

# Assurance Statement

The Board of Directors and Management  
Tata Motors Limited  
Mumbai, India

Tata Motors Limited (hereafter 'TML') commissioned TUV India Private Limited (TUVI) to conduct the independent external assurance of Non-Financial Information and Key Performance Indicators (KPI) disclosed in the TML's Integrated Report (hereinafter 'the Report'). This assurance engagement was conducted in accordance with the requirements of International Integrated Reporting Council's The <IR>Framework (Referred as the "<IR>Framework"). TML Report is developed as per GRI standards along with "<IR>Framework". The Report covers TML's KPI's for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019. The intended users of this assurance statement are the management of TML and for inclusion in the Annual Report or on the website of TML.

TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement. TUVI was not involved in drafting of the report. TUVI's sole responsibility was to provide independent assurance on non-financial disclosures. TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information (KPI's) disclosed by TML in the Report. This assurance engagement is based on the assumption that the data and the information provided to TUVI by TML are complete and true. The information and its presentation in the Integrated Report is the sole responsibility of the management of TML. The Assurance Statement is issued in line with the scope of assurance agreed between TUVI and TML.

## Management's Responsibility

TML has developed the Report content and is responsible for identification of materiality, corresponding sustainability issues, identifying, establishing, reporting performance management, data management, and quality. The management of TML is responsible for the information provided in the Report as well as the process of collecting, analysing and reporting the information presented in web-based and printed Reports, including website maintenance and its integrity. The TML's management is responsible for the accurate preparation of the Report in accordance with the criteria stated in the <IR>Framework and GRI Standards (as applicable) in such a way that it is free of intended or unintended material misstatements.

## Scope of Assurance

The scope of the assurance Report includes the assurance of non-financial performance / KPI disclosures as per the <IR> framework. In particular, the assurance engagement includes the following:

- Review of the disclosures made in the Report;
- Quality of information;
- Review of evidence (on sample basis) for the disclosures against the requirements of applied standards including but not limited to GRI

The reporting boundary is based on the materiality assessment. The reporting aspect boundaries are set out in the Report covering the sustainability performance of the Company for below-mentioned sites. TML Operations: TML, India operations (Pune, Jamshedpur, Lucknow, Sanand, Dharwad, Pantnagar).

## Limitations of Our Review

Our engagement did not include an assessment of the adequacy or the effectiveness of TML's strategy or management of sustainability-related issues or sufficiency of the report against the "The International <IR> Framework", Operations of the Company other than those mentioned in the 'Scope

of Assurance', data and information outside the reporting period and aspects of report other than those stated above. During the assurance process, TUVI did not come across the limitations to the agreed scope of the assurance engagement.

### **Assurance Criteria**

The assurance engagement was conducted in accordance with the requirements of <IR>Framework". Additionally, TUVI referred to the GRI Standards and AA1000AS (2008) protocol (Type 2, Moderate Level) for assurance. The onsite verification was conducted at TML Plants - TML (PV and CV) Plant, Pune, TML Dharwad Plant, TML Joint Venture -Tata Marcopolo Motors Ltd. (Dharwad), TML Suppliers - Minda Stoneridge Instruments Limited and Shock Absorbers (I) Private Limited located at Pune and TML's dealers -Panchyajanya Automobiles, Pune during May 2019. In addition, desk reviews were carried out for other sites which are part of Report boundary.

### **Verification Methodology**

During the assurance engagement, TUVI adopted a risk-based approach, concentrating on verification efforts on the disclosed KPI's which are issues of high material relevance to TML's business and its stakeholders. TUVI has verified the KPI's stated in the Report and assessed the robustness of the underlying data management system, information flows, and controls. In doing so: TUVI examined and reviewed the documents, data and other information made available by TML for the disclosed KPI's. TUVI reviewed the non-financial disclosures stated in the report;

- TUVI conducted interviews with key representatives including data owners and decision-makers from different functions of the Company during the site visit;
- TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and qualitative), as described in TML's Report;
- Review the level of adherence to principles of "The <IR> Framework"

### **Opportunities for Improvement**

The following is an extract from the observations and opportunities for improvement reported to the management of TML and are considered in drawing our conclusions on the Report; however they are generally consistent with the Management's objectives.

Opportunities are as follows:

- TML can evaluate the environmental impact of the engine reconditioning by "Prolife Business"
- TML has maintained green cover in various campus. The amount of sequestered carbon may be evaluated and reported
- TML can further accelerate the efforts to bridge the gap between the targeted and actually achieved gender ratio
- TML can further enhance its data capturing mechanism to ensure consistency and improve accuracy

### **Our Conclusion**

In our opinion, based on the scope of this assurance engagement, the disclosures on sustainability performance reported in the Report along with the referenced information provides a fair representation of the material aspects, related strategies, and performance indicators, and meets the general content and quality requirements of the GRI Standards "Comprehensive" Option.

