

TRANSFORMING FOR TOMORROW

TAX TRANSPARENCY REPORT

2024



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From the ED and CFO's desk

Dear Stakeholders,

The steel industry faced an asymmetrical market landscape in Financial Year 2023-24 (FY 2024). Although steel demand experienced a healthy growth in our core market in India, global steel prices fell while raw material prices remained relatively high. Our European business was impacted by moderating demand and increase in cost. As part of efforts to drive efficiency and reduce operational costs, Tata Steel India completed its merger with five domestic subsidiaries and is in an advanced stage of completing merger for another three entities.

During the year, Tata Steel contributed ₹36,562 crores (\$ 4,384 million) in Global Tax & Other Contributions globally to the exchequer. Indian operations accounted for around 86% of this contribution while European operations contributed 13% and the balance 1% came from Asian businesses (other than India). Almost 16% of our consolidated revenue goes back to the Government in the form of taxes, duties and other contributions for meeting its expenditure.

As a multinational enterprise operating across India, Europe, and South-East Asia, we navigate through multiple tax jurisdictions. Despite the divergences, we maintain a consistent tax strategy that has integrity at its core and is guided by the principles of transparency and timely compliance. Tata Steel understands that one core purpose of private enterprise is nation building and payment of taxes is a key element for such cause.

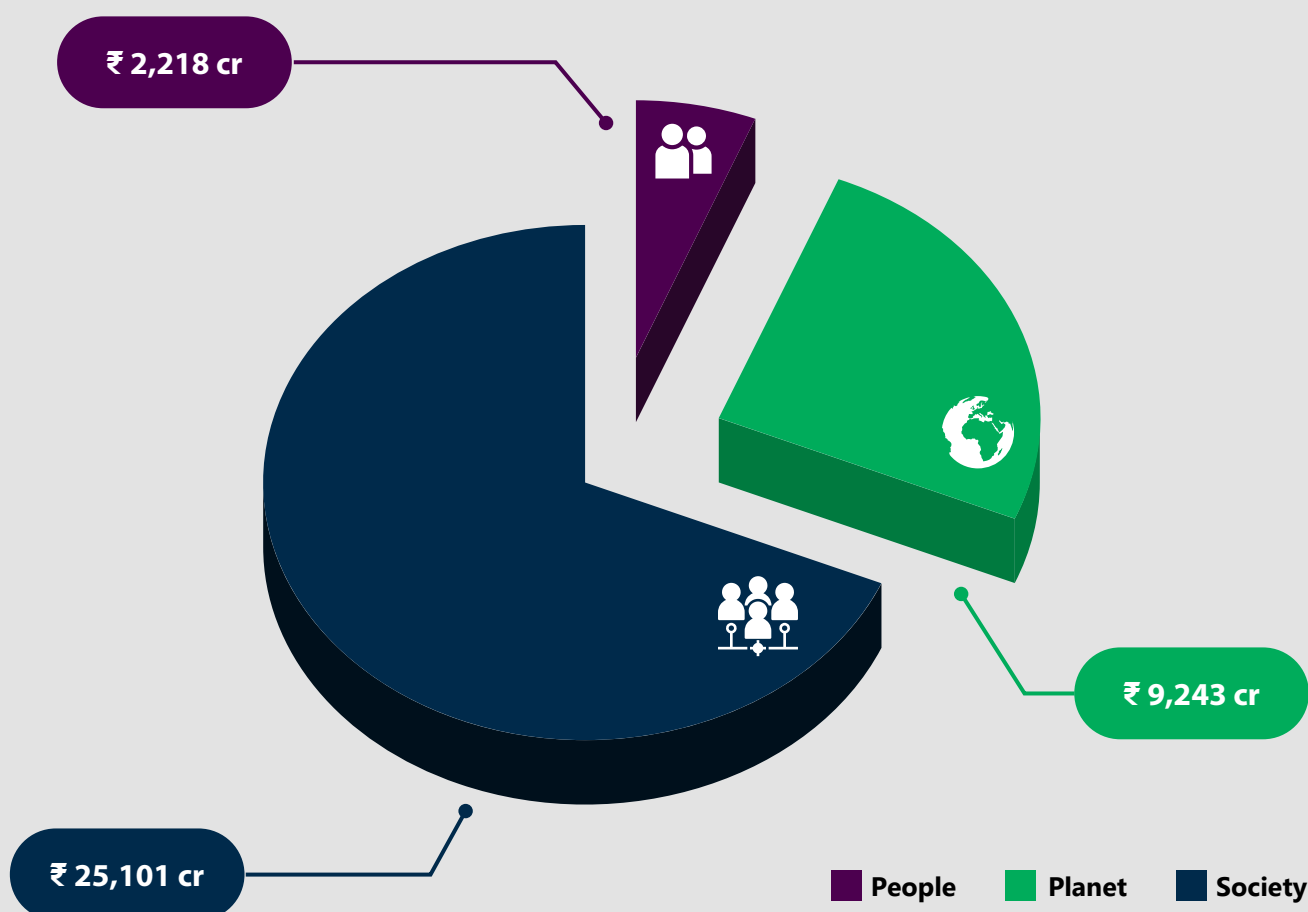
As part of the landscape of multi-jurisdictional tax regulations that Tata Steel needs to navigate, this year we witnessed the new Global Anti-Base Erosion (GloBE) rules introduced and being implemented. Our endeavor remains to stay abreast of the constantly changing regulatory and tax landscape, making the necessary adjustments to our reporting and compliance systems while leveraging technology as a key enabler. Over the years, we have been working towards a unified tax platform across our global businesses. Our constant endeavour is to drive automation wherever possible in the tax function.

Tata Steel embarked on an annual voluntary disclosure in the form of this tax transparency report in 2021 and this is our fourth consecutive publication. This underscores our commitment to responsible tax conduct and upholding complete transparency in tax disclosures across geographies where we operate. Besides our efforts in open communication with the government in matters related to tax contributions and compliances, we also actively engage with government bodies and industry forums to usher in changes that go a long way in bringing about ease of doing business and also putting an end to time consuming protracted litigation that benefit none.

Koushik Chatterjee

Executive Director and Chief Financial Officer
Tata Steel Limited

Global Tax & Other Contributions (₹ Cr)



FY 2024

₹ 36,562_{Cr}



5 year total

₹166,090_{Cr}

Key statistics

Tata Steel is one of the most diversified integrated steel producers with a vision to double its capacity in India. We are actively investing in expanding capacities through organic and inorganic means. Through a steadfast focus on sustainability, innovation, agility, and fostering deep relationships with customers and communities, the Company's goal is to become one of the most respected and valuable steel companies globally.

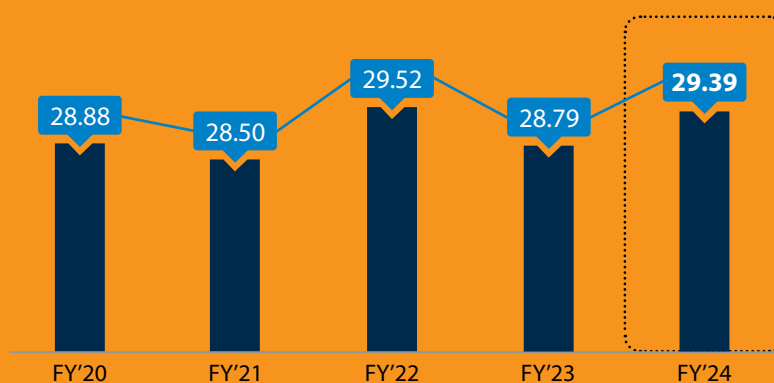
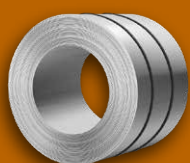
Continued investments in people development, digitalisation, innovation, and execution excellence are the key elements of Tata Steel's strategy to transform it into a global leader in sustainable steel manufacturing. Despite a challenging operating environment, FY 2024 has been a year of notable progress for Tata Steel, driven by volume growth in some markets and a focus on optimising cost profile globally. Specifically, Tata Steel achieved its highest ever annual crude steel production and deliveries in India on the back of strong demand from

the infrastructure and steel intensive sectors. However, Tata Steel in Europe primarily faced challenges, in terms of production disruption, high fixed and maintenance costs, including subdued revenue.

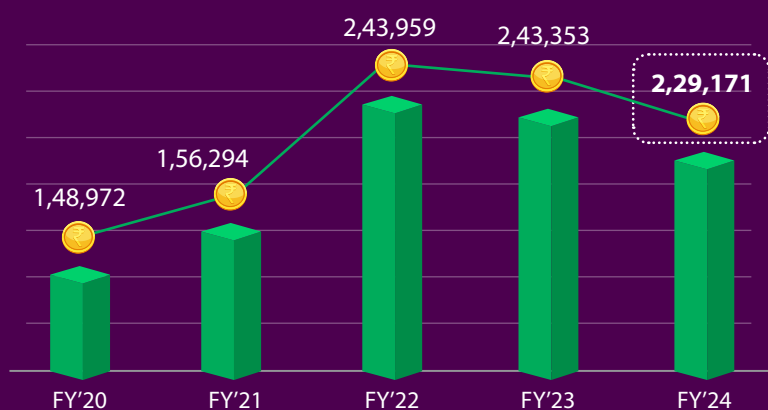
Tata Steel is among the first movers in decarbonising steelmaking operations. The Company has announced its plans to transition to low carbon steel manufacturing across operations in the UK and the Netherlands. In India the construction of our first low-carbon green steel plant using scrap is expected to be commissioned by March 2025. Environmental impacts in terms of water discharge and other emissions also are being monitored for reduction. This included initiatives that would lead to significant reduction in carbon emissions, like sourcing extensive captive renewable power, use of electric vehicles, embarking on voyage using biofuel for transporting coal, from Australia to India, etc.



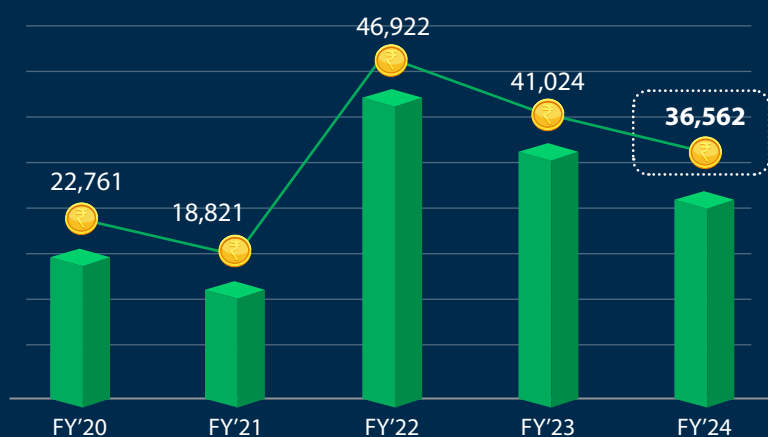
Deliveries of crude steel (MnT)



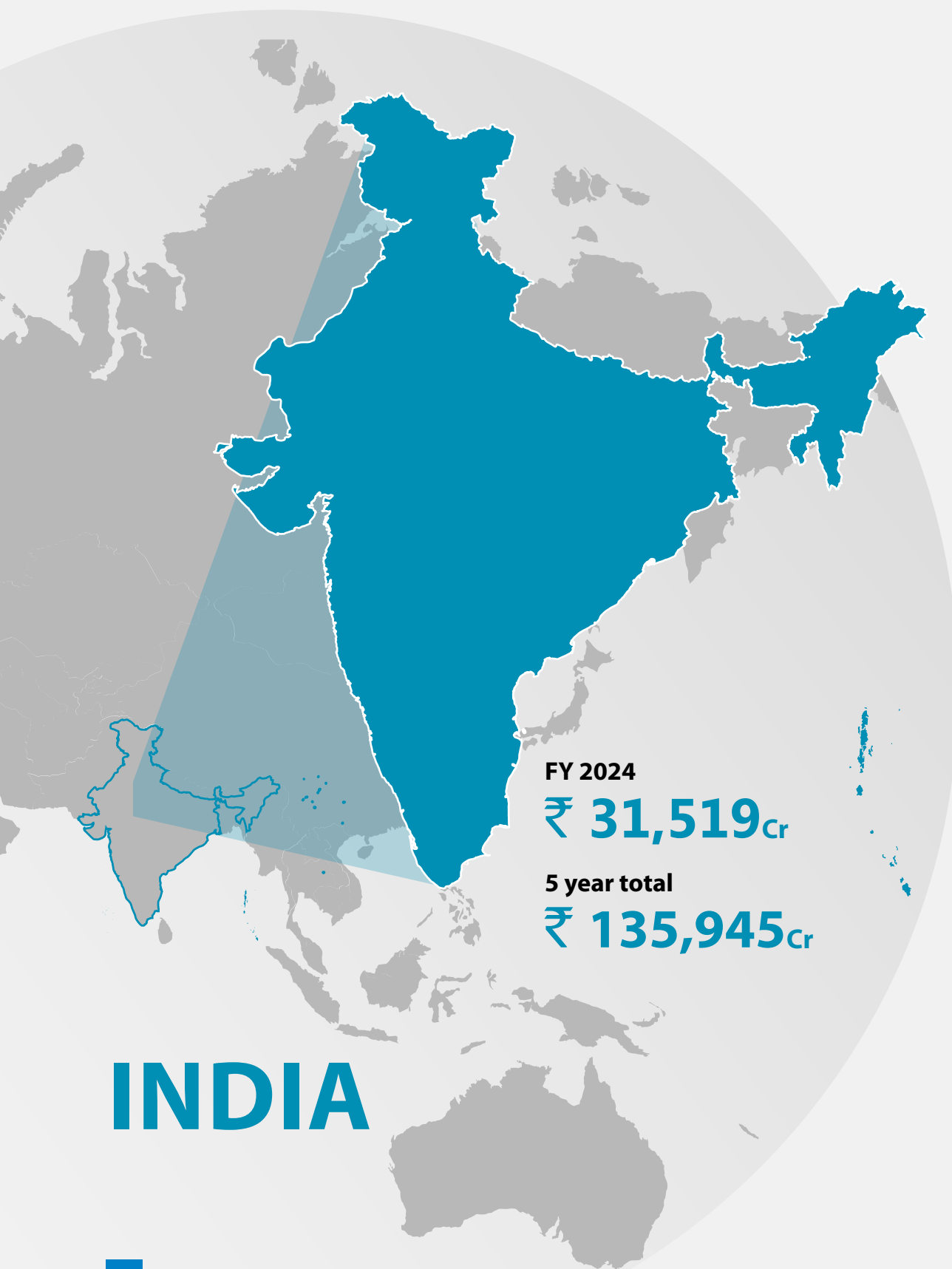
Revenue (in ₹ Cr)



Global Tax & Other Contributions (in ₹ Cr)



