

Business Responsibility Report

From the Desk of the CEO

At Tata Coffee Limited, we work to ensure that you feel nature's essence in every sip of delicious coffee and tea and in every taste of the peppercorn from our plantations. Sustainability is embedded in our core operations, allowing us to deliver nature's goodness directly to our customers. We have embraced unit-wide practices that uphold sustainability in our business, environmental, operational, and social interactions. We are committed to contributing to the well-being of both our employees and all the stakeholders within our ecosystem.

Given the combined effect of global lockdowns and physical distancing requirements on our production and sales, it has been quite a challenging year to navigate. We have faced these challenges by pushing sales through focusing our attention on premiumisation, entering new geographies, and strengthening our back-end systems. Throughout FY 2021–22, we kept our customer and stakeholder priorities, and interests close to our hearts.

Our Company's operations are aligned with the sustainable development goals, among which the following are key priorities:

Environmental sustainability

Water is an essential resource to our business, and we ensure a sustainable approach through water conservation, wastewater treatment and rainwater harvesting. We conserve water using water-efficient technologies and wastewater management systems, and we implement measures to create employee awareness. These actions have reduced water consumption across our operations.

Greenhouse Gas emissions from the Company's operations including purchase of electricity, steam, heat, or cooling to run the operations, for the year, accounted for 68520 MT CO₂ equivalent, which represents significant reduction of 10% (in absolute and intensity terms) compared to the previous year. The overall energy usage for the Tea operations accounts for 82% from renewable sources.

Business sustainability

Our Company's comprehensive risk management framework covers the identification of risks, the assessment of their business impact, the development of mitigation strategies and the implementation of action plans. The framework also ensures that all risk mitigation plans are monitored, reviewed, and updated by our Risk Management Committee.

We are continually adding value for our customers through new product development, by assessing and addressing the demand in newer geographies and by offering a diversified product portfolio.

Social sustainability

We are committed to the well-being of the communities local to our operations. Our community initiatives focus on education,

healthcare, ecosystem restoration and employability. We implement these customised initiatives through the Coorg Foundation, the Akshara School, the Developmental Activities for Rehabilitative Education (DARE) School and Swastha. We continually work towards restoration of the hydrological balance in Coorg and Hassan, with the objective of making potable drinking water available from the source to ensure water security.

Operational sustainability

Our operational sustainability is aligned with our enterprise risk management. To ensure the sustained availability of water, we have built 274 tanks across our coffee plantations, satisfying water requirements of the plantations. In addition, 60% of our energy requirement is catered to, from renewable sources, including wind and solar energy. Six Sigma and lean processes continue to drive further improvements in efficiencies and costs in our Instant Coffee plants.

Through Project Udaan, a pilot programme utilising drones, we are working to ensure the safety of shade lopping and spraying our peppers. We are currently analysing the results of this initiative.

We use the clonal propagation technique to ensure the future availability of high-yield plants. This method identifies and marks elite plants (i.e., high-yield, pesticide-resistant varieties), which are then multiplied using vegetative suckers. To assess the purity of these plants, we have taken early steps towards identifying their DNA fingerprints.

We have weather stations at our plantations for real-time temperature and rainfall monitoring, and we use this data to create appropriate schedules for our plantation operations.

We have strengthened our buying operations by working with small growers in the vicinity of larger estates as well as in newer territories. These smaller growers now utilise more sustainable plantation practices. Through an annual R&D Day, and by circulating a newsletter that discusses good operating practices, we also extend developmental support to small growers.

People sustainability

We are an equal opportunity employer and abide by the principles of diversity and inclusivity. Our workforce respects all genders, cultures, and religions, meaning that we have a loyal yet vocal and multicultural employee base that continually challenges the status quo. Our 'zero harm' philosophy drives our safety practices. Our Company also ensures the safety of our employees through safety audits, a proactive safety index and consequence management systems.

Sharing this transparent Annual Report is a step towards communicating our honest efforts to build a responsible business that creates value for our stakeholders.

