

Sustainability



World Steel Association conference, Brussels

The CSR Committee of Tata Steel was re-designated as the CSR and Sustainability Committee to enhance the governance of integrated thinking and working of Tata Steel.

Sustainability Review and Governance

For Tata Steel, sustainability is an integral part of the business and is driven by the Company's leadership, with an organisation-wide governance structure around it.

The performance related to various sustainability aspects is reviewed at the Corporate as well as the Board levels. The scope and membership of the Board-level Committees have been detailed in the Corporate Governance Report. (Refer Page 114) At the Corporate level, various committees review the sustainability and governance initiatives. These include the Apex Safety Committee, Apex Environment Committee, Apex HRD Committee, Apex CSR Committee, Apex R&D Committee and Quality and Production Meeting. These Committees are chaired by the Chief Executive Officer and Managing Director or the Executive Director and Chief Financial Officer.

FY 2017-18 has been a year in which the Company has strengthened the governance structure for addressing the environmental, social and people-related material issues and mitigating the related risks.

A new Safety, Health and Sustainability division was created and is led by a new dedicated VP (Safety, Health and Sustainability) for focussed action planning and review. A new team of about 80 sustainability champions was constituted across Tata Steel India to create capabilities for integrated approach and to drive sustainability issues across the organisation. In addition, the Life Cycle Assessment (LCA) team, responsible for conducting LCA studies for the processes and products of the Company, was integrated with the Corporate Sustainability Group. To keep ourselves abreast with the changing global environment, emerging stakeholder needs and the risks and opportunities thereof, Tata Steel has undertaken an extensive stakeholder engagement and 'materiality assessment'.



Tata Steel Limited named as one of the Steel Sustainability Champions 2017 by World Steel Association



Global Water Summit 2018, Paris: Representation in international sustainability forums

Thought Leadership with Participation in National and International Forums

Our senior leaders actively engage with various industry bodies such as the World Steel Association (WSA), the Confederation of Indian Industry (CII), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), UN Global Compact (UNGC) and the Task Force on Climate-related Financial Disclosures (TCFD), guiding the Company further on implementing sustainability practices.

Creating a Culture of Sustainability

Corporate Sustainability shares the best sustainability practices, benchmark data and reports on the key developments in the organisation through a quarterly Sustainability Management Information Systems (MIS). Customised awareness programmes for Tata Steel employees are conducted at regular intervals across the Company. Such programmes on relevant aspects of sustainability are also made available to external stakeholders such as suppliers and the community. Focussed campaigns and celebrations (such as World Environment Day, World Water Day, Biodiversity Day, Safety Week, World Health Day and Ethics Month) are undertaken to drive awareness on environmental, health and safety issues. In June every year, we celebrate the Tata Sustainability Month to mainstream sustainability in our business and conduct focussed campaigns for all employees, suppliers and the community. In 2017, Tata Sustainability Month was celebrated with the theme of 'Mainstreaming Sustainability', touching more than 1,000 stakeholders, including Group Companies, employees, suppliers and the community.



Safety and Health Excellence Recognition 2017 by World Steel Association

External Experts' Perspectives

Our Corporate Sustainability team also drives various external assessments such as the Dow Jones Sustainability Index (DJSI) and those conducted by the CII. We use feedback from these external assessments for further improvement. We use the feedback from the panel of experts of IIRC for bringing about improvements in our IR.

Key Developments in FY 2017-18

Focus Area	Development
Climate Change Mitigation	<ul style="list-style-type: none"> Continued the inclusion of a shadow carbon price of \$15/ tCO₂ for evaluation of capital projects Identified technology partners for Carbon Sequestration and Use (CSU) for doing pilot projects
LCA Studies	Initiated projects for the first time beyond the gate to study the 'use phase' impacts of steel in automobile and selected value-added products for the Construction segment
Embedding the SDGs	Conducted an exercise to map the UN SDGs, to which Tata Steel is already contributing, and to identify the way forward to enhance this contribution
Renewable Energy	Commissioned a 3 MW solar plant in Noamundi, part compliance of Renewable Purchase Obligation, for the first time in FY 2017-18 through own generation

Key Challenges Faced by Corporate Sustainability in FY 2017-18

- Embedding environmental practices in the supply chain, considering the broad base and varying profiles of partners.
- Finding a suitable Indian partner for baselining and identification of hot spots for GHG emissions and water across the value chain.

Awards

- Tata Steel Limited and Tata Steel Europe are two companies out of the six that have been recognised by World Steel Association (WSA) as **Sustainability Champion** for 2017. Both companies were shortlisted based on the criteria laid down by WSA.
- Awarded the **Gold Class rating** for the second year in a row in the steel sector in the **DJSI Corporate Sustainability Assessment 2017**.
- Tata Steel Jamshedpur Works, Iron Ore Mines and JUSCO were recognised by the CII for **Excellence in Water Management** at the Annual Water Summit.
- **Integrated Report (IR) for FY 2016-17 has been recognised as Asia's Best Integrated Report** by Asia Sustainability Reporting Awards (ASRA), the highest regional recognition for sustainability and integrated reporting. Tata Steel IR has been the only Indian winning entry among all the 16 awards categories and has competed with company reports from the entire ASEAN as well as Middle Eastern countries.
- Ground Granulated Blast Furnace Slag (GGBS) of Tata Steel was **GreenPro (green label) certified by CII-GBC**. This is the first Green Label Certification for any product in Tata Steel India.

Way Forward

- Creation of the cross-functional CoE for long-term focus on climate mitigation and adaptation
- Integration of function-wise material issues and relevant SDGs in annual and long-term business planning
- Using the outcome of LCA studies in design and manufacturing
- Institutionalising sustainability initiatives with supply chain partners
- Environmental declarations for key steel products

Our Disclosures

Disclosures during FY 2017-18	Scope
Integrated Annual Report presenting the value-creation story of Tata Steel to all stakeholders	Tata Steel India
Disclosure to RobecoSAM DJSI Corporate Sustainability Assessment	Tata Steel India
CDP (erstwhile Carbon Disclosure Project) disclosure for climate change and water	All four integrated steel plants of Tata Steel (Port Talbot, IJmuiden, Tata Steel Jamshedpur and Tata Steel Kalinganagar)
Application for World's Most Ethical Companies (WME) to Ethisphere Institute, US	Tata Steel India
Communication of Progress to UNGC on the ten principles of sustainability	Tata Steel India
Data against the sustainability indicators of WSA	Tata Steel India and Tata Steel Europe

Our Partnerships

The Company is an active member of the following industry associations that have an international and nationwide presence:

- World Steel Association
- United Nations Global Compact
- Confederation of Indian Industry
- Federation of Indian Chambers of Commerce and Industry and Federation of Indian Mineral Industries
- Indian Institute of Metals
- The Energy and Resources Institute
- Tata Steel is an active member of the steel industry's 'Energy Operating Committee' to share performance and enablers as well as form industry opinion for advocacy
- Tata Steel has supported the Bureau of Energy Efficiency (BEE) as a member of the Industry Expert Group
- Ongoing partnership with IUCN for consultation and action planning for biodiversity at mines