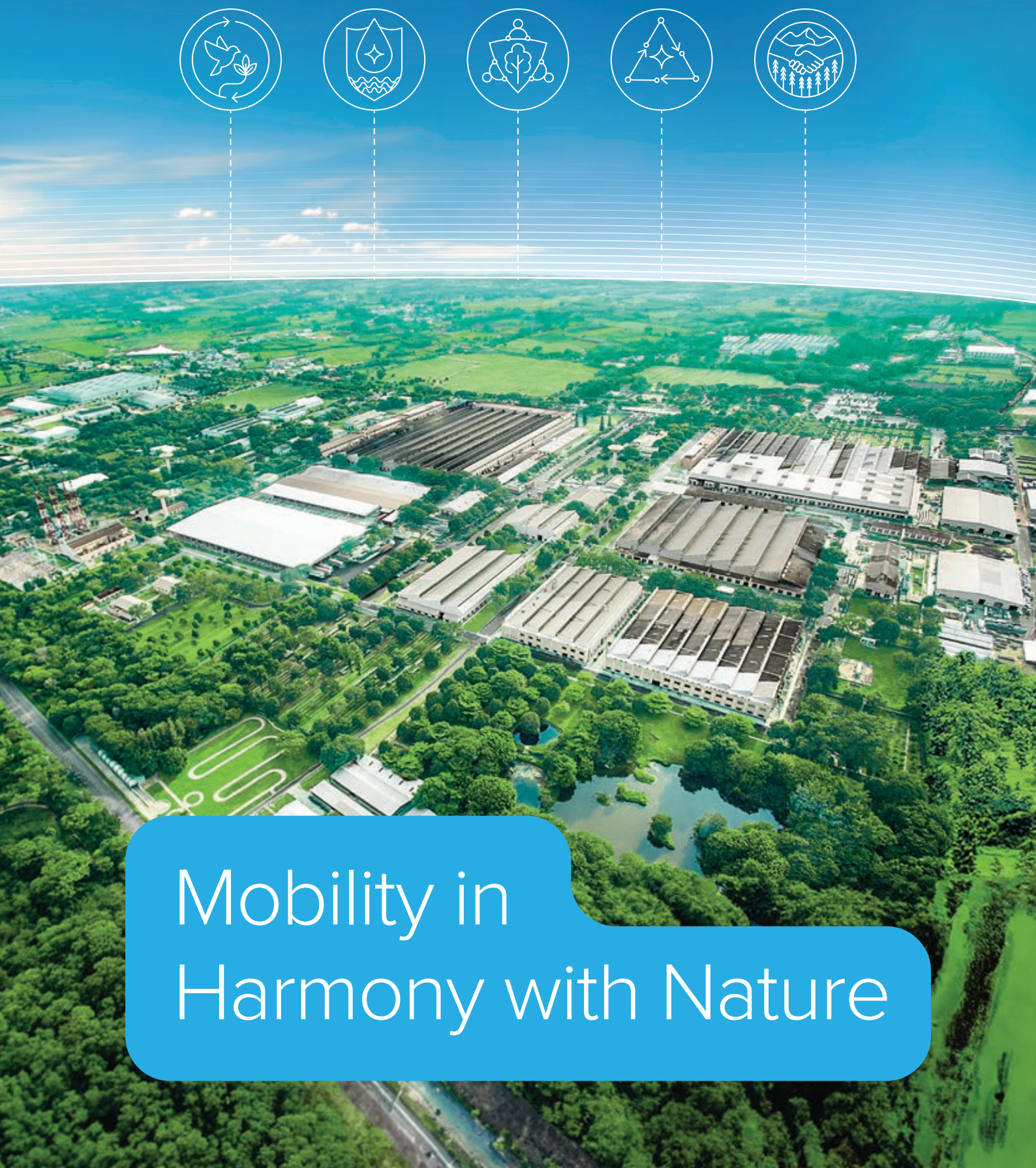
TVS

2025 TNFD Report
Inaugural Edition



Mobility in Harmony with Nature

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CASE STORY

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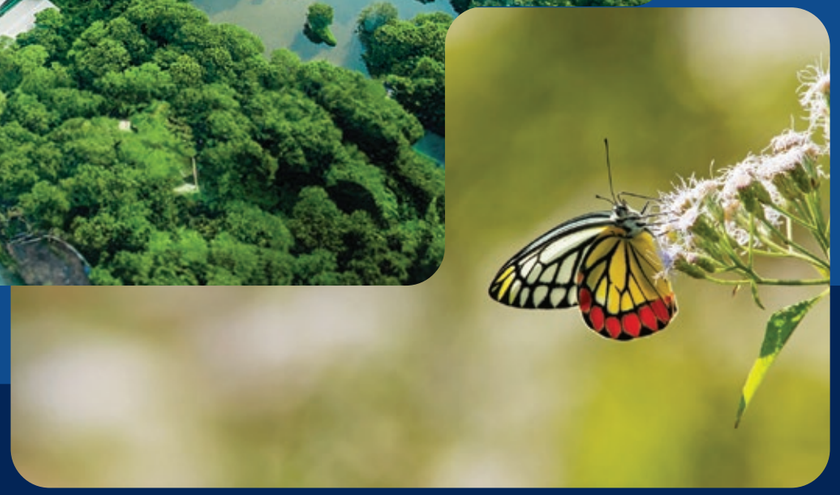


Mobility in Harmony with Nature reflects TVS Motor Company Limited's (TVSM) commitment to embedding nature stewardship, ecosystem resilience, and responsible resource management across its operations and value chain. As mobility systems expand, and climate and nature risks intensify, TVSM recognises that long-term business resilience is intrinsically linked to the health of ecosystems and the services they provide—across water, land, biodiversity, and climate.

This Report marks TVSM's first disclosure aligned with the Taskforce on Nature-related Financial Disclosures (TNFD), representing a strategic step towards integrating nature-related dependencies, impacts, risks, and opportunities into enterprise decision-making. Through this inaugural TNFD-aligned assessment, TVSM aims to establish a structured, forward-looking approach to nature risk management—strengthening governance, strategy, risk management, and metrics in support of enterprise resilience and responsible growth.

TVSM has articulated a long-term ambition to achieve No Net Loss (NNL) of biodiversity by 2040, guided by the mitigation hierarchy—avoid, minimise, restore, and enable positive outcomes—across priority locations and value chain interfaces. This ambition aligns with the global direction set by the Kunming-Montreal Global Biodiversity Framework, including the '30 by 30' goal to conserve at least 30% of land, inland waters, and oceans by 2030, reflecting TVSM's intent to contribute meaningfully to national and global biodiversity priorities.

Nature stewardship is already being advanced through measurable site-level actions. Today, TVSM's Indian manufacturing facilities maintain ~43% green cover and are home to over 1,000 species of flora and fauna, supporting ecosystem integrity within and around operational landscapes. Three Indian facilities are certified Net Water Positive and Zero Waste to Landfill, demonstrating circular resource management in water and waste. In addition, Mysuru and Nalagarh facilities are Gold-rated GreenCo facilities, while Hosur is a Hosur is a Platinum GreenCo rated facility. GreenCo-rated facility, reflecting best-in-class performance across environmental parameters. As of 31 March 2025, 95.32% of TVSM's electricity consumption in India was sourced from renewable energy, strengthening climate–nature co-benefits across operations.

As a signatory to the India Business & Biodiversity Initiative (IBBI), TVSM continues to strengthen the integration of biodiversity considerations into governance, operations, and partnerships. Aligned with TVSM's Sustainability Report theme and corporate vision, this disclosure reinforces the Company's ambition to redefine mobility while creating sustainable value for society and the environment—recognising that a nature-positive trajectory is foundational to long-term competitiveness and shared prosperity.

From the Desk of Chairman Emeritus

Anchored in our theme, 'Mobility in Harmony with Nature,' this Report goes beyond compliance—it reflects a fundamental shift in how we envision the future of mobility, where industrial progress and ecological resilience advance together.

Venu Srinivasan
Chairman Emeritus

TVS Motor Company is proud to present its inaugural TNFD Report, marking a significant milestone in our journey to place nature stewardship at the heart of our growth strategy.

As a global leader in the two- and three-wheeler sector, we recognise that the next era of mobility will be shaped not only by technological innovation, but also by how responsibly we engage with the natural world. With over 4 million units sold in FY 2024-25 and strong momentum across our electric mobility and international markets, we are committed to ensuring that our growth contributes positively to the ecosystems that sustain our communities and operations.

Across our manufacturing sites in India, more than 43% of our land is maintained as green cover, supporting over 900 species of flora and fauna. These spaces serve as living examples of conservation-led design, circularity, and responsible resource stewardship. From achieving water positivity certifications to securing Zero Waste to Landfill certification across key operations and accelerating our transition towards 100% renewable energy, we continue to demonstrate that industrial excellence and ecological responsibility can go hand in hand.

Our efforts are guided by global and national frameworks, including the Indian Business & Biodiversity Initiative (IBBI), the Kunming-Montreal Global Biodiversity Framework, and the UN Sustainable Development Goals. Looking ahead, we are committed to achieving a net positive impact on biodiversity by 2040, supported by science-led action, nature-integrated decision-making, and deep collaboration across our value chain.

We see this Report as an open invitation to our partners, investors, employees, and communities to join us in shaping a resilient and regenerative future for mobility. Together, we can build an ecosystem where innovation thrives, nature flourishes, and economic progress uplifts generations to come.

Message from the Chief Sustainability Officer

Nature is not a backdrop to industry; it is the foundation. Every product we build, every market we serve, and every community we engage with, depends on healthy ecosystems. At TVS Motor Company, we recognise this responsibility clearly and choose to act on it with intent, integrity, and ambition.

Thakur Pherwani
Chief Sustainability Officer

It is with this conviction that we present our inaugural TNFD Report. This Report marks a defining step in how we understand, manage, and value our relationship with nature. By embedding the TNFD LEAP approach across our business operations and value chains, we are integrating nature into strategic decision-making, beyond compliance, and toward long-term resilience, transparency, and value creation. Our alignment with global frameworks such as GRI, SASB, and the UN Sustainable Development Goals reflects this commitment to credible and accountable action.

Across our manufacturing hubs in India and Indonesia and through our downstream supplier and dealer networks, we are translating this intent to measurable outcomes. Circular economy principles guide our operations, renewable energy continues to accelerate, and over 43% of our plant areas in India are maintained under green cover—supporting biodiversity, strengthening ecosystem health, and delivering approximately 1.5 million tCO_2e in carbon sequestration. At site level, we are advancing biodiversity management and water positive practices, supported by science, partnerships, and continuous innovation to reduce our ecological footprint.

Yet, we know this is only the beginning. In a world facing accelerating biodiversity loss and climate risk, incremental change is not enough. Our ambition is clear: to achieve net-positive impact on biodiversity by 2040. This is a bold commitment, one that challenges us to rethink how industry and nature can thrive together, and one that will guide our decisions for decades to come.

