

AJM GROUP

Report – Reducing Carbon Emissions and Water

Why Reduce Carbon Emissions and Water Intake?

Climate change is one of the most important challenges of the 21st century and responsible companies are taking voluntary measures to combat global warming over and above their basic legal obligations. The potential negative impacts of climate change outweigh the costs of mitigating them, and there are significant opportunities to be realized in current business practices.

Carbon emission refers to the release of carbon and other greenhouse gases into the environment. Water intake refers to the use of water in manufacturing and other business processes. Water is vital resource that must be preserved, conserved and shared to build healthy communities.

We believe industry, governments and consumers must work together to reduce emissions to protect the atmosphere. With this in mind the AJM Group aims to reduce our carbon emissions and water usage.

Intent

The AJM Group operates with tomorrow in mind. We're committed to preserving our planet for generations to come. As global citizens, we are concerned about the negative consequences of climate change and believe action by governments, industry and consumers to reduce emissions to the atmosphere are necessary. This policy is part of our commitment to the reduction of pollution and conservation of all natural resources, including water.



Samvi is a certified Green Company by the State Pollution and Control Board and the products made by Kamivisa are completely natural and biodegradable.

Corporate Pledge

We shall reduce our carbon emission and water usage wherever possible.

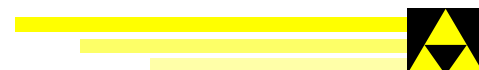
Operating Principles

- Reduce environmental impact as much as feasibly possible in the areas of energy, waste and transportation
- Ensure compliance to statutory requirements as far as reasonably practicable
- Encourage suppliers and contractors to adopt cleaner technologies and products with low or no impact to the environment
- Demonstrate leadership to the community on sustainable practices of hazardous waste management

