

TRENT LIMITED

Communication on Progress 2013-14

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 2013-2014.

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

CTO

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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 and activities during 2013-14 in support of the Global Compact's objectives. Our commitment to sustainability drives our environmental endeavour, good corporate citizenship in our workplace, communities, 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.

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

The Company has adopted the Tata Code of Conduct for its Executive Directors, senior management personnel and other executives of the Company. The Company has also adopted the Code of Conduct for Non-Executive Directors of the Company. Both the Codes are posted on the website of the Company.

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 Audit 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.



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:

Purpose

Upholding the Tata group belief, we at Trent are committed to improving the quality of life of the communities we serve. We do this by striving for leadership and global competitiveness in the business sectors in which we operate.

Our practice of returning to society what we earn evokes trust among consumers, employees, shareholders and the community. We are committed to protecting this heritage of leadership with trust through the manner in which we conduct our business.

Core values

The Tata Group has always been values-driven. These values continue to direct the growth and business of Tata companies. The five core Tata values reinforce the way we do business at Trent are

Integrity: We must conduct our business fairly, with honesty and transparency. Everything we do must stand the test of public scrutiny.

Understanding: We must be caring, show respect, compassion and humanity for our colleagues and customers around the world, and always work for the benefit of the communities we serve.

Excellence: We must constantly strive to achieve the highest possible standards in our day-to-day work and in the quality of the goods and services we provide.

Unity: We must work cohesively with our colleagues across the group and with our customers and partners around the world, building strong relationships based on tolerance, understanding and mutual cooperation.

Responsibility: We must continue to be responsible, sensitive to the countries, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many times over.

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 Executive Directors. 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.

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



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.”

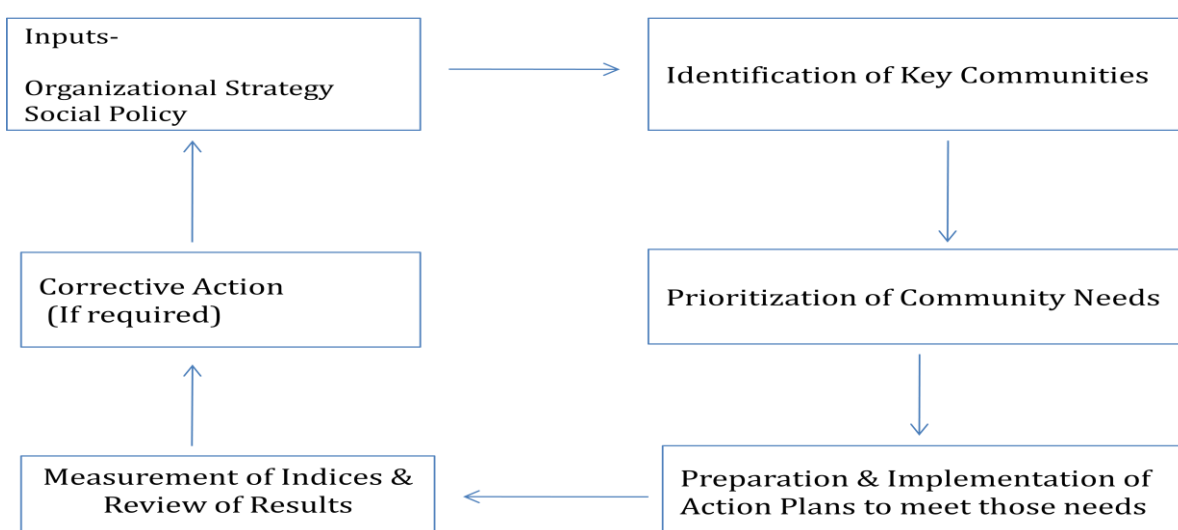
Trent Limited through its Corporate Sustainability department strives to address the concerns of its employees, stakeholders and the community (especially the underprivileged sections of the society).

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.

The process of selecting the key communities is as follows:



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

SOCIAL POLICY

⇒ 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.

⇒ 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.

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 2012-13, we have supported 23 NGO projects, benefitting approximately 2000 children across India.

Employment

From the various locations 978 individuals from the Affirmative Action communities 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 has been executing a self-designed initiative - "Saksham" with 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 15 trainers so far from the N.G.Os so far and has taken centre stage with regards to updating the trainers on a timely basis, 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>Beneficiaries</u>
Vocational Training on Retail Operations	503 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 978 people from the affirmative action communities. This means that around 16% 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 and employees 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 as 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

Aid to the society

Trent Limited collaborates with NGOs working with Children and donates clothes, books, toys etc. on a periodic basis. Volunteers from within the organization also form part of these donation drives and spend quality time with these beneficiaries through various activities.,

Trent has also collaborated with an medical NGO- Guru Nanak Trust and donates unused medicines that are subsequently used by the doctors from the trust to treat the sick and afflicted hailing from underprivileged communities.. 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.

