



ENVIRONMENTAL POLICY



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**Environmental Policy**

1. Introduction

This policy outlines our commitment to sustainability principles, detailing its strategies, objectives and responsibilities in managing environmental resources responsibly. It provides a framework for integrating environmental considerations into business decisions, operations and interactions with stakeholders. It aims to mitigate adverse impacts on ecosystems, biodiversity and communities while promoting resource efficiency, pollution prevention and sustainable practices. By establishing clear goals and measurable targets, this policy not only enhances regulatory compliance but also cultivates a culture of environmental stewardship within the company. It sets the stage for continuous improvement, innovation in sustainable technologies and engagement with stakeholders to achieve shared environmental goals. Here, we explore the essential components of an effective environmental policy, from defining objectives and strategies to implementing monitoring mechanisms and fostering a culture of environmental responsibility.

2. Scope

This environmental policy applies to all aspects of ASIL's operations, from product development and manufacturing to everyday practices throughout our offices and facilities. It serves as a guide for our workers and employees at all levels; and extends to all the associated stakeholders and contractors. This ensures everyone is involved in achieving our environmental goals.

3. Purpose

Minimizing Environmental Impact

ASIL is a resource-intensive and contributes significantly to air and water pollution and solid waste generation. The policy outlines measures to minimize these impacts such as adopting cleaner production technologies, improving waste management practices and reducing emissions. This not only protects the environment but also enhances the company's reputation as a responsible corporate citizen.

Resource Efficiency

Efficient use of resources reduces costs and environmental strain. The policy encourages practices such as recycling scrap steel, optimizing energy use through advanced technologies and implementing water-saving techniques. By reducing resource consumption, the company can lower production costs and reduce its environmental footprint, contributing to sustainability goals.

Sustainable Practices



Sustainability involves meeting present needs without compromising the ability of future generations to meet theirs. The policy ensures that sustainability considerations are embedded in strategic planning, procurement, and operational decisions. This holistic approach helps the company build resilience, reduce risks, and capitalize on opportunities in the evolving market landscape.

Environmental Awareness

Awareness and education are crucial for effective policy implementation. The policy mandates regular training programs to ensure employees understand their role in achieving environmental goals. By raising awareness, the company empowers employees to contribute to sustainability efforts, leading to more innovative and effective solutions.

Continuous Improvement

Environmental challenges and standards evolve over time. The policy includes mechanisms for continuous assessment and revision, ensuring it remains effective and relevant. By committing to continuous improvement, the company can adapt to new challenges and opportunities, maintaining its leadership in environmental stewardship.

4. Focus Areas

Reducing Energy consumption

- ✓ By FY 2029-30, we aim to achieve a significant 15% reduction in our total energy consumption across all operations by implementing energy-efficient practices and automated systems throughout our facilities, as compared to baseline levels of FY 2022-23.
- ✓ Empowering our workforce through regular energy audits and training programs on best practices equips them to actively contribute to achieving our pre-set energy conservation goals.

Minimizing GHG emissions

- ✓ As compared to FY 2022-23 baseline levels, we are committed to optimizing our processes through automation to achieve a 10% reduction in Scope 1 emissions (direct emissions from our facilities) compared to FY 2022-23 baseline levels.
- ✓ We are also taking significant steps to address Scope 2 emissions (indirect emissions from purchased electricity) by transitioning to cleaner energy sources. By FY 2029-30, we aim to source 20% of our electricity from renewable sources.
- ✓ Furthermore, we are committed to reducing GHG emissions from our transportation activities by 2028-29 by achieving a 10-15% reduction in emissions through logistics and supply chain route optimization, resulting in lower fuel consumption compared to the FY 2022-23 baseline.

**Environmental Policy****Reduced Water Consumption**

- ✓ To achieve a 20% reduction in water consumption by FY 2029-30, we are implementing water-efficient technologies across all operations, including the adoption of recycling systems and addressing leaks and inefficiencies.
- ✓ By FY 2029-30, our goal is to Upgrading existing wastewater treatment infrastructure with advanced technologies to improve effluent quality, we are aiming to achieve a 25-30% reduction in discharge volumes by FY 2029-30 with respect to FY 2022-23.

