Tata Global Beverages is immensely happy to publish our first Annual Business Responsibility Report.

The Securities and Exchange Board of India (SEBI) has mandated the top 100 listed entities (based on market capitalization on the Bombay Stock Exchange and the National Stock Exchange as on 31st March, 2012) to publish a Business Responsibility Report (BRR) that discloses steps taken by the companies on the Environmental, Social and Governance aspects of the business. Being a responsible corporate and since Tata Global Beverages falls under this bracket, we have fully adhered to the reporting requirement in line with the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG’s)’ notified by the Ministry of Corporate Affairs, Government of India, in July 2011. This Business Responsibility Report provides general information about Tata Global Beverages and its business responsibility as required by SEBI. The report further provides an overview of activities carried out by Tata Global Beverages under each of the nine principles as outlined in the NVG.

We wish you a great read!
MESSAGE FROM THE CEO & MANAGING DIRECTOR

Dear Stakeholders

Sustainability has always been at the heart of the Tata Group, since its inception. In the words of the Group’s founder, Jamsheed Tata – “The community is not just another stakeholder in business, but is, in fact, the very purpose of its existence.” At Tata Global Beverages, we are underpinned by a firm belief that a sustainable business is a better business, which generates better long-term value for all its stakeholders. This is reflected in the theme of our Annual Report – ‘Making good business better.’

We believe a business needs to have a positive impact on all its stakeholders, which goes well beyond generating financial returns. Consumers feel positive buying products and services which they know have been produced sustainably. Employees and business partners experience pride and engage better when working with a business that makes ethical choices. Investors recognise that such businesses generate healthier returns. Communities are supportive when working with a business that makes ethical choices.

Tata Global Beverages has identified five core pillars, which are integrated with its strategy – Ethical Sourcing, Climate Change Management, Water Management, Waste Management and Community Development.

Our Company is building ethical sourcing into the supply chain through partnerships such as the Ethical Tea Partnership (ETP) and trustea and enabling climate change management by reducing our carbon footprint. You will be glad to know that Tata Global Beverages has been ranked first in the Carbon Disclosure Leadership Index (CDLI) in the Consumer Staples sector in India. Our subsidiary Tata Coffees’ water management initiatives help meet 95% of their water requirement and our biggest factory in Eaglescliffe, UK, sends zero waste to landfill. On the subject of community development, I would like to highlight ‘Gaon Chalo’, a community-based distribution model, which enables employment and development of rural youth in India.

On the business front, Tata Global Beverages is focused on creating magical beverage moments for consumers across the globe through its tea, coffee and water brands. During the last year, our Company made good progress in building the business through organic growth, innovation and strategic alliances. We have had an eventful year highlighted by new launches which were supported by impactful marketing campaigns. We re-launched the iconic Eight O’Clock coffee brand in the US, launched an exciting marketing promotion for Tetley in the UK and launched a new phase of the Tata Tea ‘Jaago Re’ campaign in India, focused on awakening Indian women to the power of their vote.

Our Company continues to invest in innovation to leverage key trends like health and wellness. Tetley has kept pace with today’s lifestyle, understood the palate unique to each region and offers a range of delicious flavours in the green tea portfolio. Tetley 100% Steamed Green Teas were launched in Canada and Australia. Tetley Black & Green tea, launched in the US, offers consumers the taste of black tea with the goodness of green tea. In India, a significant marketing and advertising campaign has begun for Tetley Green Tea.

During the year, Tata Global Beverages continued to develop its joint ventures — Tata Starbucks and NourishCo to further enhance their market presence and growth. Our Company successfully acquired a 100% stake in the equity capital of Earth Rules Pty Ltd., Australia, which is engaged in the coffee business under the Map brand. The Map brand is present in both Roast & Ground coffee and FOCOs (single service portions) category in Australia. This acquisition will help Tata Global Beverages further expand its portfolio in the high growth contemporary ‘single serve’ business.

On the business performance front, Revenue from Operations stood at Rs. 7,738 crores, posting an increase of 5% year-on-year. Group Net Profits were 29% higher than the previous year. The operating results reflect strong performance in some countries and a challenging market environment in a few geographies.

As you will note, despite a tough market environment in many geographies, our Company continued to invest strongly behind our brands, which impacted the profitability of the business. Our Company’s vision is to be ‘the most admired natural beverages company’. This aspiration, I am sure you will agree, is possible only by investing and protecting the long term future of the business – our brands.

As I sign-off, I would like to reiterate that at Tata Global Beverages, how we achieve business growth and profits is as important as the quantum of growth and profits we achieve. I am sure you will feel great pride as you read through the pages of this Report. At Tata Global Beverages, making good business better, is about sustainability in business practices as well as in business growth.

Ajoy Misra
CEO & Managing Director
Tata Global Beverages
INTRODUCTION: BUSINESS RESPONSIBILITY AND TATA GLOBAL BEVERAGES

A: Setting the context

In the ever-changing dynamics of the 21st century, businesses need to come forward and take responsibility for their impact on the environment and community in which they operate. This calls for businesses to be well aware of their social, environmental and economic responsibilities, and balance it with different interests in an ethical manner. Only once businesses become responsible actors in a society, shall sustainable growth follow.

We, at Tata Global Beverages, take our responsibilities towards the environment and the communities in which we operate very seriously. High standards of responsibilities, in our view, can impact positively on profitability, returns to shareholders, reputation and growth. By ensuring that our management of social, environmental and economic issues is aligned and integrated with the overall management of the business, we can call ourselves a ‘responsible business’.

Our commitment to responsible business starts with Tata Global Beverages’s sustainability pillars. These pillars act as a driver for sustainable growth and directly supports our responsible business priorities.

B: Scope of the Report

Tata Global Beverages is an integrated beverage business that has set on a journey to become a global leader in branded natural beverages through organic growth, innovation and strategic alliances. Our ambition is to expand our global footprint by entering new markets and new channels with natural beverages that create many moments of magic for our consumers across the worlds. We’ve evolved from our strong heritage in tea plantations to a marketing and brand-focused organization, with a portfolio of dynamic brands. Over 90 per cent of our sales today are from branded products and 65 per cent of our Group turnover is generated outside India.

For the management of every Tata Global Beverages subsidiary, upholding the principles of Business Responsibility and considering the impact of our operations on the environment and society is of primary importance. However, in this first Annual Business Responsibility Report (ABRR) of Tata Global Beverages, we shall showcase the aspects of Business Responsibility of the major subsidiaries within India, including Tata Coffee and Mount Everest Mineral Water within the boundary of this report.

Ethical Sourcing is an integral part of the sustainability strategy for Tata Global Beverages and hence, the business responsibility initiatives at some of the tea plantations, in which Tata Global Beverages holds a stake, have also been included in the scope of this report.

C: General Information about Tata Global Beverages

With a rich heritage of consistent innovation, strategic acquisition and organic growth, Tata Global Beverages is committed to growing the branded natural beverages business, focusing on tea, coffee and water. Today, Tata Global Beverages has brand presence in 40 countries and 250 million servings of our beverages are consumed everyday across the world. We are the second largest player in tea and have growing interests in coffee and water. We are proactively working towards our commitment to create magical beverage moments for consumers and sustainable goodness for our communities.
As we look ahead, we are focused on positioning Tata Global Beverages for long-term advantage and growth while continuing to deliver strong and consistent financial results. We are delighted to report that the Fiscal Year 2013-2014 has been yet another successful one for Tata Global Beverages in this regard. Some highlights of our financial performance are given below:

- **Paid up Capital:** INR 6,184 lakhs
- **Total Turnover:** INR 7,73,761 lakhs
- **Total profit after taxes:** INR 52,237 lakhs

In the Fiscal Year 2013-14, our global CSR/Sustainability budget was a whopping $4.4 million (INR 24.21 crores) which accounts for approximately 4.6% of profit after tax. This amount has been spent on the following activities:

- Rainforest Alliance Certified Farm
- Ethical Tea Partnership
- Central Sustainability (water footprinting and other activities)
- Carbon Disclosure Project
- Welfare Unit, Munnar
- Chubwa Hospital, Assam
- Donations

From a global perspective and moving beyond the boundary of the report, Tata Global Beverages celebrated World Environment Day on the 05 June 2013 in the organization across over 70 units of Tata Tea, Tetley, Tata Coffee, Eight O’Clock Coffee, Watawala Plantations, Jemca, Grand Russia, Poland, and joint ventures in Pakistan & Bangladesh. The objective of the celebration was to create synergy on environmental issues, set the sustainability agenda and recognize environmental and CSR achievements in the organization. All the group units and companies, factories and offices, including subsidiaries/joint ventures and alliances celebrated the day. There was a team environmental activity in each office/factory on this day.

