

TATA STEEL



CSR Policy

Adopted on September 17, 2014
Revised on February 3, 2016

9th September 2014



TATA STEEL CSR POLICY

Tata Steel's vision is "to be a global benchmark in value creation and corporate citizenship". The company has always endeavoured to conduct its business responsibly, mindful of its social accountability, respecting applicable laws and with regard for human dignity. The company's long-term CSR objective is "to improve the quality of life of the communities we serve globally through long term value creation for all stakeholders", which is in alignment with the Tata Group Core Purpose.

The company shall allocate at least 2% of its average net profits before taxes of the preceding three years, towards CSR activities to sustain and improve a healthy and prosperous environment and to improve the quality of life of the communities it serves. The company may also utilize its products and services as suitable for its CSR activities. Any surpluses arising out of CSR projects or programmes or activities shall be re-deployed back into CSR activities and will not form a part of the business profits of the company.

The company shall positively impact and influence its employees and partners in fostering a sense of social commitment for their stakeholders.

Focused Geographic Spread

Tata Steel's focus areas for developmental activities will be in urban as well as rural areas in the states in which it is located.

The company may also support initiatives in other geographies, as approved by the CSR Committee of the Board, from time to time.

While we will ensure that all communities benefit from our CSR activities, we would focus on those groups that are socially and economically marginalized. These would include women, girl children and scheduled castes and tribes.

CSR Focus Areas

Tata Steel's CSR in alignment with the Tata Group focus initiatives (Skills, Water, Governance, Education) will focus on four thrust areas – Education, Health, Livelihoods and Rural and Urban infrastructure. Besides, it will also undertake Interventions in the areas of sports, disaster relief, environment and ethnicity etc (Refer **Annexure A**), all aimed at improving the quality of life of the communities.

Approach

The Company's CSR will revolve around six guiding principles – Impact, Partnerships, Affirmative Action, Volunteerism, Communication and Innovation. (Refer **Annexure B**)

Delivery Mechanism

Whilst a large part of the CSR efforts of Tata Steel will be implemented by an in-house CSR department and through several Societies promoted by the company, the company will also partner with credible organizations – individually or as a consortium – to design, fund,

implement and review projects. Partner agencies will be selected based on well-defined selection criteria.

Governance Mechanism

Tata Steel's CSR will have a multi-tiered governance mechanism.

- The CSR Committee of the Board will govern and review the CSR of the company from time to time. The CSR Committee will recommend the Annual Business Plan for CSR (Refer **Annexure C**) to the Board for its approval. The plan will include resource requirements and allocation across interventions and locations. The composition of the CSR committee of the board is as below :

Mr. Ishaat Hussain	-	Non-executive, Non-independent	-	Chairman
Mr. D. K. Mehrotra	-	Non-executive, Non-independent	-	Member
Mr. O P Bhatt	-	Non-executive, Independent	-	Member
Mr. Koushik Chatterjee	-	Executive, Non-independent	-	Member
Mr. T. V. Narendran	-	Executive, Non-independent	-	Member

- An Apex CSR Steering Committee chaired by the Managing Director and comprising the senior management team of Tata Steel will do a quarterly review of the activities and monitor achievements against targets set at the beginning of the year.
- The Company has set up a CSR Advisory Council, comprising some of the most eminent experts from the academic and developmental domains. It is envisaged that the members of the Advisory Council, with their years of experience and multi-functional expertise, will provide macro policy-level inputs that will not only critique, but also guide and inform Tata Steel's CSR work.

Review of Policy

This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.

Annexure A: CSR Interventions

CSR Programs	CSR Initiatives	Ref. Sr.No of Sch VII of Companies Act
Education	<ul style="list-style-type: none"> • Setting up and running educational institutions and hostels • Setting up and running mid-day meal kitchens • Training of teachers and headmasters • Improving quality of education in existing schools • Augmenting and supporting infrastructure in educational institutions • Offering scholarships and financial assistance to needy and meritorious students • Bridging drop-out children and mainstreaming them to formal schools • Making adults functionally literate • Developing educational material and methodologies • Supporting and promoting co-curricular activities • Advocacy of best practices • Education for mainstreaming disabled children 	II / I
Health	<ul style="list-style-type: none"> • Setting up and running clinics and hospitals • Running mobile medical vans and ambulances • Organizing health camps • Providing financial assistance and waivers for needy patients, on a case-to-case basis • Providing family planning services • Reducing infant and maternal mortality • Preventing and treating communicable diseases like malaria, tuberculosis and HIV / AIDS • Treating and rehabilitating persons with disabilities • Working on adolescent and reproductive sexual health issues • Promoting awareness about various health issues and generating demand for health services • Undertaking and supporting research on health-related issues • Ensuring access to potable drinking water and hygienic sanitation 	I