- Universal Standards: TML followed GRI 101: Reporting Principles for defining report content and quality. GRI 102: General Disclosures were followed when reporting information about an organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process. Furthermore, GRI 103 was selected for Management's Approach to reporting information about how an organization manages a material topic. TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements for "in accordance" Comprehensive reporting.
- Topic-specific Standards: 200 series (Economic topics), 300 series (Environmental topics) and 400 series (Social topics): These Topic-specific Standards were used to report information on an organization's impacts related to environmental and social topics. TUVI is of the opinion that the reported material topics and Topic-specific Standards that TML uses to prepare its Report are appropriately identified and addressed.

On the basis of the procedures we have performed, nothing has come to our attention that causes us to believe that the information subject to the Type 2 moderate level assurance engagement was not prepared, in all material topics, in accordance with the GRI Standards “Comprehensive” option sustainability reporting guidelines, or that the sustainability information is not reliable in all material respects, with regards to the reporting criteria.

TUVI did not perform any assurance of procedures on the prospective information, such as targets, expectations, and ambitions, disclosed in the sustainability information. Consequently, TUVI draws no conclusion on the prospective information. This assurance statement has been prepared in accordance with the terms of our engagement. TUVI has evaluated below requirements in the context of GRI Standards.

**Inclusiveness:** The Report appropriately discloses the KPI's related to capitals (financial, manufactured, intellectual, human, social and relationship, and natural), their interdependencies and encompasses strategic integrated thinking, decision-making, and actions that focus on the creation of value over the short, medium and long term. The selected sustainability parameters and disclosures presented in the Report by TML are fairly represented. To promote a more cohesive and efficient approach to corporate reporting TML has opted to communicate the non-financial KPI's in line with provisions of GRI standards.

Report complies with the requirements of the "Guiding Principles of the <IR> Framework".

**A. Strategic focus and future orientation:** The messages of top management, business model, action and strategies, focus on products, risk management, human drive, and priorities are disclosed appropriately in the report. The information in the report provides insight regarding strategy and organization's ability to create value (short, medium and long term) and effects on the capitals.

**B. Connectivity of information:** The report discloses various capitals and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.

**C. Stakeholder relationships:** The report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.

**D. Materiality:** The materiality assessment process has been carried out, based on the requirements of “Guidance for the preparation of integrated reports”. The report reflects how TML has appropriately identified issues that affect its value creation, have high importance to its stakeholders, linked to strategy and governance considering aspects that are internal and external to the TML's range of businesses. The Report fairly brings out the aspects and topics and its respective boundaries of operations. The report discloses information on material topics that substantively affect TML's ability to create value over the short, medium and long term.

**E. Conciseness:** The integrated report does not repeat the same information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation are applied. At the same time, due care is taken to maintain continuity of information flow in the report.

**F. Reliability and completeness:** TML has established internal data aggregation and evaluation systems to derive the performance. The reported data is duly verified and authenticated by TML. The majority of the data and information was verified by TUVI's assurance team during the assessment of the Sustainability Report and found to be fairly accurate. All material matters, positive and negative, are reported transparently, in a neutral tone and without material error.

**G. Consistency and comparability:** The information in an integrated report is presented on an annual basis in a reliable and complete manner. Thus, the principle of consistency and comparability is established.

TUVI has verified KPI's disclosed in the report. The KPI's are majorly focused on:

Total number of employees, scientists, technicians, number of patents granted, designs registered, total spent on R & D, new technologies developed, plant facilities, R & D centers, trainings (on various topics) to employees, safety performance, environmental performance, Climate Change, CSR Programmes, customer experience scores, suppliers and dealers (covered under the Sustainable Value Chain Initiative) and various awards.

TUVI confirms that TML has transparently reported major material information pertaining to all its six capitals in line with <IR> framework as below

- **Financial Capital:** net worth, capex, investment spent, economic value generated, gross revenue etc.
- **Manufactured Capital:** Manufacturing facilities, R & D centers, number of products launched, machineries, buildings, infrastructure, etc.
- **Intellectual Capital:** Knowledge-based intangibles, including intellectual property, R & D activities, patents, designs registered new product development, etc.
- **Human Capital:** TML's Engineers, scientists, technicians, number of skilling and re-skilling of employees to enhance their competencies, capabilities, experience, motivations to innovate, supplier sustainability programs, etc.
- **Social and Relationship Capital:** TML's relationship with stakeholders such as customers, business partners, regulators, suppliers, business partners, communities, legislators, policy-makers and benefits associated with brand and reputation along with TML's ability to share information to enhance wellbeing.
- **Natural Capital:** Sourcing responsibilities for the majority of renewable and non-renewable environmental resources and processes that provide goods or services. Reporting of emissions, water consumption, waste disposal, etc.

The Assurance Statement is issued in line with the scope of assurance agreed between TUVI and TML. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information (KPI's) disclosed by TML in the Report. This assurance engagement is based on the assumption that the data and the information provided to TUVI by TML are complete and true.

### Our Assurance Team and Independence

TUVI is an independent, neutral, third party providing sustainability services, with qualified environmental and social assurance specialists. TUVI states its independence and impartiality and confirms that there is "No Conflict of Interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with TML on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this Assurance Statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar  
Project Manager and Reviewer  
Head – Sustainability Assurance Service

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