In his message to celebrate the occasion, former CEO Harish Bhatt said:

> “All across the world, thousands of our colleagues from Tata Global Beverages are meeting briefly today, to celebrate a day which is so important to our Company and our Planet. This is our earth, and its future will determine the future of several generations of humans. Our Company is determined to take steps, however small, to protect its sustainability.”

– CDP India Climate Change Report 2013

Tata Global Beverages is committed to carry forward the Tata group’s philosophy within our sphere of influence. This includes voluntary disclosure of non-financial performance as per guidelines of the Global Reporting Initiative (GRI), compliance with Securities and Exchange Board of India (SEBI) mandate as per National Voluntary Guidelines (NVGs) and channelizing our activities to facilitate achievement of United Nation’s Millennium Development Goals.
Tata Global Beverages aims to deliver long-term value for all our stakeholders without ever compromising on integrity, environmental and social obligations or regulatory compliance. We consider stakeholder prioritization as one of the fundamental building blocks to a successful sustainability strategy. As a global business with deep-rooted societal involvement, we engage closely with our valued stakeholder community, which encompasses our consumers, employees, shareholders, local populations, plantation workers, and the environment we work in.

To ensure continual accountability, Tata Global Beverages has clear governance structures, management processes and policies in place. We also guarantee transparency and openness at every level of the company thereby assigning responsibility and accountability to individuals, Board committees and management teams. We are proud to announce that according to Transparency International 2013, Tata Global Beverages is ranked 2nd in terms of transparency in corporate reporting in emerging markets.

A: Code of Conduct and Guidelines

Tata Global Beverages operates in line with the comprehensive Tata Code of Conduct, which applies to all our employees – including managing and executive directors. Tata non-executive directors are also covered by a condensed Code of Conduct. The Code of Conduct dictates the values, ethics and business policies that all Tata Companies and employees are expected to adhere to in professional and personal conduct. Our policies not only operate in conjunction with local statutory requirements, but are also relevant worldwide as the same principles are to be adopted by every employee wherever they are based within Tata Global Beverages. We are also pleased to announce that the Tata Code of Conduct applies to our joint ventures, suppliers, contractors, NGOs and other entities we work with and who are involved in our way of business.

B: Internal Governance Structure

The Board of Tata Global Beverages holds overall responsibility for all aspects of corporate governance and ensures that every subsidiary company operates in line with all relevant processes and policies. Members of the Board include industry experts and highly qualified professionals who bring a great deal of experience and strategic direction to the governance of Tata Global Beverages. As on 31st March 2014, the Board comprises 11 directors – including the chairman (currently a non-executive), 1 managing and 2 executive directors and 8 non-executive directors out of which 6 are independent. The present Board also comprises 3 highly accomplished women who are experts in their respective fields. To ensure effective governance, the Board members meet regularly – usually once a quarter, or positively once every year.

Within the Tata Global Beverages board, we have set up several committees to manage the several governance functions that include Ethics and Compliance, Remuneration, Audit, Shareholders and Investors Grievances, Corporate Sustainability Reporting, as well as the Executive and Nomination Committee.

The Board and its committees play a pivotal role in ensuring that Tata Global Beverages maintains high standards of corporate governance in every aspect of our operations.
C: Business Responsibility Organogram

At Tata Global Beverages, we recognize that sustainability is the key to long term growth. Therefore, we have a robust sustainability governance architecture in place to ensure that business responsibility is given due priority in decision making.

We have identified five strong pillars of sustainability for the future - climate change, water management, zero waste to landfill, ethical supply chain and community work. In some of these areas, work has already begun. In others, work is yet to begin, and is likely to require significant and concerted effort. But we are determined to succeed, working jointly across the globe. To ensure such success, we have put in place a sustainability organisation, which reports in directly to our CEO, Ajoy Misra. A Global Sustainability Manager has been appointed, with specific mandates for performance and results. We will roll out training programs across the world, so that all of us are on the same page, on what sustainability means to the Company and to each of us.

Tata Global Beverages Corporate Responsibility Leadership Team

Ajoy Misra will act as the principal senior sponsor for sustainability. He will be assisted by the new Global Sustainability Manager, Anurag Priyadarshi, who has joined the business w.e.f. 04 March 2013.

A senior sponsor will be assigned to “own” each of the 5 focus areas and manage a cross functional and cross regional working group to progress activity in each area.

A sustainability committee comprising the CEO, Sustainability Manager, 5 sustainability sponsors & appropriate external expert input has been established to review sustainability activity on a quarterly basis.

In addition to the 5 sustainability focus areas, global KPIs and key global sustainability initiatives are being initiated at the corporate level where relevant.

Beyond the necessary regional input to the above, regional programmes relevant to the regional context and commercial objectives are being developed aligned to the overarching corporate agenda.

Corporate Sustainability Reporting Committee

Our Corporate Sustainability Reporting Committee is a team of individuals who monitor and provide guidance on Tata Global Beverages’ policies regarding compliance with sustainability and CSR guidelines, environment management, social responsibility, health and safety, product stewardship, community development, principles of managing branded operations, etc. The committee meets at least once a year to assess the Business Responsibility performance of Tata Global Beverages, and publishes quarterly internal reports on updated activity in the CSR and sustainability space.

D: Extended Business Responsibility

“In a free enterprise, the community is not just another stakeholder, but is, in fact, the very purpose of its existence.”

Our Founder – Jamsetji Tata

Tata Global Beverages operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between us and our stakeholders, namely our consumers, employees, shareholders, local populations, plantation workers, and the environment we work in. Our priority has always been to create magical beverage moments for consumers and an eternity of sustainable goodness for our communities.

In the table below, we have indicated an overview of all our valued stakeholders and our engagement with them.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Forum</th>
<th>Frequency</th>
<th>Participant</th>
<th>Feedback received on</th>
<th>Issues Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>Market visits, Unstructured face to face interactions</td>
<td>Regular, as and when required</td>
<td>Brand and Sales Manager, Market Research Team</td>
<td>Requirements, needs and expectations</td>
<td>Products, Distribution channels</td>
</tr>
<tr>
<td>Shareholder</td>
<td>AGM</td>
<td>Annual</td>
<td>Tata Global Beverages Board Members, Tata Global Beverages Senior Leadership</td>
<td>Company performance, financial performance, future plans, stakeholder concerns</td>
<td>Performance expectation, Stakeholder concerns</td>
</tr>
<tr>
<td>Employees</td>
<td>Gallup Satisfaction Survey</td>
<td>Survey has been conducted for the first time in 2014</td>
<td>Senior Leadership, Human Resource officials</td>
<td>Fair treatment and adequate remuneration</td>
<td>Career growth, and job satisfaction</td>
</tr>
<tr>
<td>Packeting Centers</td>
<td>Own representation in packing units</td>
<td>Ongoing</td>
<td>Tata Global Beverages Operation Heads</td>
<td>Facilities, standards expected, Processes to be followed</td>
<td>Bottlenecks faced, improved processes</td>
</tr>
<tr>
<td>Suppliers-Tea and Coffee</td>
<td>Vendor meetings</td>
<td>Ongoing</td>
<td>Buying and Blending Team, Brand Managers</td>
<td>Strategic sourcing, product quality</td>
<td>Innovation, Competitor activity</td>
</tr>
<tr>
<td>Suppliers-Packaging</td>
<td>Vendor meetings</td>
<td>Ongoing</td>
<td>Operation Heads, Purchasing Teams</td>
<td>Strategic sourcing, product quality and specifications, New Product Development rate fixation</td>
<td>Innovation, Packaging Rationalization</td>
</tr>
</tbody>
</table>
Tata Global Beverages has identified its key stakeholders to be our consumers, our shareholders and our employees. Each of the three has been detailed in the section that follows.

