E & I	Evaluation and Improvement
EC	Ethics Counselor
EPA	Environment Protection Act
ESS	Employee Satisfaction Survey
HO	Head Office
HOD	Head of Department
LEC	Local Ethics Counselor
N.G.O	Non Governmental Organization
QA	Quality Assurance
QC	Quality Control
SC	Scheduled Caste
ST	Scheduled Tribe
TCoC	Tata Code of Conduct
TQMS	Total Quality Management Services
VMS	Vendor Management System
VSS	Vendor Satisfaction Survey

INTRODUCTION

Trent Limited is a signatory to the United Nations Global Compact, a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labour, environment and anti-corruption. This Communication on Progress provides an overview of commitments, activities and plans during 2011-12 in support of the Global Compact's objectives. Our commitment to sustainability drives our environmental endeavour, good corporate citizenship in our workplace, communities, and the products and services we provide to customers.

At Trent Limited, sustainability integrates economic progress, environmental concerns and social responsibility with the objective of “Improving quality of life” and building “Leadership with Trust”. We believe in integration of our business values, cultural pillars and operating principles to meet the expectations of our customers, employees, partners, investors, communities and wider society.

Our commitment thus is:

- We will uphold the values of integrity, understanding, unity, excellence and responsibility with stakeholders.
- We seek to train and recruit a right mix of fresh and experienced people that reflect the diversity of the communities in which we operate, to give equal opportunities to all of our staff, provide decentralized training, and to provide opportunities of learning and development to help them have fulfilling and rewarding careers.
- We aspire to create an equal platform of opportunities for the socially and economically disadvantaged sections, specifically for the Scheduled Caste / Scheduled Tribe (SC/ST) communities.
- We strive to contribute to safeguarding the environment and improving biodiversity.
- In accordance with the National Policy on Child Labour, we intend to take proactive steps towards a child-labour free society.
- In accordance with other Labour Laws, we seek to identify possible occupational hazards and promote in totality, the health and safety of our employees.

We are committed to establishing a range of Corporate Sustainability targets, measures and review mechanisms and to report our progress on an annual basis.

UPHOLDING AND SAFEGUARDING HUMAN RIGHTS

OUR COMMITMENT

Trent Limited acknowledges that every single human being is entitled to enjoy his or her human rights without any distinction of race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Trent Limited abides by the Constitution of India and law of the land and levies utmost importance to human rights thereby upholding and safeguarding the same. To translate the above mentioned into actions, the company has adopted a set of standards & codes and adheres to them strictly.

Following is an insight into the company's philosophy on Corporate Governance, and certain other codes that are adhered to with respect to protecting and promoting human rights:

A brief statement on Company's philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the affairs of the Company and help the Company achieve its goal in maximizing value for all its stakeholders. The Company's philosophy is in line with the Tata Group's long standing tradition of fair and transparent governance.

The Company has adopted the Tata Code of Conduct (Tata CoC) for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, the Tata Code of Conduct for Prevention of Insider Trading and the Whistle Blower Policy. The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges.

Tata Code of Conduct:

Trent Limited has adopted the Tata Code of conduct (Tata CoC) which serves as a guide on the values, ethics and business principles to be followed. It is a set of 25 principles which enshrine the human rights principles, adherence to labour standards, commitment towards environment protection and anti-corruption. Tata CoC has been developed to ensure high standard of corporate and personal behaviour on which the Tata Group's reputation and respectability has been built over the past years.

Trent Limited adheres to Tata CoC strictly in all its transactions with all the stakeholders thereby embedding the values of the group along with the Leadership's focus on walking the talk.

The 25 Tata CoC principles in a brief include:

1. National Interest	14. Use of Tata Brand
2. Financial reporting and records	15. Group policies
3. Competition	16. Shareholders
4. Equal- opportunities employer	17. Ethical conduct
5. Gifts and Donations	18. Regulatory compliance
6. Government agencies	19. Concurrent employment
7. Political non- alignment	20. Conflict of Interest
8. Health, safety and environment	21. Security transactions and confidential information
9. Quality of products and services	22. Protecting company asset
10. Corporate citizenship	23. Citizenship
11. Corporation of Tata companies	24. Integrity of data furnished
12-13. Public representation of the company and the Group	25. Reporting concerns

Whistle Blower Policy:

Trent Limited has adopted the Whistle Blower Policy that is an extension of the Tata Code of Conduct. It provides a formal mechanism for all employees of the Company to approach the Ethics Counselor/ Chairman of the Committee of the Company and make protective disclosure about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. All employees of the Company are eligible to make Protected Disclosures under the Policy.