Key metrics-Global Tax & Other Contributions over the years





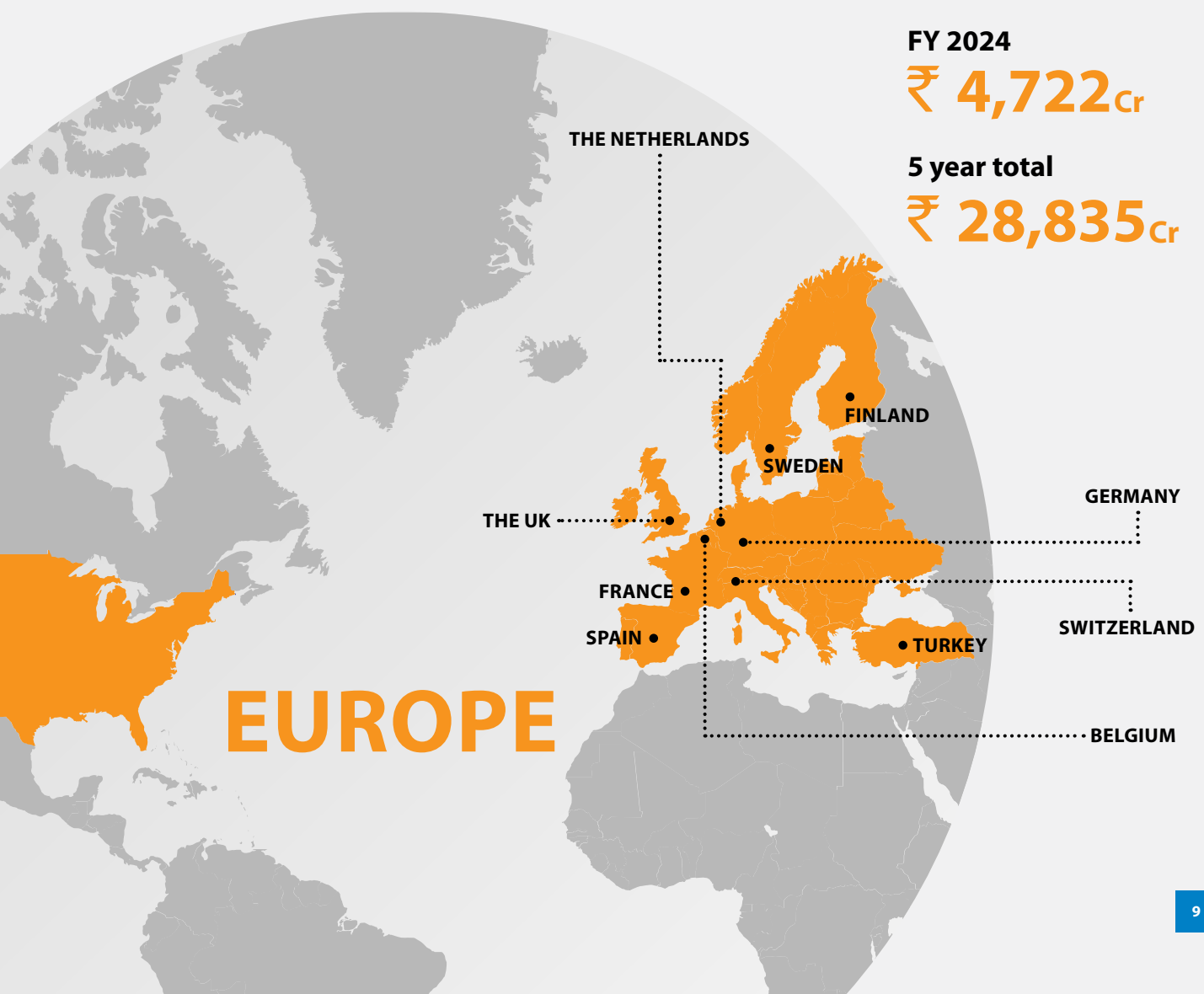
SOUTH-EAST ASIA

FY 2024

₹ 321_{Cr}

5 year total

₹ 1,310_{Cr}



FY 2024

₹ 4,722_{Cr}

5 year total

₹ 28,835_{Cr}

EUROPE

About Tata Steel



Mining

Royalty, DMF, NMET,
GST, Stamp Duty,
Clean Energy Tax, TCS,
Employee TDS,
CMPF, VAT



Ores & Other Raw Materials

Royalty, DMF, NMET,
GST, Stamp Duty,
Clean Energy Tax,
TCS, Employee TDS,
CMPF, VAT

Tata Steel is one of the largest integrated steel producers in the world, with an annual crude steel production capacity of 35 MTPA across its manufacturing assets in India, the Netherlands, the UK, and Thailand.

Tata Steel has committed to achieving Net Zero emissions by 2045. The Company's strategy and initiatives are aligned to the goal. Tata Steel has started building its first electric arc furnace based green steelmaking plant in India, at Ludhiana, Punjab. The Company has taken significant steps towards decarbonising its blast furnace operations.

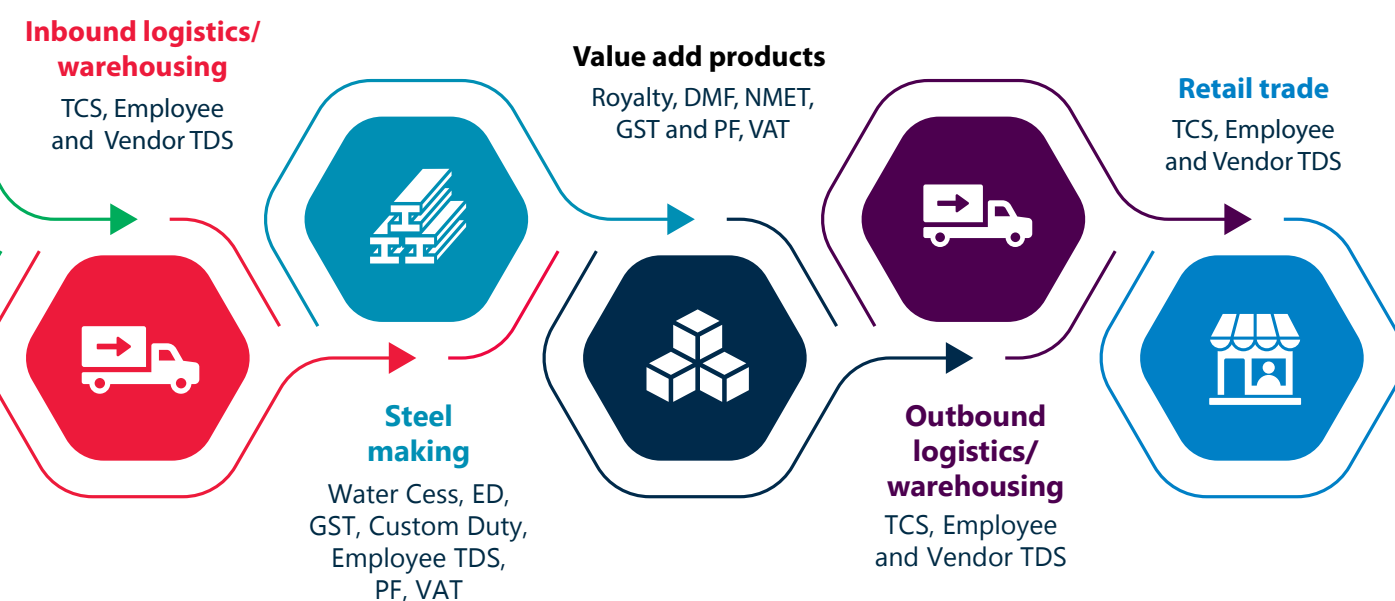
In Jamshedpur, it completed a first-in-the-world trial of hydrogen injection in the E Blast Furnace, reducing approximately 50 kg CO₂/tcs.

The constant endeavour of Tata Steel has been to proactively work towards greener option recognizing the environmental impact of the entire life cycle of their products. Our comprehensive portfolio of products and brands caters to multiple industries and segments, making the steel we produce an integral part of everyday life.

Value chain

The various tax obligations across the value chain are closely linked to the depth of the footprint and extent of business performance. We acknowledge our duty to contribute our fair share by payment of various taxes at different points of our value chain. Our presence through the entire value chain impacts various sectors by not only generating revenue but also by contributing taxes, including corporate tax, royalties, levies, cess and other charges.

Tata Steel's current structure is strategic integration of its value chain. The individual business entities are either upstream or downstream of Tata Steel manufacturing process. Today, on evaluation of the cost versus benefit of the structure, along with the drive towards consolidation, it makes more sense to have a simplified structure with new synergies. During the year, five subsidiaries (Tata Steel Mining Limited, Tata Steel Long Products Limited, S&T Mining Company Limited, The Tinplate Company of India Limited and Tata Metaliks Limited) were merged as separate divisions of Tata Steel Limited.



Notes:

Only material taxes reported. Refer to Basis of Preparation chapter for abbreviation.

Our values

Our core values encourage us to show respect and compassion to all stakeholders, attain cohesiveness with governments through mutual co-operation and, above all, drive us to act as a responsible corporate. Tata Steel imbibes this commitment wherever we operate, which is reflected in this Tax Transparency Report. The tax decisions are driven by our core values of integrity, excellence, unity, responsibility and pioneering.

We do not undertake tax planning that is contrived or artificial and tax decisions are properly evaluated and vetted for compliance with local tax laws. We are committed to pay taxes in the countries where the value is created. The onboarding of any entity or transaction is always driven by commercial justification and necessarily based on substance, even if it is in a tax haven jurisdiction.

Tax Principles imbued with our Values







Our commitment to transparency

This report demonstrates our continued commitment to the early adoption of responsible tax behaviours and focus on tax transparency. We recognise that an economy depends on fair and effective tax systems that help to create the conditions necessary for responsible investment and sustainable growth, critical for meeting the United Nation's Sustainable Development Goals (SDGs). As global leaders, we want to lead a drive towards fairer, more transparent tax systems.

The structure and content of this report are aligned with the Global Reporting Initiative (GRI) 207: Tax 2019 – Management Disclosures section, a guidance issued by Global Sustainability Standards Board. The report also manifests the 'B Team' initiative driven by some of the pioneering business leaders endorsing tax accountability and transparency. It also aligns with the Statement of Principle drafted by the Extractive Industries Transparency Initiative (EITI). The sections of this report voluntarily address the proposed changes in the Business Responsibility and Sustainability

Report (BRSR) governance disclosure mandate with reference to the related party transactions. We have also referred to the requirements of the United Nations Principles for Responsible Investments (UNPRI) and the report has addressed most of the parameters outlined therein. At the same time the narrative of good governance as presented in OECD Guidelines for Multinational Enterprises on Responsible Business Conduct resonates in our approach to all operations, including tax as reflected in this report.

This report presents our tax approach, governance and risk mitigation framework along with our values and commitment to stakeholders and the business value chain. We trust that it would enable the stakeholders to arrive at an informed opinion about Tata Steel's approach towards tax, its tax principles and its tax contribution for the year in the changing global landscape of tax transparency. It also provides relevant financial and other information for the reader's benefit.

Changing landscape of tax transparency

Over the years nations have initiated jurisdictional level disclosures with respect to various types of payments to the exchequer, tax strategy and policies. We at Tata Steel keep abreast of these updates and our voluntary disclosure in this report goes beyond that mandated by some countries.

Australia implemented voluntary tax transparency code for certain companies

The United Kingdom (UK) Finance Act for large UK companies and groups requires them to publish their tax strategy

Most European Union nations have environmental taxes (for example carbon tax, plastic taxes, etc) being introduced to meet the SDG target

In the European Union the enhanced Corporate Sustainability Reporting Directive (CSRD) applicable from 2024 has tax transparency and strategy as a key theme

The EU public Country-by-Country (CbC) Reporting Directive, require public disclosure of tax affairs by specific multinationals, latest from the commencement date of the first financial year starting on or after June 22, 2024

In India the Securities and Exchange Board (SEBI) has introduced related party disclosures for sales, purchase and financial transactions under Principle 1 in the BRSR

Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) requires disclosure of all events or information that are material, within twenty-four hours from the occurrence of the event or information

Approach to Tax



Beyond mandatory compliance focusing on voluntary disclosure

We are committed to be compliant with the laws of the countries where we operate. To achieve this, considering the scale of our business, we emphasise on strong tax discipline at all levels. We are committed to pay appropriate taxes on time and comply with the tax laws in a responsible manner.



Comply with Law

Be Transparent



Eight years contribution published in four TTRs

As global leaders, we want to lead a drive towards transparent tax systems. We endorse greater accountability and transparency in tax reporting. We proactively disclose all critical aspects of our tax policies and strategies to all our stakeholders.

Our regional disclosures present our tax approach and payments wherever we operate

We maintain open and collaborative relationships with all: tax authorities, industry associations, shareholders, business partners and employees.

We believe this helps to build better understanding about our commitment to people, the planet and society. It builds faith that our approach to taxes is closely connected to our belief that tax is an essential contribution to the government.



Be Open & Collaborate

Tax strategy

We are committed to act professionally, fairly and with integrity in all businesses and relationships with stakeholders. We aim to pay the right amount of tax at the right time. Our tax strategy is strongly aligned to our Tax Principles and are guided by Tata Code of Conduct (TCoC) to enforce our commitments in managing tax affairs across all business activities in all countries where we operate. We do publish our Tax strategy in territories where we operate and mandated by law.

Any tax strategy depending on the criticality and materiality involved is usually referred to and reviewed by the CFO. Key business decisions are made with the aim of maximising value on a sustainable basis for our shareholders. Any tax decisions are undertaken within the context of a wider business purpose or commercial rationale and will have regard to the potential impact on our reputation, broader goals and Tata Steel core values. We do not encourage or support tax evasion.

Tax governance and approach

The group has a strong focus on corporate governance, which goes hand in hand with ethically driven tax processes. This robust governance structure at Tata Steel has at its core, the objective of ensuring that our tax affairs are managed in a fair and transparent manner and providing the necessary certainty to all our stakeholders. This structure also ensures that fair tax decisions are concluded with appropriate consultation.

We do not make investments in or via countries considered to be tax havens or low-tax jurisdictions without any valid business or commercial substance. Any group entity with presence in such a country would necessarily be an outcome of well analysed commercial decision. Such decisions are evaluated continuously to ensure the presence of underlying substance.

As a process, our tax teams work closely with our businesses to understand the operating models of the transactions, their value drivers and risks. The tax

decisions are initiated by qualified tax professionals of the concerned group entity, in collaboration with their own experienced business colleagues and senior management for appropriate guidance and resolution. To ensure uniformity, we facilitate exchange of best practices among our group entities and ensure implementation of our Tax Principles.

Tata Steel has laid down standard operating procedures and policies to guide the operations of the business. Business heads are responsible to ensure compliance with these policies and procedures. The company provides whistleblowing channels to report tax-related activities or decisions that are not aligned with the company's tax strategy.