This Report marks our belief that responsible growth is possible when industry acts as a steward to nature. We invite all our partners, investors, employees, and communities to join us on this journey, building a future where economic progress and ecological integrity reinforce one another, for generations to come.

About the Report

This TNFD Report outlines a comprehensive framework for identifying, assessing, and managing nature-related dependencies, impacts, risks, and opportunities, demonstrating TVS Motor Company Limited's (TVSM) strong commitment to environmental stewardship. The Report aligns with TNFD recommendations, embedding disclosures seamlessly into the Company's manufacturing operations. TVSM acknowledges critical nature challenges such as high-water stress in manufacturing regions, proximity to ecologically sensitive areas hosting endangered species, risks from pollution, and natural hazards like landslides and flooding.

To effectively address these sustainability challenges, TVSM employs materiality approach. This approach prioritises sustainability issues that impact both the business and its stakeholders. The Report specifically covers direct business operations at three manufacturing facility in India (Hosur, Mysuru, Nalagarh) and one manufacturing facility in Indonesia. The Report also focuses on 10 critical upstream suppliers.

Below is an overview of the Report:

GOVERNANCE

TVSM's governance framework is designed to ensure accountability and oversight of nature-related risks through its sustainability governance structure. The Board and its sub committees, including management level sustainability committee, oversee sustainability and biodiversity, ensuring integration of these factors in strategic decision-making. Regular reviews and reporting embed sustainability and biodiversity considerations into the fabric of the Company's operations, fostering alignment with TNFD recommendations and stakeholder expectations.

STRATEGY

In fulfilling the TNFD framework's strategy pillar, TVSM adopts a comprehensive approach utilising tools like ENCORE and WWF Biodiversity Risk Filter to locate, evaluate, assess, and prepare for nature-related risks and opportunities. With detailed biodiversity impact and risk assessments performed at its Indian and Indonesian sites, TVS Motor identifies dependencies on services and vulnerabilities. The Company integrates insights from global experts and frameworks such as the World Resources Institute Ecosystem Services Review for ecosystem associated holistic strategy development. This enables targeted biodiversity management plans and resilience-building initiatives implemented across its operations and value chain.

RISK AND IMPACT MANAGEMENT

TVSM uses a structured and multi-layered approach to identify, assess, and manage nature-related dependencies, impacts, risks, and opportunities. Site-specific Biodiversity Management Plans (BMPs) are developed to monitor, report, and mitigate adverse effects in line with the Company's Biodiversity Policy which includes a mitigation hierarchy framework. This is supported by knowledge-sharing, clear role delineation, and active stewardship responsibilities among staff and partners. Integration of TNFD recommended processes ensures proactive management, enabling TVSM to address challenges and capitalise on nature-positive outcomes.

METRICS AND TARGET

TVSM employs rigorous, science-based indicators to track its nature-related impacts and progress, adopting TNFD global disclosure metrics alongside internal KPIs. The Company has set ambitious targets, including achieving net positive impact on biodiversity by 2040 and water positivity at its manufacturing locations. Metrics also include land restoration, invasive species control, FSC certification for packaging, sustainable sourcing of natural rubber, zero waste to landfill certifications, and regular monitoring of ecosystem health and biodiversity indices. Transparency, accountability, and continuous improvement underpin TVSM's commitment to environmental resilience and biodiversity conservation.

About TVS Motor Company

TVS Motor Company, the world's third-largest two-wheeler manufacturer, is driving global mobility with local insight and world-class engineering. Its integrated ecosystem of products, services and support is designed to adapt to the unique needs of every market — delivering intelligent solutions that are both locally relevant and globally competitive. Deep market understanding and close collaboration with local communities enable the Company to design intelligent, future-ready solutions.

Over the years, TVSM has expanded its footprint beyond India to different parts of Asia, Africa, Latin America, and Europe. With its five manufacturing units – three in India, one in Indonesia, and one in the UK – and multiple distribution centres and offices across the world, it caters to the needs of customers across 90+ countries. TVSM is advancing its global footprint by enhancing its EV and ICE offerings and deepening its distribution reach worldwide. To drive growth in the Middle East and Africa, the Company has set up a new subsidiary – TVSM DMCC in Dubai – dedicated to research and strategy, underscoring its commitment to becoming a leading player in these fast-emerging markets.

Deeply committed to embedding nature and biodiversity conservation across its global operations and value chain, TVSM follows rigorous biodiversity risk assessments aligned with initiatives like the Indian Business & Biodiversity Initiative and the Kunming-Montreal Protocol. TVSM is progressing towards its Net Zero ambitions—2040 for Scope 1 & 2 and 2050 for Scope 3—supported by interim targets of 100% renewable energy by 2030, aiming to attain water positivity for manufacturing sites and value chain by 2040, and restoring significant land areas while managing invasive species to achieve a net positive biodiversity impact by 2040.

The Company promotes advanced water stewardship, circular economy practices, and sustainable sourcing, supported by strong governance structures and transparent reporting aligned with TNFD, GRI, and CSRD standards. Through collaborative efforts with suppliers, communities, and its CSR arm, Srinivasan Services Trust, TVSM champions ecosystem restoration, conservation education, and inclusive social development, demonstrating leadership in sustainable practices.

The Company integrates sustainability into its strategy with a vision to "Transform quality of life through mobility that is exciting, responsible, sustainable, and safe" and conducts comprehensive biodiversity assessments covering flora, fauna, habitats, and ecosystem services both within plant premises and surrounding buffer zones. TVSM actively safeguards native vegetation, manages invasive species, and restores habitats, including converting solar ponds into wetlands that attract new wildlife.

Additionally, the Company extends conservation efforts to local communities through educational initiatives like 'TVS Greening Minds' and planting Rare, Endangered, and Threatened species during annual events. Guided by a robust Biodiversity Policy aligned with global and national frameworks, TVSM strives for a net positive biodiversity impact by 2040 across its value chain through continuous monitoring, risk mitigation, and adaptive management.

100%

Renewable Energy by 2030

Water Positivity for manufacturing sites and Value Chain by 2040

Initiatives and Programmes

TVSM has demonstrated a proactive commitment to nature conservation and sustainable development through a range of impactful initiatives and programmes. These efforts extend across its operations and into the broader landscapes and communities where it operates, aligning with its vision for environmental stewardship and social responsibility. TVSM is striving to achieve an Net Positive Impact on biodiversity by 2040, including its business operations. The Company is committed to preserving and enhancing biodiversity across its business operations through a variety of targeted initiatives and programmes. These initiatives include detailed site-level Biodiversity Management Plans (BMP) developed from rigorous seasonal assessments at each business operation.

Given below are the key nature-related initiatives and programmes TVSM has undertaken:

Biodiversity Conservation and Habitat Enhancement

TVSM actively cultivates and restores biodiversity within its manufacturing campuses in Hosur, Mysuru, Nalagarh, and Karawang (Indonesia). This includes establishing diverse forest-like habitats, grasslands, and wetlands that attract a variety of native fauna. Dedicated butterfly gardens support pollinators, and specific microhabitats are created to enhance ecological complexity. A notable achievement includes the establishment of an RET (Rare, Endangered & Threatened) Conservation Park at Hosur, where over 100 native species are actively managed and propagated. The Company prioritises the retention and transplantation of old-growth trees during development, preserving vital ecological assets. At the Karawang Indonesia plant, biodiversity assessments, invasive species removal, and native species restoration are undertaken to improve local ecological value.

Beyond the company premises, TVS Srinivasan Services Trust (TVS SST)—the Group's CSR arm—is advancing climate resilience and adaptation through water security and nature-based solutions across multiple states. To date, TVS SST has desilted, constructed, or repaired 500+ water bodies/ structures, strengthening local water resilience and helping safeguard livelihoods in the face of increasing climate stress. These efforts have enhanced water storage capacity by ~160 crore litres, supporting sustainable agriculture and community adaptation to growing water scarcity and rainfall variability. Complementing this, 10 lakh+ trees have been planted, contributing to carbon sequestration while enabling climate-smart landscapes that support ecosystem stability.

Building on this momentum, the Group has committed to rejuvenate at least one wetland/lake at each operational location (including Indonesia) by 2027, reinforcing ecosystem-based adaptation and broader landscape resilience.

Comprehensive Water Stewardship

Recognising the critical importance of water, TVS has implemented extensive water conservation and augmentation programmes. On-campus, rainwater harvesting systems, percolation pits, and tanks enhance groundwater recharge, with recycled water used for irrigation, and stringent treatment aligned with Zero Liquid Discharge (ZLD) principles have been established leading to three facilities in India to be certified as Net Water Positive facilities.

Community-integrated Environmental Programmes

TVSM runs large-scale CSR initiatives that deeply intertwine community development with environmental goals. These programmes reach thousands of villages and over 1.6 million individuals across five states, focusing on livelihood enhancement, education, and environmental awareness. This includes employee- and community-facing environmental awareness activities at Karawang aligned to the Group's biodiversity and waste-reduction objectives. Specific initiatives include a sparrow conservation programme promoting nest installations in villages and a snake rescue and awareness programme at Nalagarh aimed at fostering human-wildlife co-existence. Community participation is central to initiatives like afforestation drives, waste mitigation campaigns, and the strengthening of Village Development Committees (VDCs).

Partnerships for Landscape-level Conservation

TVSM collaborates closely with governmental bodies, notably the Forest Department, to support conservation in critical PAs.
The Company provides significant assistance to five tiger reserves (Bandipur, Mudumalai, BRT, Sathyamangalam, and Nagarahole), contributing to infrastructure improvements, anti-poaching efforts, habitat restoration, and invasive species management, showcasing its commitment to broader landscape-level impact.
TVSM also integrates a landscape lens at Karawang by accounting for ecological sensitivity in the wider area, including Mount Sanggabuana KBA and Gunung Gede-Pangrango National Park, when planning site stewardship.

Sustainable Waste Management

TVSM is committed to minimising its ecological footprint through responsible waste management. This includes active efforts to transition toward3cross its campuses, reducing pollution and associated risks, including Karawang, which is on a Zero-Waste-to-Landfill pathway with enhanced segregation, co-processing and full recycling of non-hazardous streams. Food waste management practices are also being implemented, such as secure disposal and on-site composting, to prevent environmental contamination and human-wildlife conflicts. Three facilities in India have achieved Zero Waste to Landfill Certification.

Other Initiatives and Programmes

Rare, Endangered, and Threatened Species Plantation

As part of World Environment Day 2023, the Company planted a variety of RET species to strengthen conservation of vulnerable plant populations.

Wetland Creation at Hosur Plant

An obsolete solar pond was converted into a diverse wetland habitat comprising open water, marsh, and wader zones. This restoration exceeded expectations, attracting various new birds species and enriching local biodiversity.