ACTIVITIES & MEASURES

Induction

As part of our induction program, all employees undergo a one day training program with intent to acclimatize the personnel with the Philosophy of the Tata Group, Vision, Mission and Values of Trent and the various policies and procedures of the company.

The program also includes aspects relating to Human rights and Trent's commitment to augment Human Capital.

Measure

<u>Target Set</u>	<u>Results Achieved</u>
100% Employees	100% of the employees have been trained in respect to the aspects of Human Rights

Health and Safety

HEALTH & SAFETY POLICY

⇒Trent Limited accepts, without reservation, its legal obligation to provide, so far as is reasonably practicable, a safe and healthy working environment for all employees, wherever they may be located. Our commitment to Health & Safety ranks equally with that which we give to operations, retailing, finance etc. and it has the full support of the Managing Director.

⇒As an employee, you are our most important asset. It is therefore our policy to provide and maintain so far as is reasonable practicable, a safe place of work; a safe working environment; safe handling, safe plant, equipment, and systems of work; and to provide such information, instruction, training and supervision as is necessary to ensure health and safety.

⇒ We shall also undertake to ensure so far as is reasonably practicable, that persons not in our employment, who may be affected by our activities, are not exposed to risks in their health and safety; to fully satisfy our legal requirements with regard to Health & Safety Policy, so that we can fulfill our statutory duties and legal obligations to you; and to not intentionally or recklessly interfere with or misuse anything provided in the interest of health, safety and welfare.

⇒ Our policy on health & safety at work can only be effective with your active cooperation.

Our Code of Conduct states the following:

"A Tata company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs"

We at Trent Limited use the learning acquired from visits to international retail stores, customer feedback and learning from experience to ensure greater care and safety of consumers visiting our stores. All the new incumbents undergo medical tests to recruit a healthy work force. A special thrust is given to ergonomics and accordingly projects and operations to ensure that store layout, and design of fixtures is aimed at providing working comfort to employees.

Pest control is carried every month as a part of the AMC at all locations for improving work place environment. Inputs are taken from employees through the ESS process and also information on safety, health and security is disseminated to the employees.

The performance measures for the workplace factors for different locations are as follows:-

Key Work place Factors and Targets for Work Units

<u>Workplace Factor</u>	<u>Target</u>	<u>Work Units</u>	<u>Compliance Through</u>
Accidents	Nil	All	Accidents and incidents report from each store to HO
Health – hazardous incidents	Nil	All	
Security – theft incidents	Nil	Stores	
Ergonomics – Complaint on discomfort	Nil	All	
Parking	100%	All	CFTS/ Incident report

Rest rooms/lockers @ stores	100%	Stores	Project report
Cable TV @ all stores	100%	Stores	Store opening report
Lighting	1000Lux	Stores	Maintenance report
AC temperature - Summers	22 ⁰ C ± 1	All	
AC temperature - Winters	24 ⁰ C ± 1		
Seating arrangement; email, telephone	100%	HO & locations	Direct feedback
Other amenities	100%	All	Project cycle report
Housekeeping staff – cleanliness, hygiene	100% adherence	All	Checklists based @ Locations
Exit points	-do-	All	Project report
Emergency plan	-do-	All	Project report
Fire wardens / first aiders	-do-	Stores	Managers' report
Company doctor	-do-	All	Part of company policy
Emergency numbers list	-do-	Stores	Displayed at all Stores

The work place preparedness and emergencies are ensured using the services of the external audits before and after opening a store. Reports given by Tata AIG, Govt. agencies and self-assessments provide valuable inputs to take preventive measures.

