

## **Annual Communication on Progress.**

### **A. Statement of continuing support to the Global Compact.**

The Executive Head  
Global Compact.

In conformity with the confirmation already made earlier, we reiterate our continuing support for the 10 principles of the Global Compact. Our communication on Progress is attached.

**Bhaskar Bhat**  
**Managing Director**  
**Titan Industries**  
**April 2009**

**UN Global Compact – “Communications on Progress” – April 2009**

**Titan Industries**

<b>Principles (GRI indicators to help correlation)</b>	<b>Company's Policy &amp; Direction (Approach / Process / Deployment)</b>	<b>Remarks</b>	<b>Data collected from the internal departments / functions Process facilitator</b>
<b>Human Rights</b>			
<b><u>Principle 1</u></b> Businesses should support and respect the protection of internationally proclaimed human rights;	We follow the International Declaration of Human Rights. Our HR policies reflect, pursue and review these on a periodic basis.  All rights are fully protected and respected	Continuous dialogue and feedback from employees / partners. Surveys from third parties are done for corrective action, if any. The dialogue process is continued with the Franchisee and Contract employees and Trade Partners  Employee / Dealer satisfaction indicate good scores.	HR/Business Heads
<b><u>Principle 2</u></b> Make sure that they are not complicit in human rights abuses	Our HR / IR processes by way of consultative committees are at all times constantly and proactively addressing issues in possible areas of conflict with the Unions.	Ensuring a healthy and congenial atmosphere of 'a great place to work'. The Company has been rated as one among the 25 best employers in the Country.  Stakeholders are transparently and frequently consulted.	HR / Senior Management

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<b>Labour Standards</b>			
<b><u>Principle 3 &amp; 4</u></b>  Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining  The elimination of all forms of forced and compulsory labour	As stipulated in the various Laws in India and as per our Company policy, we have a process of 'collective bargaining' through Employee Unions and annual / periodic negotiations are in place, from the inception of the Company.  We have signed a mutually rewarding Agreement with the Union. Open Houses and "Tell Me Surveys" are in practice and encouraged as forums of feedback and discussions.	Periodic communication with the unions and harmonious union relationship has led to higher productivity. <b>No evidence of forced labour across the Company</b>	HR / Senior Management
<b><u>Principle 5</u></b> The effective abolition of child labour	All supply contracts through the entire supply chain include a clause that clearly expresses that the Company shall take serious note if the contractor in any way employs child labour, directly or indirectly.  We also communicate to our Trade Partners, appropriately highlighting the clause in the contract that child labour is not to be engaged in any form, direct or indirect.	Communicate → Monitor → Review Continuously→ Correct	Integrated Supply Chain  Sales & Marketing functions

Principles	Company's Policy & Direction (Approach / Process / Deployment)	Remarks	Data collected from the internal departments / functions / Process facilitators
<p><b><u>Principle 6</u></b></p> <p>The elimination of 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 as per the Tata Code of Conduct. With respect to disability, the incumbent shall get the job if she or he fulfills the basic requirements. Diversity is encouraged</p> <p>Employees are encouraged to report any violations of the Code of Conduct.</p>	<p>The Company employs 115 persons with disability based purely on qualification, merit and as per the processes of the Company.</p> <p>Our Company's policy meets the Disability Act norms, which are not mandated but followed. We support this policy through external industry forums too.</p>	IR / HR
<p>1. Studies by international students, supported by the UN on embedding Human Rights have been made on Titan Industries, which are a variable on request.</p>			
<p>2. Titan has a specific project – Meadow (Management and Development of Enterprise in Women) which has significantly enhanced the quality of life in 200 underprivileged women. The improvement is measured through the Tata index of Human Development.</p>			

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<b>Environmental Protection</b>			
<p><b><u>Principle 7</u></b> Businesses are asked to support a precautionary and proactive approach to environmental challenges</p> <p><b><u>Principle 8 &amp; 9</u></b> Undertake initiatives to promote greater environmental responsibility and</p> <p>Encourage the development and diffusion of environmentally friendly technologies</p>	<p>The Company is traditionally pro-environment and specific policies and guidelines exist to set direction that addresses these Principles and go beyond compliance.</p> <p>Third party audits are conducted and the Company conforms to ISO.</p> <p>The Company has also received Environment Awards for exceeding compliance.</p>	<p>The Company is certified under the ISO 9001:2000 Quality Management System standards as well as ISO 14001 Environment System Standard and is preparing the report in line with the Global Reporting Initiative guidelines.</p> <p>Specific Opportunities for Improvement have been identified and an action plan is with the Company.</p>	Environment & Safety Divisions

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<b>Anti-Corruption and prevention of Bribery</b>			
<b><u>Principle 10</u></b>  Businesses should work against corruption in all its forms, including extortion and bribery	<p>As a Tata Group Company there is an elaborate system and processes on the 'Management of Business Ethics' and all employees sign the Tata Code of Conduct. The company has a Chief Ethics Counselor and location Ethics Counselors in place across the Company</p> <p>The Tata Code of Conduct is presented to all suppliers / Trade Associates with the appropriate clause included in the Contract/ Agreement for their perusal and compliance in respect of relevant clauses. There is zero tolerance in this</p>	<p>Chief Ethics Officer presents the annual report to the Chairman of the Ethics and Compliance Committee (Board). The Codes of Conduct are now on the Company's intranet available to employees.</p> <p>A specific 'Gifting', Sexual Harassment and 'Internet' policy is in place on the intranet, easily accessible to all employees.</p>	Chief Ethics Counselor / Location Ethics Counselors

The above policy and our compliance is communicated periodically to employees at various forums