CSR Programs	CSR Initiatives	Ref. Sr.No of Sch VII of Companies Act
Livelihoods	<ul style="list-style-type: none"> • Setting up and running skill development centres, industrial training centres, diploma and polytechnic institutes, community colleges, etc • Sponsoring candidates for skill development and vocational training programmes offered at identified institutions • Coaching candidates to appear for entrance examinations of different institutions • Creating, training and supporting entrepreneurs • Creating, training and supporting self help groups, federations, co-operatives, societies and similar institutions • Building capacities of farmers on improved methods of agriculture and other allied sectors • Developing water harvesting structures and irrigation facilities • Supporting farmers with quality inputs, technical know-how and timely information • Creating markets and marketing linkages for farm and forest based produce • Undertaking and supporting research on agriculture and other allied sectors 	II
Rural Development	<ul style="list-style-type: none"> • Rural development projects of building and maintaining community-based rural infrastructure like roads, bridges, culverts, drains, rural electrification, water infrastructure, community centres, youth clubs, etc. 	X
Sports	<ul style="list-style-type: none"> • Constructing stadia and sports infrastructure • Setting up and running academies and sports training centres • Organizing sports tournaments and coaching camps for community • Supporting sportspersons to participate in state, national and international events • Offering scholarships and sports equipments to deserving sportspersons • Promoting adventure sports • Preserving and promoting indigenous sports • Organizing leadership and motivational camps 	VII

CSR Programs	CSR Initiatives	Ref. Sr.No of Sch VII of Companies Act
Ethnicity	<ul style="list-style-type: none"> • Preserving and promoting tribal languages, scripts and literature • Preserving and promoting fine arts and performing arts • Preserving and promoting various aspects of folk and tribal cultures • Organizing cultural events • Restoring and renovating memorials, monuments and heritage structures • Mainstreaming Particularly Vulnerable Tribal Groups (PVTGs) • Undertaking and supporting research on anthropological and ethnic issues 	V
Environment	<ul style="list-style-type: none"> • Undertaking plantations and afforestation activity • Promoting renewable sources of energy • Recharging ground water levels • Conserving biodiversity and supporting research, awareness and advocacy on issues related to biodiversity • Promoting awareness about environmental issues 	IV
Disaster Relief	<ul style="list-style-type: none"> • Extending relief measures during times of natural disasters, anywhere in the country • Undertaking and supporting rehabilitation measures post-disasters 	Different activities will be categorized differently
Support to Technology Incubators	<ul style="list-style-type: none"> • Funding research projects at technology hubs for environmental and social sustainability 	IX

The CSR Committee could, from time to time, recommend donating or making grants to the PM's fund or funds set up the State Governments or to non-profit organizations and other institutions whose activities are aligned with the company's CSR.

Annexure B: Guiding Principles for CSR

- **Impact** – All CSR initiatives will have well-defined KPIs to measure impacts on target groups. For high impact projects, there will be independent, third-party assessments and feedback will be a key input for redesign and / or rollout of further initiatives.
- **Partnerships** – The Company will forge collaborations with business partners, other Tata Group companies and like-minded corporate organizations, funding agencies, non-government organizations, community based organizations, Governments and Government organizations, based on well-defined selection criteria. Partners will bring in complementary resources, expertise and influence which would be leveraged to force-multiply the company's CSR initiatives.

Tata Steel will engage closely with **Tata Trusts** and work jointly on projects which are aligned to Tata Steel's CSR strategy and in its operational areas. Tata Steel will also leverage the products and services of Tata group companies for its CSR initiatives in alignment with its CSR strategy.