Chacko Purackal Thomas
Managing Director & CEO

SECTION A: GENERAL DISCLOSURES

Corporate Identity Number (CIN)	L01131KA1943 PLC000833
Company's Name	Tata Coffee Limited
Registered Office Address	Pollibetta, Kodagu, 571215, Karnataka, India
Website	www.tatacoffee.com
Email ID	investors@tatacoffee.com
Financial year reported	2021-22
Sectors the Company is engaged in	Growing of coffee {SIC - 01272} Manufacturing of coffee products {SIC - 10792} Growing of tea {SIC - 01271} Growing of pepper {SIC - 01284}
Key products/services the Company manufactures/provides	Coffee – Green beans Coffee – Instant coffee Tea Pepper
Number of locations where business activity is undertaken	
International locations	Freeze-dried instant coffee facility at Vietnam, through Tata Coffee Vietnam Company Limited, a wholly owned subsidiary.
National locations	<ul style="list-style-type: none"> ✓ 17 coffee estates – in the Kodagu, Hassan and Chikmagalur districts of Karnataka ✓ 1 tea estate – in the Kodagu district of Karnataka ✓ 1 tea and coffee (mixed) estate – in the Chikmagalur district of Karnataka ✓ 4 tea estates – in Pachaimallai, Pannimade, Uralikal and Velonie in the Coimbatore districts of Tamil Nadu ✓ 1 coffee estate – in Valparai in the Coimbatore district of Tamil Nadu ✓ 1 tea estate – in Malakiparai in the Thrissur district of Kerala ✓ 1 curing works, roasting and grinding factory and pepper processing unit – in the Kudige, Kushalnagar and Kodagu districts ✓ 1 Instant coffee plant – in the Theni district of Tamil Nadu ✓ 1 Instant coffee plant – in Toopran in the Medak district of Telangana ✓ Marketing and corporate functions are based in Bengaluru, Karnataka
Markets served by the Company	Our coffee business provides instant coffee and green beans to buyers across the world. Our main markets for instant coffee are Russia and the CIS, Africa, Southeast Asia, Europe, and MENA. For green beans, our major markets are Western Europe, the Middle East, the USA, and Australia.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid-up capital	₹18.68 Crore
Total turnover	₹816.89 Crore
Total profit after tax	₹101.84 Crore
Total spending on corporate social responsibility (CSR) as a percentage of average net profit for the last three financial years	₹1.75 Crore (This is more than the statutory limit of 2%)
List of activities in which CSR expenditure has been incurred	Please refer to Annexure - D of the Board's Report

SECTION C: OTHER DETAILS

Does the Company have any Subsidiary Company/Companies?	Yes, the Company has four subsidiaries viz., <ul style="list-style-type: none"> - Consolidated Coffee Inc., USA - Eight O' Clock Holdings Inc., USA - Eight O' Clock Coffee Company, USA - Tata Coffee Vietnam Company Limited, Vietnam
Do the Subsidiary Company/Companies participate in the business responsibility (BR) initiatives of the parent company? If yes, then indicate the number of such subsidiary Company/Companies.	Our policies are extended to our four subsidiaries, and they participate in our BR initiatives in line with our policies.
Are there any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with that participate in the BR initiatives? If yes, then indicate the percentage of such entity/entities (less than 30%, 30%–60%, over 60%).	Yes, we actively engage with our key stakeholders, including the supplier communities near our operations, our customers and other business partners on transactional issues as well as relationship-building processes. The engagement of the respective stakeholder in BR activities is more than 60%.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of the Director responsible for the implementation of the BR policy:

DIN number	05215974
Name	Chacko Purackal Thomas
Designation	Managing Director & CEO
Telephone number	+91 80 23560695
E-mail ID	investors@tatacoffee.com

2. Principles as per the National Voluntary Guidelines (NVGs) and the BR policy/policies (reply in Y or N):

Our mission is to create distinctive, long-term value for all our stakeholders by embracing operation-wide sustainable practices.

Nine Principles per the NVGs	Principle 1: Ethics, Transparency and Accountability [P1]
	Principle 2: Product Life Cycle Sustainability [P2]
	Principle 3: Employees' Well-being [P3]
	Principle 4: Stakeholder Engagement [P4]
	Principle 5: Human Rights [P5]
	Principle 6: Environment [P6]
	Principle 7: Policy Advocacy [P7]
	Principle 8: Inclusive Growth [P8]
	Principle 9: Customer Value [P9]

