

## Global Compact – Communications on Progress: Walking the Talk

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### UN Global Compact – “Communications on Progress”

(To be sent to the Secretariat of the UN Global Compact cc: to TCCI)

Principles (GRI indicators to help correlation)	Company’s Policy & Direction (Approach / Process / Deployment)	Specific actions taken during the current financial year	(Outcomes with key Results & Measurements)
<b>Human Rights</b>			
<b>Principle 1</b> Businesses should support and respect the protection of internationally proclaimed human rights; and (HR 1,2,3,4)	We are signatories of Global Compact.	We have a grievance reporting and handling process through which employees are encouraged to express any grievances and concerns they have on relating to any issue including Human Rights. We also communicate the Tata Code of Conduct to all employees during the signing of recruitment contracts as well as during induction training and additionally through online quizzes, posters on notice boards. We have a process through which employees are encouraged to raise/submit complaints/concerns on ethics-related issues to the Ethics Counselors and these are addressed and resolved in accordance to the Ethics guidelines.	Refer Fig X.1

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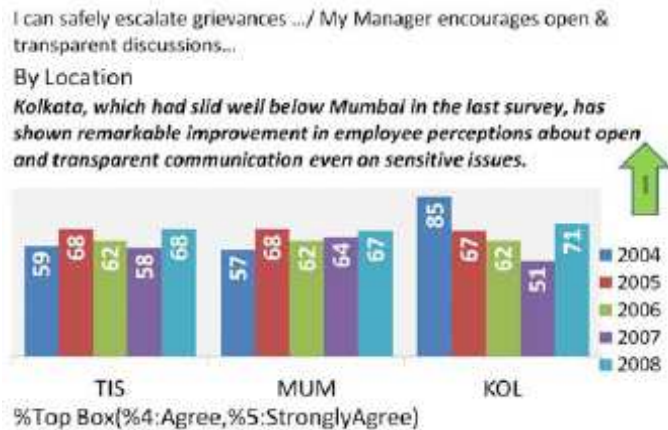


Fig X.1

<p><b>Principle 2</b> Make sure they are not complicit in human rights abuses</p>	<p>Our process of signing contracts with Suppliers includes the sharing and communicating of the Tata Code of Conduct.</p>	<p>Process to include specific Human Rights clauses into Supplier Contracts underway.</p>	<p>In deployment</p>
<p><b>Labor Standards</b></p>			
<p><b>Principle 3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>Our workforce is primarily knowledge workers, essentially a white-collar workforce.</p> <p>However, we have several approaches that seek and include the voice of different employee groups:</p> <ul style="list-style-type: none"> <li>- Employee Satisfaction Surveys that use the Gallup Q12 approach to seek and understand the factors of engagement and the current engagement levels</li> <li>- Heads and Mentors of different functional groups solicit and voice the key issues faced by their groups of employees</li> <li>- We have several committees of employees for facilities like the Cafeteria and Social Activities ("unplugged") that represent employees concerns around the</li> </ul>		<p>Refer X.2 : Employee Engagement Survey Results X.3: Employee Satisfaction Results</p> <p>These results indicate that 58% of our employees are either satisfied or very satisfied.</p>

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canteen menu and performance  
 - Conduct an Internal Customer Satisfaction Survey that solicits employees inputs and ratings on key support and administration services

The charts below represent the percentage of our employees who feel that they are satisfied working with TIS. (Note: 58% means very satisfied or satisfied)