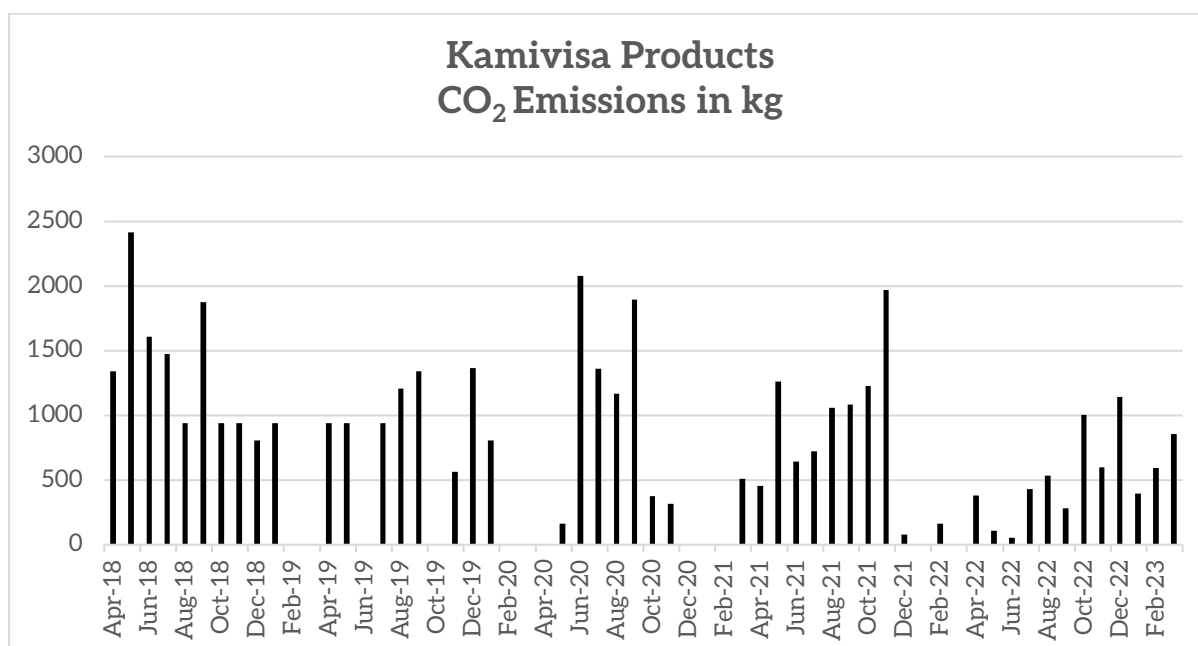
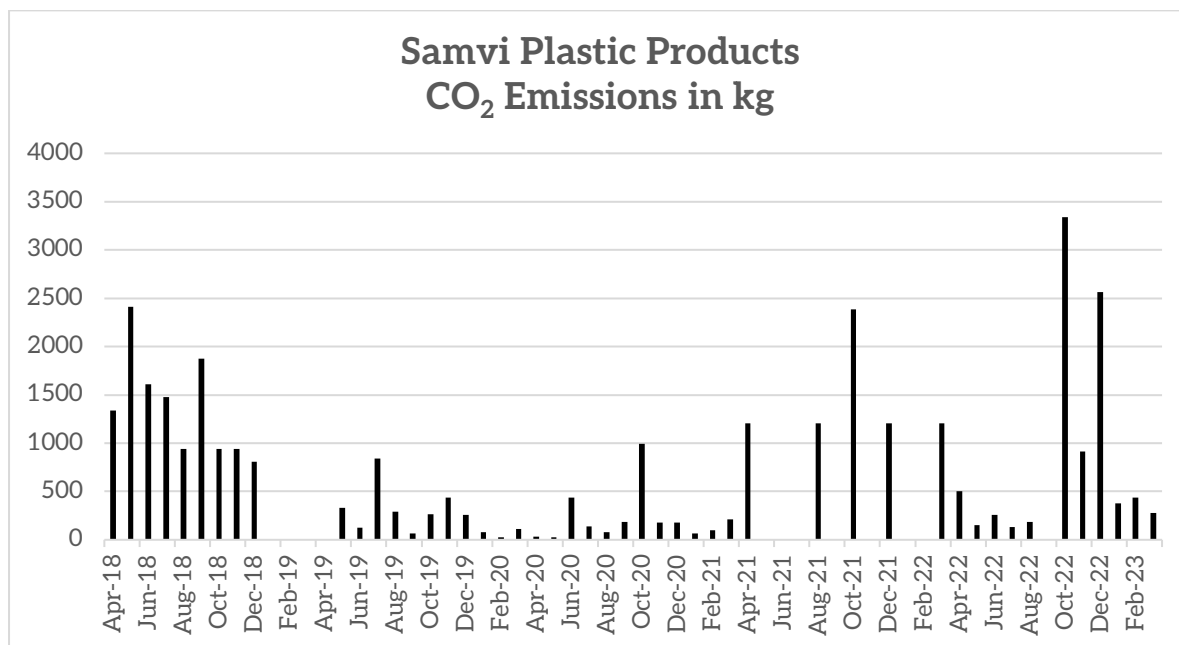
Carbon Emissions

We are committed to reducing carbon emissions and aim to:

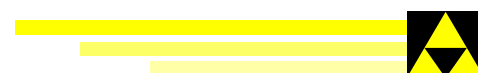
- Reduce the intensity of greenhouse gas emissions (GHG) from our stations through:
 - Driving energy efficiency measures throughout our facilities
 - Transitioning fuel sources towards cleaner alternatives
- Partnering with external stakeholders to reduce greenhouse gas emissions in our supply chain
- Measuring and taking action to reduce the carbon footprint of our business activities, including energy consumption
- Meet or exceed the requirements of all environmental laws and regulations.



AJM Group CO₂ Emissions Report



Samvi has maintained levels well below 500 for most of 2019-2020. At Kamivisa, our CO₂ emissions and have reduced from 2018-2019. The spike in CO₂ emissions in Kamivisa in June 2020 is due to the power cuts that occurred because of the COVID-19 lockdown, forcing us to rely extensively on generators.

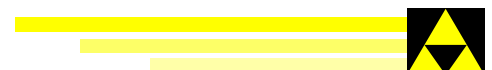


After October 2020, the use of generators has reduced drastically. In fact, Kamivisa has not run their generator since December 2020 resulting in no CO₂ emissions for that unit.

