

# Driving Sustainable Excellence

**By Joe Gaynor: Chief Legal, Sustainability & Risk Officer**

Many of you know that the Aditya Birla Group has initiated a renewed sustainability effort. Some of you also realize that Birla Carbon has initiated a sustainability initiative of its own.

I hope to answer some of the questions you may have about the objective and implementation of our sustainability program

At Birla Carbon we have decided to focus on three main pillars of sustainability: *people*, *planet* and *profit*.

For us, sustainability means doing the right things to protect the availability of natural resources that we consume in an efficient manner in a way that minimizes any harm to the environment around us. It means we must hire, train and develop our employees and also protect not only our people but also those with whom we come into contact such as contractors and our local communities. Finally, we must do all of these things in a profitable manner that allows us to continue to be a financially viable partner with our customers.

You may say at Birla Carbon we have been taking these steps for years so why are we choosing to focus on them under the umbrella of sustainability? It is our hope in doing so that it will enable our business to ensure that our business strategies are always in line with these ideals, and also permit us to highlight the many positive things that we are doing in these areas to distinguish ourselves from our competitors. By clearly focusing on these factors and clearly communicating both our accomplishments and our challenges we believe we will be able to differentiate Birla Carbon from other Carbon Black manufacturers in the eyes of our customers, employees, communities, regulators and financial markets. We are approaching this sustainability initiative with a clear sense of our past successes and a clear commitment to transparently communicate our successes, our goals and our challenges. We believe that transparency will continue to drive accountability and that accountability will drive excellence.

Many of you have read the note from Mr. Birla and know that sustainability is taking a high-profile position within the entire Aditya Birla Group. If you read Kevin Boyle's note of November 2012, you will also know that I have been appointed Chief Sustainability Officer for the Birla Carbon business, and that I have selected Gilles Moninot as the Director of Sustainability. Gilles has assembled a team of professionals from inside and outside of the Birla Carbon business to serve as the Sustainability Steering Committee to assist in defining and guiding our sustainability journey. We have expertise on the Steering Committee from human resources, technology, health and safety, engineering, legal, environmental affairs, operations, marketing and communications. In the future we will be adding team members from finance and procurement. This team has been very busy defining the scope of our sustainability program, developing methods to capture all of the necessary data in a robust and sustainable way that can be replicated in coming years, and, together with the senior management team, defining clear ambitious sustainability goals.

The efforts of the Sustainability Steering Committee will come together in the form of a comprehensive sustainability report that will tell the story of Birla Carbon and Carbon Black in a way that we think will give us an advantage in the recruitment of top human talent, help define us as the preferred supplier of Carbon Black to

our customers, establish us as a best-in-class manufacturer in the eyes of our regulators and the communities in which we operate, and distinguish us as a preferred investment choice for the financial community.

The first Birla Carbon sustainability report will be published in July, 2013 and we have committed to publish a report annually thereafter. We will continue to enhance our report each year by doing such things as tracking the entire life cycle of our resources and our products, reporting on ongoing and newly established goals and showing progress in the areas where we are not performing at the level that we desire. The entire sustainability team is very excited about this inaugural report, and we are hopeful that you, our colleagues, will be excited as well when you see this first report. We hope that excitement will evolve into passion. For it is only when the entire organization becomes passionate about sustainability that we at Birla Carbon will begin to realize the true value of being a company that drives sustainable excellence.



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