Applied Automation and Controls Inc

Carbon Reduction Plan

Applied Automation and Controls Ltd
Dec 1, 2024

Commitment to achieving Net Zero

Applied Automation and Controls Inc is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. The baseline emission year has been set as 2024

Baseline year emissions:

EMISSIONS	**TOTAL (tCO2e)**
Scope 1	0 tons (No direct emissions from owned sources)
Scope 2	4.32 tons (Electricity: 24,000 kWh annually @ 0.18 kg CO2e/kWh)
Scope 3 (Included Sources)	8.5 tons (Employee commuting, purchased materials, waste)
Total Emissions	**12.82 tons**

Current Emissions Reporting

Reporting Year: 2024

EMISSIONS	**TOTAL (tCO2e)**
Scope 1	0 tons
Scope 2	4.32 tons
Scope 3 (Included Sources)	8.5 tons
Total Emissions	**12.82 tons**

Applied Automation and Controls Inc

Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted certain carbon reduction targets. We project that carbon emissions will decrease over the next five years to **9.6 tCO2e by 2030**. This is a reduction of **25%**.

Our reduction strategy focuses on:

- Transitioning to renewable electricity supply
- Implementing recycled materials in manufacturing
- Optimizing office energy efficiency
- Reducing material waste through improved design processes

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

- Office waste recycling program implemented
- Energy-efficient LED lighting throughout facility
- Digital communication systems to minimize paper usage
- Optimized HVAC scheduling to reduce unnecessary energy consumption

Planned Carbon Reduction Initiatives

Materials & Manufacturing:

- Transition to recycled solder for electrical assembly (Target: Q3 2026)
- Source recycled copper for electrical wires and cables (Target: Q4 2026)
- Implement recycled aluminum and stainless steel for enclosures, mounting plates and DIN rails (Target: Q4 2027)
- Establish supplier requirements for material sustainability certifications

Energy & Operations:

- Switch to renewable electricity supplier (Target: Q2 2025)
- Install programmable thermostats for improved HVAC efficiency

- Implement employee remote work options to reduce commuting emissions
- Upgrade to more energy-efficient computing equipment during replacement cycles

Process Improvements:

- Develop design standards that prioritize material efficiency and recyclability
- Implement lean manufacturing principles to minimize waste
- Establish partnerships with local recycling facilities for electronics waste

Declaration and Sign Off

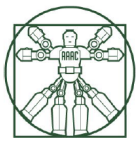
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by AAAC Inc management.

Signed:



Digitally signed by Sarmad Adnan

Date: Dec 1, 2024