

HFCL Limited

Climate Change and Net-Zero Policy

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1.0	Mr. Neeraj Ahuja, Vice President – Operations	1 April, 2025	Mr. Harshwardhan Pagay, President

1. Objective

HFCL Limited (“**HFCL**” or the “**Company**”) recognizes that climate change presents an urgent and far-reaching challenge with serious implications for society, the environment, and business resilience. As a responsible entity, the Company is committed to combating climate change and reducing its greenhouse gas (GHG) emissions through responsible and forward-looking business practices.

This Policy outlines HFCL’s approach to identifying and managing climate-related risks and opportunities, integrating climate considerations into its business strategy, and supporting the global transition to a low-carbon economy.

2. Scope and Applicability

This Policy applies to all operations of HFCL across its offices, facilities, project sites, and field locations. This includes all locations and geographies in which HFCL operates.

The Policy also informs HFCL’s expectations from its suppliers, vendors, and business partners to act in alignment with the Company’s approach to climate action and mitigation.

3. Definitions

- “**Company**”, “**we**”, “**our**”, or “**HFCL**” refers to HFCL Limited.
- “**Policy**” refers to this Climate Change and Net-Zero Policy of HFCL.
- “**Climate Change**”, is defined by the United Nations Framework Convention on Climate Change (UNFCCC) as a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.
- “**Emissions**”, as defined by the UNFCCC refer to the release of greenhouse gases and/or their precursors into the atmosphere over a specified area and period of time.
- “**Carbon Footprint**”, refers to the total greenhouse gas emissions caused by HFCL’s activities, expressed in equivalent tons of CO₂.

4. Policy Commitments

HFCL is committed to proactive climate action and supporting the transition to a low-carbon economy. The Company shall:

- Work towards achieving net zero greenhouse gas (GHG) emissions by 2050, in alignment with the Paris Agreement goal of limiting global warming to 1.5°C and the scientific guidance provided by the Intergovernmental Panel on Climate Change (IPCC).
- Identify, evaluate, and integrate climate-related risks and opportunities across its operations, embedding them into strategic planning, decision-making, and business continuity frameworks.
- Implement energy efficiency measures and adopt innovative, sustainable technologies across the Company’s operations.
- Increase reliance on renewable energy sources, particularly solar, to reduce dependence on fossil fuels and minimize GHG emissions across its facilities.
- Monitor energy consumption and GHG emissions across Scope 1, 2, and relevant Scope 3 categories; track reduction efforts and regularly review data in collaboration with internal stakeholders and partners.

- Encourage suppliers and business partners to align with HFCL's climate objectives by integrating environmentally responsible practices across their operations.
- Comply with all applicable environmental and climate-related laws and regulatory requirements and remain adaptive to emerging expectations in jurisdictions where HFCL operates.
- Build internal awareness and capabilities on climate issues to support responsible and informed decision-making at all levels of the organization.
- Report to stakeholders on climate action and emissions management periodically aligned with globally accepted standards.

5. Roles and Responsibilities for Implementation

Effective implementation of this policy requires clear ownership and collaboration across HFCL and its value chain. The roles below outline responsibilities for ensuring the delivery of HFCL's climate commitments:

- **Senior Management:** Lead the development and integration of HFCL's climate strategy into business planning. Establish and review climate and emissions reduction objectives, allocate resources, and ensure policy implementation across operations.
- **ESG Committee:** Coordinate execution of the climate policy, track, and report emissions performance, assess climate-related risks and opportunities, and ensure alignment with applicable regulatory and disclosure expectations.
- **Employees and Workers:** Contribute to climate action by adopting responsible work practices, participating in awareness, and training programs, and complying with sustainability-related policies and procedures.
- **Suppliers and Business Partners:** Align with HFCL's climate-related commitments and goals by adopting low-emission technologies, integrating sustainability into their operations, and ensuring transparent reporting of climate- and emissions-related data.

6. Grievance Redressal

HFCL aims to integrate sustainability across its operations. In case stakeholders observe any instances of non-compliance or wish to suggest improvements related to climate targets and emissions practices, they may reach out to the ESG Committee. All suggestions and complaints will be reviewed in accordance with internal protocols and addressed in a fair and transparent manner.

7. Monitoring and Review

HFCL will regularly monitor the implementation of this policy through internal assessments and tracking of key climate-related risks, opportunities, and metrics, including GHG emissions and energy use. The ESG Committee will periodically review progress to ensure alignment with HFCL's climate goals, applicable laws, evolving regulatory landscapes, international best standards, and stakeholder expectations.

8. Communication of the Policy

HFCL is committed to transparent and inclusive communication of this policy. The policy to be made available on the website to ensure accessibility for all stakeholders, including employees, business partners, suppliers, and the broader community. Periodic awareness and training sessions will be

conducted to help the workforce understand HFCL's climate goals, responsibilities, and the associated risks and opportunities. Any revisions to the policy will be promptly communicated through formal internal channels and appropriate external disclosures to ensure alignment across the organization and its value chain.

9. Related Policies

This policy should be read alongside the following policies of HFCL:

S. No.	Policy
1	Environmental Management Policy
2	Waste Management Policy
3	Water Stewardship Policy