

BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Introduction

The National Guidelines on Responsible Business Conduct (NGRBC) introduced by the Ministry of Corporate Affairs in the year 2019 replaced and revised the National Voluntary guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business earlier issued by the Ministry in the year 2011.

This report conforms to the Business Responsibility Reporting (BRR) requirement of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the NGRBC.

The NGRBC are designed to be used by all businesses, irrespective of their ownership, size, sector, structure or location. The NGRBC also provide a useful framework for guiding companies in their operations, in addition to aligning with applicable national standards and norms governing responsible business conduct.

ANNEXURE - 1

SECTION A: GENERAL DISCLOSURES

1.	Name of the Company	:	TVS Motor Company Limited								
2.	Year of registration	:	1992								
3.	Corporate Identity Number (CIN) of the Company (if applicable)	:	L35921TN1992PLC022845								
4.	Corporate address, telephone, email and website	:	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006 Tel: 044-28332115 e-mail: contactus@tvsmotor.com Website: www.tvsmotor.com								
5.	Financial Year Reported	:	2020-21								
6.	Sector(s) that the Company is engaged in (industrial activity code)	:	<table border="1"><thead><tr><th>NIC Code</th><th>Description</th></tr></thead><tbody><tr><td>30911</td><td>Motorcycles, Scooters, Mopeds</td></tr><tr><td>30912</td><td>Three-wheelers</td></tr><tr><td>30913</td><td>Parts & Accessories</td></tr></tbody></table>	NIC Code	Description	30911	Motorcycles, Scooters, Mopeds	30912	Three-wheelers	30913	Parts & Accessories
NIC Code	Description										
30911	Motorcycles, Scooters, Mopeds										
30912	Three-wheelers										
30913	Parts & Accessories										
7.	List of three key products that the Company manufactures	:	Manufacture of 1. Two-Wheelers 2. Three-Wheelers 3. Parts & Accessories (Please refer to Company's website for complete list of its products)								
8.	Brands (top five by respective share of market) owned and percentage of revenue contributed:	:	All the products of the Company are being sold under TVS brand.								

Operations:

9. Location of plants (in case of manufacturing businesses) :
- a. National (Districts and states - top five by employee strength):
- i) Number of National Locations:
- A. The Company has three manufacturing locations as under:
1. Post Box No. 4, Harita, Hosur - 635 109, Tamil Nadu, India.
 2. Post Box No. 1, Byathahalli Village, Kadakola Post, Mysuru - 571 311, Karnataka, India.
 3. Bhatian Village, Bharatgarh Road, Teh. Nalagarh, Solan District - 174 101, Himachal Pradesh, India.
- b. International (Country - top three by employee strength):
- ii) Number of International Locations:
- The Company does not have any manufacturing unit outside India. However, its overseas subsidiary viz.,
- (i) PT TVS Motor Company Indonesia has a manufacturing facility in Karawang, Indonesia;
 - (ii) The Norton Motorcycle Co Limited, has a manufacturing facility in Solar Park, Solihull, UK
- B. The Company has Area Offices across pan India.
- C. The sales and marketing office of the Company is situated at TVR Pride, No.383, 16th Main, 3rd Block, Koramangala, Bengaluru 560 034, Karnataka, India.
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10. Location of major offices (in case of service businesses) :
- a. National (Districts and states - top five by employee strength):
- Not applicable
- b. International (Country - top three by employee strength):

Employees:

- | | | | |
|-----|--|---|-------|
| 11. | Number of permanent employees | : | 5,035 |
| 12. | Contractual employees (seasonal, non-seasonal) | : | 1,345 |
| 13. | Temporary employees | : | 6,830 |
| 14. | Percentage of women employees | : | 7.1% |
| | a. On the Governance Structure | : | – |
| | b. In top management i.e. business and functional heads; | : | – |

Associate entities:

- | | | | |
|-----|-----------------------------------|---|--|
| 15. | Name of subsidiaries / associates | : | Subsidiaries |
| | | | 1. Sundaram Auto Components Limited, Chennai |
| | | | 2. TVS Housing Limited, Chennai |
| | | | 3. TVS Motor Services Limited, Chennai |
| | | | 4. TVS Credit Services Limited, Chennai |
| | | | 5. TVS Two-wheeler Mall Private Limited, Chennai |
| | | | 6. TVS Micro Finance Private Limited, Chennai |

7. Harita ARC Private Limited, Chennai
8. Harita Collection Services Private Limited, Chennai
9. TVS Commodity Financial Solutions Private Limited, Chennai
10. TVS Housing Finance Private Limited, Chennai
11. Intellicar Telematics Private Limited, Bengaluru
12. TVS Motor Company (Europe) B.V., Amsterdam
13. TVS Motor (Singapore) Pte. Limited, Singapore
14. PT TVS Motor Company Indonesia, Jakarta
15. Sundaram Holding USA Inc, Delaware, USA
16. Green Hills Land Holding LLC, South Carolina, USA
17. Components Equipment Leasing LLC, South Carolina, USA
18. Sundaram - Clayton (USA) LLC, South Carolina, USA
19. Premier Land Holding LLC, South Carolina, USA
20. The Norton Motorcycle Co Limited, UK

Associates

- Emerald Haven Realty Limited, Chennai.
- Ultraviolette Automotive Private Limited, Bengaluru.
- Tagbox Solutions Private Limited, Bengaluru.

Associates of TVS Motor (Singapore) Pte Limited

- Tagbox Pte Limited, Singapore
- Predictronics Corp, USA
- Scienaptic Systems Inc., USA
- Altizon Inc., USA

Subsidiaries of Emerald Haven Realty Limited

1. Emerald Haven Projects Private Limited, Chennai
2. Emerald Haven Property Development Limited, Chennai
3. Happiness Harmony Property Developers Private Limited
4. Emerald Haven Towers Limited, Chennai
5. Emerald Haven Development Limited, Chennai
6. Emerald Haven Life Spaces (Radial Road) Limited, Chennai
7. Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai
8. Emerald Haven Town & Country Limited, Chennai

16. Details of Trust/Society/Section 8 company to further its CSR agenda:

- a. Name;
- b. Organization form (Trust, Society, Company) and year of establishment;
- c. Main objects/purpose;

a. Srinivasan Services Trust

b. Established in 1996

Main objects:

- i. Eradicating hunger, poverty, promoting preventive healthcare and sanitation and making available safe drinking water;
- ii. Promoting of Education, including special education and employment, enhancing vocation skills especially among Ochildren, women, elderly and differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and measures for reducing inequalities faced by socially and economically backward groups;

- iv. Ensuring environment sustainability, ecological balance, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- v. Rural development projects

17. Contact details of Nodal Officer for this report (name, designation, email id, phone number). : Mr K S Srinivasan
Company Secretary
kss@tvsmotor.com
044-28332115

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed to demonstrate the structures, policies and processes put in place towards adopting the Principles and Core Elements.

- P1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.
- P2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 Businesses should respect the interests of, and be responsive to all its stakeholders.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect and make efforts to protect and restore the environment.
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 Businesses should promote inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their customers in a responsible manner.

