



**Homi R Khusrokhani**  
Managing Director

10 Dec. 2007

Dear Mr. Kell,

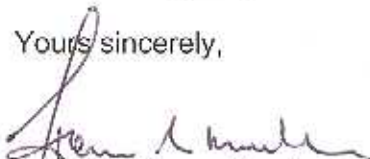
**Sub:UN Global Compact Communication on Progress(COP) for the years 2007-2010**

In response to your communication dated 19<sup>th</sup> Nov. 2007 recommending Tata Chemicals Ltd. to prepare and submit the United Nation Global Compact Communication On Progress report for the years 2007-2010, we are pleased to submit the attached document for the company as per the guidelines prescribed. Tata Chemicals Limited is a responsible corporate citizen and committed to the principles of Global Compact initiative. We will continue to produce COP in future also.

Thanking you,

With best regards,

Yours sincerely,

  
(Homi R. Khusrokhani)  
Managing Director

Mr. Georg Kell  
Executive Director  
UN Global Compact Office  
Executive Office of the Secretary-General  
United Nations  
N.Y. 10017

**TATA CHEMICALS LIMITED**

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## **"CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM"**

### **Overview and Engagement Opportunities: 2007-2010**

The UN Global Compact, in partnership with the United Nations Environment Programme (UNEP) and the World Business Council for Sustainable Development (WBCSD), has mobilized a significant segment of the international business community to take independent and coordinated action to address climate change. "Caring for Climate: The Business Leadership Platform" was launched at the Leaders Summit on 5-6 July 2007 in Geneva. By November 2007, "Caring for Climate" had the support of over 180 companies from all regions, sizes and sectors.

"Caring for Climate" is a voluntary and complementary action platform for those UN Global Compact participants who seek to demonstrate leadership on the climate issue. It is designed to advance practical solutions, and shape both public opinion and public policy. CEOs that support the statement pledge to set goals, to implement relevant strategies and practices, and to publicly disclose emissions. They also commit to communicating progress, on an annual basis, as part of their existing disclosure commitments within the UN Global Compact framework (ie, Communications on Progress).

In the upcoming months, the UN Global Compact and partners will further raise awareness of the "Caring for Climate" platform among the approximately 4000 Global Compact participants and build a more robust platform to showcase actions undertaken by signatories. In this context, "Caring for Climate" and the actions taken by Signatories will be prominently featured in media-relations activities as well as highlighted in relevant reports and key publications. Below is a summary of the future milestone activities related to "Caring for Climate". All of these actions present engagement opportunities for signatories of the initiative.

#### ➤ Report on Actions Undertaken

Signatories of the statement have committed to disclosing on an annual basis the actions undertaken in their organizations to address the climate challenge within the framework of the Communication on Progress. They have also acknowledged the role of the UN Global Compact and partners in analyzing and communicating the progress made by signatories with respect to their commitments on a continuous basis. During the first half of 2008, the Global Compact will work together with selected partners and experts to develop a first joint report, taking stock of implementation efforts by the Signatories. This will be released in July 2008 and shared at the meeting of signatories in September 2008 (see below).

#### ➤ General Meeting of Signatories

In September 2008, the UN Global Compact and partners will convene an international meeting of signatories to take stock of progress to reduce emissions, review the priorities, address challenges and identify opportunities. More specifically, the meeting will: i) constitute a learning forum to discuss strategies; ii) showcase innovative best and emerging practices; and iii) provide a platform to analyze actions undertaken by various sectors (e.g., power generation, oil and gas, mining and metals, petrochemicals).



➤ International Dialogues

In an effort to facilitate the engagement of business in international processes and to enhance government actions, the UN Global Compact and partners will link "Caring for Climate" into ongoing policy interactions. The platform can be used to create a space for collaboration between governments and business in the context of major international dialogues. The objective of such meetings will be to allow business and governments to further understand and clarify respective expectations and to build common ground to facilitate negotiation processes. With respect to COP15, in 2009, politicians and policy makers will gather in Copenhagen to agree on a new international framework to replace the commitments of the Kyoto Protocol, due to expire 2012. The UNGC, together with partners, will invite "Caring for Climate" signatories to engage in preparatory meetings whereby business, together with scientists and other stakeholders, will develop recommendations on the post-Kyoto phase.

For TATA CHEMICALS LTD.

HOMI R. KHUSROKHAN  
Managing Director





## **"CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM"**

A Statement by the Business Leaders of the UN Global Compact

### **WE, THE BUSINESS LEADERS OF THE UN GLOBAL COMPACT:**

#### **RECOGNIZE THAT:**

1. Climate Change is an issue requiring urgent and extensive action on the part of governments, business and citizens if the risk of serious damage to global prosperity and security is to be avoided.
2. Climate change poses both risks and opportunities to all parts of the business sector, everywhere. It is in the interest of the business community, as well as responsible behavior, for companies and their associations to play a full part in increasing energy efficiency and reducing carbon emissions to the atmosphere and, where possible, assisting society to respond to those changes in the climate to which we are already committed.