Community Engagement and Environmental Education

Beyond TVS Greening Minds, the Company actively collaborates with local communities and NGOs to raise awareness, promote conservation, and encourage sustainable practices.

TVS Greening Minds Initiative

This environmental awareness programme is active in six schools in Mysuru, engaging 121 students, and five schools near Hosur, involving 160 students. The Centre for Environment Education, Bengaluru, supports the Mysuru programme, fostering environmental stewardship among youth.

New Bird Species Sightings and Habitat Restoration

The Hosur campus recorded new bird species including the white-bellied sea eagle, cinnamon bittern, and garganey teal. The white-bellied sea eagle is notable for its usual coastal habitat, making its inland presence significant.

Invasive Species Management

Systematic removal of invasive plants such as Parthenium and Lantana, replaced with native species to bolster ecosystem health and support native fauna.

Circular Economy and Sustainable Sourcing

TVS incorporates sustainable procurement policies, including FSC-certified packaging and deforestation-free natural rubber sourcing, aiming to minimise environmental footprints across its supply chain.

15%

Wild and Native Forest Preservation

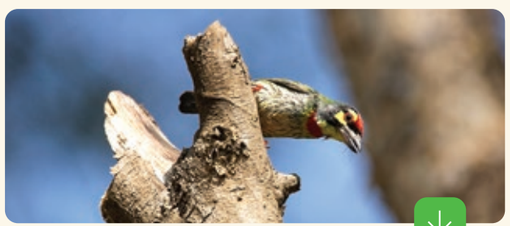
TVSM maintains at least 15% of its factory site area as wild and native forest, enabling natural flora and fauna to flourish within its operational boundaries.

Recognition and Awards

In FY 2023-24, TVSM was honoured with the ‘Excellence’ level award in the biodiversity category under CII-ITC Sustainability Awards and the Biodiversity Excellence Award by UNGCNI. Its Hosur site has been declared an potential Other Effective Area-based Conservation Measure (OECM) for exemplary biodiversity promotion.

Water Stewardship

Water recycling, rainwater harvesting, groundwater recharge, and ZLD practices are deployed to manage water sustainably and reduce impacts on local ecosystems.



Naturalists Engagement

The Company has employed dedicated team of naturalists who continuously observe, analyse and implement measures to improve biodiversity richness, including flora conservation and habitat enhancement.

Commitment to Nature-positive Growth

In alignment with global biodiversity goals, TVSM reaffirmed its dedication to coexisting with nature and promoting a sustainable future, making its progress on the International Day for Biological Diversity.

Global and National Partnerships

TVSM understands the critical importance of collaboration to advance its biodiversity, nature-related sustainability ambitions, and operational resilience across its value chain. The Company actively aligns its efforts with prominent global and national initiatives, leveraging partnerships that reinforce its commitment to environmental stewardship and sustainable business practices.

United Nations Sustainable Development Goals (UN SDGs)

The Company actively supports several SDGs, including Goal 6 (Clean Water and Sanitation), Goal 12 (Responsible Consumption and Production), Goal 13 (Climate Action), and Goal 15 (Life on Land), integrating these into its ESG strategy and sustainability reporting.

Engagement with Global Corporate Sustainability Frameworks

TVSM reports progress consistent with TNFD recommendations and adheres to frameworks such as the GRI and the SASB, ensuring its disclosures meet global transparency and accountability standards.

Kunming-Montreal Global Biodiversity Framework

TVSM aligns its biodiversity management and disclosures with the goals of the Kunming-Montreal Protocol, reflecting its commitment to the global agenda to halt biodiversity loss, prevent ecosystem degradation, and secure nature-positive impact by 2040.

Indian Business and Biodiversity Initiative (IBBI)

TVSM is a committed participant of the IBBI, India's foremost platform for business action on biodiversity conservation. Through this membership, the Company accesses best practice frameworks, technical expertise, and collaborative networks to deepen biodiversity integration in operational strategy.

Collaborations with Environmental NGOs and Authorities

TVSM regularly collaborates with regional forest departments, environmental bodies, and conservation organisations to implement effective biodiversity assessments, develop site-specific BMPs, and execute habitat restoration initiatives.

Industry Associations and Trade Chambers

The Company participates in prominent national industry associations such as the Confederation of Indian Industry (CII) and the Society of Indian Automobile Manufacturers (SIAM), engaging in joint efforts around sustainability standards, regulatory compliance, and advocacy for nature-positive industrial development.

United Nations Global Compant Network India

The Company has been an active participant in the United Nations Global Compact Network India (UNGCNI) since September 2021, marking its commitment to sustainable development goals (SDGs) and responsible business practices in environment, labour, and anti-corruption. They collaborate on sustainability initiatives, including biodiversity workshops and ESG (Environmental, Social, and Governance) strategies

Biodiversity Policy

TVSM formalised its commitment to biodiversity conservation through a comprehensive Biodiversity Policy, endorsed by the management. This policy is an integral part of the Company's broader Sustainability Vision and addresses key environmental challenges, including habitat degradation, deforestation, pollution, invasive species, and climate change. The policy (Annexure 1) guides TVSM's efforts to mitigate negative impacts and foster ecological resilience across its business operations and value chain. Objectives include:

Recognition of Business Linkages

TVSM acknowledges its dependencies and impacts on biodiversity and ecosystem services integral to its business.

Transparent Reporting

TVSM commits to communicating and reporting its biodiversity performance transparently to all stakeholders at planned intervals.

Exceeding Regulatory Requirements

The Company aspires to exceed pertinent statutory and regulatory requirements and integrate biodiversity conservation within its management systems to sustain positive impacts on species, genetics, and ecosystems.

Commitment to Reversing Nature Loss

The Company commits to protecting and enhancing biodiversity and ecosystem services for present and future generations through assessment of impacts across its business operations and value chain, followed by focused actions to avoid and minimise these impacts.

Alignment with Global Frameworks

TVSM is dedicated to aligning its biodiversity conservation practices with national regulations and the United Nations Sustainable Development Goals (SDGs).

Stakeholder Engagement and Awareness

Achieving this policy commitment involves continuously raising awareness, training stakeholders, and engaging them in biodiversity management programmes.

Responsible Sourcing

TVSM employs responsible sourcing strategies to prevent deforestation and habitat destruction by engaging certified and sustainable sources.

TNFD General Requirements

This Report sheds light on the TNFD's recommended ISSB's IFRS-S1 general requirements. The details of the general requirements are provided below:

TNFD General Requirements

1. The application of Materiality
2. The scope of disclosures
3. The location of nature-related issues
4. The time horizons
5. Integration with other sustainability-related disclosures
6. The engagement of Indigenous People, Local Communities and affected issues

Materiality Application

TVSM conducted an extensive double materiality (TVS Motor adopted the European Financial Reporting Advisory Group (EFRAG) framework) assessment to analyse and report on its sustainability impacts and risks, further consolidating its understanding of sustainability-related risks and opportunities as well as financial factors that affect its operations. The assessment process included Identification of issues, Stakeholder Engagement and Double Materiality Assessment, and Validation of Results.

The double materiality assessment identified 19 material issues across environment, social and governance domains. These material issues include Nature and Biodiversity, Climate Change and Decarbonisation, Water and Effluent Management, Circular Economy and Product Stewardship.

- Identification of Issues →
- Stakeholder Engagement and Double Materiality Assessment →
- Validation of Results →

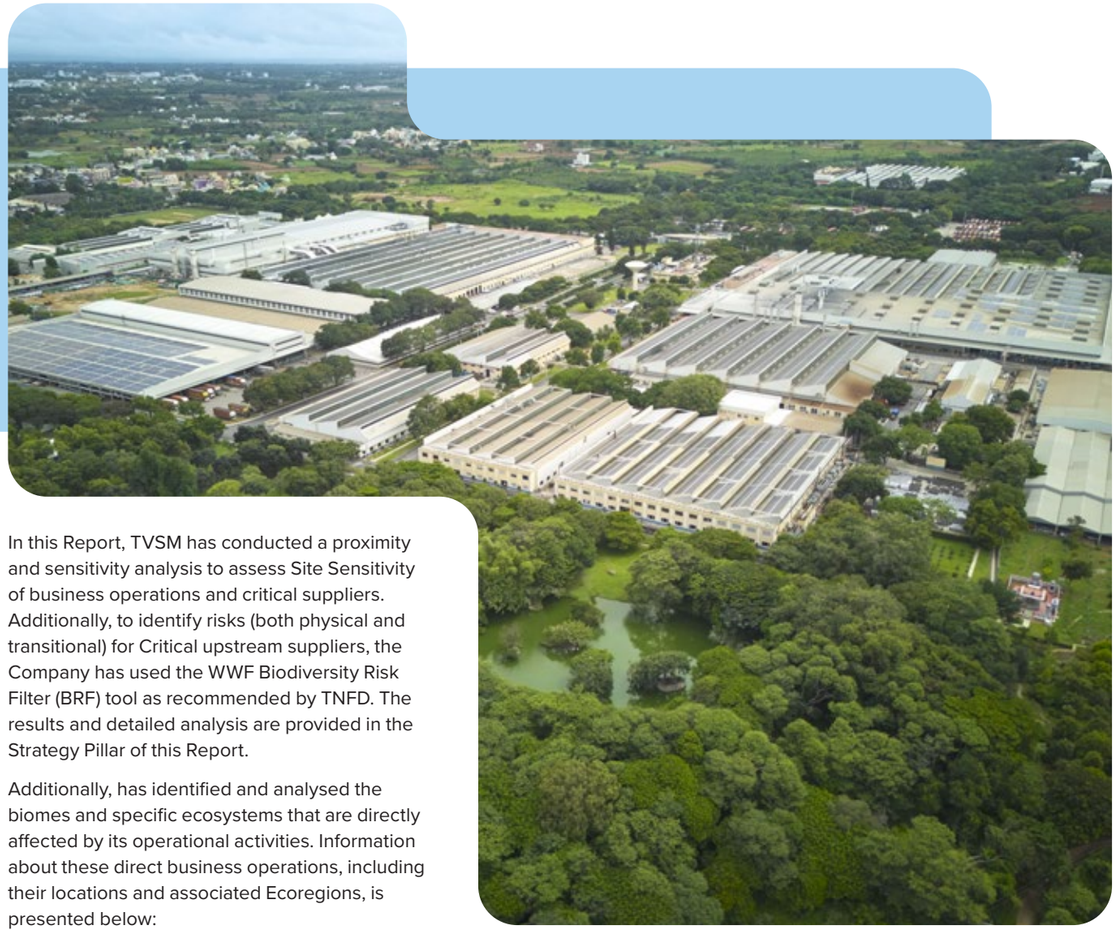
Scope of Disclosures

In this inaugural TNFD Report, TVSM details its direct business operations across three manufacturing facilities in India—located in Hosur, Mysuru, and Nalagarh and one manufacturing facility in Indonesia. The scope of disclosure for these sites encompasses their respective leased areas and extends to a 10-kilometre radius around each operation.