We have adopted the Tata Code of Conduct, a Tata Group-level policy. Based on the operating geographies and applicable local laws, we have established a range of policies, including our Whistle Blower Policy, Safety Health Environment (SHE) Policy, Quality Policy, CSR Policy, Prevention of Sexual Harassment (POSH) Policy and Code of Conduct for Non-Executive Directors. We have also established investor-related policies, including Dividend Distribution Policy, Prevention of Insider Trading Policy, Policy for Determination of Materiality for Disclosures, Document Retention Policy, Material Subsidiary Policy and Policy on Related Party Transactions.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have a policy/policies for the nine principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national/international standards? If yes, specify.	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been approved by the Board? If yes, has it been signed by the Managing Director/Owner/CEO/appropriate Board Director?	The Policy covers all the requirements as envisaged under the applicable laws.								
Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policy?	Where required by the applicable statutes, policies are approved by the Board and/or the appropriate Committee. Other internal policies are approved by the Managing Director.								
Indicate the link for the policy to be viewed online.	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formally communicated to all relevant internal and external stakeholders?	All our policies are made available to our stakeholders. In addition, some of our policies are available on the Company's website at www.tatacoffee.com .								
Does the Company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have a grievance redressal mechanism to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the Company carried out an independent audit/evaluation of the working of this policy by an internal or external agency?	All policies are monitored, reviewed, and benchmarked with industry players by respective policy owners. Our management systems are also externally certified. Our policies comply with all applicable local laws and are aligned with the principles of the NVGs.								

3. Governance related to BR:

- (a) 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:

Six Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The Board at its meetings reviews points on sustainability, Corporate Social Responsibility and environment, health, and safety.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published:

Yes, the Company publishes its Business Responsibility Report annually and the same is available at <https://tatacoffee.com/sites/default/files/collaterals/Business-Responsibility-Report-2021-22.pdf>

The BR Report is published, once in a year.

PRINCIPLE DETAILS

Principle 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY.

We have a legacy of fair and transparent governance practices, and upholding this approach is an integral part of our pursuit to create value for all stakeholders.

Corporate governance

Our Company is committed to the highest standards of corporate governance based on values, fair practices for our stakeholders and creating accountability across the organisation. We have adopted specific guidelines encompassing all aspects of the Company's governance, including the composition and role of the members and senior leaders of the Board, ensuring diversity.

Our Board of Directors is formed with an optimum combination of Executive and Non-Executive Directors, including a female Director. As of March 31, 2022, the Company had eight Directors: two Executive Directors, two Non-Independent Directors, and four Independent Directors. 75% of the Board members, including the Chairman are Non-Executive Directors. The Board of Directors and its sub-committees provide leadership and guidance to the management team, direct and supervise the performance of the Company, enhancing stakeholder value. The Board Committees currently include the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, the Risk Management Committee, and the Corporate Social Responsibility Committee.

The Company adheres to the requirements of corporate governance as stipulated in the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), as amended from time to time.

Risk management

Our Company's comprehensive risk management policy functions to ensure that sound practices are in place to address business risks and concerns. The risk management process covers risk identification, assessment, development of mitigation strategies, implementation of action plans, monitoring and reporting. A risk register listing the major risks to our business, including social and environmental issues (e.g., climate change and health and safety), is maintained by the Company and periodically reviewed by the Risk Management Committee.

Our Risk Management Committee is entrusted with the responsibility of assisting the Board in three key areas: (a) providing insights to make our risk management practices more comprehensive; (b) approving the Company's Risk Management Framework; and (c) overseeing all the risks that the organisation faces (strategic, financial, liquidity, security, regulatory, legal, reputational, among others), and taking necessary steps to mitigate these risks. Additionally, the Audit Committee has oversight over the financial risks and controls.

Tata Code of Conduct

Our Company has institutionalised various processes for ensuring fair practices for all stakeholders across our ecosystem, in line with the Tata Code of Conduct.

The Principal Ethics Officer holds the primary responsibility of implementing the Code of Conduct. The responsibility then cascades down to the Company Ethics Counsellor and the Location Ethics Counsellors (or Estate Ethics Counsellors) at each location. The Audit Committee has Board-level oversight of this process.

The Tata Code of Conduct is communicated to our employees through translated versions and is regularly communicated to all stakeholders. A 24/7 multilingual ethics helpline is available for all stakeholders to report their concerns, and these are addressed in a responsible manner.

We evaluate the effectiveness of the implementation of the Code of Conduct through our Leadership Business Ethics Survey, and many of the Code's practices are benchmark company-wide actions.

We have also developed our Whistle Blower Policy, Gift Policy and POSH Policy to strengthen our business ethics practices.