Internal Financial Controls have been documented and embedded in the business processes and these controls have been assessed during the year under review and no material weaknesses were observed.



Tax principles

01

Compliance

To maintain integrity in compliance and reporting, and to pay the right amount of tax at the right time in all countries where we operate



Business Substance

To align our business structure with the substance of the economic and commercial activity based on reasonable interpretations of applicable laws

02

03

Transparency

To provide detailed information and disclosures to our stakeholders in order to foster deeper understanding of our approach to tax and our tax contributions along with our value creation



Accountability and Governance

To maintain a robust risk-based framework that identifies, assesses and manages tax risks using available resources, technology and tax governance structure

04

05

Enhancing Capabilities

To enable capabilities of our people, professionally and personally, promoting excellence and maximising operational efficiencies



Effective Tax Systems

To support industry, governments and tax authorities by fostering proactive, transparent and professional relationships, based on the concept of integrity, collaboration and mutual trust

06

07

Enhancing Shareholder's Value

To operate on a growth paradigm having a primary interest of shareholder's value creation while complying with all jurisdictional regulations and availing tax incentives and credits, wherever applicable



Tax risk management and mitigation strategies

In line with our governance model, we maintain substantial internal controls to manage the tax risks associated with a large business.

Risk assessment

Continuously monitor changes to tax legislation and government policy

Given our global footprint, risks may arise from time to time due to the inherent dynamic nature of tax and regulatory framework, interpretation of tax law, the volume of tax data and compliance. Diligent professional care and judgement is employed to assess such tax risk implications and arrive at well-reasoned conclusions on controlling and monitoring them. To mitigate our tax risks, we focus on best interpretation of tax laws, effective legal structures, applying robust internal controls on data, while adopting enabling technology and developing our resources, obtaining necessary approvals from tax authorities wherever possible.

Self assessment

Institute effective controls and governance for preventing non-compliance

Significant areas of tax risks are communicated by the respective tax functions to the relevant Board at the country or group level depending on scope and impact. Based on recommendations of the tax function, appropriate tax policies and guidance is issued to influence organisational behaviour and minimise risks.

Resource management

Seek professional advice where the application of tax law is unclear or uncertain

In effect, our policy applies to all persons and associated persons working for or on behalf of us. Tata Steel employees and other associated third parties are encouraged to confirm their adherence to our policy. For onboarding, third parties necessarily need to conform to such policies ensuring that the values and code of conduct are upheld through the value chain. We reach out to appropriate professionals for advice on any debatable interpretations of applicable tax laws.

Industry benchmark

Analyse approach and responses made by peers to tax risks

The tax environment has been driven by several new rules and regulations and there is a global push towards compliance and transparent reporting. We are aware of these changes and, hence, we monitor the initiatives taken by our industry and peers in this respect. We make conscious attempts to align all our processes and policies with these evolving regulations. Since our principles, values and code of conduct is such, that aligning with the evolving requirements is usually an effortless transition.



TATA STEEL



Related party transactions

All transactions between related parties are undertaken at arm's length basis the principles laid down in the OECD Transfer Pricing Guidelines and in compliance with local laws. The group has detailed transfer pricing policies for all transactions undertaken within the group and ensures prospective transactions are proactively reviewed. The transactions are evaluated at appropriate levels of management to monitor adherence to the transfer pricing policies.

Our endeavour is to focus and coordinate transfer pricing affairs to ensure that outcomes are better aligned with the arm's length principle pursuant to OECD Transfer Pricing Guidelines and value creation.

Relationship with stakeholders – promoting transparency

Tata Steel has an obligation to comply with tax legislation and meet expectations of good tax practices as a responsible corporate. Tata Steel intends to provide detailed disclosures to its stakeholders through publications and public discourse. These disclosures provide sufficient information to stakeholders to understand the group's beneficial ownership, tax conduct, tax jurisdictional presence, material litigation status and impact across the world.

Advocacy with the Government

Tata Steel has built and deployed a robust advocacy process. We engage in constructive dialogue with governments to support the development of effective tax systems, administration and legislation.

The dynamic nature of the business and regulatory environment requires industry bodies to be in constant discussion with regulatory bodies and policy-makers. Tata Steel as a major player in its industry, recognises its role in proactively analysing the impact of the changing environment on its industry. Tata Steel India's regulatory affairs department in India along with its tax team, presents its views and concerns with respect to any tax policy changes that can impact the industry. We participate in various advocacy initiatives, both directly and through trade associations.

Relationship with Tax Authorities

We focus to develop cooperative and constructive relationships with tax authorities in the jurisdictions we operate, based on mutual respect, transparency and trust. All dealings with tax authorities are conducted in a collaborative and proactive manner to support positive and sustainable relationships. This has assisted us in gaining clarity on a wide spectrum of issues and establishing standardised procedures as well as a rationale for common tax matters across the

group. Tata Steel aims to achieve full compliance with regulatory guidelines and obtain advance agreements or clearances, where possible. Litigation is considered as a last resort. We seek to minimise risk in relation to tax matters through processes and controls, such as tax risk assessments and self-assessments on a periodic basis.

Interactions with Other Stakeholders

Tata Steel aims to engage meaningfully with relevant stakeholders or their representatives for carrying out due diligence and to provide opportunities to incorporate their views on activities that may significantly impact them. This also includes other stakeholders in society, like the local community and those affected or potentially affected by the group's activities as well as business interests. This entails interactive processes of engagement with relevant stakeholders, through, for example, meetings, hearings or consultation proceedings.

For certain industry specific critical issues, Tata Steel usually interacts with peers to engage in dialogues to arrive at informed and unambiguous propositions to be discussed with relevant authorities. For industry agnostic common tax matters or legal opinions, we ensure that references are made to other Tata Group companies. We believe in leveraging the best practices from industry peers or experiences of Tata Group companies.

Tata Steel – Indian Business



In India, Tata Steel has operations in Jamshedpur and Gamharia in Jharkhand, and in Kalinganagar and Meramandali in Odisha, with an overall capacity of 21.6 MTPA. The acquisition of Neelachal Ispat Nigam Limited (NINL), with an overall crude steel production capacity of 1 MTPA in the long products segment, has helped the Company to balance its product portfolio and will play a critical role in its long products growth aspiration.

In FY 2024, the Kalinganagar and Meramandali plants received the prestigious ResponsibleSteel™ Certification, following Jamshedpur's historic achievement as the first Indian steel plant to receive the certification in 2022. In India, Tata Steel now has more than 90% of its steel production from ResponsibleSteel™ certified sites.

Tata Steel has been recognised as a Steel Sustainability Champion 2024 by the World Steel Association, becoming one of the only two companies to receive this honour for the seventh consecutive year, since

the programme launch in 2018. This achievement demonstrates the Company's dedication to environmental stewardship, social responsibility, and sound governance practices.

Our focus on People, Planet and Society

Tata Steel prioritises sustainability and has set itself the strategic objective of achieving leadership in sustainability by 2030. This objective steers the Company's policies and actions. Tata Steel's vital ecosystem—its employees, investors, customers, and suppliers—is dedicated to environmental sustainability.

The Company's social initiatives extend beyond local CSR mandates. Tata Steel connects with communities across a spectrum of social initiatives to help build a just and enlightened society in which everyone has the opportunity to realise their potential and live with dignity.

Tata Steel's greatest assets are its people. The Company remains dedicated to nurturing a more equitable and inclusive workplace for all its employees and has introduced numerous initiatives towards their holistic wellbeing and development. In 2024, Tata Steel was recognised as a Great Place to Work® organisation for the seventh consecutive year. In 2023, the World Economic Forum recognised Tata Steel as a Global Diversity Equity & Inclusion (DEI) Lighthouse.

Key achievements



Tata Steel was honoured by the **Institute of Company Secretaries of India** for excellence in corporate governance at the 23rd ICSI National Awards for Excellence and won the ICSI Business Responsibility and Sustainability Award 2023 for its first BRSR disclosure



Tata Steel won the 2023 Global ERM (Enterprise Risk Management) Award of Distinction at the **RIMS (Risk Management Society)** ERM Conference for the second time in a row. The award acknowledges the organisation's strong ERM system



Tata Steel was recognised as one of the top 50 innovative companies of the year by the **Confederation of Indian Industries (CII)** at the CII Technology Conclave and Innovation Awards 2023.



Tata Steel won 7 out of 16 awards at the **Tata Innovista Awards 2023** under different categories:

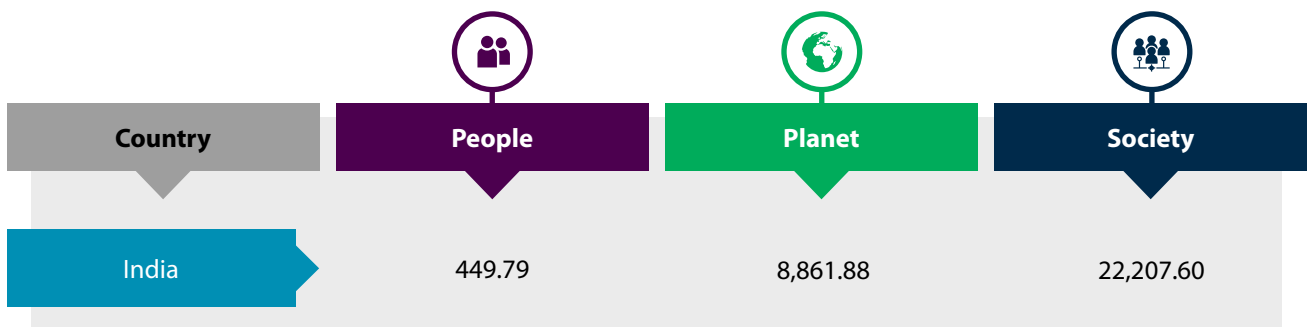
- **Carbon Lite, Smart sintering and Global First Method** to unlock the potential of Low Grade Iron-ore
- **Water-based internal coating** for Contiflo® and **Pellet making from waste LD sludge** under Sustainability Impact Innovations
- **Needle coke** for electrodes from coal tar under Piloted Technologies
- The **Chief of Blast Furnaces at Tata Steel (India)** won the **Serial Innovator award**

Our business actions and practices are underpinned by good governance, ethical practices and effective control and accountability. Tata Steel India considers compliance as the foundation of corporate

management. This is integral to our value system, and Tata Steel India takes such obligations with utmost seriousness as part of its efforts to establish even stronger relationships of trust with all stakeholders.

Indian business contributions

Global Tax & Other Contributions (₹ Cr)



Tax governance

Tata Steel India has been a pioneer in the steel industry, and its operational integrity pervades its attitude towards tax-related behaviour. The well-designed governance structure of Tata Steel India ensures that any tax decision taken is carefully thought-out,

discussed and in consonance with the applicable laws, evaluated as per the tax governance structure. The Risk Management Committee (RMC) also supports the tax governance structure to operate effectively.

Tata Steel India governance structure





At Tata Steel India, the day-to-day implementation of the tax principles and management are delegated to the Tax Centre of Excellence (TCoE) team. It identifies sources of tax risks and sets processes for the purposes of managing and controlling them in the organisation. It consistently assesses, monitors and manages the relevant tax risk in accordance with the principles and guidelines set out.

RMC as mentioned, aims to proactively manage risks and ensure the timely detection, correct measurement, mitigation and control of the same. In addition, the committee also assists the Board of Tata Steel

India in framing, implementing and monitoring the risk management plan and reviewing and guiding the Risk Policy. Tata Steel India also has a Vigil Mechanism that provides a formal channel to make protective disclosures about unethical behaviour, actual or suspected fraud or violation of the TCoC.

Tax teams of respective subsidiaries are responsible for the day-to-day management of tax affairs. The team comprises an appropriate blend of tax professionals with the necessary qualifications, training, skills and experience required to effectively execute their roles.

Tax profile

Focus on Data & Digitalisation

We have spearheaded a series of Digital initiatives aimed at enhancing tax transparency, statutory reporting and timely compliance. Automation of the Country-by-Country Report ensures streamlined reporting processes, enabling timely and accurate disclosures under various jurisdictions. Furthermore, the development of foreign remittance portal offers a user-friendly platform across Tata Steel departments to manage efficiently the foreign payments in compliance with tax regulations. Additionally, we have also implemented digital platform for the Tax Transparency Report, facilitating efficient data collection to enhance timely reporting disclosures. These initiatives underscore our commitment to leveraging technology for greater transparency and efficiency in tax administration. By staying at the forefront of digital innovation, Tata Steel aims to refine the existing processes and compliances by leveraging technology and digital solutions for enhanced tax transparency.

Measures for ease of doing business

The Indian government has laid out several opportunities for boosting trade and economy in India:

- Various state incentives have been constituted to attract investments, primarily focusing on 'make in India' initiative
- The focus on developing the GIFT city to attract various service sector businesses and startup has witnessed various changes in recent budget:
 - Recognition of acquisition financing by IFSC Banking units and Offshore Derivative Contracts as valid

- Facilitation of index trade from Singapore, to allow fractional share investment, and unsponsored depository receipt of US securities to deepen the capital markets access.
- Availability of funds at lower cost for Indian companies that rely on External Commercial Borrowings and Trade Finance
- Withholding tax charged to lenders for interest earned on foreign currency loans has been waived resulting in many companies considering listing their bonds in the GIFT City
- Plans facilitate the setting up of data embassies for countries looking for data continuity solutions
- A boost to tax certainty provided with acceleration on the number of APAs signed for related party transactions and also Supreme Court providing directional conclusive outcomes to various controversial tax matters, like MFN clause, limiting GST Council powers, etc

In our commitment to enhance shareholder's value, to promote better dialogue and relationship with the tax authorities, Tata Steel India evaluates the above opportunities and apply wherever required, while keeping our corporate and fiscal responsibilities in mind.

BEPS Pillar One and Pillar Two

Globally there have been discussions on Pillar Two, but EU member states remain the front runners in the initiative. This is part of the OECD Inclusive Framework (IF) on Base Erosion and Profit Shifting (BEPS), which had agreed on a two-pillar solution to help address tax challenges arising from the digitalisation of the global

economy, ensure coherence of international tax rules, and, ultimately, a more transparent tax environment. The Pillar Two Model Rules (also referred to as 'GloBE' Rules) are designed to ensure large multinational enterprises (MNEs) pay a minimum level of tax (at least 15% tax rate for MNEs earning a global turnover above €750 million) on the income arising in each jurisdiction where they operate. As a general matter, the GloBE Rules have been designed to make sure they accommodate a diverse range of tax systems, including different tax consolidation rules, income allocation, entity classification rules etc., as well rules for specific business structures such as joint ventures and minority interests.