Furthermore, the Report also addresses nature-related aspects within its upstream supply chain. TVSM has identified 10 critical upstream suppliers for focused assessment. These critical suppliers were selected based on their significant spend, representing over 75% of total procurement, and the essential items they provide. The selection was further refined to include direct suppliers only, with the final 10 chosen specifically for nature-related risk assessment due to their potential interference with nature and their operations in water-stressed areas.

A detailed representation of the scope of the business value chain is provided in the accompanying figure.

Critical Suppliers →	Direct Operations →	Primary Customers
(Covered)	All Operations Covered (India + Indonesia)	(Not Covered)



In this Report, TVSM has conducted a proximity and sensitivity analysis to assess Site Sensitivity of business operations and critical suppliers. Additionally, to identify risks (both physical and transitional) for Critical upstream suppliers, the Company has used the WWF Biodiversity Risk Filter (BRF) tool as recommended by TNFD. The results and detailed analysis are provided in the Strategy Pillar of this Report.

Additionally, has identified and analysed the biomes and specific ecosystems that are directly affected by its operational activities. Information about these direct business operations, including their locations and associated Ecoregions, is presented below:

TVSM Direct Business Operations along with Locations and their Presence in Ecoregions

Site Name with Location	Ecoregion	Operations
TVSM - Hosur Krishnagiri, Tamil Nadu, India	**South Deccan Plateau Dry, deciduous forest**	**Manufacturing Facility**
TVSM - Mysuru Mysuru, Karnataka, India	**South Deccan Plateau Dry, deciduous forest**	**Manufacturing Facility**
TVSM - Nalagarh Solan, Himachal Pradesh, India	**Aravalli West Thorn scrub forests**	**Manufacturing Facility**
PT TVS Indonesia Karawang, Indonesia	**Western Java Rain forest**	**Manufacturing Facility**

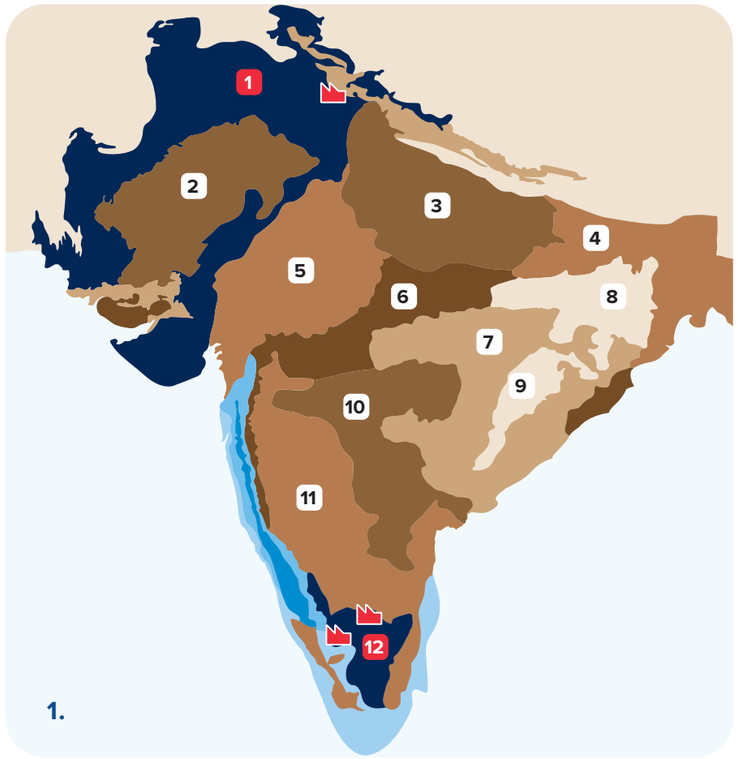
Spatial Distribution of TVSM's Business Operations across Ecoregions of the World

1. TVSM Sites (India)

- TVS Nalagarh
- TVS Hosur
- TVS Mysuru

Ecoregions where TVSM's Business Operations Fall

1 Aravalli West thorn scrub forests
2 Thar Desert
3 Upper Gangetic Plains moist deciduous forests
4 Lower Gangetic Plains moist deciduous forests
5 Khathiar-Gir dry deciduous forests
6 Narmada Valley dry deciduous forests
7 East Deccan moist deciduous forests
8 Chota Nagpur dry deciduous forests
9 North Deccan dry deciduous forests
10 Central Deccan Plateau dry deciduous forests
11 Deccan thorn scrub forests
12 South Deccan Plateau dry deciduous forests



1.

2. TVSM Sites (Indonesia)

- TVS Karawang

Ecoregions where TVSM's Business Operations are Located

13 Sumatran peat swamp forests
14 Sumatran lowland rain forests
15 Western Java rain forests
16 Western Java montane rain forests

2.

Map not to scale and for representation purpose only.

The Location of Nature-related Issues

Nature-related issues are determined by assessing the dependencies and impacts of business operations on ecosystems and their services. These issues are pinpointed within a 10-kilometre radius of business operations, ensuring comprehensive coverage of potential effects on the surrounding environment.

Integration with other Sustainability-related Disclosures

The TNFD Report incorporates a multifaceted approach by aligning its nature-related risk evaluation with global sustainability frameworks such as the GRI, CSRD and SASB automotive sector. This integration ensures robust and comprehensive disclosure of performance metrics, aligning with environmental stewardship goals. Data related to greenhouse gas emissions, water usage, biodiversity, waste management, and conservation efforts are meticulously reported following these frameworks. This alignment enables a streamlined assessment of nature-related impacts and encourages informed decision-making that supports sustainable growth.

Furthermore, by leveraging tools such as ENCORE and WWF BRF, the Report strengthens its assessment capabilities, providing insights into ecological dependencies and managing nature-related risks effectively. This strategic incorporation of diverse frameworks enhances transparency and accountability, and reinforces TVSM's commitment to aligning its practices with internationally recognised sustainability standards.

Temporal Horizons

This TNFD Report considers three-time horizons (Short- Medium- and Long-term) for planning, implementing, and reporting on nature-related issues. These time horizons are defined based on the requirements essential for managing dependencies and impacts on ecosystem services, habitats, biodiversity, and other relevant nature-related factors at the operational level, as outlined in the BMPs. A description of each of these three time horizons is provided below.

Short-Term 0-5 years

Biodiversity Assessments

Conducted seasonal biodiversity studies of all four operational locations (Hosur, Mysuru, Nalagarh, Karawang) within a 10-kilometre buffer to identify species and ecological features.

Awareness Programmes

Implements 'TVS Greening Minds' for schools and SST-led community camps on afforestation and conservation.

Partnerships with Local NGOs

Engages with NGOs and local communities for nature-based solutions and conservation projects.

Restoration and Green Cover

Manages site-level greenbelts, removes invasive species, plants native trees, and develops grasslands; 42% of Indian sites have human-grown forests.

Medium-Term 5-10 years

Reforestation Initiatives

Has ambitious plans plant ~1 million trees to support ecosystem restoration, strengthen biodiversity, and contribute to long-term environmental resilience. The SST has already planted 10 lakh+ trees in villages and greened over 14,000 acres of barren hillocks with 60 lakh trees.

Sustainable Sourcing

TVSM is exploring pathways towards 100% FSC-certified wood in packaging and deforestation-free certified natural rubber, alongside supplier engagement to advance responsible and sustainable sourcing practices across the value chain.

Research and Monitoring

The Company focuses on regular species monitoring and measuring progress on a year-on-year basis as an opportunity in biodiversity assessment and management.

Ecosystem Restoration (Landscape Level)

TVSM is undertaking initiatives at the landscape level in surrounding areas, such as wetland restoration, afforestation activities in degraded lands, grassland restoration, and species conservation initiatives. Specific targets include restoring 15 acres at Karawang (by 2027) and 124 acres across Indian operations (by 2030), and rejuvenating at least one wetland/lake at each operation by 2027.

Long-Term 10-15 years

Biodiversity Offsetting and Net Positive Impact

TVS Motor Company has committed to achieving No Net Loss (NNL) of biodiversity and progressing toward Net Positive Impact (NPI) by 2040, using 2020 as the baseline year, subject to refinement through periodic ecological monitoring, habitat condition assessment and improved spatial biodiversity data.

Ecosystem Restoration (Large-scale)

The long-term vision includes undertaking large-scale ecosystem restoration projects aimed at long-term environmental resilience, often linked with its landscape-level restoration efforts.

Legacy Projects

The TVSM Hosur plant has been recognised as a potential Other Effective Area-based Conservation Measure (OECM) by the United Nations Development Programme (UNDP) and the Biodiversity Authority of India, acknowledging its significant contribution to biodiversity preservation through its 50-acre green belt, bird sanctuary, and other initiatives.

Climate Resilience Programmes

TVSM integrates biodiversity conservation with climate change adaptation and resilience strategies.

Policy Advocacy

The Company proactively contributes to national and global nature-positive targets, such as the National Biodiversity Strategies and Action Plans (NBSAP) and the Global Biodiversity Framework.

TVSM has developed BMPs for all its direct business operations in scope and identified short- (0-5 years), medium- (5-10 years), and long-term (10-15 years) action plans for the conservation of biodiversity and ecosystem services at their business operations.

Engagement with Local Communities and Affected Stakeholders

TVSM strongly believes in upholding human rights and acting responsibly in all its operations. The Company is committed to working closely with the communities and people who might be affected by its activities, especially concerning its interaction with nature. Its approach ensures ethical conduct and addresses local concerns as it strives for a positive impact on both people and the environment. (Refer page 24 for detailed information on TVSM's human rights policies and engagement activities.)

Governance

The establishment of robust governance structures underscores TVSM's commitment to sustainability and responsible business practices. These structures are guided by the principles of integrating nature-related risks and opportunities into central decision-making processes, aligning with the objectives of the TNFD framework.

TVSM's strong governance composition/system demonstrates its dedication to sustainability and responsible business conduct. These compositions/ systems embed nature-related risks and opportunities into key decision-making processes, ensuring alignment with the goals of the TNFD framework.

Corporate governance at TVSM aims to balance financial success with social responsibility, fostering an environment of trust and integrity. TVSM upholds a governance framework that prioritises regulatory compliance, accountability, fairness, and transparency across its business operations. Leadership is dedicated to driving sustainable growth and responsibly managing resources, recognising the dynamic interplay between business and the natural environment. As sustainability efforts evolve, TVSM continuously reinforces its frameworks to strengthen its role as a responsible steward.

Key principles steering TVSM's sustainability initiatives include systematic risk assessment, strategic oversight of environmental impacts, and transparent engagement with stakeholders. These efforts are supported by a multi-tiered governance system where the Board of Directors and senior management have clear roles and responsibilities. Sustainability, including nature conservation, is a standing agenda item for Board meetings, undergoing multiple reviews annually. Board committees, such as the Audit Committee, Risk Management Committee, and CSR Committee, maintain strict internal controls and oversee strategy execution and risk management.

