

TCE

Responsible
Procurement
Policy



TATA CHEMICALS EUROPE

Responsible Procurement Policy

Policy Overview

The Tata Group has always epitomized the true spirit of Business Ethics in its interactions with all its stakeholders – be it our Customers, Suppliers, Employees, Shareholders, Governments or Society at large. TCE Group Limited, and its operating subsidiaries Tata Chemicals Europe Limited, British Salt Limited, and Winnington CHP Limited (together "TCE") shares this spirit, which is at the heart of this Responsible Procurement Policy. This Policy is also in line with the Tata Values of integrity, excellence, unity, innovation and responsibility. It has the full commitment of the Board of Directors of TCE Group Limited.

The aim of our Responsible Procurement Policy is to seek to ensure that TCE's business needs for sustainable materials, goods, utilities and services are delivered in an environmentally friendly, economic, responsible, fair, transparent and ethical way.

TCE understands that sustainable and responsible procurement means implementing, monitoring and continuously improving its ability to embed its principles, values and ethical business practices throughout its supply chain. In doing so TCE envisions engaging with its supply chain partners around the principles of UN Global Compact to advance further sustainable development objectives in its business endeavours.

This Responsible Procurement Policy is founded on the following five key pillars of responsible procurement:

1. Health and Safety
2. Business Integrity
3. Human Rights and Labour Standards
4. Environment
5. Social and Community

TCE expects its suppliers and contractors to be open and to collaborate with TCE to further improve responsible practices in the five principles of this Policy. Suppliers can expect TCE to carry out our business in accordance with these principles. If any Supplier becomes aware of any practice which is not in line with these principles TCE requests that the Supplier reports this to TCE by email to: tcecommunications@tatachemicals.com or via TCE's whistle blowing or global ethics line. For further information you will find TCE's Whistleblowing Policy published on our website <https://www.tatachemicalseurope.com>

TCE will investigate and deal with such reported violations in good faith, in strict confidence and in accordance with the Whistleblowing Policy.

Health & Safety

TCE targets zero harm, incident or accident in the workplace for our employees, contractors and third parties. TCE's approach to achieving this target is led by our Board of Directors and Senior Management, who are actively involved in setting and leading this strategy. TCE actively employs a team of health and safety specialists to continuously train, monitor and improve our health and safety standards in respect of this target.

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Safety is our number one priority at TCE and this message is repeated consistently, publically and frequently by TCE's Managing Director, Directors and other senior managers. TCE seeks to engage both employees and contractors in its ongoing safety programme.

This collaborative approach to safety ensures that everyone takes responsibility for maintaining a safe working environment for themselves and their co-workers. Crucially, speaking up about safety issues is encouraged and rewarded, with Managing Director's Safety Awards and other incentives for ideas or innovation in our processes, plant, equipment and culture which further improve safety.

The key areas that TCE expect its suppliers to be able to evidence compliance are:

1. Senior Management Leadership
2. Safety Policy
3. Safety Procedures Manual
4. Safe working conditions
5. Appropriate training and record management for regular training reviews
6. Continuous improvements in identifying, training and conducting work place and dynamic Risk Assessments
7. Appropriate PPE/RPE to ensure the safety and protection of workers, contractors or third parties visiting
8. An accessible and easy to use reporting tool for all to identify and report on incidents, accidents and near misses
9. A compliant recording mechanism for reporting on RIDDOR or equivalent reportable incidents
10. Appropriate Safety Documentation for the use of, handling and disposal of materials in the workplace

TCE expect our suppliers to adopt management practices in respect of Health and Safety which provide a similar high level of safeguarding for their workers with the target of working towards zero harm in the workplace.

To satisfy our requirements under Health & Safety, we require that our suppliers adopt suitable and robust management systems for Health & Safety such as OHSAS 18001 or equivalent.

In the absence of a recognised Health and Safety accreditation TCE will expect the supplier to demonstrate their safety management system to confirm the supplier has safe and competent systems in place to protect their workers and others in the provision of the services offered. This may result in audits, site visits and reference site visits to satisfy TCE that sufficient and effective management of health and safety of the supplier's employees and contractors is in place. TCE expects its suppliers to put in place and demonstrate a similar robust assessment for their own suppliers within the supply chain.