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 CEO.

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"

An organizational Health and Safety Policy framed by the Senior Leadership Team, after taking into cognizance health and safety needs of all stakeholders, guides various Safety Processes. To ensure regular deployment, measurement and improvement of safety processes and policies, an Apex Safety Committee has been formed at Trent. The

Committee is led by the CEO and comprises of key members of the Leadership Team. Through this Apex committee, various Safety Processes are conceptualized and deployed. Resource-related decisions are also taken through this committee. The Apex Safety Committee meets at regular intervals to review progress of various safety initiatives.

The key measures related to Safety are described below-

Where	Key measures
Safety Infrastructure @ Stores, HO and Regional Offices	Evacuation Time, No of non-compliances found during Safety Walks, No of people trained in Fire Drills, No of trained First Aiders, Compliance to Fire Extinguishers Maintenance Plan, No of Safety Incidents logged, Compliance to Disaster Management Plan

The Apex Safety Committee has propagated a Zero Tolerance philosophy for all Safety measures. The SLT, in accordance with the Safety Policy, has deployed the following infrastructure at all Trent offices, warehouses and stores.

Safety First: Safety Infrastructure @ Trent
<ul style="list-style-type: none"> • Sprinklers at all floors • State- of- the- art fire alarm system • CCTV surveillance in the building • Electronic access-controlled entry and exit points • 24x7 physical security for entire building • Refuge area • Assembly Points • Stretchers and wheelchairs for evacuation for those needing special assistance • First Aid Box • Doctor on Call

Safety Communication-

Safety Communication happens at multiple levels and for various stakeholders in Trent.

Stakeholder	Mode of Communication
Customer	Prominent neon signs to indicate emergency exits, Broken Needle Policy, Visual signs for Customer Service Desk communication for any other assistance, Fire Drill for evacuation
Visitors to Offices	Emergency Guidelines in all Meeting Rooms for Visitors, Safety Posters
Employees	Safety & First Aid Training, Town hall Meetings, Bi-Annual Managers Meet, On-the Job Training, Newsletters, Screensavers, Posters, BKC Safety, Handbook

After an employee joins Trent, they are briefed on the Safety infrastructure and processes to follow. Specific efforts are made to make them aware of a list of important dos and don'ts in the event of an emergency. These guide them through most situations. Additionally, Fire Wardens at offices and Fire and Safety Officers at stores guide employees, customers and visitors to safety in case of an emergency.

During monthly Town hall Meetings and Bi-annual Managers Meetings, the CEO personally briefs employees about the importance of Safety. The SLT also encourages employees to log safety incidents and ensure that no fire hazards exist. Questions from employees on Safety are also taken up and acted upon.

Safety Commitment-

The same multi-stakeholder safety approach is applied to ensure line managers across the value chain deploy safety processes. E.g., Sourcing Managers during their discussions with Vendors insist on the Broken Needle Policy being adhered to while manufacturing garments. Adherence ensures no broken needles in the merchandise, thereby ensuring safety for customers while using our products. At stores, Managers do a daily and weekly safety walkthrough using a checklist. This ensures that the safety norms are adhered to. Any deviations are reported to the appropriate authorities and corrective action taken. During the staff briefing the matter is discussed and all employees sensitized. At offices, the SLT practices leads by example. All safety practices are adhered to and they ensure that in the case of a fire alarm all employees leave the premises immediately. They also emphasize the need for safety at various governance forums and provide resources wherever necessary.

Strategy Addresses Safety...

The Strategic Planning Process addresses safety concerns largely through the risk management section. As part of this process a comprehensive Risk Register is maintained, which contains a Heat Map and a composite Risk Index for identifying the nature of risk. The Risk Register is reviewed monthly by the SLT as part of the Business Excellence Meeting. The Board of Directors also reviews the risks to the company, including safety risks, as part of the quarterly Audit Committee Meeting. E.g.: Fire Safety issues and subsequent business impact related to single DC operations is part of the Risk Register and was discussed at the Audit Committee Meeting and Business Excellence Meeting and a mitigation plan worked out. Resources are also allocated to various safety-related projects as a result of the Safety Planning Process.

Process & Policies

All employees at Trent, depending on their grades, are covered either by ESI or by a Group Health Insurance Scheme. This helps them get access to good healthcare facilities. Additionally, all employees are insured under a Personal Accident Insurance Scheme, the premium for which is borne by the organization. In the unfortunate event of a fatality, these policies help support their families.