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	Names of the policy / policies that covers each Principle	The Company has in place the following policies in line with the National Guidelines on Responsible Business Conduct: 1. Code of Business Conduct and Ethics 2. Whistle Blower Policy 3. Related Party Transaction Policy 4. Corporate Social Responsibility Policy 5. Code of fair disclosure 6. Code of conduct to regulate, monitor and report trading by insiders 7. Quality and environment policies relating to safe and sustainable products 8. Environment, Occupational Health and Safety policy.								
2.	Core Elements related to the Principle that the policy/ policies cover	All the core elements are stated in the policies								
3.	Policy / policies relating to each principle that has been translated into guidelines and procedures	Y	Y	Y	Y	Y	Y	-	Y	Y
4.	Extent to which manpower, planning and financial resources have been allocated for the implementation of the policy / policies relating to each Principle	Y	Y	Y	Y	Y	Y	-	Y	Y
5.	National and International codes and standards adopted mapped to various Principles	Y	Y	Y	Y	Y	Y (ISO 14001: 2015)	-	Y	Y
		All the policies of the Company are in compliance with the national / international standards wherever applicable								

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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Governance, leadership and oversight

6.	Names of the above policies that have been approved by the board / top management	<p>The following policies / codes have been approved by the board:</p> <ol style="list-style-type: none"> 1. Code of Business Conduct and Ethics 2. Whistle Blower Policy 3. Related Party Transaction Policy 4. Corporate Social Responsibility Policy 5. Code of fair disclosure 6. Code of conduct to regulate, monitor and report trading by insiders <p>Other operational / internal policies are approved by the management.</p>								
7.	Name of the specified committee(s) of the Board / Director / Officer and processes to oversee the implementation of the policy / policies	<p>Audit committee and Board oversees the implementation of various policies / Codes as required under the legal framework in force from time to time.</p> <p>CSR committee oversees the implementation of CSR activities by the Company.</p> <p>All the policies and their implementation are being reviewed at regular intervals by the board.</p>								
8.	The process for board / top management to review performance against the above policies and incorporating inputs	<p>An Independent Consultant has been engaged to ensure compliance of all laws including these polices at periodic intervals in conformity with the best national / international standards and to align with the latest amendments introduced by various regulatory authorities.</p>								
9.	Process for board/ top management to review compliance with statutory requirements of relevance to the Principles and rectify any non-compliances.	<p>The report on Company's conduct of its businesses is presented to the Board for its review and further improvement of its standards.</p>								
10.	Frequency of the reviews of the business's alignment with the Principles and Core Elements conducted by the board / top management	<p>The board on a continuous basis reviews the businesses alignment with the principles and core elements.</p>								

Stakeholder Engagement

11.	Description of the process to identify your business's key stakeholders	<p>The Company is aware of the fact that all stakeholders have not direct business engagement .</p> <p>The Company has identified stakeholders under eight broad groups:</p> <ol style="list-style-type: none"> 1. Suppliers, Transporters, Service Providers, Industry Bodies 2. Shareholders & Investors 3. Regulatory Bodies 4. Policy Makers 5. Customers 6. Dealers 7. Employees, Trade Union 8. Local Community 								
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S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
12.	Description of the process to engage with your stakeholders on the Principles	The Company continuously expands its proactive engagement with all the stakeholder groups. The Company also recognizes that stakeholder engagement is an integral part of partnership building and aims to institutionalize a structured approach through a formal process in the future.								
13.	Description of the processes to identify groups that are vulnerable and marginalized stakeholders.	The Company identifies marginalized and disadvantaged groups through need assessment in all the villages where it works by engaging the local communities.								
14.	Description of the processes to identify issues related to inclusion and impact of adopting the Principles on vulnerable and marginalized stakeholders.	The Company continuously strives to achieve total inclusiveness by encouraging people in all sections of the community irrespective of caste, creed or religion to benefit through its CSR initiatives which would also be focused around communities reside in the proximity of the Company's various manufacturing locations in the country.								

Communication

15.	Description of process to communicate to stakeholders, the impact of your policies, procedures, decisions and performance that impact them.	The Company proactively engages with stakeholders formally and informally to: Share information, discuss the Company's sustainability priorities, programs and performance and determine opportunities to collaborate towards common goals.								
16.	Description of how the business communicates the results of stakeholder engagement in the public domain	The Company communicates the performance against the Guidelines to the stakeholder through its website, stakeholder interactions, Business Responsibility Report and Annual report.								
17.	Description of the process of communicating performance against these Guidelines to relevant stakeholders	The Company believes in listening to the viewpoints of its stakeholders and addressing them on priority. The Company values the inputs received from the engagement process and these engagements help to identify material aspects. The progress on the material aspects are communicated in Annual report, Business Responsibility Report and on websites at periodic intervals.								
18.	Note on how disclosures and reporting helped in improving business performance / strategy	Such measures help the Company to identify stakeholder expectations and to design its sustainability strategy to balance the different stakeholder needs and expectations.								

If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles	-	-	-	-	-	-	-	-	-
The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
It is planned to be done within next 12 months	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	P7 - the Company through the various industrial forums endeavors to promote growth and technological process, economic reforms, inclusive development policies and sustainable business principles. Therefore there is no need for such policy.								

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators:

1. Month / Year of last review by Governance Structure / top management of performance of the business across the Principles and Core Elements of the Guidelines:

January 2021.

The Company reviewed the new talents hired, their skills and competencies for future business solutions of the Company and Key areas identified for strengthening the organisation.

The Nomination and Remuneration Committee also reviewed the key priorities including other future thrust areas and skills and competencies of recruits in recent past, from global as well as from premier Indian institutes.

2. Percentage Coverage of leadership team by awareness programmes on the Guidelines:

a. **In reporting year :** 100 % of the functional heads are covered by awareness programmes on the Guidelines at all times.

b. **Total to date :** 100 %

3. Percentage of suppliers and distributors (by value), in the year:

a. **Covered by awareness programmes for the Guidelines** - 100 % of the suppliers

b. **Had responsible / sustainable business policies in place?** - 100 %

4. Number of meetings / dialogues with minority shareholders that were organized in the year:

Nil

5. Number of complaints received on any aspect of the NGRBC in the year from:

a. Shareholders / investors – Nil

b. Lenders – Nil

6. Number of the above complaints pending resolution at close of year:

Not Applicable

7. Value of non-disputed fines / penalties imposed on your business by regulatory and judicial institutions in the year?

Nil

8. Number of complaints / cases of corruption and conflicts of interest that were registered in the year?

Nil

9. Details of unmet obligations (fiscal, social, etc.) arising out of any benefits or concessions provided by the Central, State or Local Governments:

Nil

Leadership Indicators:

1. Percentage coverage of all employees by awareness programmes for the Guidelines:

a. **In reporting year** - 100 % of the functional heads

b. **Total to date** - 100%

The reporting under the guidelines are ensured by the functional heads and the awareness programme for the guidelines was conducted to the said functional heads.

2. Percentage of suppliers and distributors (by value) covered by social and environmental audits:

a. **In reporting year** - 23 numbers of suppliers/recyclers in orange and red categories of industries were audited.

b. **Total to date** - 52 (last 4 years)

3. Was report on responsible business conduct made, in the year:

- a. **As per mandatory / global reporting frameworks** - The Company publishing the report every year on National Guidelines on Responsible Business Conduct. The Company also compile the indicators conforming to Global Reporting Initiative Standards (GRI).
- b. **Available in the public domain** - Yes. The Business Responsibility Report (BRR) for 2020-21 is available on Company's website. The report made in-line with GRI standard for reporting to the management purpose, is not available in public domain.
- c. **Assured by a third party** - The above reports are not assured by third party.

4. Details of non-disputed fines / penalties imposed on your business by regulatory and judicial institutions in the year available in public domain:

Nil

5. Provide examples (up to three) of corrective action taken on the above fines / penalties imposed.

Not Applicable.

6. Provide examples (up to three) of corrective action taken on the complaints / cases of corruption and conflicts of interest to prevent recurrence.