Consumer

Consumer well-being is the focal point of Tata Global Beverages’ business strategy. We ensure this by providing a vast selection of ‘good for you’ beverages. Tata Tea Gold underwent a restage supported by a new campaign ‘Power of 49’, in association with the International Indian Film Academy (IIFA) Awards 2013 as cause partner. This campaign was supported by pack change, trade and visibility activation on ground and digital activation. Tetley Green Tea was re-launched, aided by a new campaign and ground-level activation. Green tea, is a product loaded with antioxidants, and possesses several powerful health benefits for consumers. Tata Water Plus (TWP), India’s first nutrient water, was re-launched in new packaging in April 2013, for Tamil Nadu and Andhra Pradesh. TWP is now also available in 200 ml pouch format. Tata Gluco Plus launched the Apple, Cinnamon and Grape flavours, during the year. It is also available in Lemon, Orange and Mango flavours. Additionally, Tata Global Beverages has been offering products on the health and wellness platform under our joint venture with PepsiCo, called NourishCo, which is the first such packaged drinking water with nutrients such as copper and zinc known to help body functions and strengthen immune system. By providing conveniently packaged safe drinking water in rural areas, we continue to play our role in improving the health of our consumers. TGB’s brand Tetley has also innovated the first unique, non-drip drawstring tea bags that saves extra drops of tea and reduces beverage wastage. This unique product has been patented by Tetley. We have always valued consumer feedback and considered their opinion towards improving the quality of our products and business as a whole. By gaining in-depth knowledge of consumer requirements, obtained from various structured outreach mechanisms, Tata Global Beverages fulfills their needs and builds a long-term relationship with them. In this regard, our Customer Service Department acts as an interface in dealing with customer relations by conducting satisfaction surveys and collecting customer feedback on various aspects like product quality, nature of the product, product variants, labeling, packaging, disposal etc. On all our packaging, we include a toll-free consumer helpline number to convenient grievance redressal for all our consumers across the globe. As on 31st March 2014, Tata Global Beverages has neither faced any copyright issues, nor have we extended any false claims in our labeling or marketing. We are also proud of the fact that till date we have rarely received poor feedback from our customers and our ‘good for you’ beverages are perceived to have long-lasting and positive health and safety impacts.

Shareholder

As in the case of our engagement with our consumers, we ensure that our shareholder interests are respected and given due importance in a similar manner. The Shareholders/Investors’ Grievance Committee within the Tata Global Beverages Board recommends measures for overall improvement of the quality of shareholder grievance redressal. Mr. V. Madan, Vice President and Secretary of Tata Global Beverages serves as the Compliance Officer.

During the past year, 2837 queries/complaints were filed by equity shareholders of Tata Global Beverages for reasons such as the non-receipt of dividend/interest, shares lodged for transfer, deposit receipt, and others. All of these were redressed during the year 2013-14 except 15 queries which were responded to in the month of April 2014. There were no grievances filed by Fixed Deposit Holders.

Employee

Performance Management: “The Conversation” is our global performance management system. We want to emphasise that the most important part of this process is The Conversation. It is the opportunity for both the employee and their manager to review and receive feedback on performance and plan for the future. There are guides and documents available to support employees in this process. The manager and the HR team also supports the employee in this. The Performance Toolkit is designed to support individuals who need additional guidance to reach an acceptable level of performance in their role, by helping them identify the specific activities that they need to focus on over a shorter time frame. In 2013-14, 90% of our staff in Indian locations were reviewed and feedback was provided safety and skill up-gradation training.

Rewards: Our approach to reward within Tata Global Beverages worldwide is a significant step in our integration and transformation story. Our Global Beverages worldwide is a significant step in our integration and transformation story. Our global performance management system.

Compliance Officer.

 volunteering : As a responsible corporate citizen, Tata Global Beverages has established systems to encourage and recognize employee participation and volunteering in environmental and social initiatives that contribute to organizational sustainability, systematic training, learning and personal growth, conservation of energy and other scarce resources, promoting safety and health of our employees, neighboring communities and the environment we operate in.
At Tata Global Beverages, we believe that doing business sustainably is key to building long-term growth and stakeholder value. We believe that a company which embraces sustainability taps deeper into its own potential; it challenges itself to think of new ways of doing business and enriching the community around it.

Being a company focused on natural beverages, we are committed to sustainable beverage production and consumption across the value chain — from ethical sourcing to the time the beverage reaches the consumer. Sustainability at TGB revolves around five pillars — Ethical Sourcing, Water Management, Climate Change Management, Waste Management and Community Development. We have highlighted a few examples of our efforts under each of these pillars. These are success stories about caring for the environment, supporting sustainable livelihoods, reducing energy usage, ensuring that a factory does not dispose any waste to landfill, using new distribution models that provide employment, and launching a marketing campaign that drives social change.

Integrating sustainability into our core business and our DNA is a challenging but ultimately rewarding experience. We are continually inspired by the people we have had the opportunity to positively impact. Their growth and success fuels our continued commitment to making our good business better.

A: Ethical Sourcing

Tata Global Beverages works with several partners to align with the five pillars of our Sustainability Strategy including Carbon Disclosure Project (CDP), Solidarity, Ethical Tea Partnership (ETP) and UTZ Certification, amongst others. We are also associated closely with the Tea Board of India, which is the apex body for policy related involvement and discussions. Tata Global Beverages also ensures participation in advocacy through the Tea Industry Forum. For instance, trustea (Sustainable Tea Code for Indian Tea) Certification Code is funded by Tata Global Beverages and Hindustan Unilever Limited (HUL) together, towards the future of sustainable tea in India. Additionally, as part of our purchasing strategy, we imbibe environmental sustainability, sustainable packaging, environment protection and climate change policies into the same.

Tata Global Beverages’s global brand, Tetley, is collaborating with the Rainforest Alliance Certified™, an international non-profit organisation that works to conserve biodiversity and ensure sustainable livelihoods. We are committed to being 100% Rainforest Alliance Certified™ on all our Tetley branded tea teas in the EMEA (Europe, Middle East and Africa) and CAA (Canada, Australia and America) regions by 2016. More than 50% of Tetley tea worldwide is now Rainforest Alliance Certified™.

Ethical Tea Partnership (ETP)

ETP is a non-commercial partnership of tea companies committed to improving the lives of tea workers and their environment, to create a thriving tea industry that is socially just and environmentally sustainable. Tata Global Beverages, then Tetley Group, is one of the founder members of ETP, setting up this partnership in 1997. We continue to be actively involved in ETP and its initiatives.

trustea: India Sustainable Tea Code

We are one of the founding members of the trustea initiative in India, a multi-stakeholder initiative led by the Tea Board of India, to sustainably transform the Indian tea industry. The 5-year programme targets 500 million kg of tea from over 600 factories and hopes to have a positive impact on the livelihoods of 500,000 tea plantation workers and 40,000 smallholder farmers by 2017.