Key Hazards, Risks-

The key risks to the organization have been mapped as part of the overall risk management process. The Risk Register represents the risks currently being faced by the company and the mitigation plans, the actions being taken to tackle them. A monthly review meeting helps the organization stay on course vis-à-vis risk management. In addition, the insurance companies' assessment of Trent facilities while renewing the policy also provides the organization an outside-in perspective towards safety. Safety processes at Trent are governed by the Safety & Health Policy. This largely looks at People Safety & Asset Safety. Internal Communication processes support this with the thought – Safety is everybody's business.

Process & Equipment Safety

Since Trent does not have manufacturing facilities, the primary equipment in use are air conditioners, IT systems, escalators, elevators and general office equipment. A dedicated Maintenance Department manages all equipment at stores and offices. A detailed tracker throws up alerts on upcoming maintenance activities and most equipment is covered under annual maintenance contracts. Adherence to the tracker helps in ensuring a safe environment.

Project Management

Trent starts working on projects, once the store / office is received from the builder / mall management. During the handover / takeover, all safety infrastructure is checked and only after all safety norms are met is the fitment and store furnishing work started.

Adequate safety measures are taken during the fitment stage and incidents, if any, reported. Personal protective equipment is also provided to all workers and staff members engaged in project management.

Supply Chain Safety

The broken needle policy which needs to be adhered to by vendors ensures that customers' safety is considered at the product manufacturing stage itself. The warehouse at Pune is designed to ensure multiple exit points. In the event of an emergency, this will ensure evacuation of employees in the minimum possible time. Besides that, personal protective equipment is also provided to warehouse staff. The safety infrastructure is being further augmented with the installation of smoke detectors in the DC. A wireless warehouse management system guides warehouse staff to pick merchandise from the various bins using the shortest distance. This helps the staff in avoiding unnecessary trips

across the warehouse thereby reducing the chances of accidents. During selection of suppliers, a detailed factory inspection is done by Trent. As part of the inspection, standard safety measures are evaluated and a decision to go ahead with the supplier is taken only after the safety norms are met.

Contractor Safety

Trent does not discriminate between contracted staff and employees when it comes to safety processes and infrastructure. The organization uses contracted staff mostly for Housekeeping & Security roles in offices, warehouses and stores. They undergo the same safety training and have access to the same infrastructure as a full time employee.

Work Permit System

Trent offices use electronic access control system, whereby access is granted to employees on a need basis. Thus, an Employee's access card will provide him entry to only those areas which are related to his job. Vital installations like Server Room, Electricity Meter / Switch Rooms, Elevator Control Rooms, etc. are access controlled; thereby stopping unauthorized people from entering these premises. The car parking facilities in HO are also controlled through authorized parking stickers and all vehicles coming inside the building are checked. Visitors are not allowed to park Vehicles in the premises. Sensormatic scanning posts and security personnel are also deployed at the point of entry & exit to facilitate security check for movement in and out of the premises.

Crisis Management & Emergency Response

Trent has a Business Continuity Plan in place which ensures continuity of operations in the unfortunate event of an emergency. The plan, developed as part of the Risk Management process, deals with continuity at two levels – people and technology. This plan maps various critical roles and backup locations where they can work from and continue operations of the business. Public address and alarm systems appraise an employee the moment an emergency is raised.

Office and Road Safety

Trent subscribes to the thought that safety is everyone's responsibility. The same is percolated through various communication mechanisms and a safety culture around that built. For road travel on official purposes, only registered vendors are used for providing vehicles with adequate safety features.

For road travel on official purposes, only registered vendors are used for providing vehicles with adequate safety features.

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 these articles adversely impacts the environment through the use of fabric, the chemicals used in the manufacturing process, the materials used in packaging etc.

Trent Limited aims to minimize the adverse impact on society to the extent possible right at the source, i.e. the manufacturers and suppliers themselves. 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.

Running the stores has an impact on the environment due to the usage of energy and modest amounts of water, and the waste produced as a result. Gases used in refrigeration systems can also have significant environmental impacts if allowed to escape. Some stores are located near residential areas.

Trent Limited ensures that it does not disturb the surrounding environment by complying with all local zoning and building regulations. Increased traffic to store locations can increase environmental pollution and could also lead to traffic congestion. The Company minimizes impact of traffic by ensuring location of stores in areas, which are easily accessible by public transport, and also provide adequate dedicated parking to reduce congestion in front of stores.

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 law Zero Complaints Zero 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.

We have prepared & in place the Carbon road map to reduce the emissions from existing stores by 30% by 2020 & Build new stores with 30-40% less carbon foot print.

Carbon action plan phase-I, II, III & sustainable project guidelines is in place & will able to achieve to reduce foot print by 24% of 2008-09 baseline against 20% targeted.