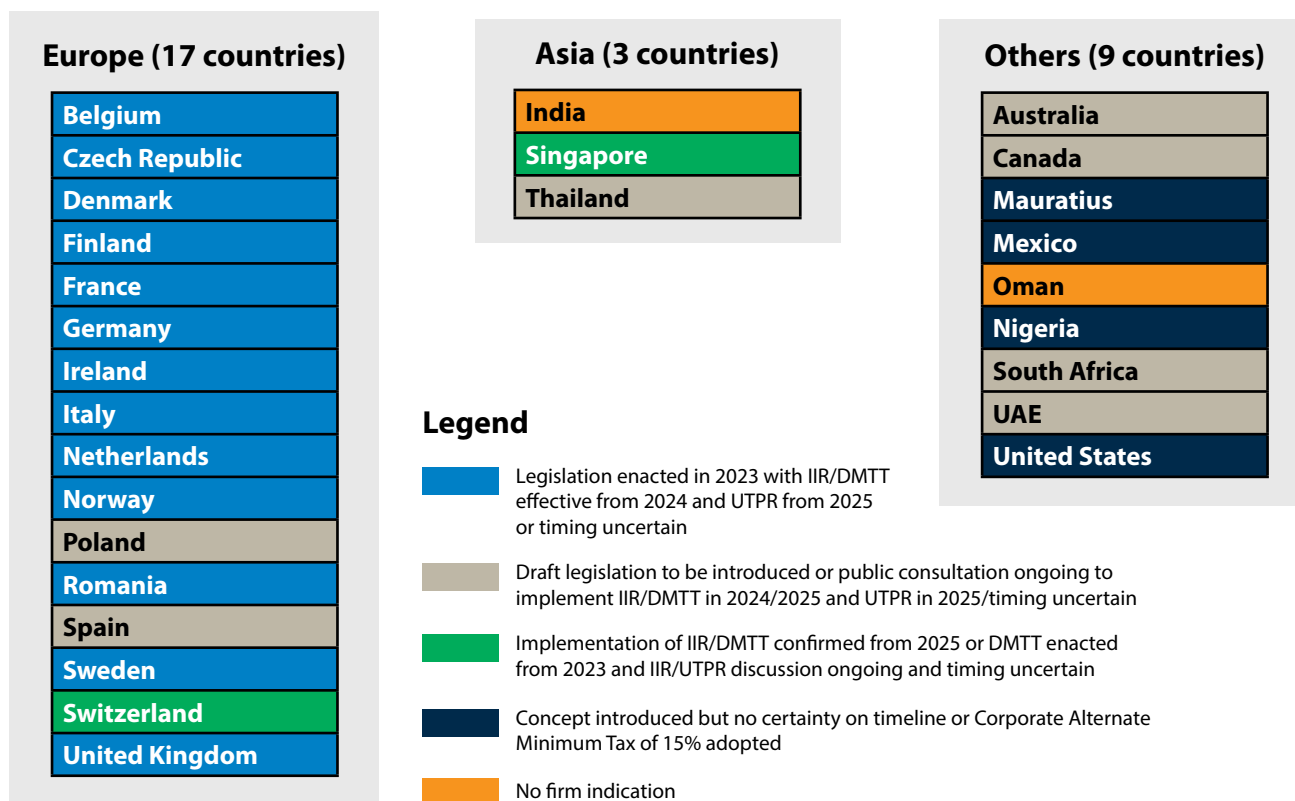
Following introduction of EU Minimum Tax Directive, the IF published a number of additional rules and clarifications that supplement the GloBE Rules. In response, EU Member States approved a Council statement reconfirming their support for OECD's BEPS Pillar One and Pillar Two project in November, 2023.

It also confirms the compatibility of the Safe Harbour rules and the February 2023 and July 2023 Administrative Guidance.

Thus, while the global minimum tax framework under Pillar Two is already a reality with several jurisdictions commencing the process towards implementation, the IF is finalizing the work on Pillar One and Subject to Tax Rule ('STTR') and its implementation framework. International developments indicate that Pillar Two is on track for implementation in 2024/2025 in many countries. Although the OECD remains committed, there is no global consensus on an appropriate timeline.

Tata Steel India along with its group companies is proactively initiating discussions and analysis of their impact from India, Europe, and South East Asia perspective, if any, while monitoring its implementation to ensure compliance to these global reforms whenever applicable.

BEPS Pillar Two roadmap for select countries



Tata Steel – European Business

The Tata Steel in Europe (TSE) group is one of the largest steel producers, with a crude steel production capacity of over 12 MTPA. The manufacturing facilities in Europe comprise primary steelmaking facilities in the Netherlands and in the UK, along with key downstream operations in the Netherlands, the UK, Germany, France, Belgium, Sweden, Finland, Switzerland, Spain and the US.

Our focus on People, Planet and Society

The strategic focus of the group is to be the leading European steel business that is sustainable in every sense through:

- Creating long-term value for its People and Society within a sound financial framework
- Focus on Decarbonisation and Sustainability by transforming to a carbon neutral steelmaker
- Improving local Environment and Community footprint by addressing immediate environmental concerns

Tata Steel Netherlands (TSN)

In November 2023, TSN submitted its Green Steel 2023 plan, with focuses on reducing emissions, to the Dutch Ministry of Economic Affairs and Climate. This is a requirement for the so-called tailor-made approach 'Maatwerkenpak' whereby the Dutch government is asked to support TSN decarbonisation strategy both financially and by other means. An expert committee was constituted by the government to review effects of TSN's strategic plans for its robustness. The report was accepted by the committee with certain recommendations like, further emphasis on improving air quality and to increase the measuring, monitoring and reporting of health-related effects of steel production.

There is continuous effort to improve the environmental and working condition of operations as core concepts of sustainability are ingrained in TSN's mission and vision. TSN will continue to play a meaningful role for all our stakeholders as a clean, green, circular steel company that creates value and is sustainable in every sense.

Tata Steel UK (TSUK)

TSUK has been working towards a sustainable future and some of its key achievements in the past twelve months involved landmark achievements by Catnic (part of TSUK's group), namely receiving ISO 50001 certification for best practice in energy management and reducing its CO2 emissions nearly 50% by March 2024.

On 19 January 2024, TSUK announced a proposal to restructure and transform the business. As part of the proposal, closure of Port Talbot's two high-emission blast furnaces in a phased manner was drafted. On 2 February 2024, TSUK initiated the start of a minimum 45 day statutory consultation period in connection with the proposal which is expected to lead to a reduction of up to 2,800 roles across the business. Since this will

have a major impact on employees, their families and the wider community, TSUK have engaged with Union's, local authorities and central government to act to minimize this impact, which includes joint contribution to a fund to mitigate the impact. This fund will invest directly in skills, training and job creation and is in addition to the direct support provided by TSUK.

Key achievements

TSN

The major planned renovation of one of the blast furnaces of TSN in the Netherlands and starting successful operations from January 2024 ensured its aim to produce 7.2 million tons of liquid steel from the two Blast Furnaces combined.

In January 2024 TSN also commissioned a new state of the art dedusting installation at the Pellet Plant. This large installation is expected to result in 80% less emissions of fine dust, lead and heavy metals. This investment is part of the roadmap plus programme to reduce the environmental impact around the IJmuiden steel works. Other measures include the building of a one kilometer long windscreen with a height of 18 meters to prevent windswept dust from the stockyards, as well as of building of a tertiary dedusting installation at the Pellet Plant. Both projects have started in January 2024.

TSUK

In the UK we are at the forefront of developing and improving the environmental footprint of the organization. As part of this, TSUK has agreed with the UK government to invest in an electric arc furnace that will be capable of producing over 3 million tonnes of "green" steel per year.

The Drive to Save (D2S) programme was developed and launched at the start of the year. There were a number of improvement implemented with the aim of maximising value from TSUK's downstream assets. These included the installation of the UK's largest and heaviest splitter at Hartlepool, a new welder at the Automotive Finishing Line at Llanwern which has increased gauge and coating weight capability and new dressing robots improving the zinc yield at the Zodiac plant at Llanwern and making the operation safer for employees.

In the UK, the Trostre site achieved the highest AA+ rating as part of its external accreditation for food safe packaging material.

European business contributions

Global Tax & Other Contributions (₹ Cr)

Country	 People	 Planet	 Society
Belgium	35.26	12.98	(23.40)
Canada	-	-	14.74
Czech Republic	0.75	-	3.02
Denmark	0.01	-	65.28
Finland	0.28	0.16	86.20
France	103.36	16.93	394.72
Germany	71.39	2.39	738.23
Ireland	0.17	-	(0.15)
Italy	1.83	0.04	9.08
Mexico	0.43	-	-
Netherlands	1,069.99	124.31	(30.44)

European business contributions

Global Tax & Other Contributions (₹ Cr)

Country	 People	 Planet	 Society
Norway	4.16	-	69.11
Poland	0.53	-	30.47
Romania	0.02	-	35.99
Spain	23.15	1.96	261.08
Sweden	28.00	5.19	33.22
Switzerland	16.54	0.55	7.84
UAE	-	-	1.77
UK	370.05	194.35	762.53
US	18.90	0.79	124.99
Others*	1.90	0.07	31.18
Total	1,746.72	359.72	2,615.46

*Refer to Contribution by Entity chapter

Tax governance

Tata Steel's UK and Netherlands Tax Teams proactively manage the group's tax affairs by working closely with key stakeholders across the organisation and fosters cooperative working relationships.

Both TSUK and TSN have a low appetite to risk. Tax risks arising within the group are identified, assessed and managed by both tax teams on an ongoing basis. Any significant areas of uncertainty are communicated to the relevant Boards depending on the scope of impact, with recommendations for obtaining clarity or mitigating risk and communicating to the external auditors on a quarterly basis. With the objective of prioritizing tax risks wherever possible, TSE seeks to resolve issues with the revenue authorities on a real time basis. In the event that disagreements arise, the tax function strives to work with the tax authorities to resolve any disputed matters through proactive and transparent discussion and negotiation.

There is also an increased focus on automation and standardisation to improve process control, minimise risk and increase transparency. In TSUK successful customs

procedures trial automation/robotization has resulted in reviewing further areas where automation and robotization can improve efficiency and controls within the tax functions.

In FY 2024, the Dutch Tax Authorities issued TSN's annual Individual Monitoring Plan letter that carried a positive statement on the experience and knowledge of TSN's tax team and its internal controls and confirmed the open and transparent attitude of TSN's tax function towards tax authorities.

On the other hand, in accordance with the UK's Senior Officer Accounting Rules, the UK Tax Team maintain a log of tax process controls, which are reviewed and updated annually in collaboration with the internal compliance team who perform testing on a periodical basis. This includes a number of internal controls designed and testing process included in the periodic review.

Tax profile

Tax policy

In FY 2024 TSE group suffered operational losses which increased tax loss carry forward amounts. In future periods where profit is observed, it is likely that some corporation tax may be payable as the corporate loss restriction imposes a ceiling on the amount of profits that can be covered by brought forward losses in both UK and Netherlands.

TSN

Tax changes applying from FY 2024 have been rather limited for Dutch Tata Steel companies, such as:

- The lower corporate income tax rate will be increased from 15% to 19% with the tax bracket reduced to €200,000. The standard upper rate in the corporate income tax remains at 25.8% for the excess of taxable profits over €200,000.
- The two schemes, Indirect Cost Compensation and Volume Correction Regulation may be cancelled in future which would increase TSN's cost basis annually by circa €100m.
- Tax incentives in the form of Environment Investment Deduction (MIA), Energy Investment Deduction (EIA)

and Innovation box is expected to reduce taxable profits for corporate income tax return to be filed (in March 2025). However, in FY 2024 due to operational losses, Tata Steel's Dutch tax group has not been able to realise cash tax benefits.

- TSN also benefits from the Wet Bevordering Speur- en Ontwikkelingswerk (WBSO), a subsidy granted to promote work on R&D and leads to a reduction on wage taxes due

TSUK

There have been a range tax changes in the UK since April 2023. The main areas impacting TSUK include:

- The main rate of corporation tax rate was increased from 19% to 25% for companies with profits in excess of £250,000. Furthermore, a small profits rate was introduced for companies whose profits don't exceed £50,000 and a sliding scale for companies with profits between £50,000 and £250,000
- The investment allowance was reduced to 29% of qualifying capital expenditure (from 80%) except where it relates to decarbonisation expenditure

- The rate of Research & Development Expenditure Credit (RDEC) increased to 20% from 13%
- The annual investment allowance (AIA) for capital expenditure became permanent at a rate of GBP 1 million.
- For accounting periods beginning on or after 1 April 2023 for corporate tax purposes, new transfer pricing records rules apply. UK entities are in scope of the new rules if they are part of a multinational enterprise (MNE) group that meets the 'MNE country-by-country (CbC) reporting threshold'

On 4 July 2023, His Majesty's (HM) Treasury made the Taxes (Base Erosion and Profit Shifting) (Country-by-Country Reporting) (Amendment) Regulations 2023 (SI 2023/752), and this was laid before Parliament on 5 July 2023. This has resulted in the removal of the annual year-end CbC reporting notification obligations for many MNE groups in the UK, albeit there still remain some specific scenarios where a UK notification may still be required.

ESG related policies

Europe is in continuous discussions relating to public disclosure of certain information on jurisdictional basis for European multinationals. In this respect preparations are in process relating to introductions of EU Public CbC reporting obligation in FY 2025 as well as Pillar Two (15% minimum tax).

The EU Carbon Border Adjustment Mechanism (CBAM) regime, i.e. transition period with only reporting obligations, applies from October 2023. TSN successfully filed its first quarterly CBAM report in January 2024.



Tata Steel – South East Asian Business



Tata Steel in South-East Asia has a strong presence in Thailand and Singapore. It is a manufacturer and a distributor of long steel products and value-added products in state-of-the-art manufacturing facilities. Our corporate strategy is driven by value-creation and building long-term relationships with all stakeholders. Tata Steel's presence in Thailand began in 2006, when it acquired a majority stake in the Thailand-based long product manufacturer Millennium Steel and renamed it as Tata Steel Thailand and 100% stake in Siam Industrial Wire Co. Low domestic demand coupled with increased competition in rebars from Induction Furnace producers and surge in low-priced wire rod imports from China into South-east Asia all put together adversely impacted deliveries and the performance.

Our focus on People, Planet and Society

In the South-East Asian business, the group promotes self-development of employees by creating career growth opportunities. It also promotes creative thinking to enhance innovations for new product and smart work processes that can provide best products and service to customers. It has well established committees which focus on employee welfare, labour relations management, occupational health and safety, developing capability of people, employee retention and community engagement. Councils established in

the company formulate, track and review the effective deployment of the policies on a monthly basis.

With the vision of the group focusing on the operational excellence with highest standards of good corporate citizenship, a Sustainability Policy, Climate Change Policy and Environmental Policy has been set out. The group works closely with local communities to improve quality of life through various projects as well as promotes and encourages the employees to volunteer in social development.