No cases - Hence, not Applicable

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators:

1. List top three goods / services (revenue in the year) which incorporate environmental and social concerns, risks and / or opportunities in their design.

TVS Scooter - The Company has been pursuing actively in projects related to weight reduction through design optimization, alternate materials and 3.0 kg weight reduction has been achieved in TVS Scooter model during FY 2020-21. This has led to an estimated potential savings of 5,200 tonnes of CO₂ per annum during manufacturing phase of product lifecycle.

TVS XL 100 - is the vehicle under moped category. Continuous efforts are made to increase fuel economy of the products and due to such sustained efforts, the average product fuel efficiency has increased by about 3% during FY 2020-21 when compared to FY 2019-20.

Similarly, there is fuel economy increase of about 2-4% across Company products. Reduction in fuel consumption also reduces the country's dependence on import of gasoline. With increase in fuel economy, there will be corresponding reduction in the CO₂ emission during use-phase of product lifecycle. The Company has reduced CO₂ emissions during use phase upto 3% (per km) during the reporting period.

Engine Oil - The Company has developed new synthetic engine oil having 100% higher drain interval i.e., from 3,000 km to 6,000 km for after-market sales. This leads to conservation of petroleum products during the use phase.

Risks and Opportunities:

iQUBE - The Government of India is publishing policies on Electric Vehicles to improve air quality, climate change mitigation and reduce import of petroleum products. The Company has expanded the market presence of iQUBE, an electric vehicle, in Bengaluru and New Delhi, to reach out to many customers.

Biofuel blended Gasoline Vehicles - The Ministry of Petroleum and Natural Gas along with NITI Aayog has given roadmap for implementation of E10 (Ethanol 10% + 90% Gasoline) pan-India in near future. The Ethanol blending will reduce the import of petroleum products. All the products are designed and developed with E10 fuel compatibility.

2. Details of investments in specific technologies to improve the environmental and social impacts (top three by value):

- The Company continued its funding for the product development of Electric Two-wheeler and Three-wheeler.
- Investments have been made in developing advanced technologies for reduction in tailpipe emissions OBD II, increasing fuel economy, light weight technologies and bio-fuel compatible products.
- The Company has invested in new technologies for elimination of hazardous chemicals from the components used in the products. The Company has adhered to the internal standard developed considering various national and international regulations, as applicable viz., Stockholm convention, Restriction on Hazardous Substances (RoHS) regulation.
- The Company has invested over INR 100 Cr in R&D activities for the development of technologies mentioned above.

3. Percentage of input material and services (by value), in the year, sourced from suppliers adhering to internal or external sustainability standards / codes / policies / labels

100 %

4. Percentage of total raw material consumed in the year (by value) that consisted of material that was recycled or reused (a.<5% ; b. between 5%& 25%, c. > 25%):

Between 5 and 25%.

5. Describe the process in place to safely collect, reuse, recycle and dispose of your products at end-of-life:

Company's products are designed with higher recyclability and recoverability rates, and has following features that promotes recycling-

- Company's products have recyclability rate between 85-90% and recoverability rate between 90-95%
- Recyclability symbol marking on the plastic parts (more than 100g component) for easy identification during recycling.
- The Company restricts the use of "hazardous chemicals" in the components used in its products. An internal standard is created considering various national and international laws on hazardous substance.
- Batteries used in products have recycling symbol marked. After end-of-life, these batteries will reach recyclers through the dealers and channel partners.

Leadership Indicators:

1. For goods and services that incorporated environmental and social concerns, give details of:

a. Resource use (energy, water, raw material) per unit produced in the year:

Resource use per unit produced in the year:

- Energy : 0.19 GJ / vehicle
- Water : 158 litres / vehicle
- Material -
 - Ferrous Metals : 74 kg / vehicle
 - Non-Ferrous Metals : 24 kg / vehicle
 - Non-Metals : 19 kg / vehicle
 - Paint : 1.38 kg / vehicle

b. Reduction in resource use covering sourcing, production and distribution in the year:

Reduction in resource use:

i. Sourcing: 4% of reduction through value engineering

ii. Production:

- The Company has reduced 10% specific paint consumption when compared to previous year. This was achieved through transfer efficiency improvements by robot parameter optimization, robot coverage enhancement by path fine-tuning, rework reduction, pre-lacquered sticker introduction and wastage reduction during colour change-over.

- The Company has reduced 21% specific water consumption when compared to previous year. Company's approach has been "Demand side Water management" which best utilizes the available water. The water management framework has - water resource management, water distribution & supply management, management of water by end-users and finally waste water management.
- The renewable power contributes to 84% in overall share of power. Out of which 76% of energy utilized from wind power and 8% of energy trapped from solar. These initiatives of renewable energy resulted in CO₂ emissions reduction of 58,812 tons during 2020-21.

iii. Distribution:

- 1) Optimized route for trucks from plants and Authorised Ware Houses to dealers - 248,776 Litres of diesel saved per annum.
- 2) Increased utilization of trucks carrying Finished Goods - 1,78,300 Litres of diesel saved.
- 3) Plastic consumption reduction through Value addition and Value Engineering (VAVE) - Elimination of vehicle packing cover & Kitting packing cover - 38 tonnes per annum plastic consumption reduced.
- 4) Overhead conveyor for Finished Goods (FG) movement- Elimination of FG movement through diesel vehicle - 12,000 Litres of diesel saved.

c. Sustainability standards / codes / labels adhered to:

Following Sustainability Standards / codes / labels adhered:

- Labels related to emission standards.
- Recyclability symbol on the Plastic parts as per ISO 11469.
- Battery disposal instructions.
- RoHS compliance on the premium products.
- Reusability, Recyclability and Recoverability (RRR) rate values calculation (recoverability rate between 90%-95%) as per ISO 22628.
- International standards for hazardous chemicals restriction (AIS 129, Directives 2011/65/EC, EC 1907/2006, 2000/53/EC).
- Compliance to Central Motor Vehicles Rules (1989), Applicable Automotive Industry Standards (AIS), Bureau of Indian Standards (BIS) and International standards for raw material.
- FAME II Label.

d. Product life cycle assessment

Life Cycle Assessment (LCA) is conducted considering raw material extraction, manufacturing, assembly, logistics, use phase and final disposal for our products.

Information on the impacts of your products across the value chain communicated to:

a. To which stakeholder groups?

Customers, Dealers, Suppliers, Internal stakeholders (employees), Trade Unions, Local Communities, Recyclers, Certifying agency, Government bodies, Investors and shareholders.

b. By which channels for each group?

1. Customers -
User manual, service manual, social media, mobile applications, Company website, labels on the product.
2. Dealers -
Information passed through training, Service Manual, Newsletters, General body meeting.
3. Suppliers -
Design documents, Internal Standards, E-business portal, personal interaction, site visit and e-communication.

4. Employees -
Internal Standards, Homologation requirements, training, Employee survey, Company general meetings, Quarterly magazines, Acts / Laws / Rules laid by Government of India.
5. Recyclers -
Recycling symbol marked on the parts.
6. Certifying Agencies & Government bodies -
Test reports, Compliance reports.
7. Investors -
Annual Reports, Investor meets, Media releases, Company website
8. Local Communities -
Through CSR activities

c. At what frequency?

Annually, quarterly, monthly and need based.

2. Provide examples (up to three) on how the feedback received from stakeholders is used for improvements:

- Fuel Economy- Considering market survey and customer research inputs, the Company optimizes various product performance parameters to achieve higher fuel economy. This helps in reduction of consumption of gasoline during use phase. Overall, 2-4% of fuel economy increase across all its products.
- Weight reduction- With continuous efforts, weight reduction in TVS Scooter upto 3 kg achieved through design optimization, usage of advanced materials and technologies.
- E10 Compliant vehicles- All the products are designed and developed with E10 fuel (10% Ethanol blended Gasoline) compatibility.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.