Air Quality, Noise and Odour Management

- ✓ To reduce SO_x emissions by 30% and NO_x emissions by 40% by FY 2029-30 from FY 2022-23 baseline levels, we are aiming to retrofit existing high-emission boilers and furnaces with lower alternatives.
- ✓ By FY 2029-30, we are committed to install advanced dust collection systems to reduce particulate emission by 30% as compared to FY 2022-23 baseline levels.
- ✓ Our goal is to decrease VOC emissions by 20% by FY 2029-30, compared to FY 2022-23 levels. This will be accomplished by replacing high-VOC solvents with low-VOC or non-VOC alternatives.
- ✓ To reduce ambient noise levels in and around production facilities by 40% by FY 2029-30 compared to FY 2022-23 baseline levels, our aim is to install sound barriers and acoustic panels around noisy areas to contain and minimize noise spread. Additionally, aiming to achieve a 30% reduction in odour emissions from production processes through advanced odour control technologies.

Waste Processing and Resource Recovery

- ✓ We are committed to reduce the amount of total waste generated by 25% by FY 2029-30 from the FY 2022-23 by converting 20% of non-recyclable waste to energy, thereby increasing landfill diversion rates.
- ✓ By FY 2029-30, our goal is to decrease the generation of hazardous waste by 15% compared to FY 2022-23 levels by implementing stricter process controls and transitioning to high-performance synthetic oils with longer change intervals. This helps ensure all hazardous waste is managed and disposed of in compliance with hazardous waste disposal regulations.
- ✓ By upgrading existing electronic equipment to extend their lifespan, our goal is to reduce the generation of E-waste by 20% by FY 2029-30 and ensuring 100% of obsolete electronics are processed through certified e-waste recyclers.
- ✓ Similarly, we are committed to reduce battery waste generated by 15% by FY 2029-30 from the FY 2022-23 by ensuring 100% of end-of-life batteries are sent to certified recycling facilities.

Restoring Biodiversity



- ✓ To combat ecosystem degradation, we are investing in projects aimed at restoring degraded ecosystems and reforestation. By FY 2029-30, we commit to investing 3% of our turnover in restoring degraded lands and aim for a 15% increase in green cover within our premises, with respect to FY 2022-23. The progression in green cover shall be monitored by satellite imagery.
- ✓ For wildlife conservation, we will collaborate with local conservation organizations. Our goal is to upgrade animal housing facilities to meet or exceed welfare standards by FY 2029-30.

Customer Health and Safety

- ✓ Achieving 100% compliance with product safety standards by FY 2029-30 through strict quality control measures and testing protocols. By FY 2029-30, enhancing product design to eliminate customer safety incidents and achieving a maximum allowable defect rate of less than 2% in our manufactured products, using FY 2022-23.
- ✓ Developing comprehensive training materials and providing safety training to 80% of customers, aiming to achieve a 95% customer satisfaction rate regarding product safety by FY 2029-30, with respect to baseline FY 2022-23.

Encouraging Sustainable Consumption

- ✓ By FY 2025-2026, our goal is to expand our environmental services to benefit our customers. We aim to offer carbon footprint assessment services to 80% of our customers, providing actionable recommendations to reduce carbon emissions compared to our FY 2022-23.
- ✓ Additionally, we plan to conduct waste audit services for 60% of our customers, delivering tailored recommendations for waste reduction, recycling and resource recovery based on audit findings. These initiatives underscore our commitment to enabling sustainable practices and environmental stewardship across our customer base.

5. SDGs Covered

ASIL is committed to achieve the following Sustainable Development Goals:





6. Responsibility

The overall responsibility of enforcing the policy is vested with the entire management of ASIL. However, the primary responsibility of implementation is of the Environment, Health & Safety EHS Manager. The Head of the Department is responsible for overseeing the enforcement of the policy within their teams.

7. Review

The policy is reviewed annually by the EHS Manager to oversee the effectiveness of our environmental sustainability initiatives and to incorporate the changing market demands and environmental regulations. These reviews help guide improvements, track progress, ensure compliance and uphold our commitment to environmental stewardship.

8. Communication

The policy is communicated to all the employees of Aarti Steels International Ltd. as Corporate Environmental Policy. The updated document is easily accessible through the company website (info@aartisteelintl.com). Official emails are sent to all employees highlighting key aspects of the policy and any updates.

Approved By:

General Manager of Operations