The corporate governance process at TVSM ensures that nature-related issues are embedded at the highest levels of decision-making, reinforcing the Company's long-term commitment to environmental stewardship.

The corporate governance process is provided in the figure on the right:

Corporate Governance Structure at TVSM for Managing Nature-related Risks

Top Level — Quarterly

Board Oversight

Board of Directors

Risk Management Committee, Audit Committee

Executive Level — Monthly

Chief Executive Officer

CEO (Chairs Sustainability Committee)

Supported by Chief Sustainability Officer (CSO)
Direct reporting to the Board

Operational Level — Monthly

Business Unit Committees

Guide operational teams to align with corporate sustainability targets

Plant-level Committees

Monitor KPIs such as energy, water, waste, compliance

Performance and Reviews — Monthly

~10% of C-suite performance evaluation linked to sustainability KPIs (decarbonisation, water stewardship)

Employee Engagement — Monthly

Sustainability Ambassador Programme

Awareness, capacity-building, culture of responsibility across workforce

Board Oversight

The Board of Directors at TVSM play a pivotal role in overseeing nature-related dependencies, impacts, risks, and opportunities, aligning with the principles of the TNFD framework. This oversight is integrated into the Company's broader sustainability agenda, ensuring that environmental considerations are central to strategic decision-making. The Board directs the use of systematic evaluations to guide the formulation of strategies for resource efficiency, climate resilience, biodiversity conservation, and the transition to sustainable practices, thereby managing risks and leveraging opportunities effectively.

Board of Directors

The Board oversees sustainability and biodiversity-related requirements through various committees responsible for governance related to nature-related dependencies, impacts, risks, and opportunities. This oversight is consistently maintained through sustainability being a standing agenda item for every Board meeting, undergoing multiple reviews throughout the year.

Relevant Board Committees

The Board's committees play a vital role in steering the Company's sustainability efforts, with a specific focus on nature-related risks associated with water, carbon, and biodiversity.

Risk Management Committee

This committee ensures a structured and proactive approach to identifying, assessing, mitigating, and monitoring risks, including those related to nature. It evaluates internal and external risk factors such as regulatory changes, market volatility, and environmental challenges, prioritising them based on impact and likelihood. The committee oversees the implementation of mitigation strategies, including process optimisation and technological upgrades, and ensures continuous monitoring of risks.

Board Committee Members

Venu Srinivasan
Chairman Emeritus

Sudarshan Venu
Chairman and
Managing Director

B Sriram
Non-Executive
Independent Director

Shailesh Haribhakti
Managing Director
& Chairman

K N Radhakrishnan
Director and
Chief Executive Officer

Vijay Sankar
Independent
Director

Kalpana Unadkat
Independent
Director

Management Oversight

TVSM has developed an extensive management framework to effectively implement and oversee nature-related duties. Key roles are allocated to senior management positions that directly report to the Board, ensuring accountability is clearly defined. The CEO-led Sustainability and EHS Steering Committee, along with various operational committees, carries significant managerial responsibility and accountability for nature-related policies, commitments, and targets.

CEO-led Sustainability Committee

This committee, led by the CEO, is at the forefront of TVSM's sustainability management. It plays a pivotal role in overseeing sustainability targets and progress across the organisation. The committee ensures the integration of environmental, health, and safety considerations into business operations and strategic planning, including aspects related to nature and biodiversity.

Operational Management

Plant-level Committees

At the operational level, dedicated plant-level committees drive on-ground action for sustainability initiatives. These committees are responsible for implementing environmental management systems, tracking resource consumption, managing waste, and executing biodiversity conservation efforts at specific manufacturing sites.

Biodiversity Ambassador Programme

This programme empowers employees across the organisation to champion sustainability initiatives. Sustainability Ambassadors act as advocates and facilitators, promoting environmentally responsible practices, raising awareness about nature-related issues, and contributing to the achievement of sustainability goals from the shop floor to various departments.

Functional Teams

Various functional teams, including those in Environment, Health, and Safety (EHS), R&D, and Supply Chain, are responsible for executing specific nature-related strategies. This includes developing eco-friendly technologies, conducting environmental impact assessments, ensuring responsible sourcing, and implementing water management and waste reduction programmes.

Human Rights Policies and Engagement with Local Communities, and Affected Stakeholders

TVSM is committed to upholding human rights and fostering ethical business practices across its operations. This commitment is articulated in its Human Rights Policy and further demonstrated through its extensive engagement with local communities and affected stakeholders concerning nature-related dependencies and impacts.

Human Rights Policy and Commitments

TVSM's Human Rights Policy affirms its dedication to protecting human rights and conducting business ethically. This policy aligns with key national and international frameworks, including:

International Labour Organization (ILO) regulations

Relevant Sustainable Development Goals (SDGs)

The Universal Declaration of Human Rights (UDHR)

The principles of the UN Global Compact

Read more about Human Rights Policy ↗

Through this policy, TVSM specifically commits to:

- Discouraging and actively working against child labour, forced labour, and human trafficking.
- Ensuring a safe and healthy working environment for all its employees and stakeholders.
- Promoting equal opportunity and non-discrimination in all aspects of its operations.
- Cultivating an inclusive workplace culture.
- Preventing harassment and encouraging open communication channels.
- Respecting the right to freedom of association and collective bargaining.
- Promoting work-life balance among its workforces.
- Protecting privacy and adhering to robust data protection regulations.
- Complying with all anti-bribery, anti-corruption, and anti-money laundering regulations.

The Human Rights Policy is subject to annual review or as deemed necessary to ensure its continued relevance and effectiveness.

Engagement with Local Communities and Affected Stakeholders

TVSM recognises that its business operations and nature-related initiatives have direct and indirect impacts on local communities and various stakeholders. The Company's approach to engagement is multi-faceted, aiming for transparency, mutual benefit, and the integration of local perspectives.

Community-centric Environmental Initiatives

TVSM integrates environmental conservation efforts with broader community development goals. For instance, in Nalagarh, the BMP highlights 'community engagement' as crucial for habitat restoration and invasive species removal. Similarly, the restoration of wetlands and ponds near facilities in Hosur and Mysuru involves collaboration with local authorities and communities. This indicates an effort to align ecological goals with community well-being.

Livelihood Support and Skill Development

Through its CSR initiatives, TVSM supports livelihood enhancement and women's empowerment across approximately 2,500 villages. Activities include skill development for youth and women, formation of Self-Help Groups (SHGs) with capacity building in financial management and entrepreneurship, and micro-entrepreneurship promotion. The 'Champion Farmer Model' also facilitates peer-led adoption of new farming techniques, directly supporting local economic stability and resilience.

2,500
Number of villages supported

Water Stewardship and Community Participation

TVSM undertakes significant water augmentation projects that benefit local farmers, having stored approximately 1.5 billion litres of water across multiple states, benefiting around 21,000 farmers. Initiatives like the construction of ponds and water recharge structures, along with roof-water harvesting in schools and community buildings, involve direct community benefit and, implicitly, engagement in managing these shared resources.

Addressing Human-Wildlife Co-existence

At its Nalagarh plant, TVSM has initiated a programme to manage human-wildlife conflict related to snakes. This involves training employees on safe snake handling and release into natural habitats, thereby raising awareness among employees about snake diversity conservation. This proactive measure ensures both employee safety and the respectful management of local wildlife.

Integration of Local Knowledge

TVS engages broadly with local communities through its CSR initiatives across numerous villages, providing a platform to understand traditional ecological knowledge and incorporate community needs into environmental strategies with activities such as promoting horticulture in tribal areas exemplify this integration.

Grievance Mechanisms and Oversight

TVS Motor Company's Human Rights Policy highlights its commitment to ethical conduct. The company's extensive community engagement and CSR programs—including the formation of Village Development Committees (VDCs)—provide channels for feedback and addressing community concerns. These community-based structures may function as informal grievance mechanisms for local stakeholders regarding the company's operations and their social or environmental impacts.

21,000

Local farmers benefitted from water augmentation projects undertaken by TVSM

CASE STORY

TVS Greening Minds

Building Future Nature Stewards through Environmental Education and Behavioural Change

Launched in 2019 in Mysuru, TVS Greening Minds is TVSM's nature conservation education programme designed to strengthen environmental awareness, build ecological literacy, and encourage behaviour change among school students. Delivered in partnership with schools, the programme equips students to understand biodiversity, ecosystem services, and conservation challenges, and empowers them to act as ambassadors for nature stewardship within their schools, homes, and communities.

The programme has engaged 11 schools, reached 281 students, and trained 22 teachers through a structured learning journey. The curriculum follows a two-stage approach—introducing students to global biodiversity and the need for conservation and then deepening learning through local relevance and action-oriented engagement on key environmental challenges. A key pillar is the Nature Conservation Education Program, in partnership with the Centre for Environment Education (CEE), empowering teachers and students to explore forests, observe biodiversity, and understand ecological interconnections.

Students who complete the programme are recognised as 'TVS Green Warriors', reinforcing continued stewardship and peer-led advocacy. Through sustained education and school-community engagement, TVS Greening Minds helps embed long-term conservation values, creating a pipeline of young changemakers who can support resilient ecosystems and nature-positive outcomes over time.

281

Number of students convened in FY 2024-25

22

Number of teachers trained at the TVSM Learning Centre in FY 2024-25

Strategy

As a mobility manufacturer with a diverse, global value chain, TVSM recognises that healthy ecosystems are foundational to long-term business resilience and value creation. The Company's strategy integrates nature-related considerations alongside climate, embedding the understanding of dependencies and impacts on biodiversity, freshwater, land and ecosystem services into core planning, product roadmaps and supply chain decisions.

TVSM follows a comprehensive process for identifying and managing Nature-related Dependencies, Impacts, Risks & Opportunities (DIRO). This process begins with an initial screening at the business sector level, focusing on the manufacture of motor vehicles and parts & accessories. It then proceeds to in-depth assessments at the site level for direct business operations and extends to upstream assessments. The entire approach aligns with the TNFD framework's LEAP approach.

In this Report, TVSM focuses on direct business operations and critical upstream suppliers, ensuring comprehensive coverage. For direct business operations, TVSM employs Proximity Analysis and DIRO Mapping, supplemented by BMPs for sites, which aim to mitigate impacts on biodiversity and ecosystems.

For upstream suppliers, TVSM uses Proximity Analysis to identify key locations where the upstream value chain operates near Protected Areas and/or Key Biodiversity Areas. This ensures that all critical aspects of the value chain are considered within the sustainability framework.

To identify risks (both physical and transitional) for critical upstream suppliers, the Company has used the WWF BRF tool as recommended by TNFD.

The alignment of TVSM with the LEAP framework and approach for identifying and managing DIRO is illustrated and further detailed in the sections below.