Key achievements

The Siam Industrial Wire Co., Ltd. (SIW) received "CSR-DIW Continuous Award" for 15th consecutive years (2009-2023) from Department of Industrial Works (DIW)

SIW received the "Green Industry Level 4 (GI-4)" from Department of Industrial Works, Ministry of Industry

SIW achieved the "Outstanding Innovation Award" as the representative of Thailand in the International Quality & Productivity Convention (IQPC) 2023, held in Kuala Lumpur, Malaysia

SIW received "Carbon footprint of Organization" (CFO) and "Low Emission Support Scheme" (LESS) certificate from Thailand Greenhouse Gas Management Organization. The latter for reducing energy used at Pickling plant, Cooling tower, etc

Tata Steel Thailand (TSTH) gets the SET ESG Ratings 2023 at "A" level which is the first year of evaluation in the form of ratings, previously known as Thailand Sustainability Investment (THIS) from the Stock Exchange of Thailand (SET)

TSTH has been selected as one of the ESG100 Securities Group Companies for the year 2023 by Thaipat Institute as an organization with outstanding performance in ESG

TSTH received "Sustainability Disclosure Award" for the year 2023 for 7 consecutive years since 2017 from Thaipat Institute

TSTH received the Corporate Governance Report (CGR) for 6 consecutive years at 5-star rating in Excellent level from the Thai Institute of Directors (IOD) and SET

TSMT ISCO Plant received the certificate of Carbon Footprint for Organization for 2023 for the seventh consecutive year, and TSMT SCSC Plant and SISCO Plant also received similar certificate for Product (CFP) and Circular Economy Product (CE-CFP) respectively from Thailand Greenhouse Gas Management Organization

The TSMT NTS Plant and SCSC Plant received the "Green Mining Award" for the sixth consecutive year in 2023 and SISCO Plant received it for the third consecutive year from Department of Primary Industries and Mines, Ministry of Industry.

South-East Asian business contributions

Global Tax & Other Contributions (₹ Cr)

Country	People	Planet	Society
China	1.10	-	1.67
Mauritius	-	16.50	-
Singapore	2.55	-	162.22
Sri Lanka	0.12	-	8.18
Thailand	17.23	1.19	135.87
Others*	-	4.26	(29.92)
Total	21.00	21.95	278.02

* Refer to Contribution by Entity chapter

Tax governance

We are committed to our tax principles involving collaborative and timely dealings with the tax authorities. As part of our Corporate Governance Policy, it is the duty of our Board to disclose financial information, operating performance, and other relevant information accurately, completely, thoroughly, and

in a timely manner to all our stakeholders, including the tax authorities. Tata Steel in the region makes various disclosures to the public, including the financial statements and the management discussion and analysis of performance, the annual report and press releases, among other financial and non-financial information.

Tax profile

Our tax policy is centered around maintaining integrity in our tax compliance and reporting. We do not use tax structures with the intent of tax avoidance, and our tax strategy and planning are integrated with the business strategy and enterprise decisions.

Our tax policy and principles are in line with the unified principles which govern Tata Steel, and are based on trust, transparency, and integrity.

We believe in periodic review of the tax positions taken, particularly in light of evolving jurisprudence and the impact of adverse case decisions or changes in law on financial statements. We also focus on maintaining proper documentation and taking steps accordingly to store these online for easy retrieval and permanent preservation.

The region also has been focusing on disclosures and environmental taxes. Some of the leading nations of the region have been proactive in this endeavour.

The Singapore budget for FY 2023 increased the Carbon Tax substantially for the year 2024 and 2025 upwards from S\$5 per tonne to S\$25 per tonne and then to S\$45 per tonne the following two years. The aim is to raise the rate to a range from S\$50 to S\$85 thereafter.

The Budget for 2023-24 of Hong Kong introduced the global minimum effective tax rate on large multinational enterprise groups and plan to implement the domestic minimum top-up tax starting from 2025 onwards.

Tata Steel in the region is cognisant of these changes and preparing itself to address the changing disclosure and reporting environment as applicable.



Global Tax & Other Contributions

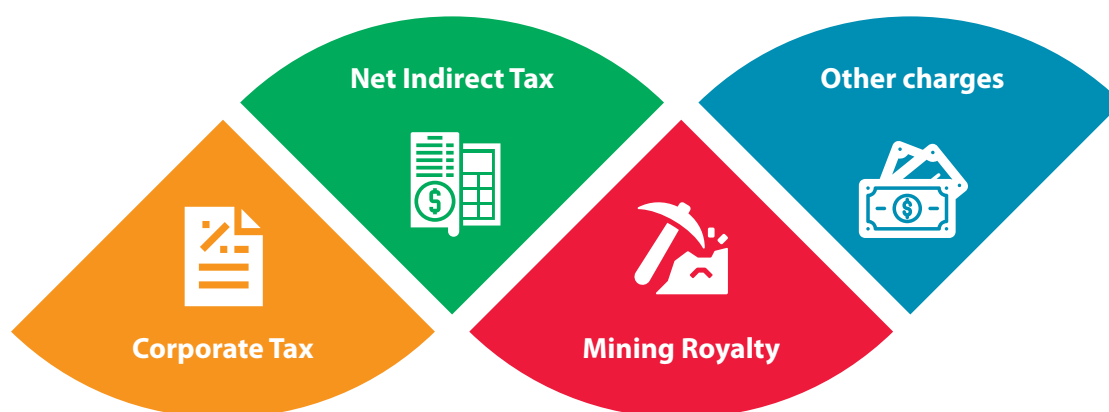


Specific disclosures

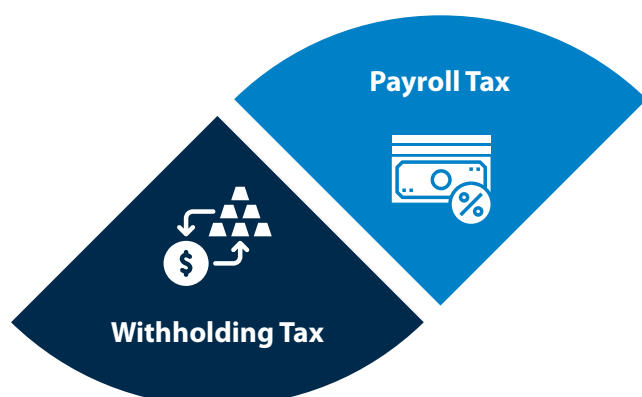
We have presented here a summary of the Global Tax & Other Contributions made directly or indirectly to the government. The direct contribution aims to capture the various payments made by Tata Steel and its group companies across the globe for their services that includes disclosures in relation to corporate tax, net indirect taxes, mining royalty

and other charges. The indirect contributions are payments made by these companies on behalf of other stakeholders, including withholding and payroll taxes. The other contributions are non-tax payments made by the companies, such as employer's provident fund and employee pension scheme.