As part of the continuous training provided to all the employees, the following aspects are covered:-

Training Modules		
<u>Training</u>	<u>Focus on</u>	<u>Module includes</u>
Induction training for new store opening (Customized)	<ul style="list-style-type: none"> • Values • Safety • Health • Tata CoC • Behavioural • Environment 	<ul style="list-style-type: none"> • Tata Values and Trent Values • Fire fighting training & safety at work • First aid training • Inputs on Tata CoC, Shrinkage, theft • Functional inputs by practitioners • Communication skills, building positive attitude,



CORPORATE CITIZENSHIP

Our Commitment

The Tata Code of Conduct states the following:

“A Tata company shall be committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self-reliant.

Such social responsibility would comprise initiating and supporting initiatives in the field of community health and family welfare, water management, vocational training, education and literacy, and encouraging the application of modern scientific and managerial techniques and expertise. This will be reviewed periodically in consonance with national and regional priorities.

The company shall also not treat these activities as optional ones, but shall strive to incorporate them as integral part of its business plan. The company shall also encourage volunteering among its employees and help them to work in the community. Tata companies are encouraged to develop social accounting systems and to carry out social audits of their operations.”

Trent Limited through its Corporate Sustainability department strives to address the concerns of its employees, stakeholders and the community (especially the underprivileged sections of the society).

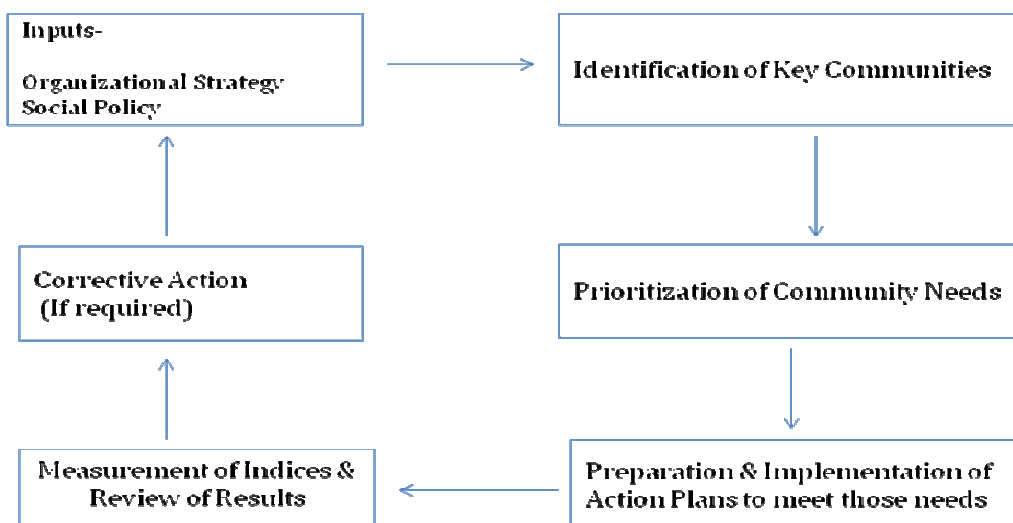
In order to realize the same, it follows a 2 fold process:

1. Selecting the Key Communities

To ensure that the activities carried out by the Company have an impact, the company follows an exercise of selecting communities based on the felt needs, prioritization of these needs and further outlining action plans for the same.

(With respect to all the initiatives of the company, tangible, verifiable and measurable targets have been assigned and the same is reported on a periodic basis to the apex team during the BSC review).

The process of selecting the key communities is as follows:



The process of selecting Key communities is based on the Corporate Sustainability and Social Policy of the Company. The Company carries out initiatives to serve the key communities as shown in the above figure

SOCIAL POLICY
<p>⇒ India a youthful country with a large percentage of the population being in the younger age brackets. We believe that these young people shall be the backbone of the nation in the coming years. It is therefore our intention to focus on the socially underprivileged children and unemployed youth in order to provide them with a chance to have a better life tomorrow.</p> <p>⇒ We shall dedicate resource commensurate with our business requirements to community activities that work towards improving the future of socially underprivileged children and unemployed youth. We shall also use our assets and our expertise in the retail business to further the cause of such communities.</p>

2. Deciding the Thrust areas and clearly outlining the Action Plans

- For Implementation
- For setting up a process to Measure and Review the Results

Activities & Measures

Our Company based on the selection of the key communities intends to lay emphasis on the following thrust areas namely Education, Employment, Employability, Health & Safety, Environment and furthering other relevant social endeavours.