Tata Code of Conduct concerns for FY 2021-22:

	Number of stakeholder complaints		
	Received	Resolved	Pending for closure
Complaints related to the Tata Code of Conduct	14	12	2

The Tata Business Excellence Model (TBEM) drives excellence in everything we do. TBEM is a holistic Business Excellence Model (an industry agnostic model) which helps the Company enabling culture for improving the business performance continuously encompassing all the stakeholders including the customers,

investors, community, employees, government. The model has helped the Company to sustain the business performance in last 2 years irrespective of tough market conditions.

**PRINCIPLE 2: PRODUCT LIFE CYCLE SUSTAINABILITY
BUSINESSES SHOULD PROVIDE GOODS AND SERVICES
THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY
THROUGHOUT THEIR LIFE CYCLE**

A balance of environmental and social factors is critical to the sustainable production of quality coffee. As a business, we are cognisant of our susceptibility to climate change, which threatens the production of our coffee and allied products, thereby affecting business continuity. We remain aware of environmental regulation changes and ensure that our operations are sustainable. We focus on soil conservation, water conservation, energy efficiency and waste management at our plantations and manufacturing facilities.

Sustainability at our plantations

Sustainability is embedded in our agricultural practices, including integrated pest and disease management measures. We consistently endeavour to use eco-friendly technologies and work towards enriching soil, water, and biodiversity in and around our plantations. We base our cultivation practices on the scientific mapping of soil nutrition and cropping patterns, coupled with the optimal usage of natural resources. These actions enable us to sustain ecological balance at our locations.

Sustainable agriculture

We continually focus on advanced agronomy across our plantations to ensure the sustainability of our crops and their ability to withstand any challenges caused by climate change.

Our key sustainable cultivation practices include the following:

- Using soil nutrient analysis, leaf diagnostic analysis and the Soil Nutrient Index, resulting in the optimised use of fertilisers and soil amendment
- Growing coffee along with intercrops (e.g., pepper) to promote biodiversity and the optimal use of natural resources
- Conducting Varietal Trial Experiments on coffee, pepper, and cardamom to identify a selection of location-specific, high-yield plants that are pest-, disease- and drought-tolerant
- Implementing agricultural waste management systems to produce quality compost, enhancing soil fertility status
- Establishing drip and basin irrigation systems for our Robusta crops
- Adopting apiculture and pisciculture practices
- Undertaking shade management by assessing light intensity, which is critical to our agronomic practices
- Participating in collaborative research to develop eco-friendly agro-chemicals and pheromones

Water management

Our sustainable irrigation practices, designed to promote optimal water use, allow us to mitigate and partially manage unexpected weather changes. In addition, our rainwater harvesting assets address a comprehensive range of pre- and post-blossom irrigation requirements.

We have adopted a structured water management programme spanning water conservation, wastewater treatment and rainwater harvesting, and to achieve our objectives, we have invested in water-efficient technologies. Our water conservation approaches and learnings are communicated to our stakeholders.

Following best practice for manufacturing, we do not use groundwater for the irrigation and processing of coffee or pepper. We have installed reservoirs and tanks in our plantation catchment areas, and these are excavated, desilted, or extended to meet our irrigation requirements. The present capacity of these holding areas is 34.75 Lakh cubic metres; this represents sufficient water for the blossoming of our entire Robusta crop volume and for our pepper vines, as well as to satisfy our back irrigation needs.

We monitor and track the amount of water used through water flow meters. While discharging wastewater from the estates, we also ensure that surface water sources are not contaminated.

Other initiatives undertaken to manage water efficiently include the following:

- Introducing GPS technology to enhance the operational efficiency of our irrigation process
- Preventing the discharge of pollutants into natural water bodies
- Supplying our residential colonies with septic tanks to prevent any negative impact on the groundwater
- Using advanced systems (e.g., eco-pulpers and high-efficiency sprayers) to minimise water consumption

Energy efficiency and renewable energy

The significant amount of green vegetative cover at our plantations contributes to our negative carbon footprint of 1.85 Lakh tonnes of CO₂ equivalent annually and acts as a huge carbon sink.

During FY 2021–22, we procured 22,56,291 units of wind power for our Anamallais operations. We installed roof-mounted solar panels at our estates. At Coorg, we installed energy-efficient motors to pump water. We enhanced our solar plant capacity to increase the availability of renewable energy; specifically, our Theni unit expanded its solar plant capacity to 500 kWp. These measures have resulted in an increase in renewable energy usage, including both solar and wind sources, to 40.8% of our overall power pattern.

