

Management of Business Ethics in Tata Steel

As a tribute to late Mr. J R D Tata, July is celebrated as Ethics Month since the past few years. This has helped in reinforcing employee involvement and passion in the Management of Business Ethics (MBE) over the years. This year, July month started by each employee taking Ethics Pledge followed by various activities like skit competition, etc.

A significant milestone in MBE process was the decision of the Board of Directors to adopt and implement the 'Whistle Blower Policy' in the Company. The policy encourages the employees to raise their concerns, without fear to the Ethics Counsellor and/or the Chairman of the Audit Committee. The policy also provides for protection of the Whistle Blower by a 'Whistle Blower Protection Committee' headed by Dy. Managing Director (Corporate Services). Various channels are provided to the employees for reporting concerns. The concerns received during the year were resolved expeditiously.

In order to effectively deploy the Tata Code of Conduct, a 'Gift Policy' was adopted by the Company, for having uniform understanding by the employees regarding gifts. Various steps were taken to create awareness amongst the employees about this policy, like making presentations, hosting the policy on the

Company's Intranet (internal website), etc. The salient features of the Policy were also communicated to other stakeholders like vendors, contractors etc. for making this more effective.

In order to promote and uniformly deploy the MBE Process in associate companies, a Central Forum for Ethics was formed with Ethics Counsellor of the Company as Convenor and all the Ethics Counsellors of the associate companies as members. Periodical meetings were held and various issues and dilemmas discussed and resolved.

MBE process was also initiated in the recently acquired/formed subsidiary companies like NatSteel Asia Pte Ltd., Hooghly Met Coke, etc. The process is in the early stages of deployment. Senior leadership team reinforces ethical behaviour by discussing ethical issues in fora, like General Dialogues, Senior Dialogues, where Company's Executives are invited to share their views on various subjects and take prompt actions thereon.

The effectiveness of communication and deployment measures are evaluated by analysis of the concerns received and also by various surveys conducted by internal and external agencies. These measures show that MBE system is fully in place in the Company.