An overview of the actions taken, its impact and the plans formulated with regards to the same are as follows:

Education

As part of our education initiative, we support NGOs by selling items like 'Diyas' with a theme 'Help a Child – Bring a Smile' during Diwali and 'Angels Tree' and Stars during Christmas to generate revenue to help poor children, with the proceeds being given to the NGOs that work in the areas of education & nutrition. For the year 2011-12, we have supported 27 NGO projects across India.

Employment

From the nearby communities 578 underprivileged youth were employed within our organization, last year. This has been a result of our twin pronged strategy of working with NGOs having roots in the communities and our employability initiative.

Employability

In our endeavour to champion the cause of employability, Trent for the last 3 years has been executing a self-designed initiative christened "Saksham". The objective being to train underprivileged youth from the communities in a vocational course on 'Retail Operations' so as to enhance their employability skills and provide opportunities for employment.

The course includes a good mix of theory and practical so as to fully equip every aspirant with relevant skills, knowledge and attitude.

With the intention of making the above mentioned project sustainable and scalable, Trent has trained 11 trainers from the N.G.Os so far and has taken centre stage with regards to updating the trainers on a timely basis, employing audio visual aids as one of the teaching techniques, providing certification, an on the job training provision and support in terms of providing employment opportunities.

In addition, commensurate to our requirements, we intend to employ as many of these aspirants within our organization. Relevant processes have been set to ensure smooth functioning of the above mentioned.

<u>Initiative</u>	<u>Partnering Agencies</u>	<u>Beneficiaries</u>
Vocational Training on Retail Operations	a) Kherwadi Social Welfare Associations b) Don Bosco	449 underprivileged youth from the communities

In regards to the above initiative, a process for implementing, monitoring & evaluation has been designed which is as follows:-

- Trent Limited will collaborate with N.G.Os to train the underprivileged youth.
- Instead of trainers from our company training the youth from the communities directly, trainers from our organization would provide training to the Trainers from the N.G.Os
- Trent Limited to provide training for the trainers of the partner organizations (N.G.O's).
- Trent Limited will provide necessary clarifications, technical assistance and constant updation to the trainers with respect to the new emerging trends in the field of Retail.
- Trent Limited would provide certification to the trainers.
- The trainers from the N.G.O's would train underprivileged youth from nearby communities
- Trent Limited will retain the services of a professional from an educational institute to provide an accreditation vis-à-vis certification
- Trent Limited will arrange for store visits of the candidates enrolled in the retail course for enhancing the process of learning.

- Trent Limited would absorb the underprivileged youth in the organization commensurate to its requirements.
- Trent Limited would help the N.G.O's link with other organizations of the service industry so as to provide job opportunity to more youth.
- Trent Limited will establish a network for sharing of best practices and concerns
- Trent Limited will develop audio - visual aids as a teaching technique for a better learning experience

Affirmative Action

Tata Group endorses affirmative action, an initiative relating to endeavours falling under the gamut of: Education, Employability, Employment and Entrepreneurship especially for personnel belonging to the Scheduled Caste and Scheduled Tribe categories.

As part of this initiative, Trent has provided employment to 1105 people from the affirmative action communities. This means that around 18% of Trent's employee base is from Affirmative Action communities.

Volunteering

The leadership team regularly takes initiatives in areas of community development. Employees are encouraged to become members of the professional bodies and volunteer their time, talent and expertise. Senior leaders from Trent Limited are constantly involved in educational activities with student groups from various educational institutions. In addition, Trent has initiated an Award Category for Volunteers who partake in the Corporate Sustainability initiatives.

Volunteering has been categorized broadly as follows:

Volunteering at our Stores (Stores Staff)

Aspirants from NGOs are encouraged to visit the stores as part of the vocational training initiative which provides a unique opportunity for visual and tactical learning.

Volunteering with NGO's (Guest Lecturers)

The staffs from our corporate office/ stores visit NGOs as a guest lecturer to impart knowledge and skills to the aspirants from the organization

Volunteering with Educational Institutions (Industry Partners)

Trent Limited has collaborated with Garware Institute of Management, University of Mumbai, for a one year diploma course in retail management. Staff from our Corporate office periodically visit the institute and share their knowledge and expertise with the participants of the course.