Essential Indicators:

1. Complaints received on cases arising out of discrimination and Number of complaints received in the year:

During the reporting period, the Company has not received any complaints relating to discrimination.

As a part of orientation to new recruits, an induction programme is conducted on "Code of Conduct (CoC)" CoC is acknowledged by every individual in a signed hardcopy. In addition, refresher programs are conducted.

CoC clearly states that the Company is an equal opportunity employer and prohibit any kind of discrimination / favouritism on the basis of gender / region / religion / race / caste / colour and is abided by laws of the land.

2. Number of the above complaints pending resolution at end of the year:

Not applicable as the Company has not received any complaints during the reporting period.

3. Percentage of permanent employees who are members of the employee association(s) recognized by the management:

100% of permanent employees are members of TVS Motor's Employees Union affiliated to INTUC.

4. Percentage of your establishments / value chain that has been audited in the year for - a. Child labour; b. Forced / involuntary labour:

100% of the Company's establishments follow the Company's recruitment policy of considering only persons completed 18 years of age and the age is validated through Government authorized certificates. Accordingly, engagement of child / adolescent labour is NIL at all Company's establishments. This is 100% ensured through the Company's internal audit system.

All Company's service providers are included in the certificate of registration which is a Government issued document and hence forced / involuntary labour is NIL at all its establishments. A separate agreement is entered into each of service provider in line with the above. This is 100% ensured through monthly inspection of documents of service providers.

Similar kind of system is available with others in the value chain viz., suppliers and dealers, wherein need based audits are conducted.

5. Number of cases of child labour in your establishments/ value chains identified to date - a. Resolved; b. Pending resolution:

There are no cases of child labour during the reporting period.

6. Number of cases of forced / involuntary labour identified to date - a. Resolved; b. Pending resolution:

No cases reported.

7. Percentage of your employees that were paid above the legal minimum wage in the last year:

100%. Majority of employees are above the legal minimum wage limit as agreed through long-term wage settlements for Company's Workforce and market/industry benchmark for Executives and Managers. Stipends for trainees are fixed above legal minimum wage limit for attracting talent from campus / market.

8. Ratio of the highest salary paid to the median salary paid amongst your permanent employees:

Refer Annexure V to the Directors Report for the year 2020-21.

9. Number of cases of delay in payment of wages during the year - a. Resolved; b. Pending resolution:

Nil. Wages for employees are paid on or before last working day of the month. Stipend for trainees is paid on or before 7th day of every month. Wages for contract workforce is ensured to be paid through Service providers on or before 7th day of every month. The above was adhered to during lockdown and subsequently despite CoVID-19 pandemic situation.

10. Number of complaints related to harassment to date - a. Resolved; b. Pending resolution:

The Company has not received any complaints relating to harassment during the reporting period. The Internal Committee (IC) meets regularly towards reviewing issues raised and solved on harassment. It also submits its annual report as stipulated by the Prevention of Sexual Harassment (POSH) Rules. 100% employees are covered on POSH training through e-module / orientation capsule.

11. Percentage of employees (all categories) trained on health and safety issues and measures - a. In the year; b. Total to date:

100% of new recruits in all categories including Workforce, Executives and Managers undergo health and safety orientation before being deployed.

100% of contract workforce is also provided health and safety orientation periodically. In addition, regular and scheduled role-based, process-based health and safety programmes are conducted for employees.

As a special drive, over 9,733 personnel in the Company's value chain covering Employees, Employee families, Suppliers and Service Providers were trained on road safety awareness.

During lockdown due to pandemic, Company's Occupational Health Centre (OHC) provided 24 x 7 support to employees and their families. Counselling was done to patients and family members through online and tele-consultation. Company's medical team assisted employees and their families for hospitalisation pan India and for home-care. The team ensured supply of regular medicines to employees living in Hosur and Mysuru. The Company has donated Personal Protective Equipment (PPE) to Government hospital and ESI hospital, Hosur.

Post lockdown, all employees were screened while onboarding to duty. Homeopathy medicines, immunity boosting medicines were distributed to all employees. Towards creating awareness about CoVID-19, online sessions were conducted with experts. Also, awareness videos, newsletter and posters were shared with employees.

Influenza immunization was done to employees under high-risk categories including those in field. Currently, we have taken-up a major drive for CoVID-19 vaccination in collaboration with local health authorities for employees and their families who are 45 years and above (in-progress).

"TVS ICE" (ICE - In Case of Emergency)- a mobile app developed to provide support to employees and families during crisis with turn-around time of 24 hours.

"Health Wholesome"- an initiative to have a constant connect with employees through messages, videos and webinars on health and safety. This also includes tie up with hospitals, support during crisis for self and family members. Through this platform, union president also addressed to employees and their families. Since July 2020 till date 26 sessions were conducted covering about 2,800 employees.

"Your DOST" - employee mental health awareness and consultation support 24 x 7 by experts / professionals in the field of stress management, confidence building, relationships, career coaching and sexual wellness has been introduced in January 2021. Close to 300 employees and their family members have benefitted by way of individual consultations. In addition, 9 information sessions were conducted benefitting over 1,000 employees.

12. Percentage of employees provided training and skill upgradation - a. In the year; b. Total to date:

TVS Institute for Quality and Leadership (IQL) is the Corporate University of the Company and its Group Companies, certified by Global Council of Corporate Universities (Global CCU). TVS-IQL is responsible for supporting change and transformation of people, culture and processes towards institutionalizing learning for individual and collective contribution towards future challenges.

The Company place high importance to develop its employees. The Company provide training to each and every employee inducted and as a routine skill up-gradation is also done. During the reporting, the institute delivered over 110 role-based competency training programs. In this 1,000+ employees were trained across the functions covering 77% of role-based competencies through combination of self-learning and virtual instructor lead training sessions.

250 identified Executives and Managers were trained for certified courses in Technology, Future Mobility, Data Analytics through relevant tools & techniques. The Company has developed an online learning platform to enable self-learning opportunities for all the employees under topics- functional skills, behavioral skills, innovation and sustainability. This was done through curated content from subscribed e-Learning platforms such as Actuate and 1-Hour learning solutions. The Company has sponsored 80+ Executives and Managers for the virtual training programs through external partners on different topics.

Post pandemic, every single person entering the premise is being trained on "CoVID-19" awareness and practice to follow "CoVID-19" protocols. Exodus during pandemic created resource deficit across the supply chain. To address this challenge, we provided skill training and skill up-gradation training to more than 3,500 people. In addition to that, we extended skill training across the supply chain.

The details of training to employees, suppliers, service providers and visitors are given below:

- Training on "CoVID-19" protocols:
 - No of Employees : 100% (9785 persons)
 - No of Service providers : 100% (1255 persons)
 - Suppliers and Visitors : 100% (1735 persons)
- Employee's skills training : 100% (7250 persons)
- Employee's redeployment : 11.4% (548 persons)
- Suppliers' skill training : 196 persons

Leadership Indicators:

1. Categories of employees (list up to three) supported by affirmative action, and has there been any change from the previous year:

Workforce, Executives and Managers are the three categories of employees. Continuous efforts are made towards affirmative actions as and when opportunities arise for recruitment / engagement of Workforce, Executive and Managers.

