

CORPORATE ENVIRONMENTAL POLICY & RESPONSIBILITY

For protection of environment and sustainable development, Balasore Alloys Limited is committed to abide by environmental norms and various conditions stipulated by the Govt of India. during approval of projects at the central as well as at the state levels. In addition to this, Balasore Alloys Limited acknowledges the importance of the concept of inter-dependence of all sections of society. In particular, its focus revolves around the community residing in the immediate vicinity of its Chromite Mines and Ferro Alloys Plant where it seeks to actively assist in improving the quality of life.⁷

In line with its abiding concern for preservation of the ecological balance and safeguarding the health and environment of the community, Balasore Alloys Limited has always actively demonstrated its firm resolves to protect the environment and is deeply committed to its reputation and respect built over the years in industry and society for its professional of management based on philosophy of the best in business ethics.

Following Balasore Alloys Limited Group's global Environmental commitments and also the guidelines on norms and directives of different State and Central Government of India, Balasore Alloys Limited has formulated the following Corporate Environmental Policy & Responsibility for effective implementation across the organisation in its Chromite Mines, Ferro Alloy Plants and projects. The policy shall:

- a) Be appropriate to the nature and scale of the organisation's activities, products and services, and adopted at the Board level. It shall be documented, implemented, maintained and communicated to all persons working for the organisation and on its behalf.
- b) Define a specific organisational structure for guidance & implementation.
- c) Ensure the required commitment from the top management for the allocation of sufficient financial, human, organizational infrastructure and technology resources for its implementation.
- d) Shall be integrated with all stages of the project / activity cycle of the organization.
- e) Ensure environmental performance of all projects / activities over and above the applicable statutory requirements to which organisation have to comply.
- f) Shall be aligned with policies and management systems of the organisation including the Environmental Management Systems (EMS) or other environmental performance initiatives.
- g) Shall provide for incentives for its employees for achieving corporate environmental targets that go beyond statutory compliance and disincentives for failure to achieve these.
- h) Provide for monitoring and review of corporate environmental performance along with the reporting of non-compliances.
- i) Monitoring of implementation and review shall be at the level of the Board and the guidance of the Board shall be communicated to all concerned in writing for compliance. Together these shall comprise the corporate Environmental Performance Report, and shall be included in the Organisation's Annual Report.

In addition to the above, Balasore Alloys Limited will strive to adhere to the following elements of its Corporate Environmental Policy:

- 1) Operate the facilities in compliance with all applicable laws and regulations related to environment, health & safety of employees and surrounding communities. For this purpose, targets shall be defined for factors such as reduction in emissions, discharges & waste generation.
- 2) Prepare and maintain site specific legal records listing all the applicable regulations and the compliance requirements.
- 3) Continually improve the environmental performance of organisational processes and products through waste minimization and pollution abatement.
- 4) Minimize consumption of natural resources through the reduction, reuse or recycling of materials, as much as possible.
- 5) Encourage efficient use of energy, water and utilities.
- 6) Purchase products and services, as far as possible, that do the least damage to the environment on a life cycle basis.
- 7) Promote environmental awareness among the employees and encourage them to work in an environmentally responsible manner.
- 8) Communicate the environmental commitment and performance of the organization to its clients, customers and the public.
- 9) Develop and maintain appropriate emergency and response programs where required by legislation or where significant health, safety or environmental hazards exist.
- 10) Develop and maintain greenery in and around its mines, plants and other project units.