Knowledge sharing

In line with our Rainforest Alliance certification, we conduct regular awareness sessions for our local communities on waste management and the conservation of ecosystems, water, and flora and fauna. We issue monthly Advisory Circulars to the estates

and our customers to update them on current and new trends in cultivation practices, pest and disease management, and post-harvest technology.

Sustainability at our facilities

We are committed to building upon our pioneering role in tackling climate change issues by adopting environmentally friendly technologies. Our comprehensive approach to the endeavour of offsetting the effects of our activities on the climate includes the two key elements of measuring our carbon footprint and engaging actively in advocating and shaping climate change regulations.

We have undertaken various environmental protection initiatives over the short and long term by allocating resources and sharpening our focus. These initiatives include rainwater harvesting, the use of renewable energy and solid waste management.

Our integrated management system (IMS) adheres to international standards, enabling alignment across all functional areas and operational aspects. These environmental measures are governed by the overarching ISO 14001:2015 standards.

Environmental management in our Instant Coffee Division (ICD)

Our goal is to establish a culture of care by demonstrating leadership through performance improvements at our manufacturing facilities in Toopran and Theni (our two ICD units). We have demonstrated consistent improvement in this area.

These manufacturing facilities are certified for IMSs, which drive all systems and processes in a unified framework to promote excellence in sustainability. Both units are certified under the latest version of our environmental management system. Focusing on environmental sustainability initiatives, these units are also acknowledged by the UTZ and the Rainforest Alliance certifications.

Energy efficiency and renewable energy

We are cognisant of our role in combating climate change and have been successful in improving the efficiency of our processes by reducing the specific consumption of resources across operations. We aggressively promote renewable energy – from solar and wind energy generation to biomass utilisation – at our manufacturing facilities.

We invested in a condensate recovery system at our Theni Freeze Dried Coffee manufacturing plant. This initiative has led to an increase in the condensate recovery factor from 65% to 70% by reducing our consumption of water and coal.

Managing water and waste

We are constantly seeking to reduce our water consumption volume, expand our water conservation measures at our facilities and replenish the groundwater levels in our communities. Our coffee processing is performed using advanced Colombian and Brazilian pulping technologies, ensuring minimal water usage and pulping discharge. In addition, indigenous pulping units with low water consumption reduce and recycle the treated water for irrigation.

An effluent treatment plant and a reverse osmosis system ensure that our wastewater and liquid effluents are effectively treated following the reduce, recycle and reuse (3R) principle. Our plant at Theni is a zero-liquid-discharge facility that adheres to the 3R principle for all generated wastewater. The significant volume of effluent water is treated and reused in the boiler and other utility equipment at Toopran.

We have installed electrostatic precipitators for our boiler operations to control and improve boiler stack emissions, which is unique to this industry.

Sustainable procurement

We source products and services that are environmentally sustainable, including energy-efficient electrical accessories and appliances such as motors.

In line with our objective of promoting inclusive development, we promote the utilisation of local resources (e.g., Agri-briquettes, agro-inputs, maintenance, and civil works), and we conduct business with small traders at our estates as well as small farmers in remote areas. In addition, we locally source the personnel for our security and other facility management services.

PRINCIPLE 3: EMPLOYEES' WELL-BEING

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

Our objective is to create a working environment that supports the holistic development of our employees. As of March 31, 2022, we have 14,441 employees across our operations. Of these, 6,220 are casual labourers engaged in plantation operations during harvesting period.

Employee well-being

We provide a host of benefits and services to our employees to meet their various needs, exceeding statutory requirements in most areas. We also promote robust employee health and wellness initiatives across all geographies and segments. We conduct periodic health check-ups and de-addiction programmes for our employees at all locations.

Capability-building programmes

Our Company focuses on the welfare and the improvement of our employees' skills and competencies through training and development programmes aligned with our technical, behavioural, and functional requirements. These programmes focus on skill development or skills gaps for current and future job role requirements, including specific programmes for ethics, values, and animal conflict management.

Employee engagement

We implement robust processes and programmes that reflect a culture of open communication. Engagement has also been fostered through corporate initiatives such as leadership communication training, knowledge-sharing sessions, volunteer opportunities, and a reward and recognition system. We assess the effectiveness of our employee engagement initiatives through

reviews conducted by our senior leaders with guidance from the Board.

