

**LANCO INFRATECH LIMITED | Sustainability Report 2015 – 2016**  
**UN Global Compact Communication on Progress**

**UN Global Compact Principle**

**Human Rights**

Principles	Lanco's Position	Action Taken
<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p><b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> <li>At Lanco we recognise the impact that can have on the realisation of fundamental human rights.</li> <li>Through our business operations and our citizenship efforts we seek to help more people and organization realise their full human potential.</li> <li>Lanco has the following policies in place in support of the Human Rights. <ol style="list-style-type: none"> <li><b>Policy on HIV / AIDS</b> – The purpose of AIDS policy is to reassure employees that AIDS is not spread through casual contact during normal work practices and to reduce unrealistic fears about contracting an AIDS virus related condition. This policy also protects the legal right to work of employees who are diagnosed with an AIDS virus – related condition and provides guidelines for situation where infection with the AIDS virus is suspected. Our policy is to encourage sensitivity to and understanding for employees affected with a condition on the AIDS virus.</li> <li>Recruitment policy and procedures</li> <li>Equal opportunity employer policy</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>All the employees have access to the policies through employee Standard Operating Policies (SOPs) &amp; Internal Portal</li> <li>Lanco also developed Value statements to be adhered by every employee.</li> <li>We are committed to maintaining a healthy work environment by protecting the physical and emotional health and well-being of all employees in the work place. This AIDS policy is a direct outgrowth of those commitments. It provides guidelines for situations when a question as to an aids virus-related condition arises. There are two major points: <ol style="list-style-type: none"> <li>Employees who are diagnosed with an AIDS virus-related condition may continue to work if they are deemed medically able to work and can meet acceptable performance standards. We will provide reasonable performance</li> </ol> </li> </ul>

		<p>standards and accommodate them reasonably if necessary to enable these employees to continue working.</p> <p>2. We provide AIDS education through lectures, training sessions etc. for all employees to help them understand how the AIDS virus is spread and to reduce unrealistic fears of contracting as AIDS virus – related condition.</p>
	<b>Outcomes</b>	<b>Plans for the Upcoming Year</b>
	<ul style="list-style-type: none"> <li>• Posters against sexual exploitation of women at workplace prepared and displayed in public places within Lanco</li> <li>• Posters against discrimination of persons with disability prepared and displayed in public places within Lanco</li> </ul>	<ul style="list-style-type: none"> <li>• Arranging awareness sessions and health camps.</li> <li>• Displaying posters.</li> </ul>
<b>Labour</b>		
<b>Principles</b>	<b>Lanco's Position</b>	<b>Action Taken</b>
<p><b>Principles 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p><b>Principle 4:</b> businesses should support the elimination of all forms of forced and compulsory labour.</p> <p><b>Principle 5:</b> businesses should support the effective abolition of child labour.</p>	<ul style="list-style-type: none"> <li>• We respect the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO).</li> <li>• Lanco does not encourage any forced labour, including child labour. As a policy Lanco does not recruit child labour, below the age of 14.</li> <li>• Lanco is an equal opportunity employer and no discrimination is shown with regard to the religion, region, caste, disability and sex.</li> </ul>	<ul style="list-style-type: none"> <li>• Posters against employment of child labour prepared and displayed in public places within Lanco.</li> <li>• Lanco Foundation CSR posters displayed across all the locations/plants &amp; headquarters across the group on. <ul style="list-style-type: none"> <li>✓ Providing Safe Drinking Water</li> <li>✓ Developing the Community</li> <li>✓ Empowering the Disabled</li> <li>✓ Promoting health.</li> </ul> </li> </ul>