During reporting period, towards improving inclusivity, 4 sensitization workshops on working with "Persons with Disability (PwD)" were conducted for managers, teams and support staffs covering 200 employees. In January 2021, 20 persons with speech and hearing impairment joined the workforce as trainees at Hosur plant.

"Flying Lessons"- a coaching and mentoring program was rolled out towards developing women leaders in the Company, covering 23 women employees.

"Beyond Prism" - unconscious bias workshops were conducted for managers to sensitise them on the subject of gender diversity. During the reporting period, 4 such workshops were conducted covering over 100 senior managers.

Workshops for women employees organized to support them on managing work-life balance, parenting while children at home and managing expectations at workplace during pandemic. About 250 women employees and families benefited.

2. Percentage of non-permanent employees that are linked to any standing platform / association:

For 100% of non-permanent employees, the Company has different platforms as mentioned below:

- a. Trainees / Temporary workforce: Contact programmes are scheduled and conducted periodically to feel the pulse on "Things Going Right (TGR)" and take action on "Things Going Wrong (TGW)".
- b. Contract workforce: Apart from periodic connect programme, annual 'Partners in Progress Meet' is leveraged to obtain feedback and take correction and corrective actions.

3. Percentage of children identified as employed in your establishments / value chain that have been remediated - a. In reporting year; b. Total to date:

No cases of child labour. As a system lock, hiring process allows only adults aged 18 years and above. As a part of daily management, entry into the premises is allowed for personnel aged 18 years and above. For supplier and service providers, this requirement is mentioned as one of the clauses in our business agreements.

4. Percentage of forced / involuntary labour identified in your establishments / supply remediated - a. In reporting year; b. Total to date:

NIL.

Engagement of Employees, Suppliers and Service Providers is through contract of employment and agreement which contains the clause for separation by giving notice on either side.

5. Examples of steps taken (up to three) to prevent adverse consequences to the complainant in the case of harassment cases:

As enumerated in Code of Conduct, all complaints, enquiries and investigations are treated with confidentiality and the protection to whistle blower is also assured. Needless to mention, any attempts to intimidate the whistle blower is also treated as violation of Code of Conduct and communicated to all employees. Information revealed by the committee is strictly on a need-to-know basis. The process followed is with Principles of Natural Justice, maintaining anonymity of the employee.

6. Percentage of supply chain partners (by value) that were assessed for adherence to health and safety practices:

100% of the suppliers and service providers. In addition, key fabrication suppliers were assessed on occupational health and safety requirements. CoVID-19 unlock guidelines implemented at the Company's supply chain were also assessed. More than 25,000 dealer staff were trained on CoVID-19 restart guidelines to support their office premises, colleagues as well as customers.

7. Describe the work-life balance issues (up to three) that were brought up by employees:

- a. Being a manufacturing industry, "Work From Home (WFH)" was not in vogue prior to pandemic. However, WFH was introduced in all departments other than shopfloor towards business continuity. While following 'Work From Home' pattern, guidelines on working hours and conduct of review meetings not clear.

- b. The Company has the policy of leave encashment beyond the prescribed limit and annual payment of LTA and education allowance which were withheld for 3 months due to business uncertainty.
- c. Tuck Shop, Coffee Points and snack vending machines were suspended for 9 months, considering the pandemic situation. There were demands from employees to restart the above.

8. Examples (up to three) of identified work-life balance topics that have been implemented:

- a. Employees were facilitated to set-up office at home by extending laptops, home-office furniture on concession, internet connectivity at discounted rates benefitting over 2,200 employees. WFH guidelines as "Remote Working Guidelines" were benchmarked with other manufacturing companies and formulated. The guidelines included timings on review meetings, virtual meeting etiquettes, special consideration for parents with young children etc. This was communicated to all employees through employee portal-"HR Connect". Monthly Work Pattern (MWP) was introduced to ensure not more than 50% employees at office premises.
- b. During the months when leave encashments, LTA, educational allowance was withheld, we granted salary advance requests. LTA and educational allowance were paid to employees during August 2020. Leave encashments to employees were paid in December 2020.
- c. Adhering CoVID-19 guidelines, Tuck Shop, Coffee Points and snack vending machines were restarted in January 2021.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators:

1. List of stakeholder groups that have been identified as key to your business:

Customers, Dealers, Employees, Policy Makers, Government, Regulatory bodies, Shareholders, Investors, Suppliers, Trade Union, Media and Local community.

2. Positions / departments / functions responsible for engagement with each stakeholder category identified above?

- Customers & Dealers: Marketing, Sales & Service.
- Community: CSR wing.
- Policy Makers, Government, Trade union and Employees: Human Resource Development.
- Suppliers: Central Purchase (CP), Central Procurement Group(OPN), Supplier Quality team (QAD).
- Media: Corporate Communication Department.
- Investors: Finance and Secretarial Department.

3. Number of stakeholder groups that were formally engaged on environment and social issues in the last year:

During pandemic and subsequent lockdown, around 4,000 neighbouring villages were supported with disinfection, provision of gloves, face mask and face shield. The Company factory canteens were operated to for distribution of food packets to frontline health workers and support staffs. Overall 12,25,000 food packets were distributed during this period. Continuous awareness and education on CoVID-19 was provided in the surrounding villages.

4. Percentage of input material and services (by value), in the year, that were procured from local and small vendors / producers:

92% of the input is sourced from local vendors (within India).

9% of the input is sourced from MSME suppliers.

Leadership Indicators:

1. Frequency of engagement with each stakeholder group:

Daily, Weekly, Monthly, Quarterly, Yearly- Based on the needs and Key Performance Indicators (KPI) review schedules.

2. Examples (up to three) of how the business has incorporated inputs from stakeholders:

Customers: The Company has strong team which gathers information through market survey, customer research, etc. It has developed its own methodology for this purpose. The Company incorporates these inputs for design & development of new products and also to upgrade the existing products. e.g. Fuel Economy- Considering market survey and customer research inputs, the Company optimizes various product performance parameters to achieve higher fuel economy. This helps in reduction of consumption of gasoline during use phase. Overall, 2-4% of fuel economy increase across Company's products.

Suppliers: Following activities were carried out after taking input from suppliers-

a) Constant communication and information sharing:

Web portal called "tradewithtvs.com" is run by the Company and actively used for sharing Quality & Delivery performance and payment status to supplier. This is a live information sharing portal enabling communication with suppliers.

b) Enhanced collaboration through regular supplier meets:

For speeding up the developmental milestones in new product development the Company enhanced early collaboration through conducting events like "supplier day conferences"

c) Chronic supplier improvement:

The Company is running TPM, Quality System improvement programs and sustainability audits with identified suppliers for enhancing their production, quality and sustainability performance for mutual benefit.

Dealers: The lockdown on account of the CoVID-19 pandemic, all channel partners were affected including dealers. Especially when operations resumed in May 2020, the Company extended the warranty period for vehicles by realigning the claim process after taking into account the feedback received from dealers.

Employee: To address the concerns of employees during the CoVID-19 pandemic lockdown period an app was developed by the Company's IT team. Through this app, the employees were given an access to update their emergency requirements (medical attention, cash requirements and certain essential goods) on a daily basis which were handled appropriately by the CoVID committee members.

3. List of the vulnerable and marginalized groups in each stakeholder group:

Community - villagers and economically deprived children and women.