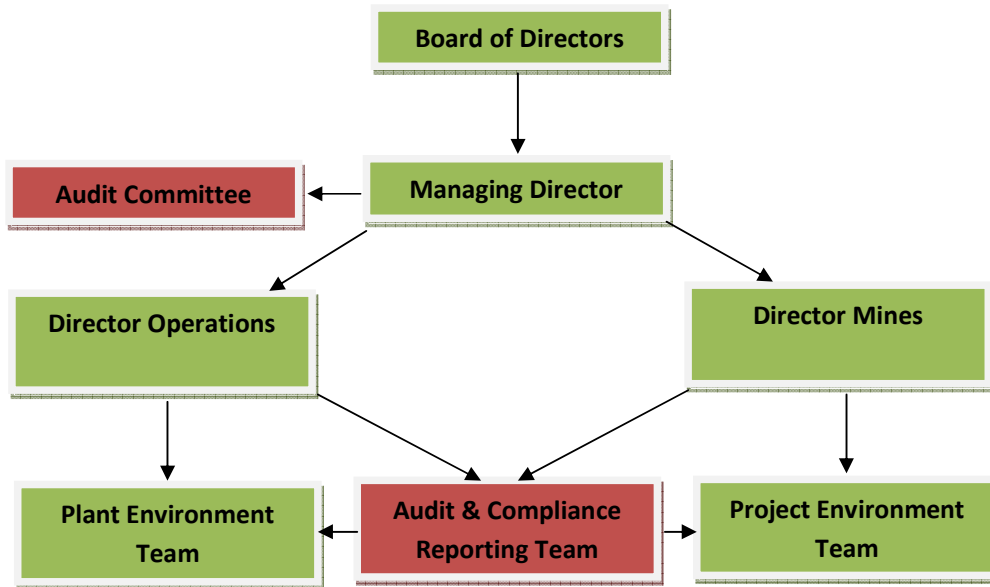
Implementation of the Corporate Policy

Resources, Roles and Responsibility:

Balasore Alloys Limited shall have an organization structure to oversee the effective implementation of corporate Environmental policy. This structure shall define key responsibilities within the various levels of the organisation for policy implementation and shall include involvement at all the levels throughout the organization. An Organisation structure in this regard is shown below:

The management shall ensure availability of resources essential to implement the corporate environment policy across its all operational and project units. Resources shall include human resources, organizational infrastructure, technology and financial resources. Roles and responsibilities shall be defined and documented to facilitate the effective implementation of the environment policy.

As part of the existing Board structure, Audit & Compliance reporting team shall also oversee the environmental status inclusive of the conditions prescribed under various environmental consents and clearances, as and when obtained from various State and Central Govt. authorities, as well as the corporate norms, standards and targets that exceed the legal compliance requirements



Documentation

The policy shall be made available on the Balasore Alloys Limited's website and also be available in hard copy. The planning, implementation and monitoring of the organisational environmental performance shall be documented. All achieved milestones will be supported by documentary evidence in the form of photographs, monitoring records and/or reports, wherever applicable.

Transparency in the implementation of Environmental policy

Monitoring will be conducted periodically as per relevant norms framed by SPCB or MoEF or any other statutory authorities. It shall serve to drive accountability and transparency and provides for learning to implement in future initiatives. Balasore Alloys Limited shall implement a monitoring mechanism by its defined organisational structure with clear roles & responsibilities for every operational and project units by creating a register specifying all the regulatory compliances and clearances conditions that have been imposed by the Ministry or other public authorities. Balasore Alloys Limited shall also prepare Annual Environmental performance report and include it in its Annual Report.

Extract of the resolution passed by the Board of Directors of Balasore Alloys Limited India PRIVATE Limited at its meeting held on 9th November 2012.

“RESOLVED THAT that in compliance with the circular issued by Ministry of Environment & Forest, the draft of the Corporate Environment policy as given, in annexure – 1, is placed before the Board, and is hereby approved.

‘RESOLVED FURTHER THAT Mr. Anil Sureka, Managing Director of the company, be and is hereby authorized to sign the same on the behalf of the Board and to do all such acts, deeds, or things as may be required in this regard.



Balasore Alloys Limited

Environment Policy

Protection of environment is of prime concern and an important business objective at Balasore Alloys Limited. With a leading role in providing services in Mining and Manufacturing industry value chain in India, Balasore Alloys Limited is conscious of its responsibility towards creating, maintaining and ensuring a safe and clean environment for sustainable development. In particular, Balasore Alloys Limited is committed to;

- 1) Operate the mines, manufacturing & other facilities in compliance with all applicable laws and regulations related to environment and health & safety of employees and surrounding communities.
- 2) Prepare and maintain site specific legal records listing all the applicable regulations and the compliance requirements.
- 3) Continually improve the environmental performance of organisational processes and products through waste minimization and pollution abatement.
- 4) Minimize consumption of natural resources through the reduction, reuse or recycling of materials, as much as possible.
- 5) Encourage efficient use of energy, water and utilities.
- 6) Purchase products and services, as far as possible, that do the least damage to the environment on a life cycle basis.
- 7) Promote environmental awareness among the employees and encourage them to work in an environmentally responsible manner.
- 8) Communicate the environmental commitment and performance of the organization to its clients, customers and the public.
- 9) Develop and maintain appropriate emergency and response programs where required by legislation or where significant health, safety or environmental hazards exist.
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