Aid to the society

- Trent Limited has collaborated with a charitable organization, Guru Nanak Trust and donates unused medicines that are subsequently used by the doctors from the trust to treat the sick and afflicted. For the same, Trent encourages their employees and customers to donate unused medicines which are collected through special medicine drop-boxes that are placed at the Corporate Office and at the stores.
- Trent Limited has taken to donation of footwear and clothes to needy organizations and donates unused merchandise on an ongoing basis.
- We source employee birthday gifts and other similar products from NGOs for our organization.



UPHOLDING LABOUR STANDARDS

OUR COMMITMENT

Trent Limited strictly adheres to the laws of the land with regard to forced and compulsory labour. The operations of the Trent Limited stores are subject to all the statutory regulations, Shops and Establishment Act, the Weights and Measures Act, and the Packaged Commodities Act, etc. All promotional activities are governed by regulations, and the same are strictly adhered to by Trent Limited. The statutory acts related to the management of its employees and their benefits are also adhered to.

Trent Limited has a Secretarial and Legal department that ensures the compliance of all legal and regulatory requirements. The internal audit department reports, suggests and facilitates compliance as a proactive measure.

Operating under the Tata Code of Conduct emphasizes corporate ethical behavior and the culture of Tata CoC has spread across to other stakeholders thereby ensuring practices that promote fair labour practices, non-discrimination, non-employment of child labour and safeguarding Human Rights at all levels of employment.

ACTIVITIES & MEASURES

Social Compliance

Trent has embarked upon an initiative with vendors on Social Compliance. The objective being, to engage with them in our fight against Child Labor, Forced Labor, Discrimination/ Harassment and to promote Health and Safety thereby aiming at improving the quality of life. The idea was to go beyond the boundary of business and further 'human values' along with the vendor fraternity.

As part of this initiative, 2 pilots have been conducted in Bangalore, Tirupur, Delhi and Ludhiana and a training of trainers program was conducted for all the sourcing managers. Trent plans to further enhance the same for which a framework for the same has been put in place.

Equal opportunity employer

Trent Limited adheres to the Tata CoC which states the following:

"A Tata company shall provide equal opportunities to all its employees and all qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality and disability. Employees of a Tata company shall be treated with dignity and in accordance with the Tata policy of maintaining a work environment free of sexual harassment, whether physical, verbal or psychological.

Employee policies and practices shall be administered in a manner that ensures that in all matters equal opportunity is provided to those eligible and that decisions are based on merit."

Trent Limited believes in social equity and is an equal opportunity employer. It strives to maintain a right mix of the fresh and experienced by continuously recruiting talent from available sources all over the country through its various recruitment schemes. The Company understands that cultural diversity is important to address the regional

preferences of the customers. As such, most of the associates and officers are recruited from the city in which the store is located.

ENVIRONMENTAL RESPONSIBILITY

Our Commitment

As an organization, we are fully committed towards the environment and intend to take steps in a direction that reduces negative impact on the environment as a result of our business activities.

We abide by the Tata CoC which states the following:-

“A Tata company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. A Tata company shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.”

Impacts of products & services

The product range of Trent Limited consists primarily of apparel and accessories for ladies, men and children, household, bed and table linen and gift articles.

The process of manufacture of our articles has some impact on the environment through use of fabric, chemicals used in the manufacturing process and the materials used in packaging. However, every effort is taken to negate the impact of our manufacturing processes on the environment.

Feedback from customers, Industry scan, vendor and consultant interaction have led to the formulation of standards for the products of Trent Limited. Over the years Trent Limited has learnt from its customers of their concerns regarding product safety and added programs to provide greater safety features in our offerings.

The nature of our business does not contain highly polluting processes. In spite of this, we are committed to environmental management, as a vital responsibility.

The Tata group policy, that highlights the need to play a leadership role in Climate change by all group companies, provides the guiding principles for all actions. While the Supply Chain focuses on initiatives at the Suppliers end, the operations teams explore all opportunities to abate climate change drivers such as energy consumption. The company has undergone a Climate Change assessment, and a plan to address opportunities is in place.