TCE understands that suppliers within its supply chain may vary significantly in size, scope and influence in terms of its ability to implement policies within its supply chain, however, TCE expect its suppliers to ensure their suppliers have a system to identify and respond to risks; record all



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accidents; provide personal protection equipment and medical attention in event of work-related injury; hygiene- toilet, potable water, sanitary food storage; a clean and safe workplace that meets the basic need and worker right to remove them from imminent danger.

In addition to the requirements detailed here, all personnel working on TCE sites must operate under the Health & Safety requirements of that site, even if these differ from the practices of the supplier's company. In some cases, this will require further training and certification.

Business Integrity

The employment contract of every TCE employee incorporates the Tata Code of Conduct and every employee receives training which requires affirmative confirmation of the employee's understanding and adoption of the Tata Code of Conduct. The Tata Code of Conduct is a broad ranging manual for adherence to good business practice and requires:

1. Strict adherence to the highest anti-bribery and Corruption standards, detailing unacceptable behaviour
2. Reporting of unethical, illegal or suspicious activity, with helpful examples
3. Reporting of any suspicious, concerning or unethical behaviour directly to independent Ethics Counsellors or anonymously via an independent Whistleblowing service
4. Fair, respectful and transparent stakeholder engagement with vendors, agents and other third parties
5. Fairness, equality and transparent rules of competition with vendors, agents and other third parties
6. Confidential treatment of commercially sensitive information and the protection of personal information in accordance with our Privacy Policy
7. Compliance to all legal, regulatory or industry standards whilst engaged by, on behalf of or acting in the interests of the TCE

TCE has also implemented a Supplier Code of Conduct which reflects the values and ethics of the Tata Group to ensure that we actively embed these values within our supply chain via our selection, qualification, contractual engagement and performance management procedures.

TCE will actively encourage its first tier suppliers to do the same within their supply chains.

Human Rights and Labour Standards

TCE actively re-enforces the Tata Code of Conduct in the area of Human Rights and Labour Standards within the organisation and the Supplier Code of Conduct seeks to assert these same values and ethics within our supply chain. TCE adheres to the following, and expects suppliers to do the same:

1. A Zero tolerance approach to bullying, discrimination, modern slavery, child labour, forced or compulsory labour and any unfair treatment to employees and stakeholders



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2. Training of employees on modern slavery and the risk of human rights abuses within the supply chain
3. A third party operated anonymous whistle blowing service is available to all TCE employees and contractors and is advertised widely throughout the workplace. The Tata Chemicals' global ethics independent helpline is also available to TCE personnel to report any ethical concerns in complete confidence.
4. Freedom of association with Unions and Collective Bargaining Groups is actively engaged and endorsed across the organisation
5. The principle of the "Employer Pays" with free, fair and transparent recruitment processes in place with its valued partner approach. High standards are tested regularly to ensure compliance with TCE values in the legal, respectful and fair treatment in recruitment, selection, diversity and equality for all employees and potential employees
6. TCE supports equality, diversity and equal opportunity throughout employee learning, development, remuneration and promotion within and across TCE
7. TCE supports living wages and flexible working whilst also ensuring no excessive hours are worked
8. Provision of an established Employee Board to air concerns, opinions and thoughts with senior management together with a regular Employee Engagement Survey conducted across the group
9. Fair and transparent procedures and remedies are in place to report concerns in the workplace either to management or anonymously via the relevant grievance mechanism and allow fair and transparent investigation without retribution

Environment

TCE is committed to meeting the requirements of relevant legislation in the countries and regions in which it operates as a minimum, often choosing to implement additional voluntary commitments to exceed the local requirements where our own standards are higher than those required for compliance.

TCE is committed to the most efficient use of natural resources and energy, and to reducing continuously the environmental impact of its operations and products through the adoption of sustainable practices. These commitments are integral to the way TCE does business and TCE expects its suppliers to share this commitment.

TCE is committed to the responsible use of resources and efficient use of energy, raw materials and water with continuous improvements in the management and reporting of its environmental impact via the Tata global sustainability reporting index.

Certain of TCE's products, notably sodium carbonate, sodium bicarbonate, calcium chloride and sodium chloride play an active role in the compliance and control of harmful gaseous emissions, neutralisation of water and the removal of contaminants in customer's industrial processes in order to achieve environmental compliance and reduce the environmental impact of those processes.