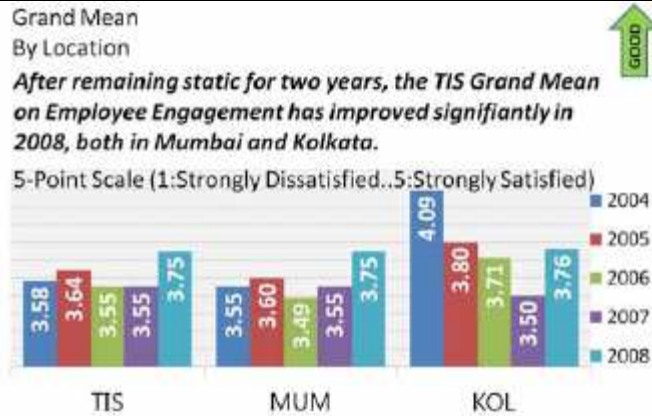


Fig X.2

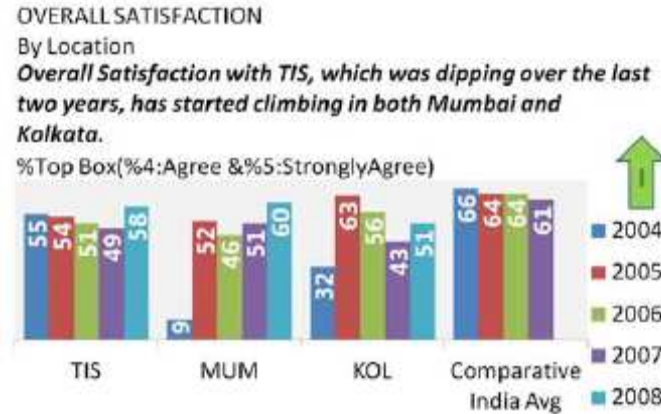


Fig X.3

**Principle 4**  
The elimination of all forms of forced and compulsory labor

Per Govt. of India there should be no forced and compulsory labor.

There is no forced and compulsory labor in Tata Interactive Systems

Not applicable

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<p><b>Principle 5</b> The effective abolition of child labor</p>	<p>TIS takes serious note of any supplier's use of child labor if it comes to our notice.</p>	<p>There have been no incidents of child labor being used, even by contractors working with TIS. All Security staff in the company have been informed to refuse admission to any contractor or supplier who wants to or tries to admit any children for labor purposes.</p> <p>Process underway to revise existing supplier contracts to include a contract that clearly communicates to the supplier that the use of child labor by the supplier will be considered unacceptable and that TIS will take serious note of such practices.</p>	<p>In deployment</p>
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Principles (GRI indicators to help correlation)	Company's Policy & Direction (Approach / Process / Deployment)	Specific actions taken during the current financial year	(Outcomes with key Results & Measurements)
<p><b>Principle 6</b> Eliminate discrimination in respect of employment and occupation</p>	<p>The company's policy on selection, recruitment, and confirmation of employment includes an explicit understanding that we are equal opportunity employers per the Tata Code of Conduct. With respect to disability, the incumbent shall get the job if she or he fulfills the basic requirements.</p> <p>Additionally, TIS has an Affirmative Action policy that has been communicated to all senior managers.</p>	<p>We continue to encourage diversity through ensuring 30%+ women in TIS, across different levels within the company.</p> <p>On Affirmative Action, we have instituted a process of tracking new hires by various diversity indicators such as education, industry experience, and others.</p>	<p>Refer Figs X.4 : Women diversity X.5 : Education diversity X.6: Experience diversity X.7: Affirmative actions X.8: Supplier feedback on whether any discriminatory practices exist in supplier selection</p>
<b>Environmental Protection</b>			
<p><b>Principle 7</b> Businesses should support a precautionary approach to environmental challenges.</p> <p><b>Principle 8</b> Undertake initiatives to promote greater environmental responsibility</p> <p><b>Principle 9</b> Encourage the development and diffusion of environmentally friendly technologies</p>	<p>TIS is a professional knowledge services organization and we have no products that we produce that cause an adverse impact on the environment.</p> <p>However, there are areas in which we have approaches to minimize the impact on the environment such as:</p> <ul style="list-style-type: none"> <li>- Minimize paper wastage through computer printouts</li> <li>- Minimize the use of plastic paper cups (for coffee etc.)</li> <li>- Minimize/turn off the use of heavy electrical/heating equipment like cafeteria heating ranges, air-conditioning and lighting during non-peak hours</li> <li>- Use of variable refrigerant central air-conditioning systems right from when our current offices were designed.</li> </ul>	<p>Current planned initiatives in addition to existing approaches are:</p> <ul style="list-style-type: none"> <li>- Developing an approach to improve environmentally friendly policies</li> <li>- Developing our approach to computing our Carbon Footprint and our first estimated Carbon Footprint as a first step.</li> <li>- Deployed awareness approaches to encourage environmentally sensitive practices amongst employees such as switching off electrical items when not in use, use of non-plastic cups wherever possible etc</li> </ul>	<p>Carbon Footprint calculation in progress</p>

