



## **JAMNA AUTO INDUSTRIES LIMITED**

### **Environment Social and Governance Policy**

This policy is intended to ensure that company incorporates environmental, social, and governance (ESG) factors in its operations. We shall strive towards minimizing environmental footprint, uphold governance, maintaining ethical work practices, providing a safe and healthy work environment and share values with our employees, vendors, customers and society. The Policy applies across all our plants, offices and establishment of the Company and its subsidiary. We expect our supplier, vendors and partners to share our values and integrate these principles into their operations.

#### **Our Philosophy**

Jamna Auto Industries Limited (JAI) is committed to achieving sustainable growth by implementing responsible business practices. The goal is to create long-term value for our stakeholders, while balancing profitability with social and environmental responsibility.

The ESG committee shall oversee implementation of ESG framework in the Organization and define goals, set targets, ensures alignment with regulations, and tracks progress. The Committee shall be chaired by Executive Director and shall consist of senior executives. ESG team shall consists of executives, managers and sustainability experts who shall work together to develop, execute, and monitor ESG initiatives.

Our sustainability framework is built around three pillars—Environment, Social, and Governance—that collectively guide our approach to sustainability. The sustainability goals under each pillars are aligned to ensure a holistic and responsible approach across all areas of our operations.

#### **Environment**

We strive towards environmental sustainability and ecological balance by reducing waste, conserving energy, promoting biodiversity, and shifting towards renewable energy sources. We will actively participate in environmental activities and encourage environmental initiatives at the local administration level to promote sustainable practices in our communities. Our focus areas under Environmental goals are:

- i. Waste management
- ii. Water management and conservation of water
- iii. Adoption of renewable energy sources
- iv. Discourage use of plastic
- v. Enhancing energy efficiency
- vi. Reducing carbon emissions
- vii. Sustainable sourcing
- viii. Reducing Green House Gases emissions

#### **Social**

We are committed to improve quality of life of our people and communities surrounding our plants. Health, safety, human rights, skills enhancement and equitable developments are our priorities. We shall strive towards maintaining harmonious and cordial relationships with our employees and stakeholders. Our focus areas under Social goals are:

- i. Safe and healthy working condition.
- ii. Fair wages and compensation.



- iii. Respect for Human Rights and labour standards.
- iv. Employee and workers wellbeing.
- v. Trainings and skill development.
- vi. Supporting women leadership.
- vii. Workplace safety and harassment prevention.
- viii. Prevention of child and force labour, modern slavery and work discrimination.
- ix. Ensuring equal opportunities in work and gender equality.
- x. Community wellbeing.
- xi. Skill development and vocational training for youth and women.
- xii. Supporting small and diverse suppliers.
- xiii. Ergonomic workplace design

### **Governance**

We are committed to be fair and transparent in our working. We strive to maintain highest standards of integrity, transparency, and compliance ensuring ethical business conduct. The company aims to foster a culture and environment that promotes efficient and ethical work practices, drives long-term wealth generation, and creates value for all stakeholders. Our focus areas under Governance goals are:

- i. Board Composition and diversity
- ii. Transparency and Accountability
- iii. Ethical Business Practices
- iv. Risk Management including cyber risk and data protection
- v. Regulatory Compliances
- vi. Stakeholder's engagement
- vii. Grievances mechanism and Whistleblower protection
- viii. Customer rights and satisfaction
- ix. Anti-corruption and anti-bribery practices.

### **GHG emissions & Carbon Neutrality (Decarbonization)**

The Company is committed to responsible environmental stewardship and the continuous improvement of its environmental performance. We are committed to measuring, managing, and systematically reducing our greenhouse gas (GHG) emissions across all operating and value chain. The Company will annually calculate and report on its GHG emissions, encompassing Scope 1, Scope 2 and Scope 3 emissions as per requirement. The Company is committed to pursuing greenhouse gas (GHG) reduction practices. These efforts include implementing energy-efficient technologies, minimizing energy consumption, transitioning to low-carbon and renewable energy sources, and adopting industry best practices to reduce the overall carbon footprint. The Company aspires to achieve net-zero emissions by 2040, which serves as a strategic roadmap guiding the specific initiatives, technologies, and investments necessary to meet this long-term climate goal.

