



## **Our Commitment to UN Global Compact**

**“Communication on Progress”**

**March 2012**

### **TATA ELXSI LIMITED**

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## **Communication on Progress**

### **Introduction**

Tata Elxsi Limited has been a signatory to the United Nations Global Compact since 2006. We are 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 has been shared with our suppliers and customers too.

For further information of the Company, please visit [\*\*www.tataelxsi.com\*\*](http://www.tataelxsi.com)

**S.Pandu Rao**  
**Authorised Signatory**



## UN Global Compact – “Communication on Progress”

Principles (GRI indicators correlated with)	Company's Policy & Direction (Approach / Process / Deployment)	Specific actions taken during the current financial year (Outcomes with Key Results & Measurements)	Data Collected from the internal departments / functions (Champions)
<b>Human Rights</b>			
<b>Principle 1</b> Businesses should support and respect the protection of internationally proclaimed human rights  (HR 1,2,3,4)	We follow the International Declaration of Human Rights. Our HR policies and procedures reflect, pursue and review these on an annual basis.	<ol style="list-style-type: none"> <li>Employee concerns are aired and addressed regularly through one-on-one dialogues [Employee Touch Base] Sessions at all Company locations conducted at regular intervals by 1.) Employee Relations Executive 2.) HR Manager 3.) HR Head.</li> <li>Company also has an Online System called “Employee Touch Base” wherein an employee can raise concerns w.r.t HR issues. Action plan based on employee feedback is developed to address employee concerns.</li> <li>Company's Design and Development Centres all over India &amp; abroad follow standard working hours as per standard local laws.</li> <li>We ensure that all our units as well as Supply Chain Units and the personnel employed through contractors do not employ child labour.</li> <li>To reinforce the ‘Tata Code of Conduct’ a printed version is shared in English, with all our employees, across India &amp; abroad. An online version is also available on Tata Elxsi intranet.</li> <li>Company is an equal opportunity employer wherein Employment is offered on skills and talent acquisition plays major role.</li> <li>Emphasis is given to work life balance. Company operates on 5 days mode.</li> </ol>	HR/IR
<b>Principle 2</b> Make sure they are not complicit in human rights abuses  (HR 2, 3)	Our HR processes by way of consultative committees are at all times constantly and proactively addressing issues in possible areas of conflict with the employees.	<ol style="list-style-type: none"> <li>Care is taken by the Company to ensure that it does business with suppliers, contractors and service providers who comply with the relevant standards under the local laws mandated by the respective federal or central govt. TEL endeavours to meet all social security and statutory requirements mandated by Federal &amp; Central laws. Few prominent Social security laws which is ensured by Tel are Provident Fund, Employee State Insurance, Maternity Benefits, Minimum/ fair wages and prohibition of child labour directly or indirectly engaged by TEL.</li> <li>Company has a comprehensive “Whistle Blower Policy” that safeguards the interests of the employee who make protected disclosures regarding any violations w.r.t Tata Code of Conduct.</li> <li>Company is committed to maintain a productive work environment free of sexual harassment, whether physical, verbal or psychological. The “Sexual Harassment Redressal” Policy protects the dignity of every single employee of the company and safeguards their interests. For this financial year we had zero cases registered under this point.</li> </ol>	HR/IR



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<b>Labour Standards</b>			
<b>Principle 3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining  <b>&amp; 4</b> The elimination of all forms of forced and compulsory labour  (HR 5, 7 LA 3, 4)	1. Tata Elxsi benchmarks its process as per the Industry standards.  2. Forced and compulsory labour is banned by the Government of India.	1. Annual Salary reviews are held to bench with industry standard every year in the month of April and May.  2. There is no forced and compulsory labour deployed in Tata Elxsi Limited.	HR/IR
<b>Principle 5</b> The effective abolition of child labour  (HR 6)	All suppliers are told that the Company shall take serious note if the contractor in any way employs child labour, directly or indirectly.	1. The Company's Recruitment Policy ensures that the Company employs only adults over 18 years of age.  2. The Company has a written policy with its suppliers, supply chain units, service providers and contractors to employ adults over 18 years of age only and does not resort to employment of child labour. The vendors are made to sign with the declaration with the vendor creation itself as "we hereby declare that we do not employ the child labour either directly or indirectly in contradiction with the terms & conditions of the Child Labour (Prohibition & Regulation) Act, 1986".  3. The monitoring is by way of periodic review of suppliers/ contractors; all the contracts /agreements are reviewed annually. Entry of labour (to Prevent entry of Minor Labour) is regulated at entry point of site itself.  4. For civil constructions or any labour oriented job the contractors are strictly warned not to employ child labour below 18 years of age. Monitoring is done by way of Security checks and reviewing with Contractors/Consultants.	Materials Division.
<b>Principle 6</b> Eliminate discrimination in respect of employment and occupation  (HR 4, LA 10,11)	The company's policy on selection, recruitment and confirmation of employment includes an explicit understanding that we are equal opportunity employers as per the Tata Code of Conduct (Clause 4). With respect to disability, the incumbent shall get the job if she or he fulfils the basic requirements.	1. The Company has a systematic recruitment process, which ensures that there is no discrimination on account of age, sex, nationality or religion (Equal Opportunity Employer).  2. The Company gives employment or contract work opportunities to physically challenged people wherever possible. 2 physically challenged individuals are gainfully employed with us.	HR/IR