- **Affirmative Action** – The Company will design targeted interventions for Scheduled Castes and Scheduled Tribes to promote Education, Employability, Employment and Entrepreneurship. The Company will also work on promoting Ethnicity to preserve the cultural fabric of these communities.
- **Volunteerism** – Tata Steel is committed to providing opportunities to its employees, their families and the larger Tata Steel ecosystem to engage in volunteering activities that will benefit the communities in which they live and work, and at the same time, support Tata Steel's own CSR efforts. This will not only deepen local community connect but will also leverage in-house skills in addressing social challenges, thereby creating both social and business impacts.
- **Communication** – The Company will have a two-way communication channel, so that the stakeholders' needs, expectations and aspirations can be mapped and their feedback and satisfaction levels can be obtained and assessed for the purpose of design and improvement of initiatives.
- **Innovation** – Tata Steel will endeavour to develop innovative solutions to solve seemingly intractable social problems. These will encompass technology, as well as models for sourcing, partnering and delivery of initiatives.

Annexure C: CSR Plan for FY 2014-15

Objectives	Means	Sch VII	Modality of Implementation / Partners
Education	Make adults functionally literate	(ii) and (i)	Tata Steel
	Assist meritorious students from SC/ST through scholarships		Tata Steel
	Provide infrastructure and other support to schools		Tata Steel, Select Partners
	Distribution of Mid Day meals to students in Govt. Schools		Select Partners
	Coaching support to students		Tata Steel, Select Partners
	Help improving quality of education for primary school students (1000 school project)		Tata Steel, Select Partners
	Support SC/ST students in continuing their education in Ashram School / Boarding school		Tata Steel, Select Partners
	Primary Learning, Spoken English & Soft Skills Development, ICT intervention and Newspaper Reading Programme		Select Partners
	Residential school for tribals		Tata Steel, Select Partners
	Organising leadership and motivational camps		Tata Steel, Select Partners
Health	Reducing infant and maternal mortality adopting HBNC model	(i)	Tata Steel, Select Partners
	Prevention of blindness, treatment of malaria, tuberculosis, leprosy and HIV/AIDS		Tata Steel, Select Partners
	Promoting small family norms		Tata Steel, Select Partners
	Promoting awareness on health issues, promoting safe sexual health behaviour among adolescents (RISHTA project)		Tata Steel, Select Partners
	Setting up and running clinics and hospitals		Tata Steel, Select Partners
	Static clinics, mobile medical vans and ambulances, multi-specialized health camps		Tata Steel, Select Partners
	Providing financial assistance and waivers for needy patients, on a case-to-case basis		Tata Steel
	Life Line Express		Tata Steel, Select Partners
	Undertaking and supporting research on health-related issues	(i)	Select Partners

Objectives	Means	Sch VII	Modality of Implementation / Partners
	Providing drinking water through handpumps, bore wells, piped drinking water and water storage		Tata Steel, Select Partners
Livelihoods	Setting up Skill Development Institutes	(ii) & (x)	Tata Steel, Select Partners
	Support girls in Nursing training (ANM, GNM)		Tata Steel, Select Partners
	Competitive coaching		Tata Steel, Select Partners
	Support to community college		Select Partners
	Support youth to undergo various skill development programmes through expert organisations		Select Partners
	Enterprise development		Tata Steel, Select Partners
	Women empowerment		Tata Steel
	Agriculture and animal husbandry		Tata Steel, Select Partners
	Construction of Lift Irrigation and Ponds, WHS, check dams, tanks, irrigation wells for increasing area under irrigation		Tata Steel
Rural Development	Rural development projects of building and maintaining community-based rural infrastructure like roads, bridges, culverts, drains, rural electrification, water infrastructure, community centres, etc.	(x)	Tata Steel
Advocacy	Improvement of civil infrastructure		Select Partners
Sports	Support to academies and sports infrastructure	(vii)	Tata Steel
	Organise sporting events in villages		Tata Steel
	Coaching Camps and outdoor leadership camps		Tata Steel
	Offering sports scholarships		Tata Steel
	Development of grounds		Tata Steel
Ethnicity	Preserve and promote tribal languages, scripts and literature, sports, performing arts, cultural programmes	(v)	Tata Steel, Select Partners

Objectives	Means	Sch VII	Modality of Implementation / Partners
Environment	Install solar lights	(iv)	Tata Steel, Select Partners
	Increase green cover through plantation, protection of flora and fauna, Maintenance of parks and gardens		Tata Steel, Select Partners