Till date we have achieved 24% energy & carbon foot print reduction from 2008-09 baselines with CAP-I, II & III project & Operational measures (Have started saving cumulative energy cost of Rs. 417.22 Lacs/Yr. since 2008-09 till date). (Reduced 5833.15 tonnes of Co2e till date – 24%).

- **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.

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.

Social compliance Audits: The company institutes periodic audits on its suppliers, to identify opportunities to enhance the quality of social compliance. The audit is based on ILO conventions mentioned below-

<i>Forced Labour</i>	<i>Child Labour</i>	<i>Wages</i>	<i>Discrimination</i>
<i>Working Hours</i>	<i>Health & Safety</i>	<i>Freedom of Association</i>	<i>Home workers</i>

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."

Diverse Ideas, cultures and thinking: Trent is an equal opportunity employer. Besides building diversity of ideas, thinking and culture through caste, gender, age, region, religion and experience, the organization has consciously added international and diverse experience across cultures. This has led to recruitment processes look beyond the Indian geographical boundaries and span across business maturity levels. These have helped Trent foster diverse thinking and shorten the learning curve of local talent. During last few years, Trent has gone beyond geographical boundaries to induct diverse and best in class talent. These capabilities have brought on board international best in class experience spread over various continents and cultures. The Company understands that cultural diversity is

important to address the regional preferences of the customers. Similarly, most of the associates and officers are recruited from the city in which the store is located. Thereby also providing equal opportunity and displaying positive discrimination in recruitment from the socially disadvantaged sections of society.

Employee Welfare Benefits

Officers, Associates	Managerial
ESI, PF, Employee Deposit Linked Insurance, Conveyance, Education allowance, Medical reimbursements	PF, Gratuity, Health & Accident insurance, Medical, Vehicle assistance, Conveyance, LTA,

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. 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

The ethical environment is reinforced by the following practices.

- Each employee is explained the TCoC at the time of appointment, and is a signatory to the code.
- All suppliers are made to sign an agreement which mandates adherence to the TCoC.

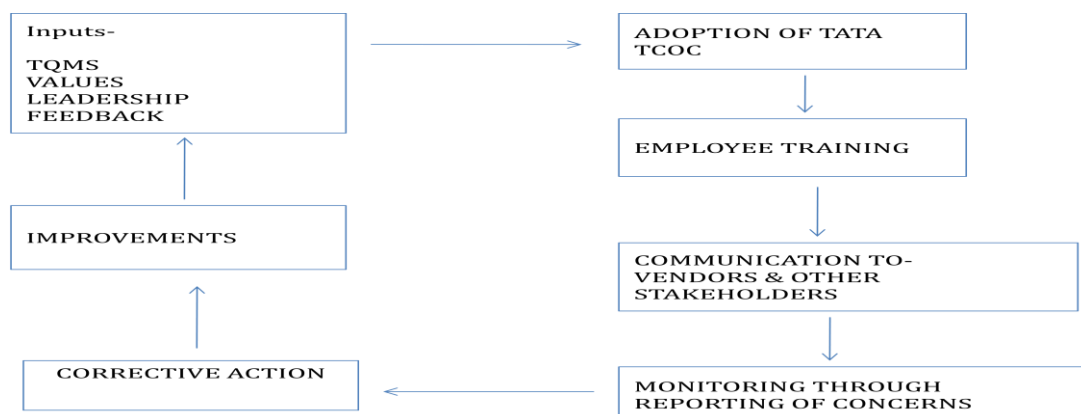
- Training programs and leadership briefings are done to increase awareness of the code.
- A corporate ethics counselor who, along with local counselors at offices and stores, act as listening posts and assist in resolution of concerns. Each unit has a lady ethics counselor to make employees comfortable.
- A monthly ethics and incidents reports is submitted to the Chief Ethics Counsellor by all stores. He analyses the report and takes necessary action, including escalating to SLT and Board wherever required.
- The TCoC is prominently displayed in all employee operating areas at Stores and Offices.
- Employees are actively encouraged by the leadership to understand the code and to contact their Local Ethics Counsellors to report any concerns.
- An email account to capture employee concerns.
- Employee & Vendor surveys to assess ethical environment.
- The Tata Group MBE documents guide the process of concern resolution.
- Annual corporate compliance report to the Group.

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 senior leaders stand the test of scrutiny in every situation in which they lead the business transactions of the company, by virtue of an environment of openness and equal participation. Their words, actions and behaviors are visible to other colleagues in the organization, and are subject to evaluation in the periodic employee surveys. The senior leaders have established a mechanism consisting of a Chief Ethics Counselor reporting to the Ethics Committee of the Board that that reviews and addresses breaches in ethical conduct within the organization, to provide recourse to anyone wanting to report breaches of the code. The senior leaders communicate the Tata Code of Conduct and organizational Values during their employee interactions and meetings with stake holders (E.g.: Vendor meets).

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.