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<b>Environmental Protection</b>			
<p><b>Principle 7</b> Businesses should support a precautionary approach to environmental challenges  (HR 3.13)</p> <p><b>Principle 8</b> Undertake initiatives to promote greater environmental responsibility  (EN. 1 to 16)</p> <p><b>&amp; 9</b> Encourage the development and diffusion of environmentally friendly technologies  (EN-17 for Principle 9)</p>	<p>The company is traditionally pro-environment and specific policies and guidelines exist to set direction that addresses these Principles and beyond. The company has an Environmental Policy.</p>	<p><b>Precautionary approaches to environmental challenges - Towards Sustainable Development</b></p> <ol style="list-style-type: none"> <li>1. Rain Water Harvesting</li> <li>2. Stop use of banned items</li> <li>3. Have norms for treated effluent water.</li> <li>4. Dishwasher for reducing consumption of water at Kitchen/café.</li> <li>5. Scientifically recycles the solid and liquid waste.</li> <li>6. To reduce carbon footprints, Tata Elxsi Ltd observes "Bus Day" in a month every month.</li> </ol> <p><b>Initiatives to promote greater environmental responsibility</b></p> <ol style="list-style-type: none"> <li>1. Have set up 100KLD Sewerage Treatment Plant, for Recycling waste water.</li> <li>2. Ground and Roof water harvesting.</li> <li>3. Greenery by design. Have planted about 100 trees and have created green lawn in about 70,000 sq.ft area in the campus.</li> <li>4. Mass Transportation is being provided and Car pooling initiated there by discouraging employees to use their own conveyance.</li> <li>5. 60% of employees use company transport facility while about 25 Senior Executives make use of the car pooling Facility.</li> <li>6. Adapted effective energy saving methods (reduced energy consumption by margin of 15%).</li> <li>7. About 1800 incandescent bulbs are replaced with Compact Florescent Lamp (CFL).</li> <li>8. Solar water heater for café</li> <li>9. About 25KLD treated water being used for garden.</li> <li>10. Optimum use of captive power equipments with maximum load.</li> <li>11. Funded for commissioning of a Biogas Plant for Mahila Mandiram at Trivandrum, South India.</li> <li>12. Bio gas converter is in place.</li> </ol>	<p>Admin/Facility Division</p>



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<b>Anti-Corruption and prevention of Bribery</b>			
<b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery	<p>As a Tata company there is an elaborate system and process for the 'management of business ethics'. The company has the head of the Company as the Principal Ethics Officer, a Senior Manager as the Chief Ethics Counsellor and each Location has an Ethics Counsellor responsible. There is a Lady Ethics Counsellor to cater to the sensitivities of women employees.</p> <p>All employees sign the Tata Code of Conduct.</p> <p>The Tata Code of Conduct is sent to all suppliers with the contract, for their perusal in respect of relevant clauses. Clauses 5, 6 and 7 address these issues.</p>	<ol style="list-style-type: none"> <li>1. Every employee has to sign the Tata Code of Conduct (TCOC). Every year, every new employee signs the Tata Code of Conduct.</li> <li>2. Hotline: an e-mail id has been in use since 2005 to ease the reportage of ethical concerns by employees and suppliers and partners. In this financial year we have no cases registered in this email id.</li> <li>3. The Tata Code of Conduct is included in all the Purchase Orders)</li> </ol>	Chief Ethics Officer