

CORPORATE ENVIRONMENT POLICY

Tata Power reaffirms its commitment to a clean, safe and healthy environment and shall Operate its facilities across the value chain of Generation (Thermal, Hydro, Waste Heat Recovery, Solar, Wind, Hybrid), Transmission, Distribution, and Energy based solutions to customers in an environmentally sensitive and responsible manner.

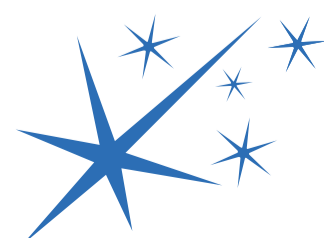
To achieve the above, Tata Power shall endeavor to:

- Comply and/or exceed all applicable environmental legislation(s).
- Conserve natural resources by improving operational efficiency, reducing wastage(s), preventing pollution, and rational and sustainable use of water and other resources.
- Integrate environmentally sound technologies and best practices for continual improvement in environmental performance by institutionalizing a robust Environment Management System.
- Minimize T & D losses from the distribution process through efficient logistics system operation.
- Proactively assess risks and opportunities and take business decisions to enable sustained environmental performance across all its operations including JVs and Subsidiaries.
- Consider environmental factors in capital investments such as mergers and acquisitions.
- Consider environmental factors while selecting supply chain partners.
- Develop and deliver more efficient and environment-friendly energy-based solutions to customers.
- Integrate the conservation, protection and promotion of biodiversity with the principle of achieving "No net loss of biodiversity".
- Communicate this Policy & Inculcate environmental consciousness amongst all its stakeholders.
- Periodically review this policy for applicability, relevance, effectiveness and congruence with the continuously evolving business environment but not lesser than once in three years.
- This policy is applicable to all establishments of Tata Power and employees.

Date: 7th October 2021



Dr. Praveer Sinha
CEO & MD



**Corporate Environment Policy
Commitment Document**

By

Corporate Environment & Climate Change Department

The Tata Power Company Limited

July 2023



**Corporate Environment Policy -
Commitment Document**

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I. Purpose:

Tata Power aligned to the Tata Code of Conduct In the production and sale of our products and services, strive for Environmental Sustainability and comply with all applicable laws and regulations. Further Tata Power seek to prevent the wasteful use of natural resources and are committed to improving the environment, particularly with regard to the emission of greenhouse gases, consumption of water and energy, and the management of waste and hazardous materials. Tata Power endeavor to offset the effect of climate change in its activities.

In this context, Environment Policy is designed covering entire aspects of Generation, Transmission and Distribution of Electricity. The intent of this policy is to meet environmental expectations and provide actionable guidance, as Tata Power strives to foster a culture of excellence.

II. Applicability:

This policy shall apply to all establishments of Tata Power and each employee shall be responsible partner in implementing the policy.

III. Principles:

This policy is based on the following principles:

1. Comply

- Comply and/or exceed all applicable environmental legislation(s).

2. Conserve & Integrate

- Conserve natural resources by improving operational efficiency, reducing wastage(s), preventing pollution, and rational and sustainable use of water and other resources.
- Integrate environmentally sound technologies and best practices for continual improvement in environmental performance by institutionalizing a robust Environment Management System
- Develop and deliver more efficient and environment-friendly energy-based solutions to customers

3. Systematize

- Minimize T & D losses from the distribution process through efficient logistics system operation.
- Proactively assess risks and opportunities and take business decisions to enable sustained environmental performance across all its operations including JVs and Subsidiaries Technology Adoption

4. No Net Loss

- Integrate the conservation, protection and promotion of biodiversity with the principle of achieving "No net loss of biodiversity.

- Consciously consider environmental factors in capital investments such as mergers and acquisitions and while selecting supply chain partners.

IV. Policy:

TATA POWER shall achieve these objectives by:

1. Stakeholder management
2. Environment stewardship:
3. Compliance and Assurance
4. Capacity Building

1. Stakeholder Engagement:

- Play key role for undertaking study & policy advocacy for Environment related issues
- Proactively assess risks and opportunities and take business decisions to enable sustained environment performance.
- Communicate key “*Paryavaran Sandesh*” to all the stakeholders to promote awareness on Environment issues
- Identify internal & external stakeholders (employees, opinion makers, media, community, District administration, & respective state govts, etc) and understand their expectations for Environment
- Prioritize & identify the areas which need actions based on above and establish goals and targets.
- Get required technological support that promote Environment protection & Conservation by collaborating with research institutes, equipment manufactures & suppliers, peer group & internal expertise

2. Environmental Excellence:

- Ensure effective measures to be a leader in Environmental Performance at national and international level ¹ by achieving Carbon Neutrality, Adopting Circular Economy for Water & Waste.
- Spearheading Pro-active approach by employing environmental aspects as one of the prime considerations in decision-making process.
- Identify and manage environmental impacts due to business activities, by adopting possible latest environment management state of art technologies and practices.
- Evaluate performance of Environment protection measures.
- Ensure cost effective and optimal use of resources such as land, water, fuel, construction materials, oils, and chemicals etc, especially the non-renewables.
- Benchmark parameters to establish and adopt best practices.

¹ Organizational aspiration to be leader in Global Power Business

3. Compliance and Assurance:

- Tata Power continue to comply with all relevant environmental regulations, standards and other applicable codes by operating and maintaining the assets within the boundary of permits, consents, and licenses including in new tramendments for various statutory compliance are mapped in the online system called as Legatrix.²
- Environmental risks perceived shall be reviewed through Risk Management Committee for appropriate action for reporting environment related parameters, deviations and constraints to Management.
- Shall Undertake regular Environment audits, deliberate & act on recommendations.

4. Capacity Building:

- Provide training on Environment related awareness / sensitization for all employees and allied groups (Township / school / community / office, etc.)
- Provide specialized training to focused groups at corporate & station levels to meet policy objectives
- Subscribe and disseminate Environment related study reports, researches, findings, innovations through different media to all employees.
- Encourage discussion platforms such as professional & quality circles focused on water conservation and sustainability issues

V. Roles & Responsibility

Effective Implementation of Corporate Environment Policy depends on employees across organizational levels and departments taking responsibility for various tasks. This policy is oversighted by Tata Power Senior Leadership. For successful implementation of Corporate Environment Policy, Roles and responsibilities are defined for Corporate Environment function and operating divisions as well.

Corporate Environment Function:

- To define Environment improvements, Organization targets and objectives.
- To formulate roadmaps for achievement of Organization targets
- To overview overall compliance of all operating plants

² Legatrix: This system has escalation mechanisms for non-compliances. Status of compliances are monitored by Compliance Management team and are reported and reviewed during periodic management review

Individual Operating Plants

- Implementation of Robust EMS across individual
- Formulation of divisional specific implementation plan for deployment of Strategic Target
- Fulfilment of division specific compliance requirements.

VI. Review:

Company commits to support and implement this Environment Policy. This policy shall be reviewed at opportune time, but not later than once in three years.