Samvi has CO₂ emissions only every other month due to the increase in stable electricity supply. After a steady increase in 2021 from April through October - which is the peak production season for Kamivisa - there's a significant drop in CO₂ emissions for the rest of the year.

In 2022, CO₂ emissions increased in October and December 2022 from the previous months. On the other hand CO₂ emissions for Kamivisa have decreased.

Note: Graphs are updated periodically

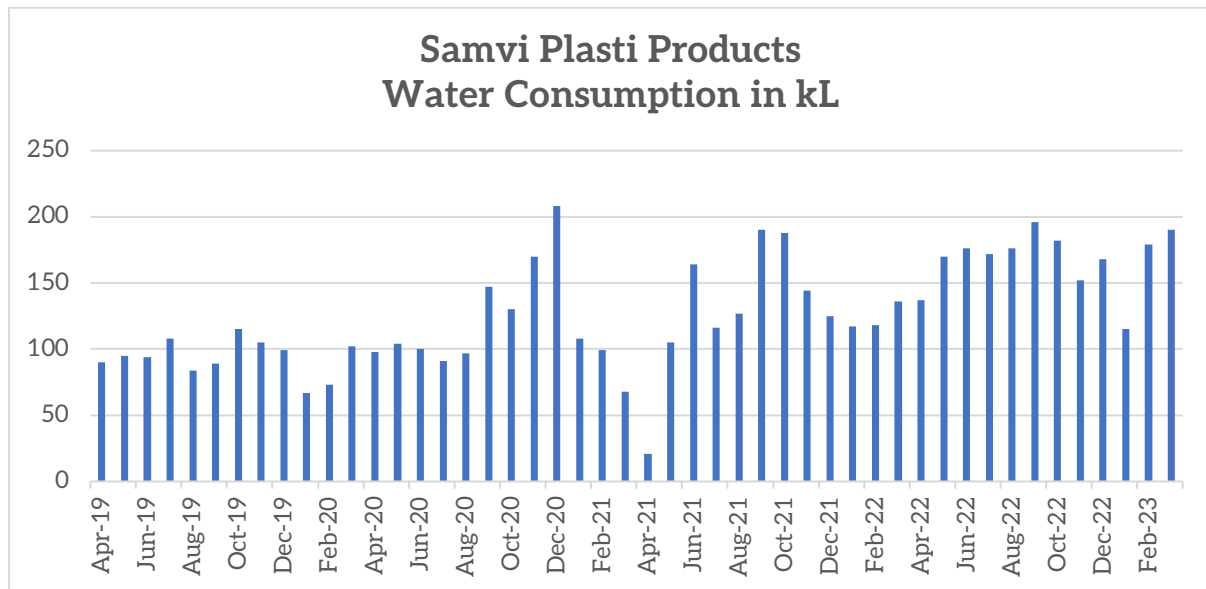


Water

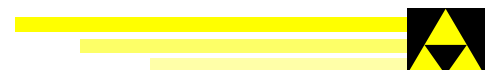
United Nations General Assembly resolution recognizes the right to safe and clean drinking water and sanitation as a human right. We will help ensure the sustainable use of water by:

- Continuously improve our operations to preserve the quality of water in the communities in which we operate
- Introduce sustainable water management through water reduction goals, use of new technologies and product innovation and educating our workers in conservation methods
- Make available relevant and appropriate factual information about our water use
- Meet all applicable legislative and regulatory requirements with respect to water quality and consumption