Tetley’s Farmers First Hand

Farmers First Hand (FFH), launched in February 2011, is an innovative social media initiative using Facebook, where consumers can talk directly with the people who grow, harvest and produce their favourite cuppa. Today FFH covers plantations in Africa and very soon will cover Indian plantations too. The idea was to break down walls through conversation and it does just that. By using Facebook and mobile phone technology, FFH has enabled Tetley to differentiate itself from other products in a way that is both relevant and value-adding for the brand and its consumers. It also provides valuable insights into tea production and certification, to consumers who are increasingly mindful and seeking ethically sourced products. Currently, the weekly reach of the page is around 80,000 fans and friends of fans. FFH has crossed over 20 million impressions. By facilitating conversation and connection between farmers and consumers, FFH’s social networking site is touching lives by removing social and geographical barriers.

Annexure 3 provides information about the other associations that Tata Global Beverages participates in.
**B: Water Management**

Rapid economic growth and urbanisation have enhanced demand and have led to water shortages in many geographical pockets. The use of water in a rational and sustainable manner is one of the critical challenges for the world today. At Tata Global Beverages, we are increasingly focusing on conservation and sustainable use of water.

Tata Global Beverages organized a Water Champions Workshop with TQMS and Water Footprint Network Netherlands from 19-21 March 2014 at Bangalore for performing Water Footprint Assessment (WFA) with the objective to understand water use and pollution, and the sustainability of the water resources that our business depends upon. The project also includes Water Footprint Assessment (direct & indirect), Watershed Sustainability Assessment, Response Strategy Formulation, Water data management, and Water Foot-printing Reporting. In the 1st phase, the project will cover all the factories and a few plantations in India. Water champions from Tata Global Beverages, Tata Coffee will collect and collate blue, green and gray water footprint of their respective businesses to define water strategy and response for Tata Global Beverages. Good information about water footprints of businesses will help to understand sustainable and equitable use of fresh water. After the completion of Water Footprint Assessment program the participants are expected to:

- Understand methods of water footprint accounting
- Appreciate the importance of integrated approach required for water use in operations and supply chain
- Acquire technical skills required to estimate water footprint of a product and a business
- Put theory into practice by doing a case study for a product / company
- Estimating corporate level water footprint
- Exploring the risks for the business associated with watershed sustainability assessment
- To identify the environmental, social and economic impacts of our water footprint
- Identify water reduction levers within operations, supply chain and watershed and their prioritization based on economics

**Water harvesting improving coffee harvest— Tata Coffee Limited, Plantation Division, Pollibetta**

**Intervention:** Water harvesting measures were undertaken to sustain the water-intensive coffee plantations
- Channels rainwater through gravity drains to 227 tanks
- Through a Global Positioning System survey, we have identified reservoirs in the estate and excess rainwater is diverted to and stored in these reservoirs

**Impact:** This initiative has significantly improved the sustainability quotient of the estate
- Reservoirs have enhanced the water table of the estate
- Harvested a total of 583 million gallons of rainwater
- Preservation of flora and fauna by providing a drinking water source for wild animals

**C: Climate Change**

Tata Global Beverages recognises several advantages from integrating climate change into Company strategy, from greater operational efficiencies and cost savings to more resilient supply chains and enhanced corporate reputation among stakeholders. Our continuous efforts to reduce carbon emission have made progress. In 2013, for the second year in a row, Tata Global Beverages featured on the Climate Disclosure Leadership Index (CDLI). We were ranked first in the Consumer Staples sector in India. Tata Global Beverages’s carbon intensity has decreased by 22% over the past two financial years.

Today, we monitor our carbon footprint in over 70 different sites in Asia, Africa, Europe, North America and Australia.

The CDLI was developed by the Carbon Disclosure Project (CDP), a global sustainability organisation that reports on behalf of 722 investors representing $ 87 trillion in assets. CDP scores are accessible on Bloomberg terminals and Google Finance sites, and impact how investors view us. Tata Global Beverages is also listed on the S&P BSE Carbonex in India. It is the first of its kind index that takes a strategic view of organisational commitment to climate change mitigation, according to Asia Index Private Limited, a joint venture between BSE Ltd. and S&P Dow Jones Indices. The index incorporates strategies, disclosures, performance and action in areas of carbon emission to create a comprehensive benchmark that identifies a company’s commitment to mitigate risks arising from climate change.

Tata Global Beverages has a four-pronged strategy towards climate change — sustainable agriculture, sustainable forestry, energy efficiency and renewable energy.

**Sustainable Agriculture**

Climate change as a result of greenhouse gas (GHG) emissions from human activity is one of the biggest threats to sustainable agriculture. Unless early efforts are made to help farmers adapt, the consequences for tea and coffee production are likely to be severe and impact price and quality. These include unpredictable rainfall patterns, delayed rains and drought, flooding and soil erosion, warmer temperatures, wilting of crops, increased pests and disease incidences.

Tata Global Beverages is collaborating with various partners such as the Ethical Tea Partnership and Solidaridad to help tea farmers and producers increase their resilience to the effects of climate change. Farmers are trained on a range of sustainable agricultural practices that are most important to their specific situation such as soil management, drip irrigation, rainwater harvesting and fuel wood conservation. Similar training is being implemented through the Trustea programme by Solidaridad with Indian farmers.
Sustainable Forestry

Sustainable plantation management is the key to how the 19 plantations at Tata Coffee are run, by upholding environmental services, optimising natural resources and contributing to watersheds of river Cauvery, the lifeline of South India. At Tata Coffee, 180 hectares of land has been set aside as conservation area within the plantations to maintain ecological balance. In the past year itself, over 2.20 lakh tree saplings were planted to enhance green cover.

Renewable Energy

Harnessing the Power of Wind and fuelling conservation - Tata Coffee Limited

**Intervention:** The Instant Coffee division of Tata Coffee Limited shifted out of conventional carbon sources of energy and opted for renewable energy by sourcing wind energy for two years from an Independent Power Producer (IPP).

**Impact:** Carbon emissions were brought down from 12.45 to 9.52 kg CO₂ (25% reduction) per one kg of produce and occurrences of power shortages were no longer faced by the unit.

Energy Efficiency

Divide and Replace to Save – Tata Global Beverages Ltd., Aurangabad Packeting Centre

**Intervention:** Conducted a detailed root-cause analysis to identify key causes contributing to high power and fuel cost and undertook a three-pronged corrective action for power, diesel and boiler fuel.

**Impact:** Estimated cost reduction of INR 25.05/kg to INR 22.14/kg over the two years.

Quality Circles that Save Energy – Tata Global Beverages Ltd., Aurangabad Packeting Centre

**Intervention:** Identified energy efficiency interventions in common electrical connections and inefficient equipment and replaced the power-hungry processes.

**Impact:** A saving of INR 5,15,619 for the organisation and equipment with energy efficient substitutes.

Making the Load Lighter with CFL - Tata Coffee Ltd., Balmany Devaracadoo Estate

**Intervention:** Conducted awareness campaigns among neighbouring communities regarding the importance of saving energy and water and supported the replacement of incandescent bulbs with CFL bulbs among 275 households.

**Impact:** Noticeable change in the mindset of households regarding energy consumption and conservation.

More Power to Power Factor – Tata Global Beverages Ltd., Packeting Centres

**Intervention:** Installed and implemented Automatic Power Factor Control (AFPC) panels at Kellyden and Nonoi Packetting Centres.

**Impact:** Improved Power Factor and increased energy efficiency.

**Intervention:** The Damdim Packetting Centre replaced two old Twin Head FFS machines, with a new 4 Head FFS machine.

**Impact:** Resulted in daily savings of 21 kWh.

Breath of Fresh Air – Tata Global Beverages Ltd., Packeting Centres

**Intervention:** Air turbine ventilators have replaced exhaust fans in several Tata Global Beverages Packetting Centres (Kellyden, Indore, Nonoi, Kolkata, Damdim and Hyderabad).

