

CORPORATE SOCIAL RESPONSIBILITY POLICY OF BALCO

A. POLICY OBJECTIVE

Bharat Aluminium Company Limited ('BALCO' or 'the Company') is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. This Policy provides guidance in achieving the above objective and ensures that the Company operates on a consistent and compliant basis.

B. BALCO CSR PHILOSOPHY

We at BALCO have a well-established history and commitment to work with our partners, communities and stakeholders.

We believe, that

- In partnership with Government of India, and other development players (both national and international) we can positively impact and contribute for realization of Sustainable Development Goals of India.
- Sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially our neighbours and communities we work with.

C. POLICY DETAILS

We at BALCO believe that process followed in execution of CSR programs is equally important. Hence we are committed to, though not limited to;

➤ INCLUSIVE DEVELOPMENT

We recognize and understand that people are the best architects of their destiny. To encourage sustainable socio-economic development people participation will be ensured in all process and program as the basic tenet of our CSR work. Thus a community centric and ownership of all base line, socio-economic impact assessment, design and execution of CSR programs will be encouraged.

We will respect cultural ethnicity and dignity of individuals and foster positive relationship with the people in the project areas where the Company operates.

We will aim to provide development opportunities to local communities in a culturally appropriate manner, in consultation & cooperation with primary beneficiaries, local government authorities and other stakeholders, as may be appropriate.

➤ **PARTNER WITH OTHER STAKEHOLDERS AND DEVELOPMENTAL PLAYERS**

We would partner with other developmental players - governmental, non-governmental, other corporate organizations and community institutions to supplement and complement resources and programs already available or being executed.

➤ **GOVERNANCE MECHANISM:**

We follow structured governance procedures to monitor CSR activities. Our CSR Policy is governed by the Board of Directors of the Company.

D. CSR THEMATIC FOCUS

BALCO's CSR will focus on Education; Sustainable Livelihoods; Women's Empowerment; Health & Water; Sports & Culture; Environment; and Community Development including Community Assets Creation. The initiatives are targeted to improve the quality of life of communities and such as are best suited for company-community collaboration for long term outcomes and impacts. BALCO will proactively seek to encourage and involve its own employees in community initiatives.

The list of CSR activities and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

The surplus, if any, arising out of CSR initiatives of the Company shall not form part of its business profits.

E. MONITORING MECHANISM

Monitoring of the CSR activities would be done, which may include:

- Periodic third party assessment of key programs.
- Baseline and impact assessment with key indicators in our areas of operation every two years.
- regular review by the CSR Committee and reporting to the Board on:
 - Planned budget vis-a-vis actual expenditure on each project.
 - Achievement against milestones and objectives.
- Internal review by CSR/Audit teams.

F. COMMUNICATION

We will voluntarily communicate the results of our social programs to our stakeholders on a periodic basis.

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G. RESPONSIBILITY

The responsibility for compliance with this policy lies with the CSR Committee, the Directors, Chief Executive Officer, Senior Managers and all employees and consultants working for BALCO.

H. REVIEW OF POLICY

The CSR Policy will be reviewed once in every three years or as may be recommended by the CSR Committee of the Company.



Mr. Abhijit Pati
(CEO & Whole Time Director-Balco)

Date: 20th May, 2020