### **Renewable Energy**

The Company is also dedicated to increasing the use of renewable energy as part of its broader energy transition strategy from fossil fuels to renewable sources. The Company will increase procurement of renewable energy through various mechanisms such as power purchase agreements and will actively invest in renewable energy infrastructure, such as solar or wind installations, procuring energy from renewable sources and explore other renewable generation projects at its facilities. Energy sourced from renewable



providers will be prioritized to reduce dependence on conventional energy systems. Renewable energy targets are fully integrated into the Company's sustainability planning, with a goal to achieve 100% renewable energy installation by 2030, subject to applicable government regulations and energy procurement policies.

### **Energy Efficiency**

The Company prioritizes energy efficiency as the most cost-effective and immediate way to reduce its environmental impact. This is achieved by adopting energy-saving technologies, optimizing production and operational processes, and reducing overall energy demand. Regular energy assessments will be conducted across all plants to identify and act upon improvement opportunities. The Company will implement energy management practices aligned with industry best standards. We will foster a culture of energy consciousness through regular employee training and awareness programs, empowering everyone to contribute to energy-saving.

### **Air Quality, Noise and Emissions Control**

The Company is dedicated to operating in a manner that protects ambient air quality and minimizes noise pollution. The Company will maintain strict adherence to all applicable air quality and noise regulations and standards and takes active measures to improve ambient air quality to limit emissions of pollutants and industrial noise. Regular monitoring of ambient air quality and noise levels norms shall be carried out within the plant premises to ensure compliance with statutory limits. Units will implement engineering controls such as acoustic enclosures, silencers, and noise barriers, and do preventive maintenance to minimize noise from machinery and equipment. Continuous improvement efforts shall be made to enhance air quality and reduce the impact of noise on employees and surrounding communities.

### **Water Stewardship**

The Company regards water as a strategic and finite resource and is committed to responsible water stewardship as a fundamental pillar of its ESG policy. To support this commitment, the Company will systematically monitor the water quality and reduce water consumption by optimizing operational processes and equipment, implementing rainwater harvesting systems, and maximizing the recycling and reuse of process water across all facilities. The Company aspires to achieve water neutrality by 2030 across all manufacturing plants, balancing water withdrawal with replenishment efforts. In parallel, the Company is committed to maintaining water quality standards by ensuring that all discharges meet or exceed applicable regulatory requirements. As part of this approach, Zero Liquid Discharge (ZLD) practices shall be pursued at all relevant manufacturing units, utilities, and process areas where water is used and wastewater is generated. The Company will promote the use of advanced water treatment technologies and robust pollution control systems to prevent contamination and protect the health of local water bodies and surrounding ecosystems. This integrated approach to water reduction and quality management supports the Company's operational resilience and long-term sustainability, while contributing positively to the watersheds in which it operates.



## **Animal Welfare**

No animals are used in our operations or manufacturing processes. We remain fully committed to promoting animal well-being and compassion by ensuring that our activities do not harm animals. We seek to operate responsibly and ensure that in our operations do not cause cruelty or unnecessary injury to any animal. We shall take all reasonable steps to avoid animal suffering in our operations and ensure welfare of animals around our establishments.

## **Biodiversity, land use & deforestation**

The Company is committed to conserving and enhancing biodiversity and to supporting sustainable development across its operations. We strive to conduct our activities in a manner that minimizes adverse impacts on local ecosystems, flora, and fauna, while promoting the responsible and efficient use of natural resources. The Company encourages sustainable resource management practices, including reduction, reuse, and recycling. We support afforestation and reforestation initiatives and seek to avoid deforestation within our areas of operation. Where land-use change or tree removal is unavoidable, appropriate compensatory measures shall be undertaken to restore ecological balance.

## **Disclosure**

We publish our ESG performance annually in Business Responsibility & Sustainability Report as part of our Annual Report. We also publish our Corporate Governance report and CSR report in the Annual Report. We will continue to expand our ESG disclosures voluntary and to meet regulatory requirements.

## **Miscellaneous**

- i. Company's HR and other policies, codes and mechanism shall provide guidance and support in achieving our ESG goals. By integrating ESG principles into our policies, we foster a culture that upholds sustainability, equity, and good governance throughout the organization.
- ii. ESG Committee shall administer this policy. The Committee may review the Policy on quarterly basis.
- iii. In the event of any inconsistency between the provisions of this Policy and the applicable regulatory mechanism, the Policy shall be automatically amended to align with and give effect to the requirements of the regulatory mechanism. This ensures that the company remains compliant with all relevant laws and regulations while maintaining its commitment to ESG goals.

\*The Policy was last amended on January 21, 2026.