Diversity and inclusion

We provide equal opportunities to our employees and do not promote any unfair practices on any grounds, including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, disability, or any other category protected by applicable law. All employee-related decisions are based solely on performance, merit, competence, and potential.

During Women’s Day celebration, we had invited renowned women leaders across the group to talk to our employees on diversity and organisational processes for driving these initiatives.

Safety, Occupational Health and Environment (SHE)

We have embarked on a journey of safety excellence across all locations on the following governing philosophy: ‘No one working in our operations gets hurt and all the employees & stakeholder representatives go back to home, in the same condition they came to operating locations’. Safety performance is reviewed by the senior leadership team through SHE Council meetings. The SHE Council includes the lead SHE officer and the safety coordinators at all locations. In addition to ensuring that all safety procedures are followed, the safety coordinators conduct training programmes to educate our employees on performing their tasks correctly and safely, with a focus on the handling of machinery and agro-chemicals.

We work with the business unit location-level teams on risk assessment, training around safety and the operational control plan, mock drills, first aid training and medical check-ups. We cover key safety risks, including working at height, human–elephant conflict, contractor safety and driving safety, and we have appropriate mitigation plans in place. Welfare and safety audits are conducted annually through an external agency covering the workplace and labour lines.

The following are some of the key initiatives undertaken during FY 2021–22:

- ✓ Conducting safety audits, led by the National Safety Council, at each operating location, and developing action plans based on the audit findings
- ✓ Strengthening the consequence management system and creating awareness across locations
- ✓ Taking our Proactive Safety Indicators to the next level
- ✓ Engaging employees in safety awareness through a celebration of National Safety Month
- ✓ Focusing on the elimination of high-risk operations and on emergency planning and mock drills

Details on key performance indicators are listed below:

Safety and health performance	2019–20	2020–21	2021–22
Number of unsafe situations observed – behaviours, conditions and near misses	21,624	26,024	28,278
Total training hours	107,137	130,900	256,903
Number of health awareness sessions conducted	890	2,130	2,439
Number of total recordable cases	78	78	76
Number of lost time injuries	67	70	67
Number of major fires	1	2	1
Number of high potential incidents	26	13	14

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

We strive to be responsible and sensitive to our stakeholders. Depending on a direct relationship of impact, influence and proximity, or relevance, we have identified various stakeholder groups (customers, employees, investors, suppliers, other value chain partners, local communities, and NGOs) for engagement. We believe in building and maintaining long-term relationships with stakeholders through organisational processes.

We regularly communicate our policies and processes to stakeholders and have provided avenues to raise concerns or queries in good faith. By these same channels, the stakeholders can report instances of actual or perceived violations of our Code.

PRINCIPLE 5: HUMAN RIGHTS

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

We respect and uphold the highest principles of human rights.

Gender diversity

Of our 14,441 employees across all operations, including our corporate functions, 53% are female employees.

Child and forced labour

Our Company strictly prohibits child labour. We do not tolerate forced labour of any form in our operations, and we encourage our suppliers, vendors, contractors, and other business partners to adhere to these same ideals. We conduct welfare audits once every two years, employing external agencies to assess the welfare index of our estates.

Freedom of association and collective bargaining

We recognise the right of our employees to join associations or involve themselves in civic or public affairs in their personal capacities, provided that such activities do not create an actual or potential conflict with the interests of our Company. We expect our employees to seek prior approval for any such activity as per the Conflicts of Interest clause in the Tata Code of Conduct. Of our employees, ~90% are members of a recognised union.

POSH Policy

We have zero tolerance for sexual harassment in the workplace and have adopted a policy to ensure the prevention, prohibition, and redressal of sexual harassment. This policy aims to provide protection to employees in the workplace and redress complaints of sexual harassment and any connected or incidental matters, with the objective of providing a safe and secure working environment. We have conducted communication and awareness sessions across our operations through external subject matter experts. We have also formed an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action.

Sexual harassment concerns for FY 2021–22:

	Number of complaints		
	Received	Resolved	Pending for closure
Complaints under the terms of the POSH Policy	5	5	0

PRINCIPLE 6: ENVIRONMENT

BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

Our environmental stewardship extends beyond our premises, and we are cognisant of the ecosystem in which we operate. We operate in biodiversity hotspots; therefore, it is important for us to protect the rich environmental heritage of those regions.

