

ESL STEEL LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A. POLICY OBJECTIVE

ESL Steel Limited ('ESL' 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.

B. ESL CSR PHILOSOPHY

We at ESL 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 to realization of Millennium Development Goals for India, and
- Sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the community of our operational areas.

C. POLICY DETAILS

We at ESL 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 ensured in all process and program as the basic tenet of our CSR work.

Before initiating any project, we will conduct baseline survey, based on the recommendation of the survey we will take long-term community centric sustainable project. Impact assessment will also be carried out to evaluate the impact of the project it creates in the lives of the local communities.

We focus on long-term community centric sustainable projects where we also ensure baseline, Socio-economic impact assessment will done for greater impact in the society.

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 Development Players (Where Feasible)

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

➤ Corporate Social Responsibility Principles

ESL's CSR Policy is supported by the following principles:

1. We are committed to conducting our operations with integrity and respect, in the interest of our stakeholders, and in line with our Business Ethics and Code of Conduct.
2. We believe growth and environmental sustainability need not be conflicting. Our business model is designed to deliver sustainable growth.

CSR Committee of Directors at the Board level comprises of:

As on 31st March, 2020

1. **Mr. Prasun Kumar Mukherjee, Non-Executive Independent Director – Chairman**
2. **Mr. Pankaj Malhan, Chief Executive Officer & Whole Time Director– Member**
3. **Ms. Poovannan Sumathi, Non-Executive Director – Member**

In accordance with Section 135(5) of Companies Act, 2013 (the Act), ESL is committed to spend at least 2% of its average net profit (if any) made during the three immediately preceding financial year in some of the identified activities that are listed in schedule VII (as amended) to the Act.

➤ Governance Mechanism:

We follow structured governance procedures to monitor CSR activities. Our CSR activities are governed by Implementation Monitoring Committee (IMC).

D. CSR THEMATIC FOCUS

Our programs are aligned with SDGs and for the community of our operational areas and where we do our CSR Interventions with the national & international development agendas.

The major thrust areas will be –

1. Child Education & Well-being
 2. Women Empowerment
 3. Healthcare – Including preventive healthcare & sanitation
 4. Drinking Water & Sanitation
 5. Agriculture & Animal Husbandry
 6. Community Infrastructure Development
 7. Skilling the Youth for New Opportunities
 8. Environment Protection & Restoration
 9. Sports & Culture
 10. Participate in National Importance Programmes including but not limited to disaster mitigation, rescue, relief and rehabilitation.
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- As a strategy, we will partner with GOI, State Govt. and other national and International players for disaster response: relief and rehabilitation
 - 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:

- Internal Review by CSR team
- Periodic third party assessment of key programs
- Baseline and impact assessment with key indicators in our areas of operation every two years and
- Regular review by the CSR Committee and reporting to the Board on:
 - ✓ Amount spent on each activity and
 - ✓ Achievements against milestones and objectives

F. 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 ESL

G. REVIEW OF POLICY

The CSR Policy will be reviewed as may be recommended by the CSR Committee of the Company.



Mr. Pankaj Malhan
CEO & Whole Time Director