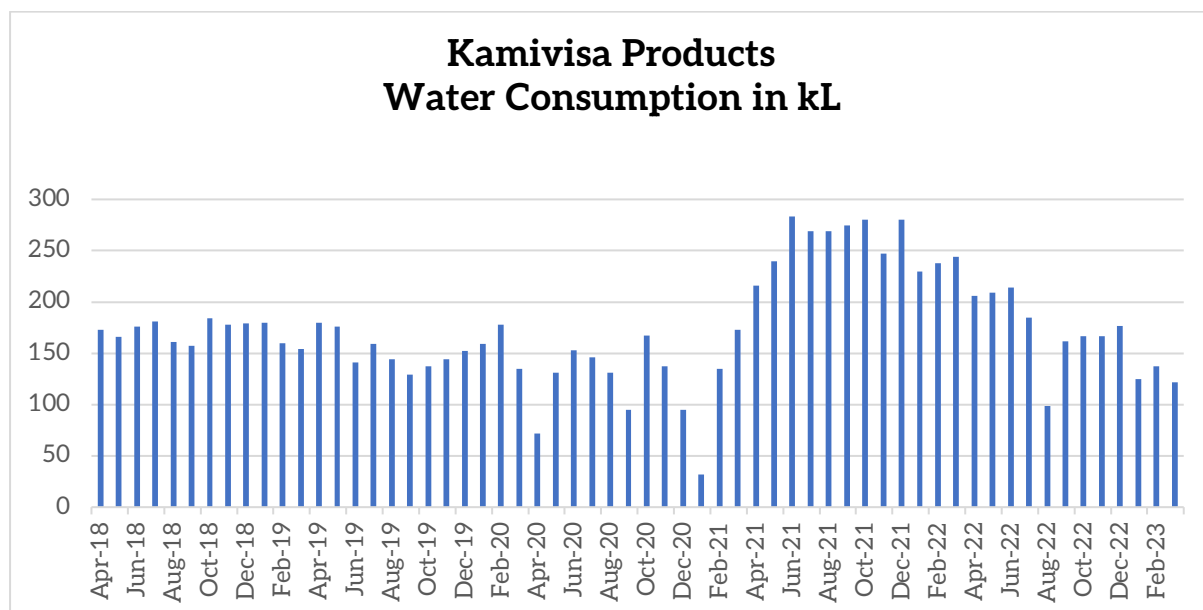
AJM Group Water Intake Reports



Water consumption in Samvi has stayed consistently low at an average of 100 kL since 2018 with a spike in usage in Nov-Dec 2019. Kamivisa uses about 180 kL a month but saw a dip in water usage in April 2020 along with Samvi.



The increase in water consumption in Samvi is due to higher demand in production in the latter half of 2020.



The dip in January 2021 at Kamivisa is due to weak demand.

In 2021 the increase in water consumption at both units is largely due to the increase in production with the introduction of new products.

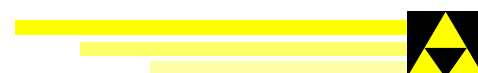
In 2022 there was an increase in demands for water in Samvi - but in Kamivisa there was a drop in demand.

Note: Graphs are updated periodically

Company Adherence

In order to comply with various environmental laws, good safety practices, and avoid future liabilities, the AJM Group will ensure all employees aim to minimize carbon emissions and water usage at the AJM Group. Employees are encouraged to constantly search for ideas that can be implemented to improve our carbon emission and water reduction efforts.

Carbon emissions and water usage will be considered during all phases of a process including project or process design, purchasing, and use. We commit to monitoring energy consumption on a regular basis and seek



opportunities to reduce use of water and energy through efficiency measures wherever possible.

Implementation, Governance and Reporting Violations

Compliance with the Environment laws is a necessity for creating goodwill in the market as well as sustaining the environment. An internal communication regarding this policy will be made to all employees, external suppliers, stakeholders and other interested parties.

Non-compliance of these rules can lead to cancellation or suspension of authorization, imprisonment and hefty fines by the State Pollution Control Board. Such matters can damage the reputation and functioning of the AJM Group and is taken very seriously.

Employees are required to strictly adhere to set procedures and report any violations they witness to their direct reporting manager.

Legal Compliance

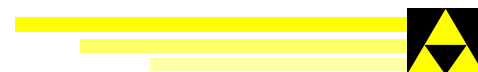
Under the **Environment Protection Act, 1986** in Conjunction with The Ministry of Environment and Forests, the Central Government draws legislation with respect to the standards of air-quality, soil, the maximum permissible limits of the environmental pollutants, procedures, and prevention for the same.

The AJM Group is ensures that all its companies are fully compliant in accordance with all regulations with regard to the environment and reduction in carbon emissions and water usage.

Company Initiatives

Restoring Ground Water Through Harvesting Pits

The AJM Group has had 50 pits dug for rain water harvesting via the Tropical Research & Development Centre which is run in the Western



Ghats (Karnataka). This will help us conserve water, avoid depletion of ground water tables and conserve rainwater for usage during dry months.