<p><b>Principle 6:</b> Businesses should support the elimination of discrimination in respect of employment and occupation.</p>		<p>We encourage more than just good results. Saying no to</p> <ul style="list-style-type: none"> <li>✓ Child labour</li> <li>✓ HIV/AIDS discrimination</li> <li>✓ Sexual harassment</li> </ul> <p>Saying yes to</p> <ul style="list-style-type: none"> <li>✓ Equal opportunity to all</li> <li>✓ Transparency in our process</li> </ul>
	<p><b>Outcomes</b></p>	<p><b>Plans for the Upcoming Year</b></p>
	<ul style="list-style-type: none"> <li>• Lanco Foundation has been doing Primary Health check-up through LMHS (Lanco Mobile Health Service) across various locations in India (<b>Tamilnadu, Andhra Pradesh, Chhattisgarh, Maharashtra, Odisha, Haryana, Rajasthan, Sikkim, Uttar Pradesh, Uttarakhand, etc.</b>) and till date screened around <b>3,04,528</b> patients.</li> </ul>	<ul style="list-style-type: none"> <li>• Though Lanco is following non-discrimination in respect of employment of persons with disability, a Policy for elimination of discrimination in respect of employment of Persons with disability to be prepared.</li> </ul>
<p><b>Environment</b></p>		
<p><b>Principles</b></p>	<p><b>Lanco's Position</b></p>	<p><b>Action Taken</b></p>
<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.</p> <p><b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p><b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly</p>	<p><b>Health, Safety &amp; Environment Policy</b> – We are committed to safeguarding the Health and safety of all our employees and protect our environment through:-</p> <ul style="list-style-type: none"> <li>• Institutionalising of HSE management process, with HSE organization.</li> <li>• Regularly communicating, educating &amp; imparting training on safety, health, hygiene and environment to all employees, contractors, contractors' staff and consultants or visitors.</li> <li>• Specifying and ensuring high standards of safety &amp; environment at our site during construction &amp; operation of our power plants etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Installed best available, most efficient and pollution prevention equipments at all operating plants/ sites.</li> <li>• Developed green belt inside and outside all operating plants/ sites.</li> <li>• Celebrated World Environment Day (WED) on 5<sup>th</sup> June 2015 across 17 locations. WED is celebrated by bringing together Village Communities, NGO's, local forest officials &amp; local people.</li> </ul>