TVSM's Alignment with LEAP Approach

LEAP Indicator

LOCATE

Step 1: The Interface with Nature

L1 Span of the Business Model and Value Chain

The Company's comprehensive assessment covers all elements, including:

- **Direct Business Operations:** 4 manufacturing sites (3 in India; 1 in Indonesia).
- **Upstream Supply Chain:** 10 critical suppliers were selected and underwent site assessments to validate responses.

L3 Interface with Nature

The presence of biomes at all direct business operation sites is mapped using the IUCN Biomes Typology. Additionally, delineated Ecoregions to further analyse the spatial distribution of business operations within these zones.

L2 Dependency and Impact Screening

ENCORE Tool ratings for manufacture of motor vehicles and manufacture of parts & accessories for motor vehicles sector-level are used for Dependency and Impact screening, while WWF's BRF Tool is applied for site-level screening.

L4 Interface with Sensitive Locations

A proximity analysis was conducted to examine the interaction between business operations and sensitive locations. A 10-kilometre buffer zone was delineated to assess the interaction of each business to ecologically sensitive areas. Out of the four direct business operations, two are located near significant biodiversity areas. Further, the Company has BMPs for all the sites.

EVALUATE

Step 2: Evaluate Dependencies and Impacts

E1 Identification of Environmental Assets and Ecosystem Services

Ecosystem services mapping and review are conducted at each direct operational site to identify environmental assets and ecosystem services.

This process involves direct collaboration with business operational utilising WRI's ESR.

E3 Dependency and Impact Analysis (Size and Scale)

TVSM applies the WRI's ESR tool to evaluate site-level dependencies and impacts on ecosystem services. The size and scale of each dependency and impact are quantified and ranked to support prioritisation.

E2 Identification of Dependencies and Impacts (Business Sectors)

Sector-level dependencies and impacts for the manufacture of motor vehicles and manufacture of parts & accessories for motor vehicles sector are identified using ENCORE. Site-level screening of direct business operations is complemented by WWF's BRF to contextualise sector findings.

E4 Impact Materiality Assessment

TVSM has considered the impacts on its operations, employees, and local communities as significant in identifying risks and opportunities.

ASSESS

Step 3: Assess Risks and Opportunities

A1 Risk and Opportunity/Identification

The risk and opportunities corresponding to the impact and dependencies are identified for all the business operations. Also, the risk assessment was done for all the critical suppliers using WWF's BRF Tool.

A3 Risk and Opportunity Measurement and Prioritisation

LEAP-derived risks and opportunities are prioritised and integrated into site-specific BMPs to measure the risk and opportunity and prioritise accordingly.

A2 Adjustment of Existing Risk Mitigation and Risk and Opportunity Management

TVSM has a Biodiversity Policy and Biodiversity Risk Assessment framework for assessing and managing biodiversity risk. The Company also has site-specific BMPs to mitigate risks and enhance biodiversity.

Additionally, TVSM has utilised WRI's ESR tool for identifying site-level dependency, impact, risk and opportunities at each site. This tool helps assess ground-level conditions and identify specific risks and opportunities related to nature and biodiversity.

A4 Risk and Opportunity Materiality Assessment

The Company has considered all high dependencies and impacts as significant risks and opportunities.

PREPARE

Step 4: To Respond and Report

P1 Strategy and Resource Allocation

BMPs are designed with defined resource allocations and targeted strategies to mitigate identified nature-related risks.

P3 Reporting

The Company has reported the assessment results as part of 'Strategy' and 'Metrics and Targets' section of the TNFD Report.

P2 Identification of Dependencies and Impacts (Business Sectors)

TVSM has adopted targets for 2025, 2027, 2030, 2040 and 2050 for 3 Nature Realms (Land, Water and Atmosphere). TVSM has adopted target to achieve a NPI by 2040.

The Company has adopted the TNFD core global disclosure indicators and metrics for reporting and monitoring their performance screening, while WWF's BRF Tool is applied for site-level screening.

P4 Presentation

The Company shall continue to disclose nature-related risks and opportunities using TNFD recommendation in coming years as well.

Nature-related Dependencies, Impacts, Risks & Opportunities (DIRO) for TVS Motor Company and its Value chain

To understand the interplay between its business operations and the surrounding environment, TVSM has conducted an in-depth assessment to map its dependencies, impacts, risks, and opportunities. The Company is steadfast in its commitment to environmental protection, implementing a range of proactive measures such as biodiversity screening and tailored BMPs for each business operation.

TVSM has established systematic approach for managing dependencies, impacts, risks, and opportunities, which is shown in the figure below:

Site Level Analysis

TVS Motor Company's Approach

To identify and manage Nature-related Dependency, Impact, Risk and Opportunity

Dependency and Impact Screening

Dependency and Impact screening of Manufacture of Motor Vehicle and Manufacture of parts and accessories for motor vehicles using ENCORE Tool

Upstream Value Chain	Direct Operations	Downstream Value Chain
Risk Mapping using WWF Biodiversity Risk Filter Proximity and Sensitivity Analysis	Dependency & Impact Screening (ENCORE & WWF Biodiversity Risk Filter) Dependency, Impact, Risk & Opportunities (DIRO) Mapping WWF Biodiversity Risk Filter, Proximity & Sensitivity Analysis, WRI ESR Tool) Site Level Biodiversity Management Plans (BMPs)	Not Covered

TVSM employs a comprehensive, multi-stage approach to identify and manage nature-related dependencies, impacts, risks, and opportunities across its business operations and value chain. This methodology integrates various tools and assessments, moving from a broad sectoral analysis to detailed site-specific and value chain screenings.

Sectoral Dependency and Impact Screening

TVSM has conducted an initial screening at the sectoral level for the "Manufacture of Motor Vehicle" and "Manufacture of parts and accessories for motor vehicles." This analysis utilises the ENCORE Tool and WWF BRF to broadly identify potential nature-related dependencies and impacts associated with these core industrial sectors.

Site Level Dependency & Impact Screening

Following the initial sectoral analysis, detailed dependency and impact screening is performed across three key areas using the WWF BRF: Direct Business Operations and Critical Suppliers (Upstream Value Chain).

Direct Operations

- **Dependency & Impact Screening:** For its direct manufacturing operations, TVSM conducted detailed dependency and impact screening using a combination of the **ENCORE Tool** and the **WWF BRF**. This dual approach provides a robust understanding of both dependencies on natural capital and potential biodiversity risks.
- **DIRO Mapping:** A comprehensive mapping process is undertaken to identify and categorise site specific nature-related dependencies, impacts, risks, and opportunities relevant to direct operations. To evaluate the DIRO, the following tools were utilised:
  - **WWF BRF:** To identify site level biodiversity risks.
  - **Biodiversity Proximity & Sensitivity Analysis:** To assess the proximity and sensitivity of business operations to areas critical for biodiversity.
  - **WRI ESR Tool:** The ESR tool offers insights into potential risks and opportunities linked to site specific dependencies and impacts.
- **BMPs:** Site-specific BMPs are developed to mitigate identified risks, manage impacts, and capitalise on opportunities.

Critical Suppliers (Upstream Value Chain)

- **Risk Mapping using WWF BRF:** For Critical Suppliers, TVSM has identified potential biodiversity risks by employing the WWF BRF. This helps in understanding the biodiversity-related risks associated with raw material sourcing and supplier operations.
- **Biodiversity Proximity and Sensitivity Analysis:** Similar to direct operations, a proximity and sensitivity analysis is conducted to assess the proximity and sensitivity of Critical Suppliers to areas critical for biodiversity.

Nature-related DIRO of TVS Motor Company's Business Operations

Sectoral Dependency and Impact Screening using ENCORE and WWF BRF

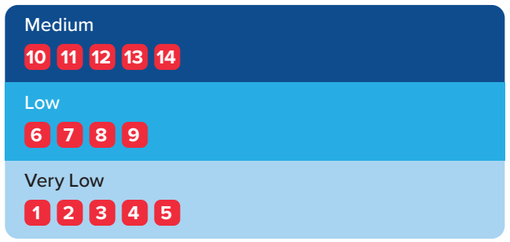
ENCORE

The ENCORE tool assesses sector-specific dependencies on ecosystem services and the corresponding environmental impacts of different manufacturing activities. This approach helps identify critical natural capital interactions, highlighting areas of low to medium dependency and from very low to very high impact, thereby supporting targeted sustainability actions. The results generated from the ENCORE tool based on these selections are presented below:

Classifications within the International Standard Industrial Classification of All Economic Activities (ISIC) selected by TVSM for ENCORE Tool

ISIC Selection	ISIC Division	ISIC Group/Class
Manufacturing	Manufacture of motor vehicles, trailers, and semi-trailers	Manufacture of motor vehicles and manufacture of parts & accessories for motor vehicles

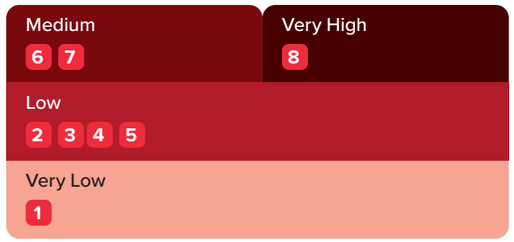
Overview of Activity-wise Dependencies at Sectoral Level



Indicators

1	Global Climate Regulation Services	O
2	Rainfall Pattern Regulation Services	O
3	Air Filtration Services	O
4	Noise Attenuation Services	O
5	Other Regulating and Maintenance Service - Meditation of Sensory Impacts	O
6	Water Supply	O
7	Local (micro and meso) Climate Regulation Service	O
8	Solid Waste Remediation Services	O
9	Other Regulating and Maintenance Service - Dilution by Atmosphere and Ecosystem	O
10	Soil and Sediment Retention Service	O
11	Water Purification Services	O
12	Water Flow Regulations	O
13	Flood Mitigation Service	O
14	Storm Mitigation Service	O