Trent Limited ensures that it does not disturb the surrounding environment by complying with all local zoning and building regulations.

The processes adopted for mitigating risks associated with products are as follows:-

Processes to mitigate impact/ risks

<u>Impact on</u>	<u>Processes Used</u>
Product	<ul style="list-style-type: none">• QC checks upgraded from time to time• Audit by an International Consultant on QC system

Target & measures to mitigate impact/ risks

	<u>Guidelines</u>	<u>Impact / risk on product/ services / operation</u>	<u>Target</u>	<u>Processes / Actions taken to Improved</u>
Consumer/ Society	<ul style="list-style-type: none">• EPA• Proactive Measures• CPSC data base• Zoning Laws• Textile Testing Services	<ul style="list-style-type: none">• Pollution – use of hazardous dyes, use of plastics• Health – on Consumers• Safety – during shopping	<ul style="list-style-type: none">• 100% compliance to lawZero ComplaintsZero Complaints	<ul style="list-style-type: none">• Recall process• Store layout• Training of staff• Product design• Safety policy• VMS• QC testing through textile committee labs
Government	<ul style="list-style-type: none">• Legislation /regulation• Income tax• Wealth tax• Excise rules• Env. Rules• Safety rules• Shops and Estbtt. Act	<ul style="list-style-type: none">• Legal non compliance• Statutory requirement	<ul style="list-style-type: none">• 100% compliance to law	<ul style="list-style-type: none">• Legal Cell ensures• Finance dept. ensures• Safety policy• Insurance• Risk Assessment• Internal audit• External audit

During the planning and construction of stores itself, Trent Limited ensures that environmental issues like noise level, vibration level, and light intensity are taken care of.

As part of the continuous training provided to the employees, the following aspects are covered:-

Training Modules		
<u>Training</u>	<u>Focus on</u>	<u>Module includes</u>
QC training	<ul style="list-style-type: none"> • Environmental issues • Vendor management • QC standards 	<ul style="list-style-type: none"> • Use of QC standards and legal rules – e.g. use of Azo free dyes • About VMS, ethical standards, Tata CoC

Activities & Measures

- **Carbon Footprint- Assessment and Abatement**

As part of furthering a Culture for Energy and Environment Conservation by walking the talk,

Trent under the aegis of the Tata Group has completed a 'Carbon Footprint- Assessment and Abatement exercise'. The aim being, "To move towards a carbon neutral platform by measuring the Carbon Emission Performance of the Organization, assessing the future risks and conceiving possible Techno-Financial measures to reduce the Carbon Liabilities.

In June 2010, an external committee of senior environment champions from the Tata Group along with an internal team from Trent began the exercise.

A detailed roadmap has been arrived at to reduce overall energy consumption and promote the go-green agenda. A Carbon road map has been prepared to reduce the emissions from existing stores by 25% by 2020 and build new stores with 30-40% less carbon foot print. Carbon action plan phase-I is in place & will be completed to reduce foot print by 15% of 2008-09 baseline. Till date we have achieved 15% energy & carbon foot print reduction from 2008-09 baselines with CAP-I project & Operational measures. (There has been a reduction of 2582.15 tonnes of Carbon dioxide till date).

- **Plastic recycling & Vermicomposting**

With an objective of moving towards a 'Zero Waste Hypermarket retailer', Trent has pioneered and has implemented a zero-waste model. The concept of the same being, dry waste that gets collected is recycled and the wet waste is converted into compost. The same is being run in collaboration with an NGO and profit accrued from selling the compost is being used by the NGO for their developmental activities.



AN ETHOS OF ANTI-CORRUPTION & PROMOTING ETHICAL BEHAVIOR

Our Commitment

As per the Tata Code of Conduct, the company adheres to a strict policy against any corrupt practices. The policy on gifts and donations, as explicitly mentioned in the Tata CoC is reproduced below:

“A Tata company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended to, or perceived to obtain business or uncompetitive favours for the conduct of its business. However, a Tata company and its employees may accept and offer nominal gifts which are customarily given and are of commemorative nature for special events.”