**Impact:** Effectively control shop floor temperature with zero operating cost and minimal maintenance cost.

Ensuring Efficiency Automatically – Mount Everest Mineral Water Ltd. Himachal Pradesh

**Intervention:** The Nonoi Packetting Centre took measures to optimize power consumption of air compressors.

**Impact:** Resulted in reduced unit/kg consumption of 0.022 kWh/kg.

Tension metre

**Intervention:** Re-calibration of multiplication factor of High Tension metre.

**Impact:** Resulted in reduced unit/kg consumption of 0.022 kWh/kg.

Air turbine ventilators have replaced exhaust fans in several Tata Global Beverages Packetting Centres (Kellyden, Indore, Nonoi, Kolkata, Damdim and Hyderabad).

**Impact:** Effectively control shop floor temperature with zero operating cost and minimal maintenance cost.

Sustainable Forestry

At Tata Coffee, 180 hectares of land has been set aside as conservation area within the plantations to maintain ecological balance. In the past year itself, over 2.20 lakh tree saplings were planted to enhance green cover.

Renewable Energy

Harnessing the Power of Wind and fuelling conservation - Tata Coffee Limited

**Intervention:** The Instant Coffee division of Tata Coffee Limited shifted out of conventional carbon sources of energy and opted for renewable energy by sourcing wind energy for two years from an Independent Power Producer (IPP).

**Impact:** Carbon emissions were brought down from 12.45 to 9.52 kg CO₂ (25% reduction) per one kg of produce and occurrences of power shortages were no longer faced by the unit.

Energy Efficiency

Divide and Replace to Save – Tata Global Beverages Ltd., Aurangabad Packeting Centre

**Intervention:** Conducted a detailed root-cause analysis to identify key causes contributing to high power and fuel cost and undertook a three-pronged corrective action for power, diesel and boiler fuel.

**Impact:** Estimated cost reduction of INR 25.05/kg to INR 22.14/kg over the two years.

Quality Circles that Save Energy – Tata Global Beverages Ltd., Aurangabad Packeting Centre

**Intervention:** Identified energy efficiency interventions in common electrical connections and inefficient equipment and replaced the power-hungry processes.

**Impact:** A saving of INR 5,15,619 for the organisation and equipment with energy efficient substitutes.

Making the Load Lighter with CFL - Tata Coffee Ltd., Balmany Devaracadoo Estate

**Intervention:** Conducted awareness campaigns among neighbouring communities regarding the importance of saving energy and water and supported the replacement of incandescent bulbs with CFL bulbs among 275 households.

**Impact:** Noticeable change in the mindset of households regarding energy consumption and conservation.

More Power to Power Factor – Tata Global Beverages Ltd., Packeting Centres

**Intervention:** Installed and implemented Automatic Power Factor Control (AFPC) panels at Kellyden and Nonoi Packetting Centres.

**Impact:** Improved Power Factor and increased energy efficiency.

**Intervention:** The Damdim Packetting Centre replaced two old Twin Head FFS machines, with a new 4 Head FFS machine.

**Impact:** Resulted in daily savings of 21 kWh.

Breath of Fresh Air – Tata Global Beverages Ltd., Packeting Centres

**Intervention:** Air turbine ventilators have replaced exhaust fans in several Tata Global Beverages Packetting Centres (Kellyden, Indore, Nonoi, Kolkata, Damdim and Hyderabad).

**Impact:** Effectively control shop floor temperature with zero operating cost and minimal maintenance cost.

Ensuring Efficiency Automatically – Mount Everest Mineral Water Ltd. Himachal Pradesh

**Intervention:** The Nonoi Packetting Centre took measures to optimize power consumption of air compressors.

**Impact:** Resulted in reduced unit/kg consumption of 0.022 kWh/kg.

Tension metre

**Intervention:** Re-calibration of multiplication factor of High Tension metre.

**Impact:** Resulted in reduced unit/kg consumption of 0.022 kWh/kg.

Air turbine ventilators have replaced exhaust fans in several Tata Global Beverages Packetting Centres (Kellyden, Indore, Nonoi, Kolkata, Damdim and Hyderabad).

**Impact:** Effectively control shop floor temperature with zero operating cost and minimal maintenance cost.
D: Waste Management

Waste is an inalienable truth of any production process. But it can be efficiently managed, effectively reduced and productively utilised using simple and ingenious methods. Across geographies, our units reduce, reuse and recycle waste. We are working on calculating specifics on the figures and will publish it in the coming years. These initiatives range from converting biodegradable waste into compost, to using spent tea as a source of burning fuel and recycling plastic as a packaging material. We are also proud to announce that the emissions/waste generated by Tata Global Beverages are within the permissible limits given by CPCB/SPCB for 2013-2014 and no legal notices have been received in this regard, so far.

Packaging Sustainability has been reconfirmed as a key sustainability work stream for Tata Global Beverages. The Global R&D team has been focused on role consolidation and taking the steps to rebuild the team in the near term. We are in the process of mapping all our current packaging formats/materials globally and we can outline both the opportunities and the potential risks from changing regulations in certain parts of the globe. This exercise will also help us benchmark competitively and leverage best practices of industry-wide packaging sustainability efforts.

Journey to Zero Landfill—Eaglescliffe Factory, UK

**Intervention:** As part of the vision towards making the Eaglescliffe factory, TGB’s biggest factory, the ‘Best FMCG factory in the UK by 2013’ as measured by the Cranfield Best Factory Awards, we undertook a number of measures to make it a ‘zero-waste to landfill factory by 2013. The project team tied up with an expert in the field – Total Services (TRS), who provided a range of fully-compliant recycling and waste disposal services. **Impact:** These interventions resulted in a reduction in the factory’s energy consumption from 260 kWh/tonne to 240 kWh/tonne.

The Art of Composting—Tata Coffee Limited, Pollibetta, Karnataka

**Intervention:** Anaerobic composting, a low maintenance technique to breaking down food scrap and other natural waste, was introduced.

**Impact:** As a result, this unit is effectively recycling agro-waste into 6000 MT of compost annually, which is then used to revitalize the quality of soil, thereby maintaining ‘Soil Nutrient Index’ in the range of optimum to high levels.

Biomass Briquettes—Tata Coffee Limited, Tamil Nadu

**Intervention:** Instead of wasting or burning tons of agricultural waste and forest residue, it was converted into high density fuel briquettes and used as a sustainable source of energy.

**Impact:** In just one season 3000 trees were saved because 64% of the fuel requirement of the factory was sourced from these biomass briquettes.

Managing hospital waste—Tata Global Beverages, General Hospital, Mun

** intervention:** Beyond catering to the medical needs of the local tribal community, the hospital has also undertaken multiple initiatives aimed at protecting the health of the Munnar ecosystem like:

- Chemical Waste Disposal: Instead of disposing drugs that are nearing their expiry date, they are sent back to the distributor
- Medical Waste Disposal: The organic and inorganic medical waste is segregated in colour coded bags and are regularly disposed through a certified contractor

**Impact:** Improved status of the local ecosystem surrounding the hospital

Recycle 360°—Tata Tea, Karnataka

**Intervention:** The division has identified and found uses for its different paper waste

- For processing of packaging waste, a shredding machine was installed at the factory to recycle the waste to make paper Boards
- Cutting waste (a different type of paper waste which is not easily recycled) was sold to the Tata Ceramics unit at Cochin as they require it to pack their ceramic products.

**Impact:** Because of this responsible and resourceful waste management approach

- Almost 1.5 MT of wood was saved by recycling 1 MT of printed paper,
- Provided a steady source of income from sale of cutting waste to be further reinvested into other green initiatives.