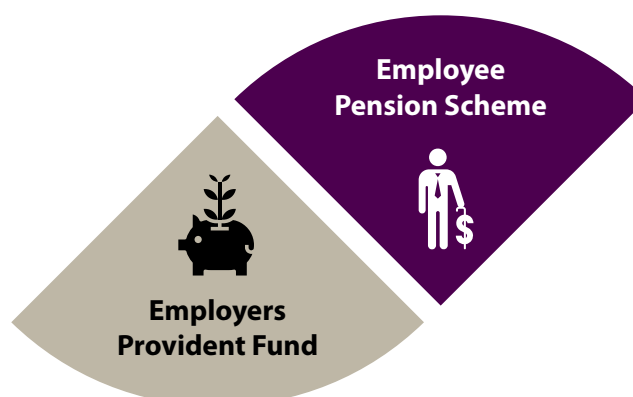
Direct Contribution



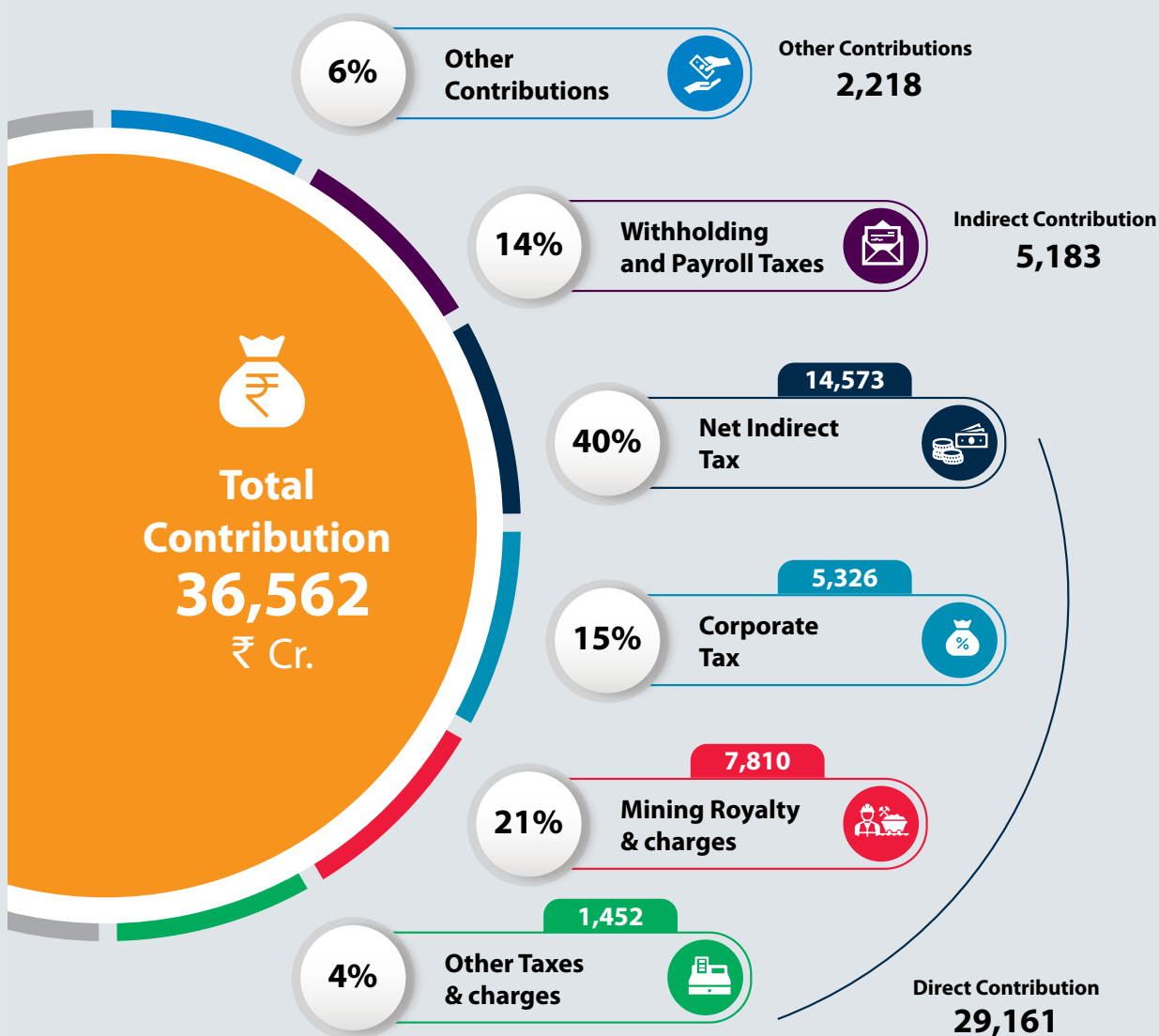
Indirect Contribution



Other Contribution

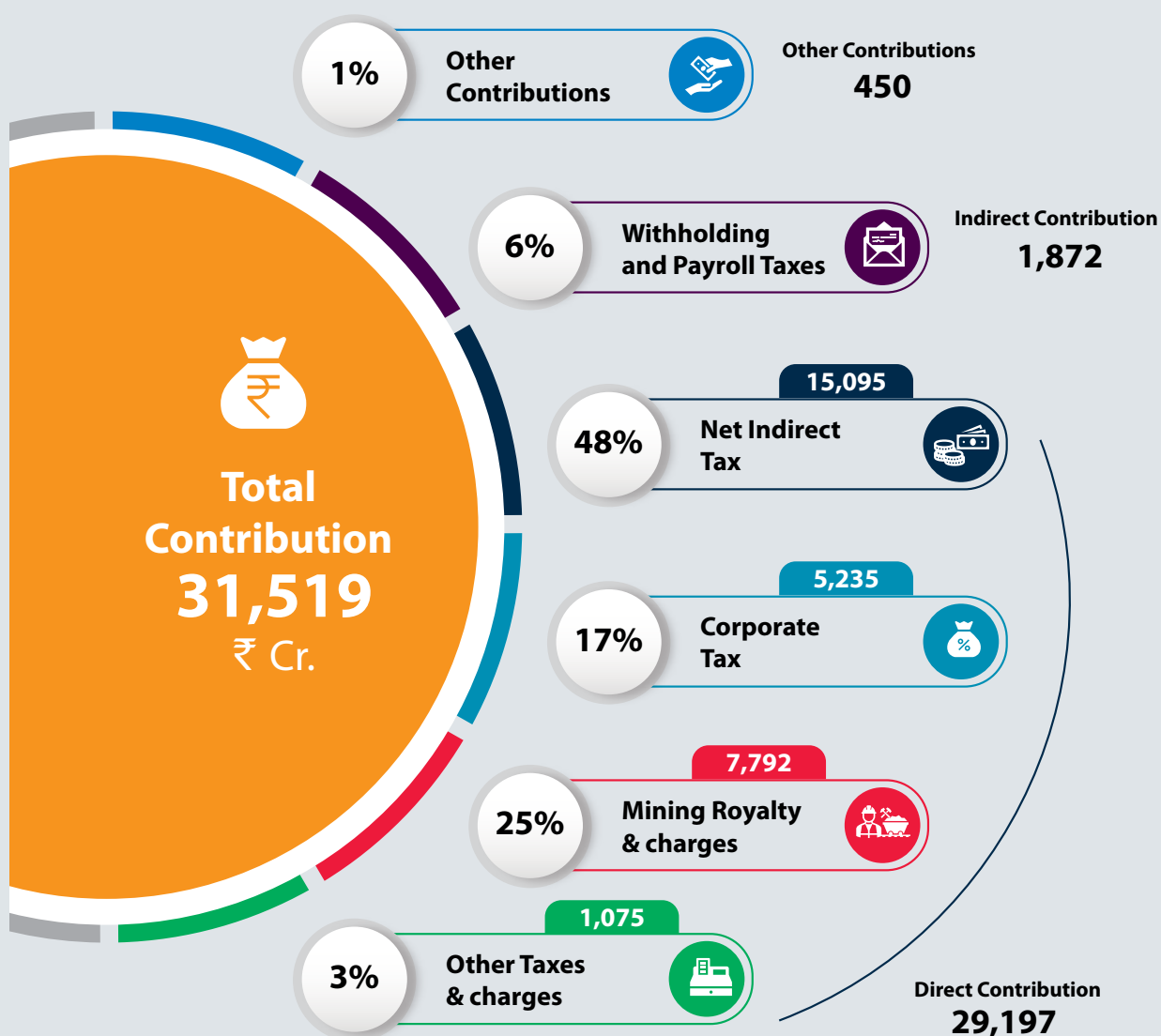


Global Tax & Other Contributions-FY 2024

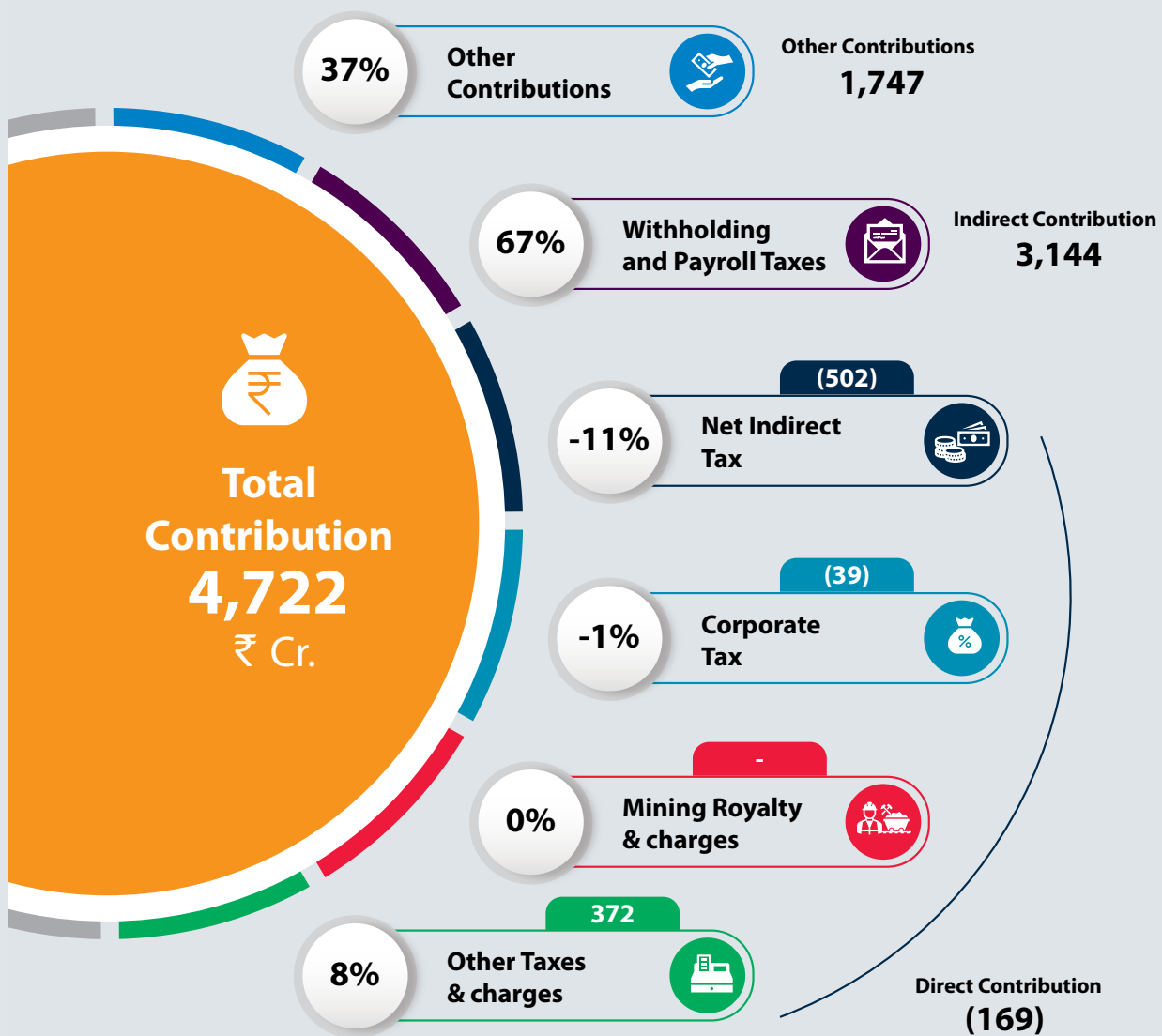


Regional Snapshot FY 2024

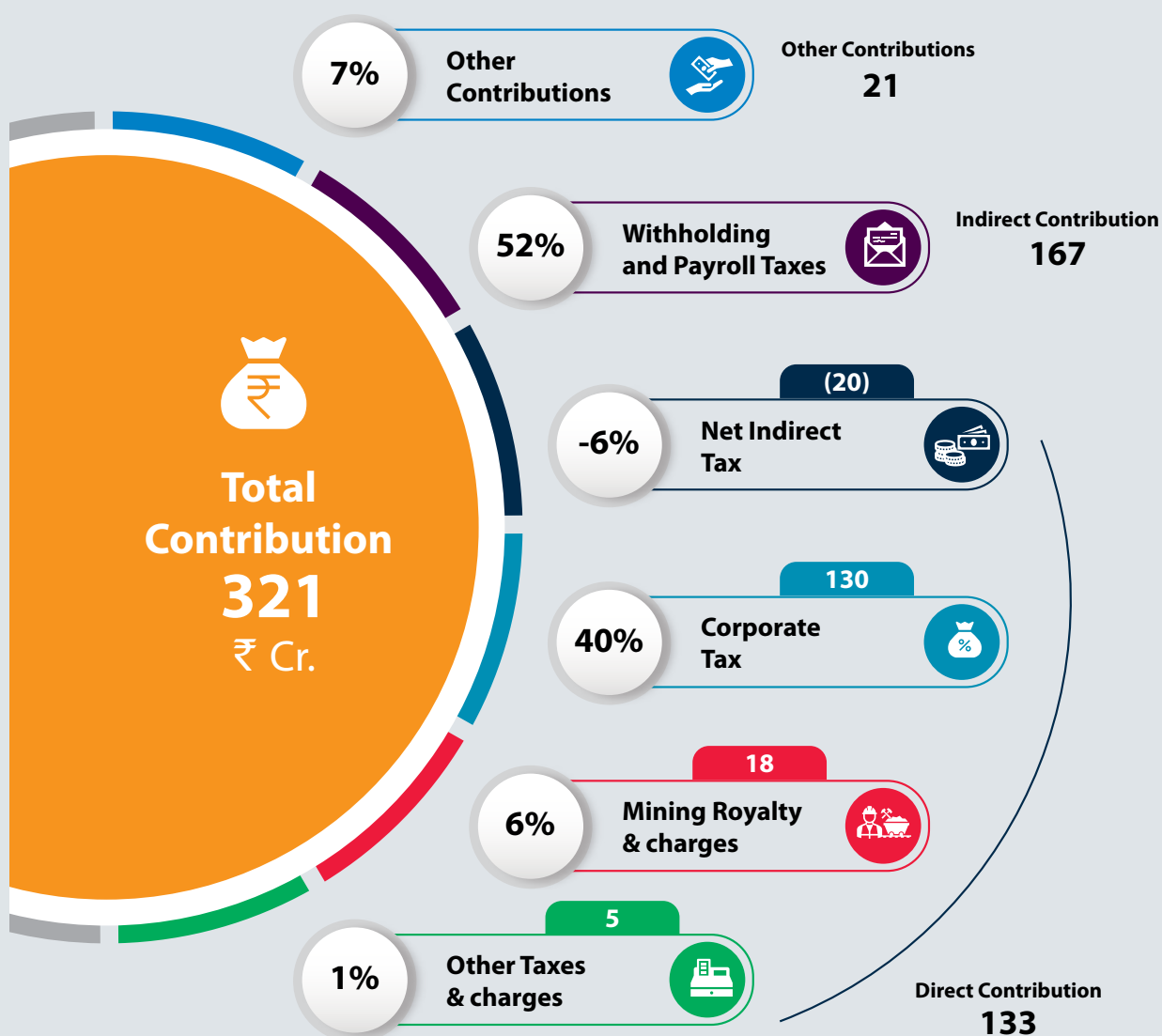
Indian Business Contribution



European Business Contribution



South-East Asian Business Contribution



Note: All amounts are aggregate of tax payments made and refunds received. Negative amounts arise where the tax credits (or refunds) exceed the tax payments made on an aggregate basis.

Contribution by Entity



₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Adityapur Toll Bridge Company Limited	Subsidiary	India	Heavy Engineering & Construction	8.09	4.01	0.01	0.09	0.01
Angul Energy Limited	Subsidiary	India	Procurement, Manufacturing and Distribution	483.90	106.20	125.32	3.63	0.29
Bhubaneshwar Power Private Limited	Subsidiary	India	Manufacturing	550.22	52.08	65.33	6.27	0.31
Bhushan Steel (South) Ltd.	Subsidiary	India	Dormant	-	(0.02)	-	0.00	-
Ceramat Private Limited	Subsidiary	India	Dormant	0.10	(5.29)	25.05	0.74	0.13
Creative Port Development Private Limited	Subsidiary	India	Port Operation	-	0.61	0.50	0.51	0.02
Himalaya Steel Mills Services Private Limited	Joint Venture	India	Manufacturing	11.67	3.06	2.04	0.28	0.24
The Indian Steel & Wire Products Ltd	Subsidiary	India	Manufacturing and Distribution	342.90	9.55	41.54	7.15	2.70
Industrial Energy Limited	Joint Venture	India	Power production	87.39	41.29	10.80	1.81	0.15
Jamipol Limited	Joint Venture	India	Manufacturing	126.97	15.68	18.10	2.41	0.25
Jamshedpur Continuous Annealing & Processing Company Private Limited	Joint Venture	India	Manufacturing	2,016.39	155.96	11.25	9.75	1.25
Jamshedpur Football and Sporting Private Limited	Subsidiary	India	Sporting & Recreational Activities	59.02	1.88	4.72	3.96	-
Medica TS Hospital Pvt. Ltd.	Subsidiary	India	Health Service	35.93	3.45	(3.17)	1.48	0.52
Mjunction Services Limited	Joint Venture	India	E-auction Service Provider	151.59	39.57	29.26	46.78	2.74
Naba Diganta Water Management Limited	Joint Venture	India	Water Management	11.08	6.45	2.51	0.86	0.03
Neelachal Ispat Nigam Limited	Subsidiary	India	Manufacturing	5,505.43	(1,011.73)	707.68	52.32	27.63
Rujuvalika Investments Limited	Subsidiary	India	Other Services	-	5.32	1.34	0.01	-
S & T Mining Company Limited	Subsidiary	India	Acquires, develops and operates coal blocks	-	-	-	0.00	-
Subarnarekha Port Private Limited	Subsidiary	India	Port Construction	-	(9.19)	0.02	2.51	0.15
Tata Bluescope Steel Private Limited	Joint Venture	India	Manufacturing	2,107.70	29.18	47.23	25.15	1.56
Tata Metaliks Ltd.	Subsidiary	India	Manufacturing	-	-	325.81	31.27	8.39
Tata Nyk Shipping (India) Pvt. Ltd.	Joint Venture	India	Shipping Service	7.48	0.91	0.14	1.16	0.20
Tata Steel Advanced Materials Limited	Subsidiary	India	New material development company	-	(1.75)	-	0.05	-

₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Tata Steel Business Delivery Centre Ltd (Formerly known as Kalimati Global Shared Services Limited)	Subsidiary	India	Support services	41.31	4.62	2.16	2.77	0.27
Tata Steel Downstream Products Limited	Subsidiary	India	Manufacturing	7,562.66	275.00	75.30	40.24	5.44
Tata Steel Foundation	Subsidiary	India	Other services	524.88	85.15	0.83	9.43	1.29
Tata Steel International (India) Limited	Subsidiary	India	Distribution	-	0.61	0.05	1.12	0.02
Tata Steel Limited	Parent	India	Research and Development, Holding or Managing intellectual property, Procurement, Manufacturing,	229,170.78	6,725.02	25,063.44	1,459.21	347.42
Tata Steel Long Products Limited	Subsidiary	India	Procurement, Manufacturing and Distribution	-	-	625.66	32.47	8.83
Tata Steel Mining Limited (Formerly known as T S Alloys Limited)	Subsidiary	India	Manufacturing	-	-	1,832.05	30.05	1.93
Tata Steel Special Economic Zone Limited	Subsidiary	India	Distribution	10.81	(6.81)	3.22	2.17	0.08
Tata Steel Support Services Limited	Subsidiary	India	Other Services	94.49	1.34	14.22	0.94	5.18
Tata Steel Tabb Limited	Subsidiary	India	Procurement, Manufacturing and Distribution	0.21	(4.47)	2.78	1.93	0.04
Tata Steel Technical Services Limited	Subsidiary	India	Other Services	176.63	3.30	27.16	1.64	8.67
Tata Steel Utilities And Infrastructure Services Limited	Subsidiary	India	Support Services	1,652.50	108.17	103.62	41.63	12.70
The Tata Pigments Limited	Subsidiary	India	Procurement, Manufacturing and R&D	232.11	24.63	14.64	3.79	0.63
The Tinplate Company Of India Limited	Subsidiary	India	Manufacturing	-	-	5.05	26.46	9.91
TKM Global Logistics Limited	Joint Venture	India	Support Services	24.55	57.42	3.32	0.85	0.13
TM International Logistics Limited	Joint Venture	India	Support Services	530.08	128.82	8.31	19.31	0.72
Abia Investment Co. Pte. Ltd.	Subsidiary	Singapore	Internal Group Finance	-	43.33	3.52	-	-
AI Rimal Mining LLC	Subsidiary	Oman	Other services	-	(0.29)	-	0.00	-
Bhushan Steel (Australia) PTY Ltd.	Subsidiary	Australia	Dormant	-	6.27	(0.00)	-	-

₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Bluescope Lysaght Lanka (Pvt) Ltd	Joint Venture	Sri Lanka	Manufacturing	23.71	3.66	8.18	-	0.12
Minas De Benga (Mauritius) Limited	Joint Venture	Mauritius	Holding Company	657.39	7.88	16.50	-	-
T S Global Holdings Pte Ltd.	Subsidiary	Singapore	Holding company	-	(8,553.15)	87.84	-	0.09
T S Global Procurement Company Pte. Ltd.	Subsidiary	Singapore	Internal Group Finance, Procurement and Distribution	57,083.87	151.15	16.82	32.33	1.01
T Steel Holdings Pte. Ltd.	Subsidiary	Singapore	Holding company	-	(14,714.65)	3.60	16.79	-
Tata NYK Shipping Pte Ltd.	Joint Venture	Singapore	Shipping Service	1,804.04	(6.06)	0.54	0.77	1.45
Tata Steel (Thailand) Public Company Limited	Subsidiary	Thailand	Support Services	75.85	4.07	(4.77)	10.80	3.18
Tata Steel International (Shanghai) Ltd.	Subsidiary	China	Procurement, Distribution, Support Services	11.90	0.93	0.62	1.03	1.10
Tata Steel Manufacturing (Thailand) Public Company Limited	Subsidiary	Thailand	Manufacturing	5,668.34	17.14	8.53	16.11	8.84
Tata Steel Minerals Canada Limited	Subsidiary	Canada	Manufacturing	1,340.00	(777.24)	(26.41)	-	-
The Siam Industrial Wire Company Ltd.	Subsidiary	Thailand	Manufacturing	1,374.89	39.45	15.79	88.37	4.08
TKM Global China Ltd	Joint Venture	China	Support Services	10.79	(0.18)	0.01	-	-
TKM Global GmbH	Joint Venture	Germany	Support Services	57.82	7.97	0.75	-	-
TSN Wires Co., Ltd.	Subsidiary	Thailand	Manufacturing	243.40	(16.46)	1.02	1.21	1.12
Apollo Metals Limited	Subsidiary	USA	Manufacturing	356.76	(12.59)	0.45	5.47	1.89
Catnic GmbH	Subsidiary	Germany	Manufacturing and Distribution	215.39	27.27	36.28	-	5.26
Corus International Romania SRL.	Subsidiary	Romania	Distribution	-	1.82	0.03	0.06	0.02
Corus Ireland Limited	Subsidiary	Ireland	Distribution	-	2.04	(0.36)	0.21	0.17
Degels GmbH	Subsidiary	Germany	Dormant	-	(0.36)	(0.19)	0.06	0.00
Fischer Profil GmbH	Subsidiary	Germany	Manufacturing and Distribution	972.04	2.22	73.17	12.34	14.08
Fischer Profil Produktions- und Vertriebs - GmbH	Subsidiary	Germany	Support services	-	0.19	(0.16)	4.20	5.15
Halmstad Steel Service Centre AB	Subsidiary	Sweden	Manufacturing and Distribution	1,104.60	24.28	5.28	6.65	8.16

₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Hille & Muller GmbH	Subsidiary	Germany	Manufacturing	844.62	(3.39)	33.08	25.06	27.76
Hille & Muller USA Inc.	Subsidiary	USA	Manufacturing and Distribution	27.99	1.61	3.24	-	-
Hoogovens USA Inc.	Subsidiary	USA	Holding shares or other equity instruments	-	57.63	0.00	-	-
Layde Steel S.L.	Subsidiary	Spain	Manufacturing and Distribution	1,227.44	(8.11)	234.32	15.26	21.23
Montana Bausysteme AG	Subsidiary	Switzerland	Manufacturing	576.29	4.91	8.04	0.36	16.54
Montana Bausysteme AG	Subsidiary	Germany	Support Services	-	-	(0.27)	-	-
Naantali Steel Service Centre OY	Subsidiary	Finland	Distribution	463.31	(7.16)	82.02	4.33	0.28
Norsk Stal Tynnplater AB	Subsidiary	Sweden	Distribution	406.54	2.88	0.50	0.41	0.45
Norsk Stal Tynnplater AS	Subsidiary	Norway	Distribution	101.16	17.14	-	0.75	0.44
S A B Profil GmbH	Subsidiary	Germany	Manufacturing	367.12	0.01	64.31	1.94	3.11
Service Center Gelsenkirchen GmbH	Subsidiary	Germany	Manufacturing and Distribution	1,292.95	(7.39)	174.32	11.04	12.40
Societe Europeenne De Galvanisation (Segal) SA	Subsidiary	Belgium	Manufacturing	759.31	22.92	(43.81)	22.39	24.24
Surahammar Bruks AB	Subsidiary	Sweden	Manufacturing	448.55	(35.54)	4.05	14.24	18.01
T S Global Procurement Company Pte. Ltd.	Subsidiary	UK	Internal Group Finance, Procurement and Distribution	-	-	0.01	-	-
Tata Steel Belgium Packaging Steels N.V.	Subsidiary	Belgium	Manufacturing	121.03	12.40	(2.97)	3.97	8.69
Tata Steel Belgium Services N.V.	Subsidiary	Belgium	Support Services	-	3.10	2.19	3.31	2.32
Tata Steel Germany GmbH	Subsidiary	Germany	Support Services, Holding company	-	71.52	25.98	5.19	1.08
Tata Steel International (Americas) Holdings Inc	Subsidiary	USA	Internal Group Finance, Holding shares or other equity instruments	-	21.09	(1.21)	-	-
Tata Steel International (Americas) Inc	Subsidiary	USA	Distribution	78.96	116.31	3.79	4.02	3.30
Tata Steel International (Czech Republic) S.R.O	Subsidiary	Czech Republic	Distribution	-	9.33	2.70	0.32	0.75
Tata Steel International (France) SAS	Subsidiary	France	Distribution	-	6.42	(0.09)	0.63	3.45
Tata Steel International (Germany) GmbH	Subsidiary	Germany	Distribution	-	(2.52)	(0.72)	3.39	2.56

₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Tata Steel International (Italia) SRL	Subsidiary	Italy	Distribution	-	13.03	7.46	1.66	1.83
Tata Steel International (Middle East) FZE	Subsidiary	UAE	Distribution	79.95	3.89	1.77	-	-
Tata Steel International (Poland) sp Zoo	Subsidiary	Poland	Distribution	-	7.98	1.08	0.54	0.53
Tata Steel International (South America) Representações LTDA	Subsidiary	Brazil	Distribution	-	0.09	0.09	-	-
Tata Steel International (Sweden) AB	Subsidiary	Sweden	Distribution	-	35.13	5.87	1.42	1.38
Tata Steel International Iberica SA	Subsidiary	Spain	Distribution	-	37.80	11.47	1.99	1.92
Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Subsidiary	Turkey	Manufacturing (Ceased from Jan 2024)	346.81	(4.18)	25.05	2.80	1.90
Tata Steel Maubeuge SAS	Subsidiary	France	Manufacturing	4,085.76	(123.22)	95.49	7.17	79.98
Tata Steel Mexico Sa De CV	Subsidiary	Mexico	Distribution	-	0.42	-	-	0.43
Tata Steel Norway Byggsystemer A/S	Subsidiary	Norway	Manufacturing	280.13	10.24	62.03	6.33	3.72
Tata Steel Norway Byggsystemer A/S	Subsidiary	Denmark	Manufacturing	-	-	0.01	0.21	0.01
Thomas Processing Company	Subsidiary	USA	Manufacturing	35.32	(20.24)	0.61	-	-
Thomas Steel Strip Corp.	Subsidiary	USA	Manufacturing	1,096.72	52.48	3.35	25.88	13.71
Unitol SAS	Subsidiary	France	Manufacturing and Distribution	1,725.52	3.41	308.25	0.20	19.93
Corus International (Overseas Holdings) Limited	Subsidiary	Tata Steel UK Tax Group	Internal Group Finance, Holding company	27,741.18	(2,048.03)	311.79	562.05	370.05
Tata Steel Europe Limited			Sales Office					
Tata Steel UK Limited			Internal Group Finance, Holding company					
TS South Africa Sales Office Proprietary Limited			Manufacturing					
UK Steel Enterprise Limited	Joint Venture		Support Services					
Air Products Llanwern Limited			Manufacturing					
Ravenscraig Limited			Support Services					
Texturing Technology Limited			Manufacturing					

₹ in Cr

Entity	Relation	Country	Business Description	Turnover	Profit Before Tax	Direct Contribution	Indirect Contribution	Other Contribution
Demka B.V.	Subsidiary	Tata Steel Netherlands	Distribution	49,591.64	(7,278.84)	(1,707.40)	2,388.44	1,069.99
Huizenbezit "Breesaap" B.V.			Dormant					
Orchid Netherlands (No.1) B.V.			Manufacturing					
S A B Profiel B.V.			Manufacturing					
Service Centre Maastricht B.V.			Manufacturing and Distribution					
Tata Steel IJmuiden BV			Manufacturing					
Tata Steel Nederland BV			Dormant					
Tata Steel Nederland Consulting & Technical Services BV			Other Services					
Tata Steel Nederland Services BV			Internal Group Finance, Holding company					
Tata Steel Nederland Technology BV			Support Services					
Tata Steel Nederland Tubes BV			Research and Development					
Tata Steel Netherlands Holdings B.V.			Support Services, Internal Group Finance, Holding company					

Notes:

For TSUK Tax Group and TSN Group, VAT and Customs duties are not only paid in the UK and the Netherlands but are also paid in other countries

Any negative value is on account of availing credit/incentives as extended by local jurisdictional tax laws.

For the Indian subsidiaries merged in Tata Steel Limited, the Turnover and Profit Before Tax of such subsidiaries have been subsumed in Tata Steel Limited, in line with the financial statement disclosures.



Basis of Preparation



Reporting entities

We have reported the Global Tax & Other Contributions to the government by Tata Steel Limited, our subsidiaries and joint ventures (excluding associates). The contribution made by Tata Steel Limited and its subsidiaries are reported at full amounts and that for joint ventures is reported in the proportion of shareholding.

However, the entities which were liquidated in the said financial year or are under process of liquidation or yet to commence operations or have insignificant operations as on March 31, 2024 have been excluded from reporting, but if they have paid any taxes during the year, the entity has been considered for reporting. The entire list of entities considered in this report has been included in the 'Entity' column in the table under Contribution by Entity.

Methodology

We have reported Global Tax & Other Contributions under cash basis unless otherwise mentioned below. The reporting methodology followed for each type of Global Tax & Other Contributions has been detailed below.

Direct contribution

Corporate tax

This comprises Corporate Income Tax but does not include Deferred Tax. These taxes are the actual payments made net of refunds received during the financial year with respect to corporate income tax liability of the same year and/or of previous years.

Typically, these taxes would be reflected in various statutory periodic forms/returns and statements/challans or any other documents being filed with the relevant government authorities, or audited cash flow statements.

Mining royalty and charges

This comprises contributions made to the government in the form of royalties for mining-related operations, and other mining-related payments for the extraction of minerals and metals.

Other taxes and charges

This comprises taxes/cess/charges paid on consumption of water, generation of electricity, stamp duty that arises on the transfer of assets or capital or registering a document, property tax, municipal taxes, motor vehicle tax, road cess, land revenue and other taxes borne.

Net indirect taxes

Amounts reported represent indirect tax payments

remitted to the government treasury on cash basis. Indirect tax payments made for reverse charge liability and on imports paid in cash also form part of the amount reported. However, it may be noted that the payment of taxes on procurements paid to vendors have not been considered here.

Typically, the amounts reported under net indirect taxes, mining royalty and other charges have been obtained from various statutory periodic forms/returns and statements/challans or any other documents being filed and maintained with the relevant government authorities.

Indirect contribution

Indirect contributions include Tax deducted at source (withholding taxes) from vendors and employees, taxes collected from customers and other payroll taxes.

A withholding tax is an income tax to be paid to the government by the payer of the income rather than by the recipient of the income. The tax is thus withheld or deducted from the income due to the recipient. Withholding taxes usually apply to payments made to employees, vendors, service providers, etc., of the company. This also includes taxes collected on various payments received from customers for prescribed goods or services.

In addition, payroll taxes include professional and work permit levies that are withheld from employee remuneration and paid to the government by the respective companies in the capacity of an employer.

Typically, these taxes are reflected in various forms, returns and challans prescribed by the government for this purpose.

Other contributions

Other contributions include contributions made by the employer to social security programmes for the benefit of employees as mandated by regulatory bodies. This includes the employer's share in provident fund, including national insurance, employee pension scheme and employee state insurance.

Typically, these contributions are reflected in the returns and challans prescribed by the concerned statutory bodies for this purpose.

Coverage

The various heads of contribution are summarised in this report. The grouping of taxes under the heads of 'direct contribution' and 'indirect contribution' is based on our understanding of the nature of taxes and its payment mechanism.

Tax and other contributions

Direct contribution

CORPORATE TAX

1. Corporate Income Tax
2. Surcharge and cess
3. Corporate tax credit and incentives

MINING AND ROYALTY CHARGES

1. Mining Royalties including management/ user fees
2. District Mineral Fund (DMF)
3. National Mineral Exploration Trust (NMET)

OTHER CHARGES

1. Stamp duty
2. Property tax
3. Water cess
4. Water charges
5. Tap Water Tax
6. Tax on Water Pollution and Extraction of Ground Water
7. Gas & Electricity Duties
8. Electricity duty (ED)
9. Land revenue
10. Landfill disposal tax
11. Radioactive Waste Management Tax
12. Waste Disposal Tax
13. Motor vehicle tax
14. Road cess
15. Municipal Taxes
16. Trade License
17. Clean Energy Taxes
18. Signboard taxes
19. Coal tax
20. Packaging tax/duties
21. Companies' land contribution or Cotisation Foncière des Entreprises

22. Companies' added value contribution or Cotisation sur la valeur ajoutée des
23. Climate Change levy
24. Recycling Tax
25. Air Monitoring & Pollution License
26. Pollution Levy National Waters
27. Pollution Control Fees
28. Forest Transit Fees
29. Forest Produce Cess
30. Covid-19 Cess
31. Factory License
32. Welfare Cess

NET INDIRECT TAXES

1. Goods and Service Tax (GST)
2. Custom Duties (all types)
3. Value Added Tax (VAT)
4. Sales and Use Tax

Indirect contribution

WITHHOLDING AND PAYROLL TAXES

1. Tax collected at source (TCS) for sale to customers
2. Withholding taxes collected from employee/Payroll taxes
3. Withholding taxes (WHT) collected from vendor
4. Withholding taxes collected from shareholder
5. Professional taxes
6. Apprenticeship Levy
7. Foreign Worker Levy
8. Work Permit Levy

Other contribution

OTHER CONTRIBUTION

1. Provident Fund (PF)
2. Employee Pension Scheme
3. Employee State Insurance
4. Labour Welfare Fund
5. National Insurance
6. Coal Mine Provident Fund (CMPF)
7. Social Security Fund
8. Compensation Funds
9. Disable Person Funds
10. Turnover Tax

Note 1: For total contributions by respective reporting entities in the European businesses, the threshold limit has been set in absolute terms to more than ₹2,000,000. However, in some cases, entities below this threshold have also been included wherever required data and documents were available.

Note 2: For Tata Steel's European businesses in the UK and in the Netherlands, tax compliances are done at a group Level. For Joint venture companies in the group, the contributions are proportionated to the percentage of shareholding to the extent possible.

Note 3: An effort has been made to report all types of taxes, duties, levies for all entities (as referred to in the 'Entity' column in the table under Contribution by Entity). Any omission or exclusion is unintentional and not expected to have any material impact.

Note 4: For Tata Steel's European businesses certain local taxes follow calendar year basis (January to December), whereas our reporting period is April to March. Thus, considering the above, where April to March tax payout was not available, we have reported such taxes for calendar year.

