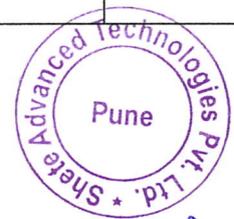


SHETE ADVANCED TECHNOLOGIES PRIVATE LIMITED

SUATAINABILITY STRATEGY AND CLIMATE CHANGE POLICY

Document Ref. No: CCP-01/SAT/25-26/12

Date of Board Approval	Particulars	Effective Date	Document Reviewed By	Document Approved By
18/12/2025	Introduction and Implementation of Climate Change Commitment Policy	18/12/2025		
Document History				
First Revision				
Second Revision				
Third Revision				




A handwritten signature in blue ink, appearing to be "G. S. K."

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INTRODUCTION: CLIMAT CHANGE MITIGATION POTENTIAL BY SMART METERS

Concerns over the climate emergency are a major reason why people are encouraged to optimize their energy usage. Smart metering may be a useful tool owing to its ability to give knowledge, raise awareness, and influence consumers' behaviour towards renewable energy, all of which have a direct impact on reducing GHG emissions from power generation.

Smart metering gives customers the tools they need to control their energy use, allowing them to access new solutions and incentives to promote energy efficiency and take greater personal responsibility for the environmental consequences of their actions. By being a management tool that provides data for decision-making, its climate change mitigation potential is linked to actions developed by the users based on the available data. Reduction of emissions are associated with energy savings, the avoidance of the establishment and operation of new power plants (primarily fossil-fired generation to meet peak demand) and an increase in the use of decentralized renewable energy generation (rooftop, for example).

Qualitatively speaking, the smart-metering adoption, followed by decisions on consumption and generation patterns, transforms people and local governments into active participants and decision-makers in the energy transition. It also helps to improve the management and exploitation of renewable energy resources, by facilitating the use of smart demand-side management systems like time-of-use (TOU) and dynamic tariffs.

SUSTAINABILITY OF SHETE ADVANCED TECHNOLOGIES PRIVATE LIMITED:

SAT is part of an exciting energy revolution that's underway in India. A new smart energy system is being developed that uses digital technology to actively monitor the amount of electricity and natural gas the country needs, when it needs it, and how it uses it. Aggregation and analysis of this data over days, weeks, seasons and years is a crucial step towards the possibility of 'Smart Cities' becoming a reality. This data will allow energy suppliers to generate the right amount of energy to meet demand, whilst ensuring that energy procurement is undertaken in the most efficient way.

SAT's mission is to contribute to a more sustainable future through its pivotal role as a leading Indian Smart Meter owner. By deploying smart meters, SAT will move India towards a cleaner, greener, and lower- carbon economy.

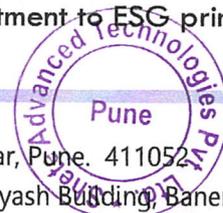
Smart meters not only increase energy efficiency across the grid but also contribute to a more sustainable society. By giving consumers real time consumption data that they have not previously had access to customers can realise energy savings and reduce fuel poverty and information inequality. Moreover, smart meters provide consumers flexibility in terms of the ease with which they can switch between energy suppliers, promoting competition and fairer customer outcomes. SAT conducts business in a socially and environment- ally responsible manner that benefits the Company's employees and customers. The Company's commitment to ESG principles is enshrined

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in the extensive policy suite which cover all aspects of the Company's business and people and are reported to and monitored by the board.

1. Policy Purpose & Objectives

- To integrate climate action across all SAT operations and business verticals.
- To achieve net zero GHG emissions by 2050.
- To promote sustainable growth by increasing the share and impact of Smart Meters in India's energy efficiency programme.
- Integrate biodiversity considerations into all project planning, site selection, and operational processes.
- To foster innovation and digitalization for enhanced energy and resource efficiency.
- To ensure transparent monitoring, reporting, and verification of emissions and sustainability metrics.
- To engage stakeholders, including employees, suppliers, customers, regulators, and civil society, in climate initiatives.

