

Environment Policy

Effective Date: 01.08.2026

1. Environmental Policy

National Engineering Industries Limited ("NEI", "the Company") designs and manufactures bearings and precision engineering products that enable mobility, industry and infrastructure. As a responsible manufacturer and a member of the CKA Birla Group, NEI recognises that its operations, products and supply chain interact with the natural environment.

This Environment Policy ("the Policy") sets out NEI's commitment to environmental stewardship across its operations and value chain. NEI's environmental processes, sustainability efforts, and policy engagement activities are aligned with the Paris Agreement, 2015 including the Company's commitment to the Business Ambition for limiting global warming to 1.5°C above pre-industrial levels.

Through this Policy, NEI commits to continually reduce the environmental footprint of its operations and products, to engage its suppliers and customers on shared environmental goals, and to report progress transparently to its stakeholders.

Compliance with Applicable Laws

The Company complies with and shall continue to comply with all applicable environmental laws, regulations, permits, consents and other environmental requirements applicable to its operations.

2. Scope of Application

This Policy applies to all NEI owned operations, facilities, suppliers, and other business partners/stakeholders in the value chain.

3. Environmental Commitments

A. Energy Consumption & GHGs

NEI's manufacturing operations are energy-intensive, and this energy use is a major source of the Company's greenhouse gas (GHG) footprint. Optimising energy performance is therefore central to NEI's environmental strategy.

Our Commitments

- Commit to achieving net-zero emissions
- Commit to not fund any climate lobbying against climate regulations
- Commit to engage stakeholders and conduct capability-building programs on environmental issues

B. Water

Water is essential to NEI's manufacturing operations. Recognising it as a finite and precious resource, NEI is committed to reducing absolute water consumption, improving water-use efficiency, and minimising water pollution.

Our Commitments

- Commitment to control/reduce/eliminate water pollution
- Commitment to reduce water withdrawal and consumption volumes
- Commitment to safely manage WASH in local communities
- Commitment to water stewardship and/or collective action
- Commitment to take environmental action beyond regulatory compliance
- Commit to engage stakeholders and conduct capability-building programs on environmental issues.

C. Pollution

NEI's manufacturing plants generate soot, GHGs and other pollutants as waste by-products. These pollutants pose health risks to employees and surrounding communities and contribute to global warming.

Our Commitments

- Commitment to quarterly air quality monitoring across plant locations.
- Commitment to comply with prescribed noise limits under applicable regulations.

D. Hazardous Materials & Waste

NEI's manufacturing processes generate hazardous waste that, if mishandled, can endanger employee health and impact communities near its premises. NEI follows a defined Operating Control Procedure (OCP) for the handling, storage and disposal of hazardous waste.

Our Commitments

- Commitment to route recycling and disposal exclusively authorised vendors
- Commitment to zero effluent discharge outside factory premises

E. Product Use

Environmental footprint of products can be decreased by incorporating sustainability design. Any adoption of sustainability initiatives in product design has the potential to make a huge impact. We are looking at ways to implement eco-friendly designs and to perform analysis of our bearings and its allied components in the near- to mid- future.

Our Commitments

- Commitment to incorporate sustainability considerations into product design.
- Commitment to assess the carbon and life cycle footprint of key product lines.

F. Product End-of-Life

NEI's scale of production means end-of-life bearings represent a material waste stream. Enabling recovery and reuse of metals and packaging materials supports both circularity goals and reduced virgin material dependence.

Our Commitments

- Commitment to increase the use of recyclable materials in product packaging.

5. Roles and Responsibilities

NEI's Management Committee provides oversight and final approval for the Environment policy and programs. The committee is responsible for making this Policy available to all employees and for implementing short and long-term plans to achieve all targets listed. NEI Sustainability Lead is responsible for the day-to-day deployment, management, and monitoring of environmental performance and targets. Employees are responsible for reading, acknowledging, and complying with this Policy and actively participating in energy management programs.

6. Employee Awareness & Responsibility

The Company promotes environmental awareness among its employees and shall continue to provide appropriate trainings, workshops and awareness programmes for increased participation of employees and relevant stakeholders in environmental initiatives to enable them to understand and fulfil their environmental responsibilities.

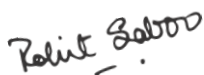
7. Review Mechanism

This Policy and its effectiveness will be formally reviewed at least once every three years by the NEI's Management Committee. The review will ensure continued relevance, effectiveness, and alignment with evolving national legislation and international best practices.

8. Sanction

Any related incidents should be reported at neical@nbcbearings.in. All reported incidents will undergo thorough investigations as quickly as possible without prejudice. Necessary corrective and preventive actions will be taken to address the reported incident.

Full anonymity and immunity will be given to whistle-blowers. Under no circumstance will NEI allow any retaliation against whistle-blowers.



Rohit Saboo
President & CEO