Forest and wildlife conservation

Our estates and the neighbouring areas are home to ~3,049 native species of flora and 496 species of wildlife. As a standard business practice, we do not harvest threatened or endangered plants or trees. We have established a buffer zone by planting permanent native vegetation (Acalypha bushes) to promote biodiversity, minimise any negative visual impact and reduce the drift of agro-chemicals, dust and other substances emanating from our agricultural or processing operations. We also conduct an annual surface water analysis to check drift and erosion of chemicals into water bodies.

We maintain an inventory of the wildlife and wildlife habitats found on our estates through a wildlife-sighting register. The hunting, capturing, extracting, and trafficking of wild animals are strictly prohibited on the estates. Our wildlife enclosures help mitigate potential human–animal conflicts and create feeding sites for animals in our reserve forests.

We have planted Vetiver in the landslide area across the Coorg district as part of our community initiative and volunteering programme.

Water conservation

We undertake water conservation projects as part of our community initiatives. We partner with the relevant district authorities to rejuvenate lakes, thereby maintaining the hydrological balance in selected areas.

PRINCIPLE 7: POLICY ADVOCACY

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

We have empowered, authorised, and appropriately trained individuals to interact with our stakeholder groups. Prior internal approval is required for the initiation of any contact between our Company or its representatives and any officials for the purpose of influencing regulation or legislation.

We actively participate in various forums relevant to the industry, our Company, and our stakeholders. We are associated with the following industry bodies in different capacities:

- Coffee Board of India
- Confederation of Indian Industry
- United Planters’ Association of Southern India
- Karnataka Planters’ Association and Kodagu Planters’ Association
- Anamallais Plantations Association
- Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry

PRINCIPLE 8: INCLUSIVE GROWTH

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

We believe in inclusive growth; therefore, community care and development form an integral part of our agenda. We promote equitable development by working for the socio-economic and environmental well-being of the communities in which we operate.

Our approach

Our programmes are aligned with the most critical needs of the communities where we operate. We primarily focus on education, healthcare, ecosystem restoration and employability, and we have identified health, differently abled personnel, restoration of the hydrological balance and skill development as key focus areas for our CSR programmes.

All our programmes are implemented through partnerships with credible NGOs and local government authorities.

Natural restoration of the hydrological balance – the ‘lake-in-lake’ model

Some of our core values like Innovation and Agility is demonstrated through restoration of the hydrological balance. We are working in partnership with district authorities to restore Kadlur village’s lake using an innovative ‘lake-in-lake’ technology. The objective of this approach is to harvest both rainwater and a large volume of runoff water to increase underground recharge every year and provide potable drinking water from the source to ensure water security. We educate members of the community to optimise their water usage and treat water as an asset, not a resource. Applying this innovative model has allowed us to recharge both underground water and drinking water supply.

Site-specific programmes

We have implemented several community initiatives in areas where our plantations and factories are located. Details of these programmes are listed below.

Coorg and Hassan

- **Coorg Foundation:** The foundation has been under the aegis of Tata Coffee since 1994 and promotes the welfare of the local community through a host of economic, environmental, and social initiatives.
- **Swastha:** The Centre for Special Education caters to the needs of the differently abled individuals in the district of Kodagu to rehabilitate residential students and youth in the community. Tata Strive, in partnership with Starbucks, is opening a training centre for imparting skills leading to employability.
- **Rural India Health Project Hospital:** The hospital is the district’s only 24/7, residential, speciality hospital offering emergency services, and it has significantly reduced the need of local habitans to travel outside the district for medical treatment. The hospital’s vision is to provide healthcare facilities and advice, around the clock and at an affordable cost, to the local community.

This hospital has total of 56 beds, including 7 beds in ICU section, and is well-equipped with modern facilities and equipment, in addition to specialised doctors. In FY 2021–22, the hospital worked on anaemia services, first aid and blood donation camps across the district in partnership with the local health authorities. The doctors also led health camps in indigenous villages, focusing on menstrual hygiene and pregnancy.