2. Scope and Applicability

The policy applies to all stakeholders working for or on behalf of all SAT operations, subsidiaries, and joint ventures in India where SAT has management control:

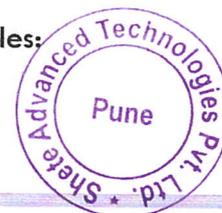
- Renewable energy (RE) power generation (solar, wind, hydro, biomass, etc.)
- Product procurement and trading activities
- Transmission and Distribution (T&D) infrastructure and operations
- Smart metering and digital energy management
- Cooling as a Service (CaaS) solutions
- All supporting functions and supply chain partners

Stakeholders include but are not limited to all employees, irrespective of their location or level within the organization, suppliers' partners including contractors and associated logistics, consultants, and other stakeholders present in our value chain.

- The Company expects all who have, or seek to have, a business relationship to familiarise themselves and to act in a way that is consistent with this policy.
- The Company will only do business with organizations who fully comply with this policy, or those who are taking verifiable steps towards compliance.

3. Principles and Commitments

SAT's climate change policy is guided by the following principles:



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- **Energy Efficiency and Digitalization:** Implement advanced digital and smart solutions, including smart meters and AI-driven energy management, to reduce technical and commercial losses.
- **Decarbonizing T&D:** Modernize and optimize T&D networks to minimize energy losses and integrate decentralized RE sources.
- **Climate-Resilient Cooling:** Expand energy-efficient, climate-friendly cooling as a service, leveraging low-GWP refrigerants and renewable-powered systems.
- **Green Procurement and Supply Chain:** Prioritize suppliers with robust environmental credentials; embed sustainability in procurement policies.
- **Stakeholder Engagement:** Collaborate with customers, employees, industry, government, and civil society on climate action and education.
- **Transparency and Accountability:** Disclose climate risk, GHG emissions, and progress towards net zero in line with international frameworks (e.g., TCFD, CDP, GRI).
- **Just Transition:** Support workforce reskilling, local communities, and social equity as part of the energy transition.

4. Strategic Pillars and Key Actions

Decarbonizing T&D Operations

- Upgrade grids to integrate higher shares of variable renewable energy.
- Deploy smart substations, remote sensing, and predictive maintenance to reduce losses and downtime.
- Implement demand response and dynamic line rating technologies.
- Phase out SF₆ and other high-GWP gases from switchgear and adopt alternatives wherever feasible.

Smart Metering and Digital Transformation

- Accelerate smart meter rollout to enable real-time energy monitoring and demand-side management.
- Leverage IoT, AI, and data analytics for grid optimization, forecasting, and emissions tracking.
- Enable customers to make informed choices through digital energy dashboards and carbon footprint calculators.

Low-carbon Cooling as a Service

- Scale up cooling as a service (CaaS) offerings using highly efficient, renewable-powered, and low-GWP technologies.
- Promote district cooling and decentralized solutions for urban areas and commercial clients.
- Collaborate with technology providers to pilot and deploy next-generation climate-friendly refrigerants.

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Green Procurement and Supply Chain Management

- Incorporate environmental criteria in supplier selection and evaluation.
- Encourage suppliers to set science-based targets and report GHG emissions.
- Optimize logistics and inventory management to reduce carbon footprint.

Biodiversity and Climate Change

- Integrate biodiversity considerations into all project planning, site selection, and operational processes.
- Support and participate in local ecosystem restoration and conservation initiatives, prioritizing native species and habitats.
- Conduct regular biodiversity impact assessments and establish no-net-loss or net-positive impact targets for major sites.

Climate Risk Management and Resilience

- Assess physical and transition risks posed by climate change across all business units.
- Develop business continuity plans addressing climate-related disruptions (e.g., extreme weather, supply chain shocks).
- Invest in resilient grid and cooling infrastructure, with regular stress-testing for climate scenarios.