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Principles (GRI indicators to help correlation)	Company's Policy & Direction (Approach / Process / Deployment)	Specific actions taken during the current financial year	(Outcomes with key Results & Measurements)
Anti-Corruption and prevention of Bribery			

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<p><b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>In TIS we have processes for the 'management of business ethics' and for raising ethical issues, concerns and reports of ethical incidents to the Ethics Counsellor. All employees sign the Tata Code of Conduct. The company has the Chief Ethics Counselor. During induction Training, all new employees are taken through the TCOC and all clauses are explained. Additionally, for all subcontract employees who may be working at TIS premises on TIS projects, we have quarterly training programs on TCOC, good IPR and information security practices. The Tata Code of Conduct is sent to all suppliers with the contract for their perusal in respect of relevant clauses. Additionally, we survey all key suppliers annually for their perceptions of TIS' ethics in dealings with them and other suppliers.</p>		<p>Refer results below: Fig X.9 : #Ethical Concerns Raised by Employees Fig X.10: Tata Group Management by Ethics Survey Results Fig X.11: Employee Survey of Perception of Ethical Conduct in TIS</p>
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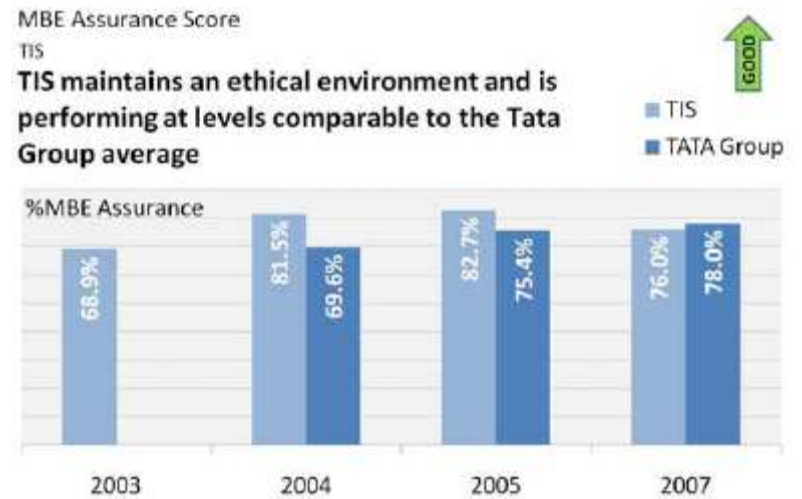
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The charts below represent the surveys on ethics at TIS

Fig X.9

ETHICAL CONCERNS RAISED & RESOLVED TIS, MUM, KOL, INTL					ETHICAL CONCERNS RAISED & RESOLVED Employees, Customers, Suppliers				#Termination Cases TIS	
#Concerns					#Concerns				#Concerns	
Period	TIS	MUM	KOL	INTL	Period	Employees	Customers	Suppliers	Period	Terminations
2002	2	2	-	-	2002	2	0	0	2002	0
2003	3	3	-	-	2003	3	0	0	2003	0
2004	4	4	-	-	2004	4	0	0	2004	0
2005	12	10	2	-	2005	12	0	0	2005	0
2006	13	12	1	-	2006	13	0	0	2006	2
2007	10	8	2	-	2007	8	0	0	2007	2
2008	7	4	3	-	2008	7	-	-	2008	0

Fig X.10



Individuals at TIS display a high level of ethical conduct  
By Location

*Since 2007, our management of the ethical environment has improved with employees perception of ethical conduct in TIS improving across MUM and KOL*