4. Examples of decisions and actions taken by the business to address the interests of vulnerable / marginalized groups:

- Company has taken initiatives under CSR, focusing on key areas of Economic Development, Health, Education, Infrastructure, Environment, Social and Cultural Development.
- Company had conducted Police Camps through dealer channels to complement their efforts during the fight with CoVID-19.
- Company also provided Road Side Assistance support through dealer team by arranging "Covid support passes" to attend customers in distress, in case of vehicle being off-road.
- Company distributed 1 million masks during CoVID crisis.
- 6,500 meal packets per day were distributed to poor & needy / People Below Poverty Line / medical staff / Police.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators:

- 1. Percentage of employees that have been provided training on human rights issues - a. In the year; b. Total to date:**

The Company has put in place a Code of Conduct that covers Human rights issues and is applicable to all employees to adhere and uphold the standards contained therein.

E-module has been developed and deployed.
- 2. Employee categories that are covered by the human rights policies of the business - Permanent / Contract / Casual:**

All categories of employees viz., Permanent / Contract & Casual are covered by the Human Rights Policies.
- 3. Number of business agreements and contracts with third party partners that were reviewed in the year, to avoid complicity with adverse human rights impacts in the previous year:**

100% of business agreements are reviewed so as to ensure protection of Human Rights.
- 4. Stakeholders groups governed by the grievance committee for human rights issues:**

The grievance committee meets periodically to review complaints raised if any through e-mails or otherwise from any of its stakeholder groups viz., employees, visitors, suppliers, and service providers etc.,
- 5. Number of stakeholders that reported human rights related grievances and/or complaints - a. Received in the year; b. Pending resolution:**

Nil

Leadership Indicators:

- 1. Percentage of contractual employees and value chain partners that have been made aware / provided training on human rights issues - a. In the year; b. Total to date:**

Contract workforce are engaged through professional service providers.

Contract agreements comply with all statutory labour laws including POSH.

Service providers and contract workforce are periodically provided with orientation on human rights aspects.
- 2. External stakeholder groups and representatives that are covered by the human rights policies of the business:**

All contract agreements with stakeholders have clauses pertaining to Industrial & labour laws compliance, which takes care of human rights.

A separate Human Rights Policy is being drafted.
- 3. Stakeholder groups that have been made aware of the grievance mechanisms for human rights issues - a. During the year; b. Total to date:**

100% of stakeholders have been made aware of the grievance mechanism for any issues including human rights with clear redressal process.

ethics@tvsmotor.com is an exclusive email ID created for this purpose.

In addition, the following programmes enable picking up early warning signals and taking action closer to the source of occurrence.

 - Employee Contact Program - Monthly.
 - Open Door Policy.
 - Plant Committee Meeting - Monthly.
 - Workers participation through various committees which meet periodically / monthly.
 - Need based meetings with Union.
 - Focus group discussion with middle level managers - Quarterly.
 - Women resource group meet - Quarterly.
 - CEO connect - Quarterly.
 - JMD connect with new joiners - Annually.

4. List (up to three) corrective actions taken to eliminate complicity with adverse human rights impacts in the last year.

Nil

5. Provide (up to two) examples of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Not Applicable.

6. Provide details of the scope and coverage of any human rights due-diligence conducted during the year.

Nil

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT.

Essential Indicators:

1. Material risks of potential or actual adverse impacts upon the environment and communities by the business:

a. Identified in the year:

The Company has identified hazardous chemicals that pose risk to the environment as well as to the society.

- Restriction of Hazardous Substances (RoHS) Directive - 2011/65/EU - Identified in FY 2018-19.
- Persistent Organic Pollutants (POPs) India - Identified in the FY 2018-19.

b. Mitigation and adaptation measures put in place for the above environmental risks:

The Company has prohibited the use of hazardous chemicals that pose risk to the environment as well as to the society-

- Heavy Metal Restriction (HMR) - As per AIS 129.
- Persistent Organic Pollutants (POPs) as applicable.

The Company strictly adheres to internal material standard that lists all the prohibited and declarable substances. Further, continuous training is imparted to suppliers and internal teams for compliance.

Towards resource conservation-

- With the advanced simulation tools and rapid prototyping, the product designs are optimized continuously for weight reduction, CO₂ reduction and performance enhancement.
- The Company has developed extended drain interval oil - from 3000 km to 6000 km (100% improvement). Hence oil change frequency has been reduced by half over the life cycle of the product, thereby conserving the fossil fuel-based lubricants (petroleum product).
- The Company optimizes various performance parameters to improve the fuel economy of the vehicles. This helps in reduction of consumption of gasoline during use phase. This activity is a continuous process and the Company is committed to deliver the best-in-class fuel economy for the product.

2. Good practices (up to three) in reduction, recycling and reuse initiatives that contributed to lowering the adverse environmental footprint of your business activities:

- Considering life cycle of the vehicle, the highest impact of the vehicle is during its "use phase" and it is 90% of total emissions. All the products are BS-VI compliant and the Company is committed to lower emissions from the products. The Company also has an electric vehicle which has zero tailpipe emissions. The Company has developed bio-fuel based vehicle. These bio-fuels are considered to be Carbon neutral.
- As discussed in Principle 2, the Company puts continuous efforts to reduce the fuel consumption during use phase and weight reduction of the vehicle.

- Recycling symbols are marked on the plastic parts (above 100 g) in the vehicle, which will be helpful for easy segregation of plastics for recycling.
- Usage of re-grind content in some of the plastics parts (upto 10%), and 100% recycled rubber material in 3-wheeler floor board mat.
- The Company is in the process of reducing the usage of hexavalent chromium passivation, which is a carcinogenic chemical. Trivalent chromium passivation is being implemented in the newly developed parts in the upcoming products. The parts that were developed during FY 2020-21 do not contain hexavalent Chromium passivation.

3. Examples of any collective action by your business with other businesses / NGOs / government agencies / international partners / development institutions undertaken to address any of the environmental risks opportunities identified above:

- The Company is working with two agencies for recycling of end-of-life Li-ion batteries, which are generated during design stage, testing and manufacturing. Through recycling, the valuable metals like Lithium, Nickel, Manganese, Cobalt etc., are recovered and reused again.
- The Company has collaborated with esteemed academic institutions towards resource conservation in new product.

4. Details of any adverse orders in respect of any show cause / legal notices from CPCB/ NGT/ SPCB received during the year:

Nil

Leadership Indicators:

1. Information on environmental impact assessments undertaken in the year:

- a. Have the results been communicated in the public domain.**
- b. Provide details of any actions taken to mitigate any negative social impacts.**

Necessity for Environment impact assessment did not arise.

2. Risk management strategies and measures for each material environmental risk identified for the business:

a. Details of measures:

Risk Management Strategies:

Hazardous chemical elimination:

- The Company has created internal standard for prohibiting use of hazardous chemicals. This standard is also shared with suppliers for compliance.
- Replacement of hexavalent chromium passivation with trivalent chromium passivation in the products.

Reduction of CO₂ emissions:

The Company's policy and actions are principally aimed to reduce CO₂ emission intensity. Following are the major steps:

- Estimated CO₂ reduction about 11,500 tonnes achieved through weight reduction in various Company's products.
- Reduced CO₂ emissions of the products by 2-4% on an average during FY 2020-21.
- CO₂ reduction through alternate fuels- Vehicles compatible with bio-fuel blended petrol.
- Zero tailpipe emissions through sale of electric vehicle products.

b. Targets and achievement values:

S.No	Risk	Target	Achievement
1.	Rapid migration towards low emission and alternate fuel vehicles.	On-time implementation of upto E10 compliant products	Upto E10 compliant BS VI products launched.
2.	Climate change risk arising from Green House Gas (GHG) Emissions from product and manufacturing processes.	Improve fuel efficiency and reduce tailpipe emissions.	Fuel efficiency of the products increased upto 2-4%. Tailpipe emissions are also reduced.
		Increasing share of renewable energy	The renewable power contributes to 84% in overall share of power. Out of which 76% of energy utilized from Wind power and 8% of energy trapped from Solar. These initiatives of renewable energy resulted in CO ₂ emissions reduction of 58,812 tonnes during 2020-21.