Governance, Monitoring, and Reporting

To strengthen transparency and credibility, the Company will

- Establish penalties and consequences for non-compliance with resource efficiency and circular economy guidelines.
- The policy shall be implemented by respective CEO's of the business divisions.
- Maintain the established Board-level Corporate Responsibility Committee [CRC] to oversee policy implementation and review its suitability, adequacy and effectiveness.
- Annually disclose direct (Scope 1), indirect (Scope 2), and value chain (Scope 3) GHG emissions.
- Set interim targets for 2030, 2040, and 2045, with transparent annual progress reporting.
- Align disclosures with international standards and frameworks, including but not limited to TCFD, TNFD, GRI, IFRS S1&S2, and India's BRSR (Business Responsibility and Sustainability Reporting).
- engage independent third-party auditors to provide assurance on its environmental performance annually. Findings from these external assessments will be incorporated into

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the continuous improvement process and shared with stakeholders through appropriate channels.

- Monitor and transparently report on biodiversity outcomes alongside climate-related performance indicators.
- Address the Non-conformities and opportunities for improvement promptly.

5. Targets and Timelines

- Net Zero by 2050: Achieve net zero GHG emissions across all operations and value chains by 2050.
- Smart Metering Penetration: Deploy smart meters for all eligible customers by 2030.
- Cooling Emission Intensity: Be National benchmark in GHG emission intensity per cooling service unit by 2030
- Supply Chain: Ensure that 75% of key suppliers set climate targets and report emissions by 2030.
- Regularly review and increase ambition based on technological advancements and policy landscapes.

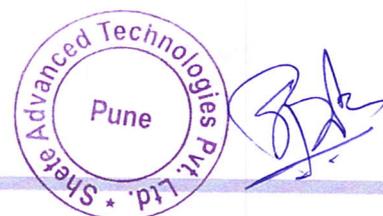
6. Capacity Building and Innovation

- Provide regular climate strategy and sustainability training for all employees.
- Implement training programs for employees on biodiversity protection and climate adaptation best practices.
- Partner with research institutions, start-ups, and industry for R&D in renewables, digitalization, and low-carbon solutions.
- Collaborate with environmental organizations and stakeholders to enhance landscape connectivity and reduce habitat fragmentation.
- Promote nature-based solutions such as urban greening, reforestation, and wetland restoration to bolster climate resilience.
- Foster a culture of innovation, empowering teams to pilot new technologies and business models that support decarbonization.

7. Stakeholder Engagement and Advocacy

- Engage with local communities, governments, and industry peers to advance climate adaptation and mitigation.
- Support policy advocacy for favorable RE, digital, and climate regulations in India.
- Promote climate education, awareness, and capacity building among customers and the wider community.

8. Review and Continuous Improvement



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This policy will be reviewed and approved by the Climate Initiative Committee of the Board, biennially or in response to significant developments in climate science, technology, or regulation to ensure suitability, adequacy and effectiveness on an ongoing basis.

Continuous improvement will be driven by stakeholder feedback, performance data, and emerging global best practices.

This policy is endorsed by the Board of Directors of SAT and will be communicated to all employees, relevant stakeholders, and made publicly available on our website.

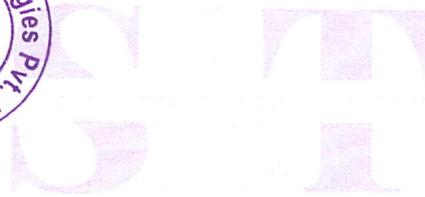
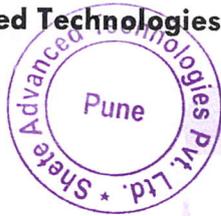
By adhering to this comprehensive Climate change Policy, we pledge to uphold our commitment to environmental stewardship and sustainable practices in all aspects of our value chain activities.

For,

Shete Advanced Technologies Private Limited

Director

Vyankatesh B Shete



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