

POLICY NO: BALCO/POLICY/08

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Balco believes in having a structured approach to asset optimization through implementation of focused initiatives for improving asset life and increasing throughput and reliability with minimum cost in a sustainable manner which involves all stakeholders.

This policy is applicable to all individuals responsible and accountable for the operation and maintenance of all assets in Balco.

Balco strives to:

- ❖ Provide a systematic approach to assess the Equipment performance and judge the performance of different SBU's in terms of Asset management through criticality analysis, condition appraisal and the refurbishment plans thereof;
- ❖ Provide a framework for the operations and plant maintenance activities; equipment maintenance; utility operations and maintenance; building and ground maintenance; facilities protection and security; departmental safety and environmental compliance and thereby setting up of asset management objectives;
- ❖ Steer the maintenance plan for execution for maximizing equipment availability, optimizing production level, minimizing rejections, while complying with Vedanta sustainability standards and other applicable requirements;
- ❖ Involve all personnel in improvement activities with a focus on eliminating defects and waste;
- ❖ Define roles and responsibilities at each level i.e. planning team, engineers (Operations and Maintenance), area in-charges, contractors, business excellence / central team and SBU heads and skill enhancement thereof;
- ❖ Ensure that departments undertake continual improvement projects through focused improvement projects (FIP's), Quality Circle initiatives (QC) and incremental improvements (Kaizens) and HODs review these activities on a monthly basis to track the progress and to provide mid-course correction, if needed.

We shall measure and report progress against this policy and review performance on a periodic basis to ensure ongoing management of assets and shall communicate this policy to all relevant stakeholders.

Asset Optimization Score Cards for individual areas are audited on a monthly basis by central team and are reviewed by Heads of businesses.



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