As part of our financial accountability, the Managing Director and the Chief Financial Officer of the company certify to the board that the accounts of the company present a true and fair view of the business of the company. This certification is based on the Compliance certificate furnished by each of the HOD's. The compliance certificate is as provided in a clause of the Internal Customer Satisfaction Agreement.

Any complaints regarding corrupt practices (made under the well established Whistle Blower Policy), are processed through the Ethics Counselor process. An environment of legal behaviour is ensured by identifying all the applicable legal norms and ensuring their compliance through regular reviews and process audits. The Internal Audit department strengthens the process of legal compliance by carrying out periodic audits, reporting shortcomings and also suggesting means for improvements. Ethical behaviour is reinforced by adoption of the Tata CoC, Values and their deployment through the various approaches related to Communication and Training.

The key processes adopted in carrying the message of ethical conduct and desired behavior is as follows:-

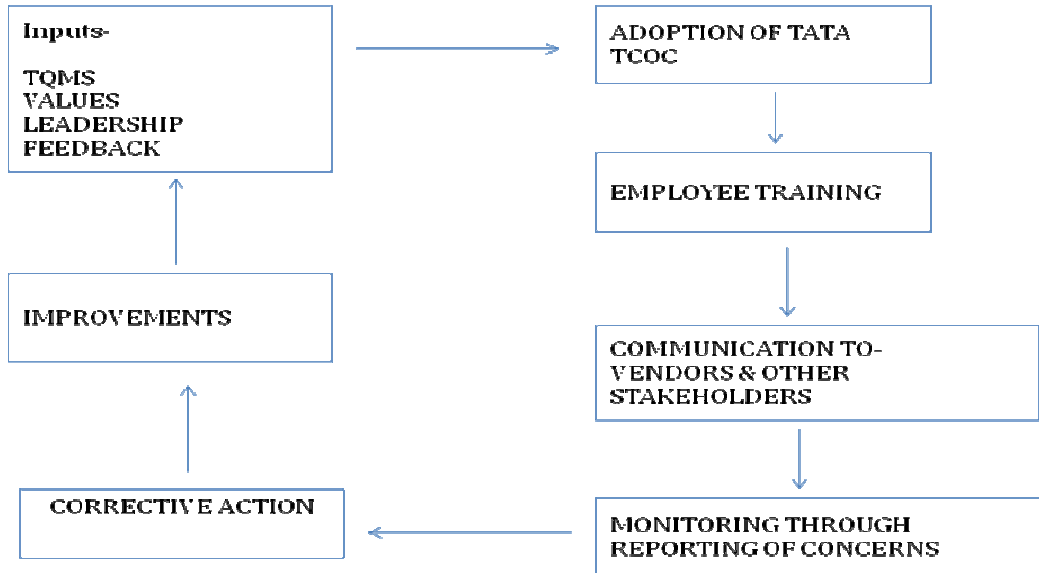
KEY PROCESSES/ INDICATORS OF ETHICAL BEHAVIOUR

<u>Stakeholders</u>	<u>Key Processes</u>	<u>Key Measures</u>
Suppliers/Vendors	<ul style="list-style-type: none">• Vendor Selection• Interactions• Communication on Tata CoC	<ul style="list-style-type: none">VSS feedback• Complaints
Employees	<ul style="list-style-type: none">• Tata CoC / Values implementation• Training• Communication by EC	<ul style="list-style-type: none">• Complaints• Act of misconduct• ESS feedback• Shrinkage• Insider Trading
Landlords/ Property Dealers	Contracts signed	Informal feedback
Brand Owners	<ul style="list-style-type: none">• Communication	Deviation from clause / contract terms
Customers	Operations and services offered	<ul style="list-style-type: none">• CSS• Customer tracking thru' CFTS• Informal feedback

Trent Limited has nominated Location Ethics Counselor in Stores across the nation. Concerns at stores levels are first raised to the LEC and then escalated to the EC. Actions taken at locations are communicated to EC. All property dealings are carried out with the highest ethical standard.

The implementation of Tata CoC process is as follows:

Implementation of ethical process



Trent Limited monitors the effectiveness of the ethical behavior at different levels using a strong feedback process. As an E&I this year it was decided to get the feedback from Vendors on ethical dealings and transparency.