3. Details of your specific contribution to India's Nationally determined Contributions (submitted at UNFCCC COP21 in 2015):

The Company has a policy that addresses combating "Climate Change" by improving energy efficiency and use of renewable energy. The Company's Energy Management System has already made significant progress towards improving energy efficiency. The Company covers most of its electricity consumption with renewable energies and is 84% during the reporting year. This initiative of renewable energy resulted in CO₂ emissions reduction of 58,812 tonnes during 2020-21.

The Company has aligned with country's NDC target with reference to CO₂ emission reduction in transport sector. Following steps were taken:

- Electric vehicles - The market for iQUBE EV product was expanded during FY 2020-21, thus providing access to many potential customers.
- Alternate fuels - The Company has developed products compatible with ethanol blended gasoline. All the Company's products are E10 compliant. Developing alternate fuel compatible vehicle will reduce the consumption of petroleum product and therefore reduce CO₂ combustion. The Company has E100 compatible Apache 200 4V and a three-wheeler CNG vehicle in its product portfolio.
- Light weighting - The Company is dedicated to reduce the weight of the vehicles. Through Company's continuous efforts, weight reduction is achieved across all key products (during FY2020-21). The weight reduction has helped to reduce the CO₂ during manufacturing stage.
- Energy (fuel) efficiency - The fuel economy of key products is increased by 2-4% through advanced technologies, friction reduction and light weighting. This increase in fuel economy will reduce the consumption of gasoline as well as CO₂ emissions.

4. New businesses - products - services created to address the material environmental risks identified:

a. Information on businesses created:

Engine oil - Developed new synthetic engine oil having twice the drain internal period, i.e., it is recommended to change the oil after 6000 km of use, instead of 3000 km.

b. Percentage of revenue contributed by these:

The revenue generated from the new synthetic oil is yet to be realized.

5. Details of good practices cited in reduction, recycling and reuse initiatives benchmarked against industry best practice:

- The recyclability rate and recoverability rate of Company's products are in the range of 85-90% and 90-95%, respectively.
- The Company has reduced 21% specific water consumption when compared with previous year. Company's approach was "Demand side Water management" which best utilizes the available water. The water management framework has - water resource management, water distribution & supply management, management of water by end-users and finally waste water management.
- The Company has implemented Volatile Organic Compound abatement in paint baking oven through Regenerative Thermal Oxidiser (RTO). The waste heat from RTO is recovered and reused.
- The chemical sludge from waste water treatment plant and paint sludge generated from paint application are used for co-processing in cement industry.
- The Company also use solar energy for pre-heating of air used in paint baking oven.
- Refined and pressurize biogas generated from used-food is utilised in the kitchen.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators:

1. Review public policy advocacy positions by the governance structure for consistency with Principles of these Guidelines a. Frequency; b. Month / year of last review:

The Company works closely with leading Industry Associations and Chambers of Commerce at International, National, State and Local levels to advocate and pursue various causes that are in the larger interests of industry, economy, society and the public.

From time-to-time these have been in areas such as economic reforms, corporate governance and transparency, affirmative action, education and skill development, women empowerment.

The Company has a separate wing, viz., Srinivasan Services Trust (SST), which:

- a. Works with Government education departments and local panchayats to improve education;
- b. Introduces new income generation activities, increase in agriculture and better Livestock management;
- c. Coordinates between local bodies, government and community to maintain a clean environment;
- d. Provides easy access to Primary Healthcare and adoption of proper sanitation, hygiene and nutrition;
- e. Supports government bodies in developing infrastructure such as roads, drinking water facilities and more; and
- f. Women empowerment through supporting self-help groups (SHGs) involved in income generation activities to market their products.

2. Names of trade and industry chambers and associations that you are a member / affiliate of:

The Company is member of following:

- Confederation of Indian Industry (CII).
- Society of Indian Automobile Manufacturers (SIAM).
- Automotive Research Association of India (ARAI).
- SIAM - HCG (Human Capital Group).
- Bangalore Chamber of Industry and Commerce.
- Madras Chamber of Industry and Commerce.
- Baddi Barotiwala Nalagarh Industries Association.
- Employee Federation of India.
- Indo Japanese Chamber of Commerce and Industry.
- National Safety Council.

3. Details of any adverse orders received from regulatory authorities for anti-competitive conduct by your business:

Nil

4. Monetary contributions (if any) that have been made to political parties:

Nil

Leadership Indicators:

1. The public policy positions available in the public domain:

Skill Development:

The Company has tied up with 21 Vocational training centres and through a 3 months training course where 332 technicians were trained. Out of 332 technicians, 180 technicians had completed 3 months "On the Job Training" (OJT) at Company's Dealerships. Out of which 104 Technicians were placed in Company's Dealer workshops.

Details of any new tie up is published in local newspapers:

The institutes also distribute fliers and leaflets to nearby areas, cities and towns regarding the admission of batches.

2. Examples (up to three) of any policy changes in the past year as a result of your advocacy efforts:

The Company through SIAM facilitated for release of draft guideline notification for setting up authorization and operation of Authorized Vehicles Scrapping Facility (AVSF) with inputs from Automotive Industry standard AIS-129 (End life of vehicles).

3. Details of corrective action for anti-competitive conduct, taken by the business based on adverse orders from regulatory authorities:

Nil. The Company has not received any adverse orders from regulatory authorities for anti-competitive conduct.

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators:

1. Social impact assessments of your business operations conducted:

a. Number completed in the year?

The Company carries out its welfare and CSR activities through Srinivasan Services Trust (SST), the CSR arm of the Company and also through other implementing agencies.

SST's intervention under CSR are mainly confined to individual and household level, the measure on the impact are regularly made at village level internally through few indicators such as:

- Increase in community involvement on SST initiatives in villages as equal partner in the process of change.
- Increase in the delivery of existing Government schemes and programs in villages which enable a win-win situation for people and Government officials.
- Increase in the level of ownership by community towards sustainability of development created in villages through community-based organizations.

b. Number conducted by an independent external agency.

No social impact assessment was done by external agencies in this year.

2. Examples of products, technologies, processes or programmes (up to three) that contribute to the benefit of the vulnerable and marginalized sections of society:

- Facilitating formation of Self Help Groups (SHG) among rural women.
- Facilitating SHGs to avail credit facilities from banks.

- Enabling farmers to utilize the benefit of Agriculture schemes announced by the Government.
- Enabling livestock owning families to utilize the benefit of veterinary schemes announced by the Government.
- Undertaking infrastructure repair works for Anganwadis, school, health centre, Veterinary centres, water supply and water storage structures.
- Create awareness among villagers on the various social security schemes and assist them to avail the scheme.

3. With respect to projects during the year for which Re-settlement and Re-habilitation (R&R) is applicable - a. Number of persons that were affected / displaced by these projects; b Gross amount paid out to project-affected and displaced persons:

Not applicable.

4. Details of investments (top three by value) in regions which are underdeveloped:

To implement the CSR activities the working areas are categorized into clusters based on geographical division. The top three invested clusters during this year includes:

1. Thirukurugudi, Tamil Nadu - ₹ 158.25 lakhs
2. Hosur, Tamil Nadu - ₹ 110.24 lakhs
3. Padavedu, Tamil Nadu - ₹ 122.70 lakhs

5. Examples of goods and services (up to three) that incorporate local traditional knowledge:

The resource and skills available with the Company and employees are transformed to community for making better quality produce such as:

- Concerting waste banana bark into value added product.
- Concerting palm leaf into handicraft product.
- Making of eco-friendly bags from jute.