‘One unit’s waste can be another unit’s treasure’—Tata Global Beverages Ltd., Tata Tetley Division, Cochin

**Intervention:** The division has been focused on resourcefulness in waste management approach

- For processing of packaging waste, a shredding machine was installed at the factory to recycle the waste to make paper Boards
- Cutting waste (a different type of paper waste which is not easily recycled) was sold to the Tata Ceramics unit at Cochin as they require it to pack their ceramic products.

**Impact:** Improved status of the local ecosystem surrounding the hospital
**E: Community Development**

Transforming communities through proactive interventions has been an integral part of Tata Group long before Corporate Responsibility became a buzz phrase. Across Tata Global Beverages, we have nurtured and encouraged our businesses to proactively engage with the community and champion causes which are real and relevant. Tata Global Beverages undertakes an extremely strategic and well-thought-out exercise to understand the issues faced and the requirements of disadvantaged communities near our operations and take on projects to improve their socio-economic status. Employee volunteering forms an integral part of our community intervention programmes. We undertake our programmes and projects through external NGOs and implementation agencies in the concerned space. We also work very closely with Dalit Indian Chamber of Commerce & Industry (DICCI). Tata Global Beverages is yet to begin assessing the impact of our activities on a large scale note, but intend to take it up seriously henceforth. Our community programmes focus on areas such as food, clothing, education and healthcare. It provides employees a platform to play a vital role in driving positive change in the communities.

**Affirmative Action**

The Tata Affirmative Action (AA) Programme is an effort that fuels community development. This program commits Tata companies to exercising positive discrimination in employing personnel from historically disadvantaged communities and in engaging them as business partners, without sacrificing merit or quality. About 7 years ago, the Indian Industry, led by Confederation of Indian Industries (CII) and the Tata Group, embarked on an agenda of AA for members of the Scheduled Caste and Scheduled Tribe (SC & ST) communities to make them self-sustainable. The Group’s AA efforts are directed at addressing the national cause of ensuring Equal Opportunities to the historically disadvantaged sections of the Society. The AA framework is measured on 4E’s (Employment, Employability, Entrepreneurship & Education), its outcomes as well as its societal impact. In the last couple of years, a focused Tata Global Beverages team has been working ceaselessly to progress our efforts on Affirmative Action. AA initiatives in India are driven primarily from Munnar and Bangalore. It is encouraging to note that many colleagues and teams have taken up AA initiatives in their KRAs. Our continuous efforts have borne fruit, and the education style at our High Range School is now recognized as a benchmark in holistic education, at the Group level.

**Employment**

- Total no. of AA employees at 2263. Total employee pool at 5813 employees (38.93%)
- Munnar (mainly tea estates - Direct) - 199 AA employees out of a total of 243 employees (81.89%)
- Sampla (indirect) - 37 AA employees out of a total of 83 employees (44.50%)

**Employcability**

- Unnati (Bangalore-based NGO on Skill Development)
  - 102 trained and employed in 2012-2013
  - 75 trained and employed this year till end November, 2013
  - Target for 2013-14 is to train and employ 150 from SC/ST

**Education**

- **High Range School has a strength - 207 AA out of 583 (35.50%)**
  - 23 AA students provided with scholarships for higher education since 2007-2008 (based on request)
  - 27% of school toppers (first 5) in class X for 2007-2008 from AA Communities
  - 20% in class XII (same period)
- **Special Education – DARE**
  - 38 AA students out of a total of 55 students (69.09%)

**Entrepreneurship**

- **Vendor Development**
  - 8 AA vendors identified through DICCI and being evaluated, out of which 1 Vendor has been engaged by Tata Coffee for supply of Coal
  - 8 AA local vendors identified at the factory level, out of which 5 have been offered business - Eg. Masonary work, Stainless Steel work, etc.
- **Women Empowerment - at Haveri belt (through Concern India Foundation)**
  - Formation and strengthening of 40 women Self Help Groups
  - Providing awareness on legal, health, and gender issues for 500 families
  - Migration of families to be reduced by 30%
  - Creating linkages to government schemes and improving livelihood opportunities of 200 families
  - 6 Federations to be formed. These federations represent the views of all the SHGs (Self Help Groups) and the communication to authorities are done through them

Tata Global Beveragesensures prime focus on enhancing health and education across the nation; especially across our geographies. A commendable budget of ten to twelve crores is dedicated towards the General Hospital.

**General Hospital**

The General Hospital has been functioning smoothly during the last financial year. Under review, a total of 60,000 outpatients were treated. In addition, 928 patients were treated at the Physiotherapy department and 12,484 patients were treated at the casualty wing. A total of 2,596 surgeries and 504 deliveries were undertaken. The above includes 813 Muthuvan Tribal patients treated free as a part of the Companies Policy. Free treatment is continued to be given to the employees of Tata Global Beverages employees and their dependants. Out of the total employees profile at General Hospital, 56% are from the Affirmative Action (AA) Category.
Srishti Welfare Centre

Tata Tea's umbrella welfare centre in Munnar focuses on enhancing the hidden talents of differently abled children most of whom are the families of local tea pickers of Munnar. Srishti runs 3 programs that aims to equip disabled children to secure a better future: Development Activities in Rehabilitation (DARE), Aranya and Athulya which manufactures hand-made paper products.

We are proud to highlight that Tata Tea's most successful CSR efforts has been in its project Aranya that trains and employs disabled youngsters to extract dyes from natural sources. The tea waste produces dyes in a unique shade of green that is used for various dying processes. This initiative provided meaningful employment to disabled youth among the communities around Tata Tea's geographies of operations.

Srishti Welfare Centre

Swastha is a rehabilitation center for differently abled children promoted by the Coorg Foundation, an initiative that Tata Coffee began in 2003. It works towards empowering these children and helps them realize their potential. We are happy to announce that 3 students of Swastha were winners at the Special Olympics Asia Pacific Games in Australia last year. Tata Coffee Limited has also facilitated them for the same. Through Tata Coffee's Coorg Foundation, Tata Global Beverages is working towards improving the lives of the coffee growing communities in the state of Karnataka.

We are happy to announce that 3 students of Swastha were winners at the Special Olympics Asia Pacific Games in Australia last year. Tata Coffee Limited has also facilitated them for the same. Through Tata Coffee's Coorg Foundation, Tata Global Beverages is working towards improving the lives of the coffee growing communities in the state of Karnataka.

High Range School

The High Range School has been actively pursuing enhancement of academics in the communities around our geographies of operation. We are happy to announce that in Class XII, out of 41 students who appeared for the examination, 20 secured Distinctions, 15 secured First Class and 2 secured Second Class. Also, in Class-X, out of 40 students who appeared for examination, 29 secured Distinctions, 9 First Class and 2 Second Class. 23 students from Class-XI and 28 students from Class-XII (out of which 18% students are from AA community) are participating in the special Entrance Coaching classes provided at the High Range School.

Tata Volunteering Week (3-9 March 2014)

The Tata Global Beverages Corporate office at Bangalore has been continually partnering with Unnati, an initiative founded in 1978 and having amongst other objectives, one of transforming socially underprivileged youth to be ‘job-ready’ by imparting rigorous skills 70-day training in their chosen vocation.

To actively engage in the Tata Volunteering Week, Tata Global Beverages Bangalore organised volunteering activity with Unnati. Under our pillar of ‘Doing Good’, we encouraged employees (spouses welcome as well) to participate in this volunteering initiative to spend some time with these youth. There was a tremendous response and employees shared their knowledge on 4 broad subjects viz. Retail sales / Field sales, Basic Computer Skills, Life Skills and Mentoring. Since 2012, we have sponsored and employed 152 youths and another 25 individuals are undergoing training and invest approximately INR 9 lakhs towards the future of these youngsters every year.