#### **COMMIT TO:**

1. Taking practical actions now to increase the efficiency of energy usage and to reduce the carbon burden of our products, services and processes, to set voluntary targets for doing so, and to report publicly on the achievement of those targets annually in our Communication on Progress.
2. Building significant capacity within our organizations to understand fully the implications of climate change for our business and to develop a coherent business strategy for minimizing risks and identifying opportunities.
3. Engaging fully and positively with our own national governments, inter-governmental organizations and civil society organizations to develop policies and measures that will provide an enabling framework for the business sector to contribute effectively to building a low carbon economy.
4. Working collaboratively with other enterprises nationally and sectorally, and along our value-chains, by setting standards and taking joint initiatives aimed at reducing climate risks, assisting with adaptation to climate change and enhancing climate-related opportunities.
5. Becoming an active business champion for rapid and extensive response to climate change with our peers, employees, customers, investors and the broader public.

#### **EXPECT FROM GOVERNMENTS:**

1. The urgent creation, in close consultation with the business community and civil society, of comprehensive, long-term and effective legislative and fiscal frameworks designed to make markets work for the climate, in particular policies and mechanisms intended to create a stable price for carbon;
2. Recognition that building effective public-private partnerships to respond to the climate challenge will require major public investments to catalyze and support business and civil society led initiatives, especially in relation to research, development, deployment and transfer of low carbon energy technologies and practices.
3. Vigorous international cooperation aimed at providing a robust global policy framework within which private investments in building a low carbon economy can be made, as well as providing financial and other support to assist those countries that require help to realize their own climate mitigation and adaptation targets whilst achieving poverty alleviation, energy security and natural resource management.

#### **AND WILL:**

1. Work collaboratively on joint initiatives between public and private sectors and through them achieve a comprehensive understanding of how both public and private sectors can best play a pro-active and leading role in meeting the climate challenge in an effective way.
2. Invite the UN Global Compact to promote the public disclosure of actions taken by the signatories to this Statement and, in cooperation with UNEP and the WBCSD, communicate on this on a regular basis, starting July 2008.



## EXPLANATORY NOTE: "CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM"

A Statement by the Business Leaders of the UN Global Compact

### Origins of the Statement

The Global Compact's commitment to environmental protection is firmly embedded in its foundational spirit and three environmental principles. There is now a consensus that the climate change agenda will affect business and society in fundamental and transformative ways. The importance of early action is increasingly recognized. As climate change has become a fundamental issue for society, the need for leadership and voluntary action is becoming ever more urgent. Against this background, a consultation group comprised of business and civil society representatives convened by the Global Compact, UNEP and the WBCSD has prepared a Statement entitled "Caring for Climate, The Business Leadership Platform". This Statement has also found broad support among the Global Compact's multistakeholder Board.

### Endorsing the Statement

The Statement offers Global Compact business participants an opportunity to demonstrate climate leadership on both the individual and collective levels. A company's decision to endorse the Statement should follow the Global Compact's established leadership and organizational change model: it requires CEO-level support, strategic and operational changes within the organization, and ongoing public communication on related activities and performance in line with the "Communication on Progress" framework. Support for the Statement is, therefore, consistent with existing Global Compact engagement methodologies. The Global Compact is aware that many of its 3000-plus business participants currently do not have the capacity to measure their GHG emissions due to size and other organizational characteristics. It is established practice at the Global Compact not to discriminate on these grounds. We will continue this tradition with regard to the Business Leadership Statement on Climate.

All Global Compact business participants are invited to express their support for the Statement. The names of those companies will be recognized on the Global Compact website at [www.unglobalcompact.org](http://www.unglobalcompact.org). To become Signatory of the Statement, please send an email to [climatechange@unglobalcompact.org](mailto:climatechange@unglobalcompact.org) indicating your support for the Statement.

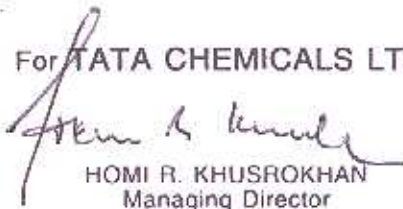
### What the Statement is NOT

The Statement is NOT a new requirement for Global Compact participation. It is an optional platform for active Global Compact participants who wish to advance climate change solutions. A decision to abstain from the Statement will not in any way be viewed as an indication of a company's commitment to the Global Compact or impact its standing in the initiative. This Statement seeks to provide a practical platform for advancing the Global Compact's environmental principles. At the same time, other measures taken by companies to preserve the environment and to address their carbon footprint will continue to be equally appreciated under the UN Global Compact.

### Other Explanations

It is understood that the call to governments to develop frameworks is meant to be framed under the current International framework. Moreover, the term "setting standards" under the business commitment is clearly meant to refer to environmental performance standards, such as energy consumption, environmental impact and emissions. It does not refer to "international standards" whose design is the prerogative of governments.

Furthermore, it is understood that the setting of voluntary targets as referred to in commitment 2) will be in accordance with different responsibilities and capabilities.

For **TATA CHEMICALS LTD.**  
  
**HOMI R. KHUSROOKHAN**  
Managing Director