Overview of Activity-wise Impact at Sectoral Level



Indicators

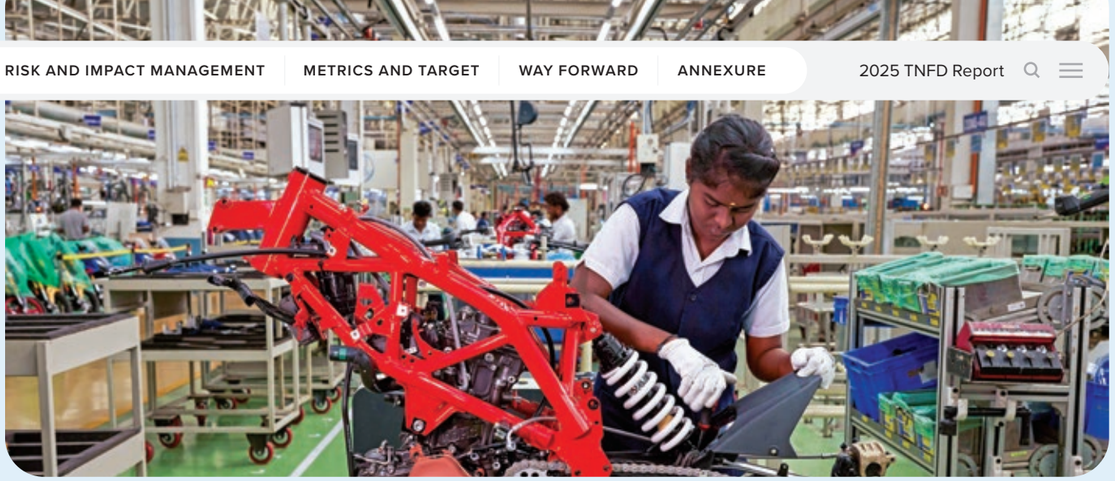
1	Emission of GHG	O
2	Emission of non-GHG Air Pollutants	O
3	Generation and Release of Solid Waste	O
4	Area of Land Use	O
5	Volume of Water Use	O
6	Emission of Toxic Pollutants to Water and Soil	O
7	Disturbance (e.g. noise, light)	✚
8	Disturbance (e.g. noise, light)	□

O Manufacture of Motor Vehicle and Manufacture of parts and accessories for motor vehicles

□ Manufacture of Motor Vehicles

✚ Manufacture of parts and accessories for Motor Vehicles

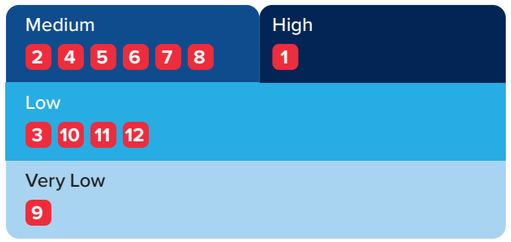
The ENCORE analysis for TVSM highlights that its manufacturing activities exhibit low to medium dependencies on key ecosystem services such as climate regulation, water supply, and soil retention. Simultaneously, the Company's operations show varied environmental impacts, ranging from very low emissions of greenhouse gases to very high disturbances related to noise and light.



WWF BRF

The WWF BRF tool was also applied on a sectoral basis to assess dependencies and impacts on each indicator. For TVSM, the "Automotive, Electrical Equipment & Machinery Production" industry was selected for this analysis. The results of the WWF BRF assessment are presented below:

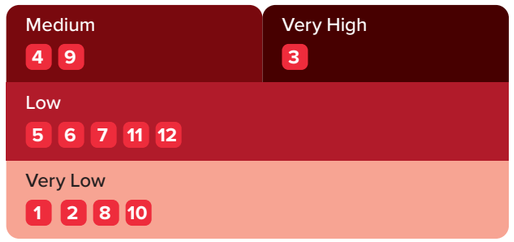
Overview of Activity-wise Dependencies at Sectoral Level



Indicators

1	Water Availability
2	Limited Wild Flora & Fauna Availability
3	Water Condition
4	Air Condition
5	Landslides
6	Wildfire Hazard
7	Extreme Heat
8	Tropical Cyclones
9	Media Scrutiny
10	Political Situation
11	Sites of International Interest
12	Risk Preparation

Overview of Activity-wise Impact at Sectoral Level



Indicators

1	Land, Freshwater and Sea Use Change
2	Forest Canopy Loss
3	Pollution
4	Protected/Conserved Areas
5	KBA's
6	Other Important Delineated Areas
7	Ecosystem Condition
8	Range Rarity
9	Indigenous Peoples (IPs); Local Communities (LCs) Lands and Territories
10	Resource Scarcity: Food - Water - Air
11	Labour/Human Rights
12	Financial Inequality

The BRF assessment for TVSM reveals a high dependency on water availability and medium dependency on various environmental factors including limited wild flora and fauna, air condition, and extreme weather events. The Company's operational impacts are generally low to very low across most biodiversity indicators, such as land and freshwater use change, forest canopy loss, and ecosystem condition. However, pollution shows a very high impact, and there is a medium impact on protected and conserved areas, highlighting key environmental risks that require focused management to mitigate biodiversity and ecosystem degradation.

Site-wise Overview of Dependencies and Impacts of Business Operations using WWF BRF

The Explore and Assess modules of WWF BRF were deployed to understand the site- level dependencies and impacts. The results deliver a high-level understanding of these dependencies and impacts. To further validate the findings, additional primary assessments using WRI's Ecosystem Service Review tool were conducted. The results from WWF's BRF tool are presented in Table below, which reveals varying degrees of high to medium dependencies on water availability and biodiversity across TVSM's operational sites, with consistently high pollution and water-related impacts requiring targeted mitigation efforts:

Business Operations	Dependency												Impact											
	Water Availability	Limited Wild Flora & Fauna Availability	Water Condition	Air Condition	Landslides	Wildfire Hazard	Extreme Heat	Tropical Cyclones	Media Scrutiny	Political Situation	Sites of International Interest	Risk Preparation	Protected/Conserved Areas	KBA's	Other Important Delineated Areas	Ecosystem Condition	Range Rarity	Indigenous Peoples (IPs); Local Communities (LCs) Lands and Territories	Resource Scarcity: Food - Water - Air	Labour/Human Rights	Financial Inequality	Land, Freshwater and Sea Use Change	Forest Canopy Loss	Pollution
TVS Hosur	VH	H	M	H	L	M	M	M	M	L	VL	VL	L	L	VL	L	L	M	M	M	L	L	VL	VH
TVS Nalagarh	H	H	M	H	L	H	H	L	M	L	H	VL	L	L	VL	L	L	M	M	M	L	L	VL	VH
TVS Mysuru	H	H	L	H	L	M	M	M	M	L	VL	VL	L	M	L	L	M	M	L	M	L	L	VL	VH
TVS Karawang	M	H	L	H	H	M	L	L	M	L	VL	L	L	L	L	L	M	M	M	L	L	L	L	VH

Very High High Medium Low Very Low

Assessment of Dependencies Impacts, Risks and Opportunities through WRI's ESR Tool

The secondary tools recommended by TNFD provide an overview of the dependencies and impacts associated with key activities and sites of concern. The screening results, derived from secondary data, aim to provide insights into dependencies and impacts at both sector and site levels. For a detailed analysis, WRI's ESR Tool is employed.

The ESR exercise identifies the provisioning, regulating, cultural and supporting ecosystem services crucial to supporting business activities. Additionally, the ESR offers insights into potential risks and opportunities linked to these dependencies and impacts. In this assessment, a total of 21 ecosystem services is evaluated for each business operation. The critical ecosystem services, characterised by high or medium dependencies and impacts, are summarised in the table below.

The results from the ESR exercise also validate findings from the BRF Tool. Some ecosystems initially identified as high impact in the BRF Results in the above table are now shown as medium or low impact in the table below because business operations have already implemented initiatives to manage these issues.

Summary of Business Operation with High/Medium Dependencies and Impacts

Business Operations	Category	Indicators	Dependency	Impact
Hosur, India	Provisioning Ecosystem Services	Crops	M	M+
		Freshwater	M	H+
	Regulating Ecosystem Services	Maintenance of Air Quality	M	H+
		Regional/Local Climate Regulation	H	H+
		Regulation of Water Timing and Flows	M	H+
		Water purification and waste treatment	M	H+
	Cultural Ecosystem Services	Educational and Inspirational Values	L	H+
	Supporting Ecosystem Services	Habitat	M	H+
Mysuru India	Provisioning Ecosystem Services	Crops	M	M+
		Freshwater	M	H+
	Regulating Ecosystem Services	Maintenance of Air Quality	M	H+
		Regional/Local Climate Regulation	H	H+
		Regulation of Water Timing and Flows	M	H+
		Water Purification and Waste Treatment	M	H+
	Cultural Ecosystem Services	Educational and Inspirational Values	L	H+
	Supporting Ecosystem Services	Habitat	M	H+
Nalagarh India	Provisioning Ecosystem Services	Crops	M	L
		Freshwater	H	H+
	Regulating Ecosystem Services	Maintenance of Air Quality	M	H+
		Regional/Local Climate Regulation	H	H+
		Regulation of Water Timing and Flows	H	H+
		Erosion Control	H	M+
		Water Purification and Waste Treatment	H+	H+
		Maintenance of soil quality	M	H+
		Pest Mitigation	H	L
	Cultural Ecosystem Services	Educational And Inspirational Values	L	H+
Karawang Indonesia	Provisioning Ecosystem Services	Crop	M	L
		Freshwater	H	M
	Regulating Ecosystem Services	Maintenance of Air Quality	M	L
		Regional/Local Climate Regulation	H	L
		Regulation of Water Timing and Flows	H	L
		Erosion Control	H	L
		Water purification and waste treatment	H	L
		Maintenance of Soil Quality	M	L
		Pest Mitigation	M	L
	Cultural Ecosystem Services	Recreation and Eco-tourism	M	L

The summary of business operations across TVSM sites highlights significant high to medium dependencies on provisioning and regulating ecosystem services, such as crops, freshwater, air quality, and climate regulation, with corresponding high to medium positive and negative impacts, emphasising the need for balanced management of ecosystem services and environmental effects.

High dependencies on ecosystem services are considered for writing risks from the Table given above. These are then further classified into physical (acute and chronic) and transition (policy, market, reputational, technology) categories, and assigned priority levels of high, medium, or low based on a comprehensive assessment. Below are the descriptions of the different types of risks:

Physical Risks and Transition Risk Assessment

Physical Risk

Acute

Occurrence of short-term, specific events that change the state of nature.

Chronic

Gradual changes to the state of nature. For example, pollution stemming from pesticide use or climate change.

Transition Risk

Liability

Liability risks arise directly or indirectly from legal claims. As laws, regulations and case law related to an organisation's preparedness for nature action evolves, the incidence or probability of contingent liabilities arising from an organisation may increase.

Policy

Changes in the policy context due to new (or enforcement of existing) policies to create positive impacts on nature or mitigate negative impacts on nature.

Market

Changing dynamics in overall markets, including changes in consumer preferences, which arise from changing physical, regulatory, technological, and reputational conditions and stakeholder dynamics.

Technology

Substitution of products or services with a reduced impact on nature and/or reduced dependency on nature.

Reputational

Changes in perception concerning an organisation's actual or perceived nature impacts, including at the local, economic, and societal level. This can result from direct company impacts, industry impacts and/or impacts of activities upstream and/or downstream in a value chain.