National-level Empowerment Campaigns

Some of the powerful drives conducted by Tata Global Beverages on the social front include the ‘Jaago Re!’ and ‘GaonChalo’ campaign.

- **Power of 49: Jaago Re! Campaign:** With focus on women empowerment, Tata Global Beverages has reinvented the way beverages are marketed by positioning tea as a catalyst for social awakening with its landmark ‘Jaago Re!’ campaign. This year, in line with the spirit of elections across the country, we have launched a new campaign under the Jaago Re banner called ‘The Power of 49’. This is targeted towards restating that 49% of the total registered voter base are women.

- **GaonChalo – route to market:** The GaonChalo initiative aims at promoting distribution in the rural areas. The core of the solution to enhance rural penetration was to create synergies among the local communities, partnering with local NGOs. The GaonChalo initiative has been in existence for 5 years and currently covers several states across the country.

### Project Swastha

Swastha is a rehabilitation center for differently abled children promoted by the Coorg Foundation, an initiative that Tata Coffee began in 2003. It works towards empowering these children and helps them realize their potential. We are happy to announce that 3 students of Swastha were winners at the Special Olympics Asia Pacific Games in Australia last year. Tata Coffee Limited has also facilitated them for the same. Through Tata Coffee’s Coorg Foundation, Tata Global Beverages is working towards improving the lives of the coffee growing communities in the state of Karnataka.

### Power of 49: Jaago Re! Campaign

The High Range School has been actively pursuing enhancement of academics in the communities around our geographies of operation. We are happy to announce that in Class XII, out of 41 students who appeared for the examination, 20 secured Distinctions, 15 secured First Class and 2 secured Second Class. Also, in Class-X, out of 40 students who appeared for examination, 29 secured Distinctions, 9 First Class and 2 Second Class. 23 students from Class-XI and 28 students from Class-XII (out of which 18% students are from AA community) are participating in the special Entrance Coaching classes provided at the High Range School.

### Tata Volunteering Week (3-9 March 2014)

The Tata Global Beverages Corporate office at Bangalore has been continually partnering with Unnati, an initiative founded in 1978 and having amongst other objectives, one of transforming socially underprivileged youth to be ‘job-ready’ by imparting rigorous skills 70-day training in their chosen vocation.

To actively engage in the Tata Volunteering Week, Tata Global Beverages Bangalore organised volunteering activity with Unnati. Under our pillar of ‘Doing Good’, we encouraged employees (spouses welcome as well) to participate in this volunteering initiative to spend some time with these youth. There was a tremendous response and employees shared their knowledge on 4 broad subjects viz. Retail sales / Field sales, Basic Computer Skills, Life Skills and Mentoring. Since 2012, we have sponsored and employed 152 youths and another 25 individuals are undergoing training and invest approximately INR 9 lakhs towards the future of these youngsters every year.

### National-level Empowerment Campaigns

Some of the powerful drives conducted by Tata Global Beverages on the social front include the ‘Jaago Re!’ and ‘GaonChalo’ campaign.

- **Power of 49: Jaago Re! Campaign:** With focus on women empowerment, Tata Global Beverages has reinvented the way beverages are marketed by positioning tea as a catalyst for social awakening with its landmark ‘Jaago Re!’ campaign. This year, in line with the spirit of elections across the country, we have launched a new campaign under the Jaago Re banner called ‘The Power of 49’. This is targeted towards restating that 49% of the total registered voter base are women.

- **GaonChalo – route to market:** The GaonChalo initiative aims at promoting distribution in the rural areas. The core of the solution to enhance rural penetration was to create synergies among the local communities, partnering with local NGOs. The GaonChalo initiative has been in existence for 5 years and currently covers several states across the country.

### Project Swastha

Swastha is a rehabilitation center for differently abled children promoted by the Coorg Foundation, an initiative that Tata Coffee began in 2003. It works towards empowering these children and helps them realize their potential. We are happy to announce that 3 students of Swastha were winners at the Special Olympics Asia Pacific Games in Australia last year. Tata Coffee Limited has also facilitated them for the same. Through Tata Coffee’s Coorg Foundation, Tata Global Beverages is working towards improving the lives of the coffee growing communities in the state of Karnataka.

### Power of 49: Jaago Re! Campaign

The High Range School has been actively pursuing enhancement of academics in the communities around our geographies of operation. We are happy to announce that in Class XII, out of 41 students who appeared for the examination, 20 secured Distinctions, 15 secured First Class and 2 secured Second Class. Also, in Class-X, out of 40 students who appeared for examination, 29 secured Distinctions, 9 First Class and 2 Second Class. 23 students from Class-XI and 28 students from Class-XII (out of which 18% students are from AA community) are participating in the special Entrance Coaching classes provided at the High Range School.

### Tata Volunteering Week (3-9 March 2014)

The Tata Global Beverages Corporate office at Bangalore has been continually partnering with Unnati, an initiative founded in 1978 and having amongst other objectives, one of transforming socially underprivileged youth to be ‘job-ready’ by imparting rigorous skills 70-day training in their chosen vocation.

To actively engage in the Tata Volunteering Week, Tata Global Beverages Bangalore organised volunteering activity with Unnati. Under our pillar of ‘Doing Good’, we encouraged employees (spouses welcome as well) to participate in this volunteering initiative to spend some time with these youth. There was a tremendous response and employees shared their knowledge on 4 broad subjects viz. Retail sales / Field sales, Basic Computer Skills, Life Skills and Mentoring. Since 2012, we have sponsored and employed 152 youths and another 25 individuals are undergoing training and invest approximately INR 9 lakhs towards the future of these youngsters every year.

### National-level Empowerment Campaigns

Some of the powerful drives conducted by Tata Global Beverages on the social front include the ‘Jaago Re!’ and ‘GaonChalo’ campaign.

- **Power of 49: Jaago Re! Campaign:** With focus on women empowerment, Tata Global Beverages has reinvented the way beverages are marketed by positioning tea as a catalyst for social awakening with its landmark ‘Jaago Re!’ campaign. This year, in line with the spirit of elections across the country, we have launched a new campaign under the Jaago Re banner called ‘The Power of 49’. This is targeted towards restating that 49% of the total registered voter base are women.

- **GaonChalo – route to market:** The GaonChalo initiative aims at promoting distribution in the rural areas. The core of the solution to enhance rural penetration was to create synergies among the local communities, partnering with local NGOs. The GaonChalo initiative has been in existence for 5 years and currently covers several states across the country.
In the coming decade, the nations of the world face unprecedented environmental catastrophe due to the complex interactions between populations and natural resources. The world is confronted with marginal lands and marginalized people, endangered species and endangered spaces, rising economic aspiration and shrinking resources, and wasted resources combined with mounting waste disposal problems. Forests are shrinking, water tables are falling, soils are eroding, wetlands are vanishing, fish stocks are plunging, rangelands are degenerating, rivers are running dry, and plant and animal species are becoming extinct.

In this global context, Tata Global Beverages realizes its responsibility as a corporate citizen. We are committed to be the most admired natural beverages company in the world by making a big and lasting difference in Sustainability and for the communities we serve. The purpose statement of Tata Global Beverages states "to create magical beverage moments for consumers and sustainable goodness for our communities." It is worth noting here that the focus on community and sustainability is built into our purpose statement, and is one of the 10 strategic commandments for Tata Global Beverages. Our sustainability & CSR strategy focus on ethical sourcing, climate change, water management, waste management and community development. We also participate in the programs of Tata Group focus areas for skills, education and governance. All these factors guide us in our quest for sustainability.

