


## “Every function and person in an organisation must take ownership of sustainability goals,” says Sanjiv Paul in a Leadership Series Webinar

TATA BUSINESS EXCELLENCE GROUP

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Leadership Series Webinar



“Every function and person in an organisation must take ownership of sustainability goals”

Sanjiv Paul,  
Vice President - Safety, Health & Sustainability, Tata Steel Limited

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“Mother Earth has witnessed five events of mass extinctions – the last one being 65 million years ago, and we are possibly on the cusp of the sixth one. More than one million species are near extinction and even as climate crisis is accelerating the loss, sustainability is now a global priority for survival,” said Sanjiv Paul, Vice President - Safety, Health & Sustainability, Tata Steel, adding that the onus is on industry to embed sustainability as part of the business for a secure tomorrow.

Tata Steel has been at the forefront of sustainability even before the word became a part of corporate lexicon. “It was called as caring for society and caring for the shareholder, before it extended to caring for the environment and eventually being recognised as sustainability. Tata Steel’s sustainability framework is based on our vision to be the global steel industry benchmark for value creation and corporate citizenship. We continue to set benchmarks in sustainable operations not only in India but globally,” said Mr Paul. The senior leadership stalwart was addressing TBExG’s 373rd Edge Webinar ‘Tata Steel’s Sustainability Journey and Way Forward’ on Wednesday, November 16, 2022.

### Commitment to Sustainability

Sustainability has traditionally been part of Tata Steel’s ethos, not just as a stakeholder but deeply embedded in the purpose of business. Built on the four pillars of environment, health & safety, community and governance, the stated sustainability policy covers the troika of people, planet and profit. “The sustainability policy requires us to cull out material issues around environment, social and governance, which are then woven into the strategy development process and cascaded through strategy deployment with the annual business plan and long-term plan,” said Mr Paul.

One of the most critical sustainability objectives as of now is reducing the carbon footprint and emissions. “Tata Steel is the best-in-class in the geographies that we operate in. We have developed a decarbonisation roadmap not only for the company, but also sharing our knowledge with the industry and other stakeholders,” says Mr Paul, who presented Tata Steel’s sustainability plans to a global audience at the COP27 meet organised in Egypt earlier this month.

In terms of carbon intensity of Tata Steel India operations, it is currently around 2.5 tonnes of CO2 emissions for every tonne of steel produced – and the long-term aim is to become net zero by 2045. “Our intermediate target is 2 by 2025 and 1.8 by 2030; we have already cut the carbon intensity by 20% - from 3.11 in 2006 to 2.5 in 2022, despite addition of new and acquired assets in the past 2-3 years alone,” revealed the Tata veteran of 36 years, who joined the Group as a graduate trainee in 1986.

### Growth with Sustainability Goals

The current annual global steel production is 1.8-bn tonnes, with China accounting for half of it. Even as China’s share is tipped to go down to 20% in the years to come, India’s share is expected to grow from the current 6% to 25% in keeping with its growing economy. On its part, Tata

Steel plans to increase its capacity to sustain its current market share of 16-18% - and the big challenge will be to achieve this growth while fulfilling the stated sustainability goals.

“We have developed a low-carbon transition strategy spread over three horizons that progressively reduces reliance on fossil fuel, yet allows for growth,” said Mr Paul. While the company plans to cut the carbon intensity from 2.5 million tonne per tonne of crude steel to 1.8 million tonne per tonne of crude steel through process enhancement and circularity, the long-term strategy will be driven by new technologies like green hydrogen and carbon agnostic configurations.

### **A Wholistic Approach**

Carbon is just one of the challenges for Tata Steel. Water is another material issue. “Even till late 90s, we were consuming around 20 cubic metres of water to produce one tonne of steel; today we have cut down to 2.84 cubic metres, achieving a 70% reduction in freshwater consumption at Tata Steel Jamshedpur,” said Mr Paul, adding that the target is to be net water neutral by 2030 and net positive by 2040. Similarly, for air pollution Tata Steel has made heavy investments in upgradation of air pollution control equipment across all sites. “We have achieved 78% reduction in specific stack dust emission at Tata Steel Jamshedpur since 2005,” said Mr Paul.

Another area for affirmative action is conservation and restoration of biodiversity. “We are an extractive industry with a huge biodiversity footprint. As a responsible corporate citizen, we believe that conserving and restoring biodiversity is integral to our operations,” shared Mr Paul, adding that Tata Steel is possibly the first company in India to have a dedicated Biodiversity Policy. Committed to reduction of environmental footprint of its products through adoption of Life Cycle approach, Tata Tiscon became the first GreenPro certified rebar brand in India.

### **Preserving Values, Adding Value**

While Tata Steel’s sustainability practices go way beyond compliance and set benchmarks for the industry, the company has made significant investments for sustainability despite the unavailability of a green premium for its products. “However, we are focused on adoption of circular economy principles for efficient use of resources. For instance, our value-added by product management initiative is already a billion-dollar business with a very healthy bottom-line,” said Mr Paul. The company is also committed to building a sustainable and proactive supply chain. “We have a responsible supply chain policy based on the four principles of fair business practice, health and safety, human rights and environmental protection,” he said.

Tata Steel’s sustainability efforts have been recognised globally and nationally. While the World Steel Association has chosen Tata Steel as Sustainability Champions for five years in a row, the Indian Institute of Metals has bestowed the National Sustainability Award for four consecutive years. Highlighting the benefits of sustained sustainability work, Mr Paul encouraged participants from all group companies to clearly identify and give ownership to each function and person, which will eventually lead to achievement of sustainability goals at the organisational level. The leadership seminar concluded with an interactive Q&A session, with participants from diverse Group companies like Tata Coffee, Tata AIG, TCS, TISS and Tata Power getting their queries addressed at length.

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