Solar Powered Stations

Kamivisa and Samvi have introduced solar powered computer stations, reducing energy consumption and CO₂ emissions. We are working on making more stations solar powered in the future.

Rainwater Harvesting

Samvi has also installed a rainwater harvesting pit to conserve water saving about 20% more water per year.

Electronic Monitoring

Kamivisa has its own suite of customized apps that gate and record the entire quality process. We estimate that this reduces water consumption by 30%.

Digitization of Records

Both units have electronic records for the manufacturing process. This completely eliminates the use of paper and contributes directly to saving large quantities of natural resources – including water.

Smart Labelling

Kamivisa as well Samvi have standardized printing labels across products categories reducing the wastage of paper by 30%. This directly ties into reducing carbon and water emissions.

World Water Day Celebration - March 22

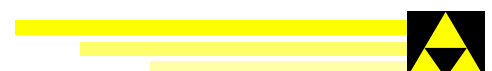
The AJM Group celebrated World Water Day by educating all employees about the importance of water conservation, using rainwater harvesting techniques where possible and asking employees to carry this message home to their families. Employees also took a pledge to conserve water.

Battery Power

Both units have a large battery-powered UPS system for critical systems that do not require the diesel generator to be turned on.

LED Lighting

Tube lights and incandescent lighting has been almost completely removed (except those that aren't fused yet) and replaced with energy-saving LEDs.



Power-Saving PCs

We are in the process of moving to computers that use only around 8Wh as opposed to traditional computers that use upward of 200Wh.

Auto On/Off Servers

We have put in smart systems in place that automatically turn off and on servers when required. This translates into the conservation of resources. Previously these critical servers ran 24 x 7 x 365.

AJM Group Business Ethics Policy: Sections Related to Reducing Carbon Emissions and Water Intake

We strive to adopt sustainable, environmentally-conscious processes and procedures in our operations wherever possible. We aim to reduce our carbon emissions, water usage, and waste through enhancing the efficiency and performance of our equipment and processes.

AJM Group Environment, Occupation and Safety (EOHS) Policy

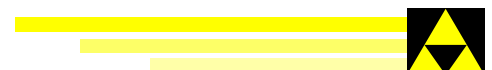
At Samvi Plastic products we manufacture plastic molded parts, metal components, printed circuit boards and assemblies.

At Kamivisa Products we manufacture absorbent wicks.

We are committed to implementing our Environmental, Occupational Health, and Safety (EOHS) policy in a way that is appropriate to our activities, products, and services.

We will achieve this by:

- 1. Identifying activities, products, and services that may cause pollution and implementing measures to prevent, reduce, or control this pollution when technically and economically viable.*
- 2. Using reasonable means to prevent injury and ill-health in the workplace.*
- 3. Setting and periodically reviewing waste reduction, conservation, and hazard reduction objectives.*
- 4. Factoring in environmental considerations when designing and procuring new infrastructure and products.*
- 5. Complying with all applicable legal requirements and other requirements related to our EOHS policy.*
- 6. Creating continual awareness and education of EOHS policy in all employees and vendor staff.*



AJM Group Green Policy

The AJM Group will be conscious of our usage of natural resources, conserving resources wherever possible. We will minimize resource waste and use reusable or recyclable packaging materials. We will minimize our use of non-renewable energy sources and explore renewable energy usage to minimize our impact on the environment. We will seek to implement environmentally friendly practices in all aspects of our business and operations.

In order to ensure our equipment and machines are performing at their best, most resource efficient level, we will adhere to a regular maintenance schedule. We will set efficiency and schedule adherence targets to ensure we achieve and exceed our equipment and machine maintenance goals.

We will follow all appropriate protocols when handling toxic and hazardous materials, including using personal protective equipment to minimize the risk of injury. We will follow all applicable waste disposal laws when disposing of hazardous and toxic waste. We will report any incidents involving toxic and hazardous waste to management immediately.

Key Takeaways

The AJM Group operates with tomorrow in mind. We're committed to preserving our planet for generations to come.

We aim to reduce our water intake and carbon emissions through driving energy efficient measures in all our facilities.