The World Environment Day 2014 message from CEO and Managing Director of Tata Global Beverages, Mr. Ajoy Misra sets the overall vision by stating that, "To be the sustainability leader in the natural beverages business, we should aim to be water and carbon neutral, zero waste to landfill, 100% ethical supply chain, and we shall also invest some of our profits in community development." He further elaborates the challenges by stating, "In all humility we must confess that TGB is at the beginning of its journey to being a truly sustainable company. We have pockets of excellence in different parts of the world – the Eaglescliffe factory in the UK is zero waste to landfill but we have many other factories that aren’t. We use very little renewable energy, and this could be a focus area in the coming years - not only to reduce our carbon footprint, but also to ensure our energy security."

Tata Global Beverages recognizes the human right to water, and believes in ‘water for life and water for livelihood’. We recognize that the real value of water is not adequately reflected in its cost, but resides in securing licenses to operate, business continuity, and protecting brand value. We are in the process of defining our water strategy and management plans in the coming year.

Tata Global Beverages is present in almost 40 markets globally, and 250 million servings of our brands are consumed every day. However, our Community initiatives has largely been confined to India. We would focus on expanding our community work in other geographies where we are located. Integrating sustainability into the DNA of the organization, creating processes and culture, Key Performance Indicators and deploying them across the organization are vital elements for us to address.

Through the First Annual Business Responsibility Report, we at Tata Global Beverages are communicating our resolve to be the consumer’s first choice in sustainable beverage production & consumption.
### A. Annexure 1: Mapping of Policies

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Questions</th>
<th>Principles of the National Voluntary Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you have policies for -</td>
<td>Y</td>
</tr>
<tr>
<td>2</td>
<td>Has the policy being formulated in consultation with the relevant stakeholders?</td>
<td>Y</td>
</tr>
<tr>
<td>3</td>
<td>Does the policy conform to any national/international standards? If yes, specify? (50 words)</td>
<td>Y#</td>
</tr>
<tr>
<td>4</td>
<td>Has the policy being approved by the Board?</td>
<td>Y</td>
</tr>
<tr>
<td>5</td>
<td>Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?</td>
<td>Y</td>
</tr>
<tr>
<td>6</td>
<td>Indicate the link for the policy to be viewed online.</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Has the policy been formally communicated to all relevant internal and external stakeholders?</td>
<td>Y</td>
</tr>
<tr>
<td>8</td>
<td>Does the company have in-house structure to implement the policy/policies?</td>
<td>Y</td>
</tr>
<tr>
<td>9</td>
<td>Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders’ grievances related to the policy/policies?</td>
<td>Y</td>
</tr>
<tr>
<td>10</td>
<td>Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?</td>
<td>Y#</td>
</tr>
</tbody>
</table>

Note 1: All policies of Tata Global Beverages are evaluated internally.

### B. Annexure 2: Mapping to the SEBI Framework

#### Section A: General Information About the Company

<table>
<thead>
<tr>
<th>Question</th>
<th>Reference Section</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Corporate Identity Number (CIN) of the Company</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>2. Name of the Company</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>3. Registered Address</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>4. Website</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>5. E-mail id</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>7. Sector(s) that the Company is engaged in (industrial activity code-wise)</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>8. List three key products/services that the Company manufactures/ provides (as in balance sheet)</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>9. Total number of locations where business activity is undertaken by the Company</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
<tr>
<td>ii. Number of National Locations</td>
<td>Chapter 1. C) General Information</td>
<td>Page 6</td>
</tr>
</tbody>
</table>
**Section B: Financial Details of the Company**

1. Paid up Capital (in lakhs INR)
2. Total Turnover (in lakhs INR)
3. Total profit after taxes (in lakhs INR)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)
5. List of activities in which expenditure in 4 above has been incurred.

**Section C: Other Details**

1. Does the Company have any Subsidiary Company/Companies?
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

**Section D: BR Information**

1. Details of Director/Directors responsible for BR
   a) Details of the Director/Director responsible for implementation of the BR policy/policies
      - DIN Number
      - Name
      - Designation
   b) Details of the BR head
      - DIN Number (if applicable)
      - Name
      - Designation
      - Telephone number
      - e-mail ID

2. Governance Related to BR
   - Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year
   - Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

**Section E: Principle-wise Performance**

**Principle 1: Ethics, Transparency and Accountability**

- Does the policy relating to ethics, bribery and corruption cover only the company?
- Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

**Principle 2: Sustainable Products and Services**

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
- For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
- Does the company have procedures in place for sustainable sourcing (including transportation)?
- Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

**Principle 3: Employee Well Being**

- Total number of employees.
- Total number of employees hired on temporary/contractual/casual basis.
- Number of permanent women employees.
- Number of permanent employees with disabilities
- Do you have an employee association that is recognized by management
- What percentage of your permanent employees is members of this recognized employee association?
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment
Principle 4: Stakeholder Engagement

Has the company mapped its internal and external stakeholders?

Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?

Principle 5: Human Rights

Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Principle 6: Environment

Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc?

Does the company identify and assess potential environmental risks?

Does the company have any project related to Clean Development Mechanism?

Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N.

Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Principle 7: Policy Advocacy

Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Have you advocated/lobbied through above associations for the advancement or improvement of public good?

Principle 8: Inclusive Growth

Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Have you done any impact assessment of your initiative?

What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Principle 9: Customer Value

What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Does the company display product information on the product label, over and above what is mandated as per local laws?

Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?

Did your company carry out any consumer survey/consumer satisfaction trends?
C. Annexure 3: Employee Data for India

<table>
<thead>
<tr>
<th>Employee data for India</th>
<th>As on 31st March 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of permanent employees</td>
<td>2461</td>
</tr>
<tr>
<td>Number of women employees</td>
<td>915</td>
</tr>
<tr>
<td>Number of employees hired on temporary/contractual/casual basis</td>
<td>3955</td>
</tr>
<tr>
<td>Number of permanent employees with disabilities</td>
<td>105</td>
</tr>
<tr>
<td>Employee Compensation - least monthly wage paid to skilled and unskilled employees</td>
<td>Skilled: INR 8105 Unskilled: INR 7320</td>
</tr>
</tbody>
</table>

1 recognized employee association of which 65.54% of permanent employees are members.

D. Annexure 4: Tata Global Beverages Participation in Trade Association/Chamber of Commerce

<table>
<thead>
<tr>
<th>List of Company membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Bengal Chamber of commerce &amp; Industry</td>
</tr>
<tr>
<td>Tea Board - Kolkata</td>
</tr>
<tr>
<td>Calcutta Tea Traders association</td>
</tr>
<tr>
<td>The Tea Trade Association of Cochin</td>
</tr>
<tr>
<td>The Coimbatore Tea Trade Association</td>
</tr>
<tr>
<td>The Coonoor Tea Trade Association</td>
</tr>
<tr>
<td>The Cochin Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>Indian Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>The Cochin Port Lease Holders Association</td>
</tr>
<tr>
<td>Guwahati Tea Auction Centre</td>
</tr>
<tr>
<td>Siliguri Tea Auction centre</td>
</tr>
<tr>
<td>Guwahati Tea Buyers association</td>
</tr>
<tr>
<td>Kerala Management Association</td>
</tr>
<tr>
<td>Kerala High tension Subscriber association</td>
</tr>
<tr>
<td>Export Promotion Council</td>
</tr>
<tr>
<td>National Institute of Personnel Management</td>
</tr>
<tr>
<td>National Safety Council</td>
</tr>
<tr>
<td>Kerala State Productivity Council</td>
</tr>
<tr>
<td>Bombay Chamber of Commerce</td>
</tr>
<tr>
<td>Bangalore Chamber Of Industry and Commerce</td>
</tr>
<tr>
<td>Indian Tea Association - Kolkata</td>
</tr>
</tbody>
</table>

Employee Association Participation

As on 31st March 2014

Employee data for India

Skilled: INR 8105
Unskilled: INR 7320

1 recognized employee association of which 65.54% of permanent employees are members.