<p>technologies.</p>	<ul style="list-style-type: none"> <li>• Evaluating the HSE performance of our employees &amp; contractors against the HSE requirements.</li> <li>• Conducting periodic Audit &amp; Risk assessment by competent team.</li> </ul> <p>The Health Safety &amp; Environment policy will be applied throughout Lanco Group via a set of documented company - wide and local policies and procedures.</p> <ul style="list-style-type: none"> <li>• We recognize that our activities as integrated infrastructure enterprise have an impact on the environment, and prioritize the issue of climate change:</li> <li>• Lanco has Environment Policy in place and are committed to achieve satisfaction of interested parties and protect environment by generation of Power by implementing prudent eco-friendly methods; and conservation of natural resources like natural gas and water; complying with all relevant statutory and regulatory requirements; continual improvement in the environmental performance by minimizing the emission, discharges and prevention of pollution; use of environmentally friendly technologies and enhancing environmental awareness among employees, contractors and communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Safety Day was also celebrated on 4<sup>th</sup> March 2016 covering 21 locations across all Lanco sites.</li> <li>• Fire Day was also celebrated on 14<sup>th</sup> April 2015 across 11 locations.</li> <li>• Our all operating plants/ sites are ISO 14001 (Environment Management System) certified.</li> </ul> <p><b><u>Recent HSE Activities:-</u></b></p> <ul style="list-style-type: none"> <li>• HSE Dept., in total has conducted 2,09,390 training hrs., workshops, awareness camps, conferences, training programs for employees and contractors covering all sites – and around 90,604 participants attended the training programme for FY 2015-16. The main objective was to create awareness on our HSE corporate framework system and to have greater understanding and coordination of HSE efforts. Provide support to site HSE efforts to improve the performance.</li> <li>• Organised awareness sessions on health in various topics and also Conducted Blood Donation camp across 17 Locations and around 1,356 people across all locations have participated with great enthusiasm.</li> </ul>
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		<ul style="list-style-type: none"> <li>We have installed Online Continuous Stack Emission Monitoring &amp; Online Effluent Quality Monitoring System</li> </ul>
	<b>Outcomes</b>	<b>Plans for the Upcoming Year</b>
	<ul style="list-style-type: none"> <li>Implemented 3 layer audit system.</li> <li>Continuous focus is being made to create HSE awareness at all levels</li> <li>Visual HSE manual has been made at select locations depending on critical activities.</li> <li>Replenished the already distributed saplings</li> <li><b><u>Awards received during the Year 2015-16 are</u></b> <ul style="list-style-type: none"> <li>➤ Lanco, Kondapalli received Best Greenery Maintenance Award from Andhra Pradesh Industrial Infrastructure Corporation</li> <li>➤ Lanco, Kondapalli received FICCI Safety Excellence in Manufacturing Sector &amp; Best Safe Practices award from Confederation of Indian Industries &amp; Directorate of Industrial safety &amp; Health Department</li> <li>➤ Lanco, Tanjore received CII Best Safe Practices awards from Confederation of Indian Industries &amp; Directorate of Industrial safety &amp; Health Department(State Government)</li> <li>➤ Lanco, Amarkantak received National Safety Council – Prashansha Patra (4th level safety award)</li> <li>➤ Lanco, IOCL Toyo site received appreciation certificate from Indian Oil Corporation Limited (IOCL) for achieving 10 Million Man-hours without any Lost Time Incident (LTI)</li> <li>➤ Lanco Hills, Mr. Rafiqulla Khan Sr. Foreman received</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Behaviour based safety (BBS) Training for employees at various locations.</li> <li>Rolling out British 5 star Safety management system at Amarkantak &amp; Anpara.</li> <li>Enhancing efforts in circulating Occupational Health Information in terms of Alert Bulletins.</li> <li>100% Ash utilisation for all Coal based plants</li> <li>Support society for plantation</li> <li>Environment protection awareness program for villagers surrounding to our all operating plants/ sites.</li> </ul>

	"First Prize" in Telangana state level safety poster competition organized by National Safety Council , A. P. Chapter for the year 2014-2015.	
<b>Anti-corruption</b>		
<b>Principles</b>	<b>Lanco's Position</b>	<b>Action Taken</b>
<b>Principles 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.	<ol style="list-style-type: none"> <li><b>Policy against Bribery</b> – Our core value being Integrity, Honesty and we are committed to compliance with international anti-bribery standards as stated in the Global Compact and local anti-corruption and bribery laws.</li> <li><b>Policy to curb sexual harassment at workplace</b> – Lanco is committed to ensure that no employee is subjected to sexual harassment and all steps has been taken to prevent any acts of sexual harassment at the work place. This policy is designed to eradicate all forms of sexual harassment at workplace, to provide a forum for investigation into complaints of sexual harassment and to initiate disciplinary action against those who are found indulging in such acts of misconduct.</li> </ol>	<ul style="list-style-type: none"> <li>Whistle Blower posters displayed and complaint drop boxes were installed at all Lanco verticals.</li> <li>Appointed committees to oversee implementation of Sexual Harassment policy.</li> </ul>
	<b>Outcomes</b>	<b>Plans for the Upcoming Year</b>
	<ul style="list-style-type: none"> <li>Whistle blower policy prepared and widely circulated within Lanco.</li> <li>Posters about the policy widely circulated across all the places.</li> </ul>	<ul style="list-style-type: none"> <li>Lanco has 8 core values which will be given high priority, and are one of the key factors with which the employees will be continuously appraised.</li> <li>Integrity being one of the core Values and will be given high priority in all our actions.</li> <li>Continuous Learning being one of the core values of Lanco Value</li> </ul>

		<p>system, and all employees across the group are part of regular Training programmes conducting across all verticals across the group.</p> <ul style="list-style-type: none"> <li>• Each employee will have a minimum mandates for training programme which they have to attend in the calendar year.</li> </ul>
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