We have initiated several new projects at this site, including the following:

1. Plastic upcycling to eliminate low-value plastic going to landfills, thereby decreasing carbon emissions from 10 government schools and educating their students on the importance of sustainability
2. Teaching skills to women and mobilising them to obtain sustainable livelihood by providing skills, materials, and technology for tailoring sessions

3. Under Project Empower, we conducted functional English classes in partnership with Tata Consultancy Services (TCS) to train teachers and students in government schools within the district
4. Capability building for small indigenous planters, focusing on increasing income from diverse plantation products

Valparai

- **The DARE Project:** Over the last 25 years, DARE has worked to support the well-being of children with special needs from among the workers’ population. The centre provides various activities, including meditation, exercises, physiotherapy, arts and crafts, stitching, embroidery, candle making, making washing powder and office covers, and basket weaving, in addition to supervised games and activities. Proceeds from the sale of the products made at the centre are deposited into the post office accounts of the participating children.
- **Uralikal Central Hospital:** This 50-bed hospital is run by our Company in Anamallais and provides free medical aid to our workforce of 6,000+ members. The hospital also extends free medical aid to the indigenous population in the settlements on the periphery of our estates, as well as providing services via medical camps. Medical aid is offered at subsidised rates to those belonging outside of the community.
- **Akshara Vidyasharam:** This primary school opened its doors to the children of Anamallais in 2007 to provide quality education at an affordable cost. The school is run on a not-for-profit basis by Tata Coffee Ladies Welfare & Educational Trust. It caters to children from playschool age to Class 5 level. The school follows Tamil Nadu State Board and has smart class facilities.

We have initiated new projects during FY 2021–22, including the following:

1. **Project Empower:** As part of this, we conduct functional English classes in partnership with TCS to train teachers and students in government schools and colleges within the district
2. **Project MAGEC:** This is a youth employability programme for college graduates from rural areas that provide mathematical, analytical, general, English and computer skills tuition in partnership with TCS
3. Providing internships for economically disadvantaged students in Tata Coffee’s Tea factories
4. Strengthening the community centres by supporting the continuous education and welfare of the community and by providing faculty, computers, and free internet access

ICD – Theni and Toopran

- Remedial coaching classes offered to students from government schools to reduce dropout rates and improve overall performance

- Capability development training for nurses in information technology and computer literacy across government nursing colleges
- Health camps organised in rural areas with a focus on elderly patients and students, in partnership with the Rotary Club/ Lions Club, Titan Eye Plus and district health authorities
- Project Abhyaas to teach functional English classes in partnership with the Institute of Resource and Social Management to train teachers and students in government schools within the district
- Plastic usage reduction by providing steel utensils to multiple panchayats
- Supported Sarva Shiksha Abhiyan – a central government initiative for students with disabilities

Group-level community welfare initiatives

- Volunteering activities: We have a Group-level volunteer programme with the objectives of sensitising our employees to social causes, encouraging them to get involved in their communities and providing them with opportunities to contribute to those communities. During FY 2021–22, as part of this programme, 11,590 volunteers across the Company contributed to 63,593 volunteering hours across 233 activities. We remain among the five highest ranked companies in the Tata Group for overall volunteering hours invested.
- Pro-Engage initiatives: Eight volunteers participated in Pro-Engage initiatives, which are long-term volunteering projects (up to six months). These volunteers worked on various projects, including working with and providing career guidance for young people, connecting with elderly members of the community, and reviewing organisational policies.

Volunteering hours since FY 2019–20:

	Hours		
	2019–20	2020–21	2021–22
Volunteering hours	41,232	31,888	63,593

These volunteering efforts have resulted in 5.49 per capita employee volunteering hours and touched 28.5 per capita lives, which is significantly higher compared to the previous year.

PRINCIPLE 9: CUSTOMER VALUE

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

One of the operational pillars of our Company is customer excellence. We utilise a range of mechanisms to build relationships with our customers and continuously engage with them to understand their requirements and become more responsive to their needs. We monitor our progress in this area by gathering information through customer meetings, transactional feedback, and customer satisfaction surveys.

Our Company has a robust customer complaint management system that facilitates our processes for registering complaints, tracking issues, and resolving grievances to the customer's satisfaction.

Driving operational excellence through official certifications

Our food safety certifications, Halaal and Kosher, specifically address the concerns of different cultural customs. We have a UTZ certification for the sustainable farming and sourcing of our coffee beans from our farms to the production of soluble coffee.

The Global Food Safety Initiative (GFSI) is another organisation that plays an important role in food safety systems. It has benchmarked existing food safety schemes (FSSCs), including FSSC 22000, SQF and the British Retail Consortium.