

### Statement of Continued Support

We are happy to share our COP for the year 2010-11 as part of our commitment towards the UN Principles on Global Compact, pertaining to Human Rights, Labour, Environment and Anti Corruption, into our organizational policies, programmes, operations and culture. With this communication, we express our intent to advance these principles within our sphere of influence. We express our commitment towards making global compact principles part of our strategy, culture and day-to-day operations of our company.

We will be continuing to integrate the best practices of responsible and ethical business by being responsive towards environment, society and the needs of its various stakeholders including employees. We value the power and potential of our greatest assets employees who are central to the success of our business. Their skills and dedication help us to deliver business results and address economic, environmental and social changes.

Our teams are dedicated to work on newer ways in which we can genuinely contribute to the development of the society in which we operate. We continue to work on issues such as women empowerment, health, education, livelihood and digital literacy etc. in the areas surrounding our plants for the sustainable development of these communities

More information and data on how we are integrating the UN Global Compact Principles and other sustainability issues are available in our Annual Report and Corporate Responsibility Report and on our website.

**Deepak Puri**

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**Chairman**

**Date: 30.03.2012**

**Communication on progress  
2010-11**

S. No	Global compact principles	Summary of action taken & Impact achieved	Pages in Corporate Responsibility report 2010-11 <a href="http://www.moserbaer.com/overview_csr_sustainability-report.asp">http://www.moserbaer.com/overview_csr_sustainability-report.asp</a>
1.	<b>Businesses should support and respect the protection of internationally proclaimed human rights</b>	As responsible corporate, ensuring protection and respect of human rights of its workforce is an integral part of Moser Baer's functioning. Policies and programmes related to sensitisation on human rights and the effective implementation of human rights policies further reinforce our commitment to control any human rights violation at our workplace.	<b>Pages 17-26</b>
2.	<b>and make sure that they are not complicit in human rights abuses</b>	As an SA 8000 certified company, Moser Baer has put in place stringent policies to ensure that there is zero tolerance of any human rights violation	<b>Pages 17-26</b>
3.	<b>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</b>	<p>We believe in a tradition of Participative Management. The Company practices 'Open Door Policy' for all associates, wherein each employee has access to the Highest Level of Management to register their concerns.</p> <p>Hence, the provisions like communications meeting, Transport committee meeting, Cafeteria committee meeting, Plant safety committee meetings, address by plant head and so on are in place to facilitate communication between the employees and the management for effective functioning. The provision is made available across</p>	<b>Page 24</b>

		<p>vertical and meetings are held separately at respective locations. These forums/committees of interactions are organized regularly with the purpose that 100% associates can share their views and put forward their issues before Management. All employees are involved in decision-making process through these Committees / forums and Cross Functional Teams.</p> <p>Additionally there are also forums where employees can approach the highest authority to get their issues/concerns raised.</p>	
4.	the elimination of all forms of forced and compulsory labour	<p>We do not practice Forced Labour in any form. Holding back the original document and any other personal property of the persons hired is prohibited, and clearly defined in the HR policy manual of the Moser Baer.</p> <p>Our philosophy behind the HR Policies and Labour Practices are to avoid any kind of harassment of workforce.</p> <p>Not a single case of Child Labour, forced labour and discrimination has been reported till now. The same has also been endorsed by various external auditing agencies during Statutory &amp; Regulatory Compliance audit. This shows the effectiveness of implementation of these policies.</p>	Page 25
5.	the effective abolition of child labour	<p>Moser Baer is a SA 8000 certified company and various audits and reviews are carried by the internal auditors as well as the external agencies to verify that the systems are free of unfairness and prejudice. The Company has neither encountered nor encouraged Child Labour.</p> <p>Regular audits are conducted as part of SA8000 and documented.</p> <p>Remediation Plan for Child Labour is in place.</p> <p>Effective monitoring and systems have ensured that we have been successful in keeping the workplace free of child labour so far.</p>	Pages 24-25
6.	and the elimination of discrimination in	<p>We believe in providing equal employment opportunity to all, irrespective of race, colour, creed, religion, national origin, sex</p>	Pages 17-20

	respect of employment and occupation	and sexual orientation, disability, age, and marital status as our policy mandate. We follow various transparent systems that encourage employees to take part in decision making and ensure fairness and affirmative action. Regional diversity in hiring the employees also depicts non discrimination in the recruitment.	
7.	Businesses should support a precautionary approach to environmental challenges	For Moser Baer, addressing environmental concerns and stakeholders needs simultaneously is the key towards sustainable development. Environment, health and safety (EHS) are an integral part of Moser Baer and focus on building a robust culture of EHS by involving employees at all verticals. EHS also encompasses other environmental issues like improving energy efficiency, reducing greenhouse gas emission and use of renewable energy. Our EHS department is responsible for implementing EHS policy across plant locations. We have environment management systems, certified by international bodies, conforming to ISO 14001 and OHSAS 18001.	Pages 27-28, 31-32
8.	undertake initiatives to promote greater environmental responsibility	Management programme related to improving energy efficiency, water conservation and Bio gas from kitchen forms integral part of EHS department. Moser Baer's Integrated Management system (Comprising of ISO 9001:2008, OHSAS 18001;2007 & ISO 14001:2004) ,certified by leading and well reputed certification bodies show the commitment towards EHS in line with other important function i.e. Quality. A robust EHS audit, both internal and external, is carried out at all our locations periodically to ensure continual improvement in our environment, health and safety standards.	Pages 31-32
9.	and encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> <li>✓ Converted / modified HFO operated DG (Power Plant) to CNG based which helps us to reduce CO2 emission in huge quantity.</li> <li>✓ Celebration of World Environment day and Tree Plantation</li> </ul>	Page 28
10.	Businesses should	We believe, conducting ethical business	Pages 17-18

	<b>work against all forms of corruption, including extortion and bribery</b>	requires adequate consideration to a number of issues outside the traditional scope of making money, of which building an ethical & values based culture is most certainly one. Therefore, a lot of emphasis is laid on conducting ethical business with the stakeholders to develop mutual trust and long term relationships. To achieve the same, there are stringent systems in place to check the unethical practices and behaviours and ensure corruption free environment. To consistently reinforce our core values related to anticorruption, every associate of our organization carries a 'Values booklet', which clearly articulates 'Acceptable' and 'Not Acceptable' behaviours to ensure clear understanding of what they mean in the organizational context.	
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