6. Summary of the key themes covered by CSR initiatives (as per Section 135 of Companies Act, 2013) or linked to the CSR Policy of the business:

- The Company's CSR initiatives towards developing a conduit between the government and local communities, enabling people to access various government schemes and benefits.
- The attempt is to make people independent and drivers of change themselves. The idea is to eventually convert individual beneficiaries into community leaders, who in turn motivate and guide others to bring about social and economic transformation of communities.
- Development of rural communities requires a holistic approach where different aspects in an individual's life need to be addressed.
- The economic well-being, education, social empowerment, health of the community and clean environment are all interrelated. Improvement of any one parameter often results in a commensurate improvement in others.

Leadership Indicators:

1. With respect to these social impact assessments

a. Results made available in the public domain:

The results of social impact assessments of SST is made available in its Website: www.tvssst.org.

b. Details of any actions taken to mitigate any negative social impacts:

No such negative social impact noticed. SST has in house planning, implementation and monitoring team, which review the project activities in various locations at periodic intervals. The CSR team is flexible to take forward the learning at every stage of the project and do course corrective measures.

2. Numbers benefitting from such beneficial products, technologies or processes:

- 900 women SHG formed with 11,967 members.
- ₹ 34.94 Cr received as loan by women SHG members from banks.
- More than 25,500 farmers facilitated to attend the awareness program on Government schemes. 6,024 farmers benefitted on government schemes worth of ₹ 12 Cr.
- More than 24,000 livestock owning families facilitated to attend the awareness program on livestock. 15,772 families availed Government scheme worth of ₹ 7 Cr.
- More than 33,600 livestock owning families availed the veterinary care support from Government through our intervention.
- 288 infrastructure works repaired/ improved.
- 449 families got direct benefit through WADI plantation.
- 37,575 people were given awareness on the Government Social Security Schemes. 19,306 availed both State and Central Government schemes.

3. With respect to projects during the year for which R&R is applicable - a. Was the R&R package developed in consultation with project-affected people; b. Information on gross amounts, made available in the public domain:

Not applicable.

4. Channels / platforms used to communicate Information regarding resolution of grievances / complaints from communities:

CSR team members lives in villages where welfare activities are carried out, in order to understand the needs and receive feedback then and there.

Continuous interaction with community to understand the benefit and utility of various programs implemented through SHG meetings, Gram sabha and meeting with various community based organisations.

Feedback from Government officials at local, block and district level on the effectiveness on implementation of the Government welfare schemes and programs at grass root level villages.

5. Examples (up to three) of economic and social value addition in these underdeveloped regions:

- Community involvement for inclusive development: Treating the community as equal partners in the process of change. They also play an active role on monitoring and evaluation.
- Facilitate and strengthen delivery of existing Government schemes and programs: enabling a win-win situation for the local Government officials and institutions. Hence check and balance done by Government departments.
- Empower CSR task force for achieving sustainable outcomes.

6. Examples where benefits of this local traditional knowledge being used by the business are shared with the community:

The learnings in factories which are suitable for village environment, will always be utilized. Few such learnings in Company shared with the community are:

- The needed resources including ideas, inspiration and funds may all be within reach but mobilization is key.
- Identify the priority needs and focus to ensure the benefits of development.
- Effective targeting is key to achieve the maximum impact.

7. Number of beneficiaries covered under your CSR projects (as per Section 135 of Companies Act, 2013), disaggregated by the vulnerable and marginalized group categories:

CSR coverage was to focus on enabling people to enhance the socio-economic status of 15.46 lakhs people out of which 1.38 lakhs are tribal.

8. Examples of how the impact of your community initiatives contribute to local and national development indicators:

- So far 66,000 women are enrolled by SST and enabled to make savings. 30,000 of them are involved in income generation activities.
- So far 25,552 farmers sensitized on crop management practices and various schemes cum programs through agriculture department and agriculture institutions.
- So far 57,816 livestock owning families made aware on the available veterinary care services, feeding practice along with animal husbandry department and veterinary science universities.
- 1800+ structures (Schools, Anganwadis, Health centers, Veterinary centers) repaired / renovated for effective utility.
- 350+ community structures improved for people utilization.
- Enhance water storage capacity of 276 minor irrigation tanks through desilting.
- Plantation of 6.40 lakh trees in community & private land through people participation and Government intervention.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS IN A RESPONSIBLE MANNER

Essential Indicators:

1. Examples (up to three) where adverse impacts of goods and services of your business have been raised in public domain:

Nil.

2. Percentage by value of goods and services of the business that carry information about:

a. Environmental and social parameters relevant to the product:

- User's manual - information on rideability, usage and service (100%).
- Recyclability and safe disposal symbol on batteries (100%).
- Mobile charging (100%).

b. Safe and responsible usage:

The Company provides user manual, warning stickers and tell-tale lamps to ensure customer safety and efficient use of vehicle. Few examples are as detailed below:

- Warning on Mirror.
- Oil drain interval to inform the customers to change the engine oil to avoid damages to the vehicle and run the vehicle more efficiently.
- Warning sticker - Not to mix oil with the petrol.
- Warning on speedometer.
- Engine RPM (safety).
- Recommended tyre pressure.
- Chain free-play check and adjust details.

3. Number of consumer complaints in respect of data privacy - a. Received during the year; b. Pending resolution:

Nil

4. Number of consumer complaints in respect of advertising:

- a. Received during the year - Nil
- b. Pending resolution - Nil

5. Number of consumer complaints in respect of delivery of essential services:

- a. Received during the year - Nil
- b. Pending resolution - Nil

Leadership Indicators:

1. Corrective actions taken on adverse impacts of goods and services of your business - a. Details; b. Communicated in the public domain:

No complaints. Hence, not applicable.

2. List of national-international product labels / certifications being used by the business:

- Euro 3 to Euro 5.
- Bharat Stage VI.
- Japanese Industrial Standards.
- UJI TIPE - Type approval test, Indonesia.
- CCC - China Compulsory Certification, China.
- ANLA - Autoridad Nacional de Licencias Ambientales (ANLA), Colombia.
- PROMOT 4 - Programa de Controle da Poluição do Ar por Motociclos e Veículos Similares (Air Pollution Control Program for Motorcycles and Similar Vehicles), Brazil.
- GSO - Gulf Standard Organization, Gulf Countries.
- ADR - Australia Design Rule, Australia.
- ANT - Agencia Nacional de Tránsito, Ecuador.
- JPJ - Jabatan Pengangkutan Jalan, Malaysia.
- DENR - Department of Environment and Natural Resources, Philippines.
- 3CV - CENTRO DE CONTROL Y CERTIFICACION VEHICULAR, Chile.

3. Channels, platforms where information on goods and services of the business can be accessed:

Official Website, user manual, service manual, authorised service centers, Social media and labels.

4. Steps taken to inform and educate vulnerable and marginalized consumers about safe and responsible usage of products:

Service station personnel are comprehensively trained to educate vulnerable, marginalized and all types of customers.

5. On complaints received in respect of data privacy and advertising, indicate what corrective actions were taken to ensure that these do not get repeated.

No Complaints. Hence, not applicable.

6. Processes in place to inform consumers of any risk of disruption / discontinuation of essential services:

No Complaints. Hence, not applicable.

For and on behalf of the Board of Directors

Chennai
27th April 2021

VENU SRINIVASAN
Chairman