Note 5: Where date of actual cash inflow/outflow was not available, the tax payments shown as due in the relevant tax period has been considered for reporting.

Note 6: For Tata Steel's European businesses in the UK, refunds under VAT/Corporate tax due to the group is allowed to be offset against other statutory liabilities (i.e., VAT refund against Corporate tax liability and vice versa). While such adjustment was carried out in the statutory compliances being reported to tax authorities, we have considered for this report, the respective gross figures (payments or refunds as applicable) under respective heads.

Excluded amounts

The following are not included in the Global Tax & Other Contributions statement:

- Payment of indirect taxes on procurements paid to vendors
- Any fees paid to the government and its authorities for various kinds of compliance, filings, etc.

Currency

The currency considered for this report or the reporting currency is the Indian Rupee (₹). The data for Global Tax & Other Contributions to government provided by any subsidiary in their local reporting currency, has been converted to ₹ based on the exchange rate that has been considered in preparation of Form AOC-01. In case of Joint Ventures entities, where similar data is not reported in the said form, reference is made to exchange rate used by any subsidiary reporting in the same currency as the Joint Ventures entity.

Independent Reasonable Assurance Report

Independent reasonable assurance report to Tata Steel Limited on Global Tax & Other Contributions

We were engaged by the management of Tata Steel Limited [hereinafter referred to as 'Tata Steel' or 'the Company'] to report on 'Global Tax & Other Contributions' section contained in Tata Steel Limited's Tax Transparency Report for the financial year 2023-24 [the said section hereinafter referred to as 'Global Tax & Other Contributions'], in the form of an independent reasonable assurance conclusion about whether Tata Steel's statement that the Global Tax & Other Contributions is properly prepared, in all material respects, based on 'Basis of Preparation' attached to the Tax Transparency Report is fairly stated.

Tata Steel's responsibilities

The management of Tata Steel are responsible for preparing the Global Tax & Other Contributions that is free from material misstatement in accordance with the Basis of Preparation and for the information contained therein. The management of Tata Steel is also responsible for preparing the Basis of Preparation.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of Global Tax & Other Contributions that is free from material misstatement, whether due to fraud or error. It also includes developing the Basis of Preparation. The Company is also responsible for preventing and detecting fraud and for identifying and ensuring that it complies with laws and regulations applicable to its activities.

Our responsibilities

Our responsibility is to examine the Global Tax & Other Contributions prepared by the Company and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Global Tax & Other Contributions is properly prepared, in all material respects.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for professional accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of Global Tax & Other Contributions whether due to fraud or error.

In making those risk assessments, we have considered internal control relevant to the preparation and presentation of Global Tax & Other Contributions in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the preparation and presentation of Global Tax & Other Contributions. Our engagement also included assessing the appropriateness of Global Tax & Other Contributions, the suitability of the Basis of Preparation used by the Company in preparing the Global Tax & Other Contributions in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of Global Tax & Other Contributions and the reasonableness of estimates made by the Company and evaluating the overall presentation of the Global Tax & Other Contributions. Reasonable assurance is less than absolute assurance.

The procedures performed by us have been included herein as Annexure - Assurance procedures – Global Tax & Other Contributions.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the Global Tax & Other Contributions is properly prepared in all material respects, based on the Basis of Preparation.

Restriction of use of our report

In accordance with the terms of our engagement, this independent reasonable assurance report on Global Tax & Other Contributions has been prepared for Tata Steel solely for inclusion in its Tax Transparency Report for FY 2024 and for no other purpose or in any other context.

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Tata Steel Limited for any purpose or in any context. Any party other than Tata Steel Limited who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Tata Steel Limited for our work, for this independent reasonable assurance report, or for the conclusions we have reached.

Our report is released to Tata Steel on the basis that it shall not be copied, referred to or disclosed, in whole (save for inclusion in Tata Steel's Tax Transparency Report) or in part, without our prior written consent.

For KPMG Assurance and Consulting Services LLP

Place: Gurgaon

Date: 19th June, 2024

Annexure-Assurance procedures-Global Tax & Other Contributions

- Understand and examine the processes and controls at Tata Steel level in managing, collating and reviewing the data for the Global Tax & Other Contributions
- Review the guidance provided/instructions issued to locations/units/group entities by central team for collation of various tax and other specified items
- Review the country wise break-up of the tax and other specified items reported in the Global Tax & Other Contributions
- Understand and examine the processes and controls at local country level for collation of tax and other specified items included in Global Tax & Other Contributions. This will include review of:
 - reporting to central team to ensure adherence of the guidance provided by the central team
 - processes for ensuring that all local country taxes are included within the reporting to central team
- Review the basis on which the country level tax and other specified data reported has been captured, reviewed and consolidated to assess whether the data has been collected, consolidated and reported fairly
- For the countries selected, perform trend analysis on the tax and other specified data to understand any material variances. Seek explanations for variances, if any
- For the countries selected, verify the tax paid (on a sample basis) to the underlying documents
- Compare the tax and other specified data in the report to the relevant disclosures in the consolidated financial statements



Glossary



AOC-01

Form AOC-01 is prepared by the company pursuant to Section 129(3) of the Companies Act, 2013 [Read with Rule 5 of the Companies (Accounts) Rules, 2014]. It is a statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures. The form is published in the Tata Steel Integrated Report & Annual Accounts.

Arm's-Length Basis/Principle

Transactions between associated/related enterprises should not be distorted by the special relationship that exists between the parties.

Associates

As per Section 2(6) of the Indian Companies Act 2013, an associate company, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

For the purposes of this clause, significant influence means control of at least 20 per cent of total share capital, or of business decisions under an agreement.

B Team

The B Team is a global collective of business and civil society leaders driving a better way of doing business for people and the planet.

BEPS Pillar Two Model/GloBE Rules

The Pillar Two Model Rules (also referred to as the "Global Anti-Base Erosion" or "GloBE" Rules), released on 20 December 2021, was aimed to address the tax challenges of the digitalisation of the economy that was agreed by 137 member jurisdictions of the OECD/G20 Inclusive Framework on BEPS and endorsed by the G20 Finance Ministers and Leaders in October 2021. This was drafted as a two pillar solution.

Business description

Business description reported in this document is sourced from the Country-by-Country report, prepared pursuant to Section 286 of the Indian Income Tax Act 1961, for the FY 2022-23. In some cases, the business description is sourced from the website of the entity or its audited financial statements corroborated by discussion with management.

Business Responsibility and Sustainability Report

The BRSR is intended towards having quantitative and standardized disclosures on ESG parameters to enable

comparability across companies, sectors and time. Such disclosures will be helpful for investors to make better investment decisions. SEBI through a notification dated 5 May 2021, made the BRSR compulsory for top 1000 listed companies by market capitalisation from FY 2023-24.

Carbon Border Adjustment Mechanism

The EU's Carbon Border Adjustment Mechanism (CBAM) is the mechanism adopted by EU to put a fair price on the carbon emitted during the production of carbon intensive goods that are entering the EU from countries with environment regulations not as strong as EU. This is an effort to encourage cleaner industrial production in non-EU countries.

Coal Mines Provident Fund

Payments made to the Coal Mines Provident Fund Organisation, an agency of the Indian Government acting as the official pension fund for coal miners.

Companies Act

An Act to consolidate and amend the law related to companies, enacted by the Parliament of India.

Corporate Income Tax

This is a direct tax imposed on companies' profits.

Corporate Sustainability Reporting Directive

The CSRD disclosures introduce substantial sustainability-related reporting requirements wherein all disclosures will now extend to the reporter's value chain, including products and services, business relationships and supply chain. CSRD enables businesses to increase transparency and accountability of their reporting, with stakeholders gaining insight about sustainability (performance) through analysis, benchmarking and auditing.

DMF and NMET

Contributions made to the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) pursuant to the provision of Mines and Minerals (Development and Regulation) Act, 1957 (MMDR) read with National Mineral Exploration Trust Rules, 2015 (NMETR) to the Central and State Governments in India.

Environment, Social and Governance

ESG is a framework that helps stakeholders understand how an organization manages risks and opportunities around sustainability issues.

EU Directive

The EU Minimum Tax Directive (2022/2523) entered into force on December 23, 2022 and requires Member States to transpose the rules into domestic law by December 31, 2023. Member States are required to start applying:

- the Income Inclusion Rule (IIR) for fiscal years beginning on or after December 31, 2023, and
- the Undertaxed Profits Rule (UTPR) for fiscal years beginning on or after December 31, 2024.
- In addition, the Directive provides the option for Member States to implement a Qualified Domestic Top-up Tax (DMTT), without specifying an application date.

The Directive text is closely aligned with the OECD GloBE Model Rules and seeks to implement the OECD rules.

Exchequer

The government department that is responsible for the country's finances, including tax levels.

Extractive Industries Transparency Initiative

The EITI is a multi-stakeholder organisation comprised of governments of implementing and supporting countries, companies and civil society organisations. Their mission is to promote understanding of natural resource management, strengthen public and corporate governance and accountability, and provide the data to inform policymaking and multi-stakeholder dialogue in the extractive sector.

Gujarat International and Finance Tec-City

Gujarat International Finance Tec-City, also called GIFT City, is a central business district being developed in Ahmedabad, India. It is aimed to be an operational greenfield smart city and international financial services centre being promoted as a greenfield project.

Global Sustainability Standards Board

The Global Sustainability Standards Board is established as an independent operating entity under the auspices of GRI and has the sole responsibility for setting the world's first globally accepted standards for sustainability reporting – the GRI Standards.

GRI 207: Tax 2019

The Global Reporting Initiative or GRI is an independent, international organisation that helps businesses and other organisations take responsibility for their impacts, by providing them with the global common language required to communicate those impacts. They publish standards for sustainability reporting known as the GRI Standards.

GRI 207: Tax 2019 sets out reporting requirements on the topic of tax. This Standard can be used by an organisation of any size, type, sector or geographic location that wants to report on its impacts related to this topic.

Goods and Services Tax

A Goods and Services Tax (GST) is a value-added tax levied on most goods and services sold for domestic consumption. GST is paid by consumers, but it is remitted to the Government by the businesses selling the goods and services.

Integrated Report

An Integrated Report is a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term.

International Financial Services Centre

The GIFT International Financial Services Centre (GIFT IFSC) is a financial hub that is being set up as a financial centre and special economic zone in GIFT city. The objective is to provide world-class infrastructure and services for financial institutions and companies operating in areas such as banking, insurance, capital markets, etc.

Organisation for Economic Co-operation and Development

The Organisation for Economic Co-operation and Development (OECD) is an international organisation that works to build better policies for better lives. It works in collaboration with governments, policy makers and citizens, on establishing evidence-based international standards and finding solutions to a range of social, economic and environmental challenges.

People, Planet, Society

The Global Tax & Other Contributions comprise of taxes and charges that contribute towards the various needs of people, planet and society interchangeably.

The taxes and charges have been bifurcated as per general understanding into these heads for representation.

Taxes considered for contribution towards People: Provident Fund, Employee Pension Scheme & Employee State Insurance, Labour Welfare Fund, National Insurance, Social Security Fund, Compensation Funds, Disable Person Funds.

Taxes considered for contribution towards Planet: Royalties paid to Government, Water Cess/Water Charge/ Tap Water Tax, Tax on Water Pollution and Extraction/ Pollution Levy National Waters, Gas & Electricity Duties,

Stamp Duty, Property Tax, Land Revenue/Landfill Disposal Tax, Radioactive Waste Management/Waste Disposal/Recycling Tax, Motor Vehicle Tax, Road Cess, Clean Energy Tax/Climate Change Levy, Coal Tax, Air Monitoring/Pollution License/Control Fees, Forest Transit Fees/Produce Cess.

Taxes considered for contribution towards Society: Corporate Tax, Withholding Tax, Tax Collected at Source, Municipal Taxes, Professional Taxes/ Apprentice or Foreign Worker or Work Permit Levy, Signboard Taxes, GST Payments, Customs Payments, Value Added Tax, Sales and Use Tax, Trade License, Factory License, Companies Land/Value Added Contribution, Packaging Tax/Duties, Turnover Tax.

Profit Before Tax

The Profit Before Tax reported in this document for subsidiaries is sourced from Form No. AOC-01 and for Tata Steel Limited and its joint ventures from the audited financial statements of the respective companies or management disclosures.

Related Party Transactions

As per OECD, it is defined as a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

Royalties

These are payments for the rights to metals and minerals, typically at set percentage of revenue less any deductions that may be taken.

Stakeholders

Any group or individual who can affect, or is, affected by, the achievement of an organisation's objective.

Securities and Exchange Board of India

The SEBI was constituted in 1988. The basic functions of the SEBI is to protect the interests of investors in securities and to promote the development of, and to regulate the securities market and for matters connected therewith or incidental thereto.

Subsidiary

As per Section 2(87) of Indian Companies Act 2013, subsidiary company or subsidiary, in relation to any other company (that is to say the holding company), means a company in which the holding company—

- controls the composition of the Board of Directors; or
- exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Explanation-For the purposes of this clause,

- a. company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause
 - ii. or sub-clause
 - iii. is of another subsidiary company of the holding company;
- b. the composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company by exercise of some power exercisable by it at its discretion can appoint or remove all or a majority of the directors;
- c. the expression company includes anybody corporate;
- d. layer in relation to a holding company means its subsidiary or subsidiaries.

Sustainable Development Goals

The Sustainable Development Goals are a collection of 17 interlinked global goals designed to be a shared blueprint for peace and prosperity for people and the planet, now and into the future. The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by 2030.

Tax

Any amount of money required to be paid to, or repaid by, a Government, whether by law or by agreement, including without limitation corporate income tax, Government royalties, license fees, permitting fees, property taxes, employment taxes, sales taxes, stamp duties and any other required payments

Tax Deducted at Source/Withholding taxes

A person (deductor) who is liable to make payment of specified nature to any other person (deductee) shall deduct tax at source and remit the same into the account of the Central Government. The concept of TDS/WHT enables the collection of tax at the source of the income itself.

Tax Collected at Source

Governed by section 206C of the Income Tax Act, 1961 in India, TCS refers to the tax payable by a seller which they collect from the buyer at the time of sale.

Transfer pricing

Transfer prices are the prices at which an enterprise transfers physical goods and intangible property or provides services to associated enterprises. Transfer

pricing should be based on the arm's-length principle. It is used to ensure that profits are allocated to the countries where the relevant economic activity takes place.

United Nations Principles for Responsible Investments

UNPRI is an international organization that promotes the incorporation of ESG into investment decision-making. The UNPRI specifically refers to an effort by a group of investors to get funds and asset owners to support six key principles for sustainable investing.

Value-added tax

A value-added tax is a tax levied on the price of a product or service at each stage of production, distribution or sale to the end-customer.

Value chain

A set of activities that a company carries out to create value for its customers.





Tata Steel Limited


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