Fig X.11

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Women Diversity results

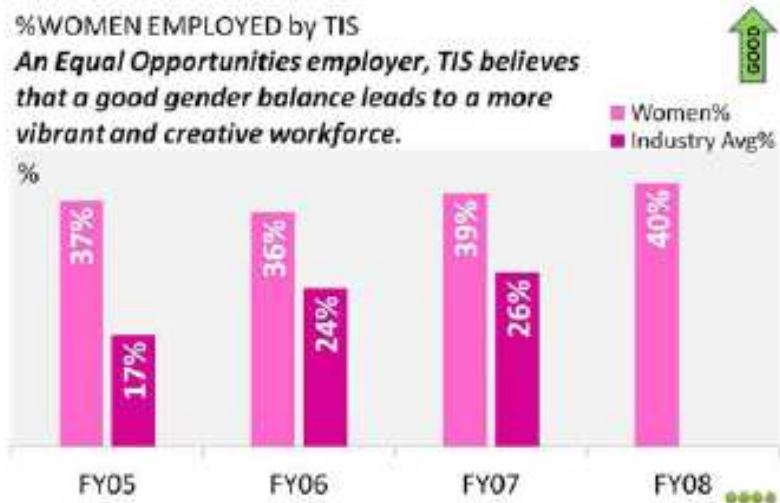


Fig X.4

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Diversity of Education of New Hires

*The TIS workforce comprises individuals with varied educational qualifications across general, professional and vocational courses.*

TIS Overall Educational Background		Projects Educational Background		Content Educational Background		Graphics Education Background		Tech Education Background	
	%		%		%		%		%
Bachelors	53%	MBA	43%	Bachelor	48%	Bachelor	64%	Bachelor	39%
Masters	20%	Bachelor	27%	Masters	43%	Masters	30%	BE	30%
B.E.	11%	Masters	18%	BE	4%	Diploma	6%	Masters	18%
MBA	8%	B.E.	10%	MBA	2%	HSC	0%	Diploma	8%
Diploma	5%	CA	3%	Diploma	2%			HSC	3%
HSC /Grade XII	1%			Doctorate	1%			MBA	2%
CA	1%			CA	1%				
LLB	1%			LLB	1%				
MS	1%								
Doctorate	0%								
SSC/Grade X	0%								
Medical	0%								

Fig X.5

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Diversity of Experience of New Hires

*Our multi-disciplinary workforce comes from various sectors including IT/ITES, Education, E-learning, Media, Advertising, Manufacturing, Defence, etc...*

Industry	%	Industry (contd)	%	Industry (contd)	%
IT/ITES	36.8%	Infrastructure	0.9%	Pharmacy	0.4%
Education	14.9%	Shipping	0.8%	Social Responsibility	0.3%
e-Learning	13.5%	Engineering	0.7%	Aviation	0.2%
Media	10.9%	Telecom	0.7%	FMCG	0.2%
Advertising	5.4%	White goods & appliances	0.7%	Insurance	0.2%
Research & Consultancy	3.9%	Healthcare	0.6%	Logistics	0.2%
Finance	2.7%	Industrial Gas & Chemical	0.6%	Retail	0.2%
Services	1.6%	Business	0.5%	Electrical	0.1%
Semi durables	1.3%			Liquor	0.1%
Army	1.2%			Petroleum	0.1%
Hospitality	1.0%			Textile	0.1%

Fig X.6

Affirmative Actions

Caste:	April 01, 2008 (%)
<b>OBC</b>	5.44
<b>SBC</b>	0.18
<b>SC</b>	1.75
<b>ST</b>	0.35

Fig X.7

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Fig X.8 SUPPLIER FEEDBACK

Questions	Agree (TB%4,%5)			Disagree (TB%1,%2)		
	2005	2007	2008	2005	2007	2008
In TIS, the selection of a supplier/vendor does not happen on the basis of community and/or religion.	100%	100%	100%	0%	0%	0%
The person who was my initial contact at TIS did not receive some incentive for acting as a liaison between TIS and my company	100%	97%	94%	0%	3%	0%
You do not need to have political connections to become a supplier/vendor of TIS.	100%	94%	95%	0%	0%	0%
There were no indications (spoken or unspoken) or suggestions that payments or donations would be required so as to obtain a contract from TIS	100%	100%	93%	0%	0%	0%

Annually, TIS conducts a survey of its key suppliers to gauge their perception of ethical practices in the TIS interface with suppliers. The above figure summarizes these results and shows that suppliers believe that TIS has maintained ethical and fair dealings with them and follows non-discriminatory practices.