

LEGAL COMPLIANCE FRAMEWORK

Effective from 21.01.2015

Lloyds Metals And Energy Limited

01. Objective

The objective of this Policy is to establish a comprehensive legal compliance system to ensure that the Company's operations are conducted in accordance with relevant legal obligations, and to encourage proactive, accountable management.

2. Scope

This policy applies to all Members of the board of director and senior management or department head and all staff members recruited in corporate office and plant site. This policy applies to any central, state and local legislation, act, rules, regulations, codes, guidelines, frameworks and Companies Act, 2013 that govern Companies operations.

03. Policy Provisions

Compliance Commitment:

The Company is committed to creating a strong compliance culture. The compliance system will be supported by Members of the board of director and senior management and appropriately resourced to ensure development, implementation, maintenance and continuous improvement of the system.

Compliance System:

The Company will identify relevant requirements of Central and State legislation, regulations, codes and Companies Act, 2013 that govern Companies operations. The Company will identify a Responsible Person for each legal obligation. This information will be developed and compiled in the Legal Compliance Register. The Company will utilise a subscription service to receive information and flag changes to legal obligations to the appropriate Responsible Person.

The Responsible Person will ensure that any necessary changes are implemented and communicated to the downward. The Company will monitor legal obligations through various processes such as internal audit (in accordance with the Internal Audit Strategy), external audit, reviews and identification of compliance failures through any Company staff member. Company staff has an obligation to report suspected or potential compliance failures to their line manager/supervisor or the relevant Company Department head. Instances of compliance failure involving Company staff will be dealt in accordance with the misconduct provisions set out in the relevant staff agreement or employment contract.

The Responsible Person will ensure that any compliance failures identified are actioned appropriately. The Company will capture and maintain records of compliance change and failure. The Company will report regularly on the compliance system to review and drive continuous improvement. The Compliance report will be presented to the Senior Management Team and it shall be presented before the board of directors. Furthermore, all new contracts will include identification and consideration of legal obligations.

04. Responsibilities

At a strategic level, the Managing Director and Senior Management Team have overall responsibility for ensuring that the Company fulfils its legal obligations and effectively manages any risk exposure that may result from compliance failures. Heads of the departments are expected to promote, monitor and uphold a positive compliance culture in areas within their authority and control; to investigate and respond to alleged compliance failures; and to implement any necessary measures to assist the Company to meet its legal obligations. All officers and staff members have a responsibility to ensure that their activities on behalf of the Company to comply with relevant legal obligations and related Company policies. The Director, Auditor and department head has overall responsibility for evaluating and reporting on the effectiveness of the system. The Compliance Officer will be responsible for overall monitoring of the compliance system; on-going training or training of new recruit Persons; ensuring that all legal obligation and changes are acted upon in a timely manner; reporting and updating legal compliance documents as they occur.