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TCE requires that its suppliers adopt suitable and robust management practices for environmental protection such as ISO 14001 or equivalent. As a minimum TCE requires suppliers to maintain an effective environmental management system to manage their environmental impact in a robust and transparent manner as well as encouraging their suppliers to roll out this minimum standard via their own supply chains.

TCE focuses on the transparent reporting in the following key areas of environmental impact with the primary driver being to reduce, reuse and recycle materials and resources for efficient and effective environmental impact management:

1. Energy efficiency
2. Reduction in emissions
3. Reducing the carbon footprint of our operations
4. Water conservation and the increased use of recycling within our processes
5. Waste reduction with minimum waste to landfill
6. Paper and Packaging waste
7. Raw materials consumption
8. Compliance with environmental permits and licenses
9. Proactive risk management approach to prevent spills and pollution
10. Measure, report and improve on our environmental impact

Social and Community

Social and Community development is central to the core values adhered to in the Tata Group. The Tata Group's community development programme aims to build trust and improve the quality of life for people. TCE honours its legacy both directly and indirectly with a number of volunteering activities and long term support of local charitable organisations.

TCE and the wider Tata group actively encourage, reward, remunerate and incentivise our employees and stakeholders to engage in volunteering and social projects in the local community. TCE runs regular fundraising events and challenges ranging from 'the 8 Peaks Challenge', 'the Rowathon' and the "Sandstone Trail" to smaller local car boot sales and auctions to raise funds to support local charities. TCE is also actively engaged in supporting local educational establishments, sponsoring key events such as 'Make it in Manufacturing' and career trade fairs as well as inviting school trips to visit TCE in support of STEM (Science, Technology, Engineering and Maths) development amongst local children and schools.

TCE engages with the local community, regulatory and government bodies when planning any changes to the operating practices of its sites that may have a change of impact on the environment or local community. TCE works proactively to ensure effective engagement and transparent communication such that local people are aware of plans, performance and impact of the TCE operation within their local community.

Where relevant TCE expects that its Suppliers will:

1. Engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts of their operations and ensure that appropriate systems are in place for ongoing interaction with affected parties.



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This process must also ensure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement.

2. Local Community Development – contributing to the social economic and institutional development of the communities in which they operate.
3. Where possible make a positive impact on the communities where TCE operates.

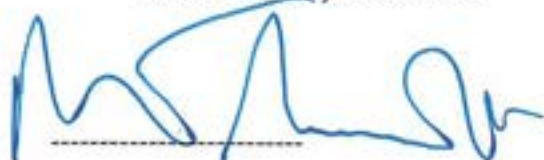
Our expectations of our Suppliers

TCE realises that our Suppliers vary in size and scope and that the method of compliance to this Policy may vary according to size and industry and the impact that Supplier has on the supply chain. However, TCE expects its Suppliers to proactively implement procedures to evidence their own commitment in line with the requirements set out in this Responsible Procurement Policy or their own standards which will serve to meet the principles set out in this policy and in the UN Global Compact.

TCE may require documentary evidence of compliance and in some cases will carry out audits and/or site visits of suppliers. TCE will work with suppliers to identify issues that do not match its expectations and help to support and collaborate with suppliers in addressing any gaps identified. TCE will disengage from suppliers that do not meet the essential requirements of the Policy and those who cannot commit to a continuous improvement programme towards full compliance.

TCE's commitment to Suppliers:

1. To set out TCE's expectations of compliance in line with this Responsible Procurement Policy
2. To provide guidance and support to allow active monitoring, reporting and continuous improvement of performance in the area of Sustainable Procurement practices
3. To support suppliers in the roll out of such procedures to their supply chain that will effectively improve the sustainable procurement practices throughout our supply chain
4. To listen to supplier concerns or complaints and investigate such instances transparently and in accordance with TCE's whistleblowing policy
5. To listen to suppliers suggestions and ideas for areas of improvement and potential for joint projects for the overall improvement in sustainability performance
6. To review constantly our own procurement practices to ensure fairness, transparency and behaviour in compliance with the Tata Code of Conduct
7. To engage with external stakeholders and customers to regularly review TCE's perceived performance against the above 5 key pillars of responsible procurement
8. TCE will report on the progress of the implementation of this Responsible Procurement Policy in the CSR section of its website together with related annual updates to our Modern Slavery Statement.



Dr Martin Ashcroft
Managing Director

Date: 7/7/20



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