



## CLIMATE CHANGE AND ENERGY MANAGEMENT POLICY

### Table of Contents

- I. Introduction
- II. Policy Objective
- III. Governance
- IV. Scope & Applicability
- V. Policy Framework

### Introduction

Climate change is a global issue that warrants action by all stakeholders. AIA recognizes that concentrated and sustained global action is required to reduce the scale of the problem and to adapt to its impacts. AIA is committed to continuously improving efficiency in energy use and switching to renewable sources in order to mitigate the impacts of climate change on our operations.

### Policy Objective

- To establish guidelines and general principles for the employees, activities and towards reduction of emissions of greenhouse gases as well as other air pollutants.
- To establish a culture of energy efficiency and minimizing energy losses in operations
- To lay the foundation for a low carbon transition by operational improvement and switching to renewable sources of energy.

### Governance

- EHS department shall undertake periodic review and update this policy to reflect applicable law(s) and /or latest notifications released by the regulating authorities from time to time.
- EHS department shall monitor the effectiveness and review the implementation of the compliance principles set forth in this Policy, regularly considering its suitability, adequacy and effectiveness.
- The Employees are responsible for the successful implementation of the principles set forth in this policy



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## Scope and Applicability

- The policy is applicable to all the Manufacturing Plants of AIA Engineering.
- The policy shall be communicated to all the employees of the company.
- The implementation of the policy is the responsibility of all the employees and is to be overseen by the Plant Head at the respective manufacturing plants.

## Policy Framework

We, AIA Engineering Ltd., recognize that energy consumption and carbon emissions are globally significant threat to planet. We understand potential risk associated with carbon and other GHG (Greenhouse House Gases) emissions related to our operations. We shall strive to integrate sound environmental practice across all manufacturing facilities and governance system to reduce our energy and carbon footprint and achieve sustainable business development as a corporate priority and key to our growth and commitment to ourselves.

Every AIAEL facilities shall endeavor to,

1. To comply with the applicable legal and statutory framework to energy and carbon regulation and conform to the requirement of sustainable frame work and global charter adoptable by us.
2. Progressively develop, implement and maintain an internationally accepted environmental management system in our operations e.g. ISO 14001: 2015.
3. Reduce energy consumption (electricity and fuel) by setting target for continual improvement and periodically review our performance against the targets.
4. Raise awareness to encourage efficient use of energy resources( electricity , Natural Gas, LDO, HSD) with a focus on reducing its energy intensity and carbon footprint of operations and products;
5. Explore opportunities, develop and establish systems and processes for cleaner and efficient technologies to support the adoption of low carbon operations; like induction furnace for melting
6. Promote use of clean energy to the extent possible, like use of PNG instead of other fossil fuel in Heat Treatment furnaces.
7. Promote renewable energy and reduce carbon footprint by erecting and installing wind mills, solar panels etc.
8. Measure, monitor, and report energy usage and greenhouse gas emissions in compliance with internationally recognized protocols and communicate approach and achievements to relevant stakeholders.



9. To integrate and train our people including contract workers to conduct their business in line with the company policy.
10. Reducing our travel emission where ever possible
11. Conduct R&D on transitioning to Low Carbon production practices
12. Where applicable and feasible recover and use waste heat

This policy is approved by the Board of Directors in their meeting held on 25<sup>th</sup> May 2021 and this policy shall be communicated to all employees and is available on the website of the company.

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