Summary of Risks to Each Operational Site

Regional/Local Climate Regulation

Business Operations

Hosur | Mysuru | Nalagarh | Karawang

Physical Risk

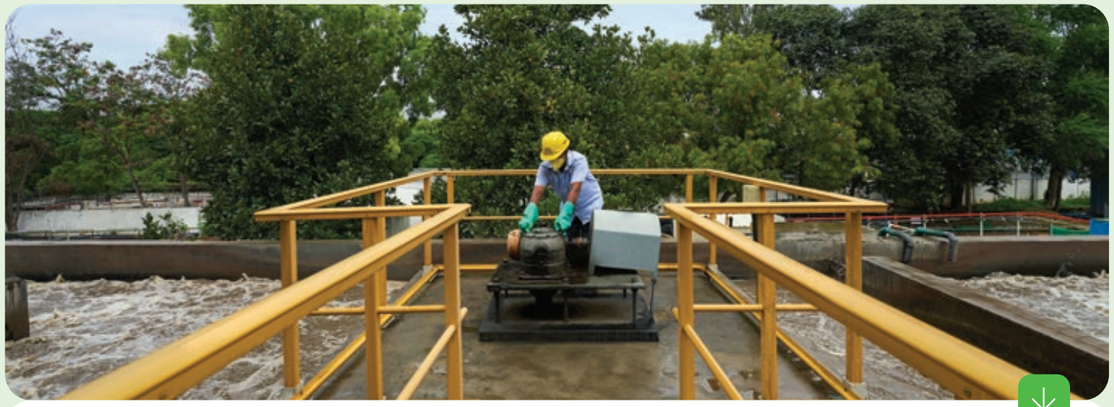
Hosur, Mysuru, and Karawang face significant risks from changing rainfall patterns. Hosur has experienced variable annual rainfall (700+ to 1000 mm) with uneven intensity over the past two years. Mysuru's average 800 mm rainfall is becoming more erratic due to climate change. Karawang's seasonal rainfall (Sept–Feb) has declined in frequency and intensity. Nalagarh's dense forest influences local climate, providing some stability, but the site remains exposed to broader risks. These changes may lead to reduced surface water availability and increased reliance on groundwater, potentially causing water scarcity and operational disruptions.

- **Acute Risk:** Sudden extreme rainfall events or droughts may cause immediate disruptions to site operations, including flooding, soil erosion, or water shortages. Such events can affect infrastructure integrity, employee safety, and supply chain continuity.
- **Chronic Risk:** Long-term shifts in rainfall patterns, including irregular distribution and decreased overall precipitation, may gradually reduce surface water availability. This chronic change could increase the sites' dependence on groundwater resources, leading to sustained water scarcity, increased operational costs, and potential regulatory challenges.

Transition Risk

- **Policy Risk:** Evolving environmental regulations aimed at protecting water resources and managing climate impacts may impose stricter limits on water extraction and usage. Compliance with these regulations may require additional investments in water efficiency, alternative water sourcing, and enhanced environmental reporting, impacting operational flexibility and costs.

High | Medium | Low



Freshwater, Regulation of water timing and flows & Water purification and waste treatment

Business Operations

Nalagarh | Karawang

Physical Risk

The Nalagarh and Karawang sites primarily rely on groundwater sourced from borewells, with the Nalagarh site, in particular, having no access to local rivers and consuming approximately 205 KL per day. The Nalagarh site operates under approval from the HP Groundwater Authority for borewell digging and usage. Water treatment facilities, including an STP and ETP, are in place to optimise water use at Nalagarh, where rainwater harvesting systems comprising three ponds with a total capacity of 4,464 m^3 and five rainwater harvesting wells support water availability, ensuring no surplus water remains post-treatment.

For the Karawang site, the average rainfall occurs from September to February, and significant changes in rainfall patterns, including intensity and frequency, have been observed over the years. This shift in precipitation, combined with groundwater being actively used by local farmers for irrigation, represents a shared and intensified risk to the overall groundwater availability for both locations.

- **Acute Risk:** Dependence on borewells exposes the site to potential risks of sudden groundwater depletion or contamination events that could disrupt water supply and business operations.
- **Chronic Risk:** Long-term groundwater extraction at current consumption rates may lead to aquifer depletion, reduced water availability, and increased operational costs, necessitating sustainable water management practices.

Transition Risk

- **Policy Risk:** Regulatory changes or stricter enforcement related to groundwater use could limit extraction volumes or impose additional compliance requirements, impacting operational flexibility and costs.
- **Reputational Risk:** Community and stakeholder concerns regarding groundwater sustainability and site water use may affect the Company's social licence to operate if not adequately managed.
- **Technology Risk:** Investments in advanced water conservation, recycling technologies, or alternative water sourcing may become necessary to mitigate long-term water risks.

High Medium Low

Erosion Control

Business Operations

Nalagarh | Karawang

Physical Risk

The Nalagarh and Karawang sites face significant risks related to erosion and ground instability. Nalagarh, situated in a hilly region with loose soils and young mountains, is highly susceptible to landslides, as evidenced by factory wall damage from a 2023 landslide during heavy rainfall. To mitigate this, Nalagarh has implemented extensive erosion control through over 7,000 bamboo and banyan tree plantations for soil stabilisation and enrichment, along with vermicomposting to improve soil health. The Karawang site also experiences instability primarily due to heavy rain and earthquakes. This combined exposure highlights a critical need for robust erosion control and ground stability measures across both locations, driven by geological vulnerabilities and extreme weather events and poses a risk for the Company.

- **Acute Risk:** Extreme weather events such as heavy rainfall can trigger landslides and soil erosion, potentially causing structural damage, operational disruptions, and safety hazards.
- **Chronic Risk:** Persistent soil instability and erosion may degrade land quality over time, affecting site infrastructure and increasing maintenance and mitigation costs.

Transition Risk

- **Policy Risk:** Emerging regulations on land use, erosion control, and environmental protection could impose stricter requirements for soil conservation and may necessitate additional investments
- **Technology Risk:** Adoption of advanced soil stabilisation and erosion control technologies may be required to enhance resilience to erosion risks.

Pest Mitigation

Business Operations

Nalagarh

Physical Risk

The facility highly reliant pest control method (fumigation) to manage pests such as mosquitoes and flies, with routine spraying conducted twice weekly in office areas. This reliance poses a physical risk for the company.

- **Acute Risk:** Nil
- **Chronic Risk:** Continued reliance on chemical spraying may pose long-term environmental and health risks if not managed carefully, including potential resistance development or non-target species impacts.

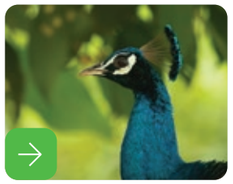
Transition Risk

- **Policy Risk:** Future regulations may restrict or regulate chemical pesticide usage, requiring adaptation to alternative pest management approaches.
- **Technology Risk:** Adoption of IPM technologies or eco-friendly alternatives may be necessary to align with evolving standards and minimise environmental impacts.

Note: Risks rating has been done based on the impacts and dependencies evaluation, the Company's current measures in place, the nature of risk involved and expert discretion.

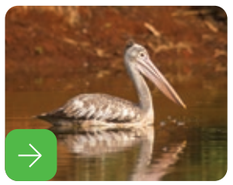
High Medium Low

Site-specific Opportunities for Sustainability Performance Based on the ESR



Biodiversity

- **Biodiversity Risk Mapping Across the Value Chain:** Establish biodiversity baselines across all operations and progressively extend biodiversity risk assessments to key suppliers, logistics partners, and upstream actors.
- **Updated Biodiversity Management Plans:** Update Biodiversity Management Plans (BMPs) for all current and upcoming operations to achieve No Net Loss and Net Positive Impact on Biodiversity by 2040.
- **Community-based OECM Stewardship:** Collaborate with local NGOs to develop skill-building programmes for nearby communities, equipping them to take part in biodiversity monitoring, habitat care, ensuring alignment with the OECM requirements.



Freshwater

- **Rainwater Harvesting and Recharge:** Strengthen rainwater harvesting capacity by maintaining and expanding ponds and recharge wells to augment groundwater replenishment and buffer seasonal water shortages.
- **Community Engagement and Collaborative Water Management:** Partner with local communities and authorities to support watershed conservation, groundwater management, and sustainable water use practices in the region.
- **Implement Advanced Water Efficiency Technologies:** Invest in water-efficient equipment and processes to lower overall water consumption and improve operational sustainability.

Maintenance of Air Quality

- **Green Belt Development:** Expand and maintain plantations around the facility premises acting as natural bio-filters that absorb air pollutants and improve local air quality.
- **Advanced Air Monitoring Systems:** Implement real-time air quality monitoring with transparent public disclosure to enhance community trust and enable timely response to any air quality deviations.
- **Collaboration with Local Authorities:** Partner with regional environmental agencies and neighbouring industries to initiate joint programmes aimed at reducing particulate matter and improving overall ambient air quality.

Erosion Control

- **Erosion and Sediment Control Measures:** Implement targeted interventions such as bio-engineered slopes, buffer strips, silt fences, constructed wetlands, and retention basins to control erosion and reduce sedimentation, thereby protecting surrounding ecosystems and water quality.
- **Site Management and Design:** Apply improved land-use planning and design best practices during construction and operational activities to minimise soil disturbance and prevent erosion.
- **Revegetation and Afforestation:** Promote revegetation projects using native plant species to stabilize soil both onsite and in adjacent areas, effectively reducing erosion and supporting biodiversity.

Pest Mitigation

- **Use of Eco-Friendly Pesticides:** Transition to eco-friendly or organic pesticides that are less harmful to the environment and non-target species. These alternatives can reduce the risk of soil and water contamination
- **Research Partnerships:** Collaborate with research institutions to develop innovative, site-specific pest control solutions.

Nature-related Risk Identification for Upstream Value Chain

The upstream value chain encompasses 10 upstream suppliers. To identify and manage the Nature related risks associated with them, TVSM has employed WWF's BRF tool. The risk identification is divided in 2 risk categories namely the Physical Risk and Reputational Risk.

Physical risk consists of 5 types of ecosystem services i.e. Provisioning Services, Regulating and Support Services-Enabling and Mitigating, Cultural services and Pressures on Biodiversity. Reputational Risk consists of Environmental Factors, Socioeconomic Factors, and Additional Reputational Factors. The identified risks are levelled with Very High, High, Medium, Low, Very Low, and No Dependency or Impact (ND). The results and its summary obtained from the WWF's BRF Tool are provided below:

An Assessment Result of BRF Showing Dependency on Ecosystem Services for Upstream Value Chain

	Physical Risk																				
	Provisioning Services				Regulating & Supporting Services- Enabling					Regulating Services - Mitigating						Cultural Services	Pressures on Biodiversity				
Risk Level	Water Availability	Forest Productivity and Distance to Markets	Limited Wild Flora & Fauna Availability	Limited Marine Fish Availability	Soil Condition	Water Condition	Air Condition	Ecosystem Condition	Pollination	Landslides	Wildfire Hazard	Plant/Forest/Aquatic Pests and Diseases	Herbicide Resistance	Extreme Heat	Tropical Cyclones	Natural & Cultural Resources	Land, Freshwater and Sea Use Change	Forest Canopy Loss	Invasives	Pollution
Very High	5	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	6	0	0	10
High	5	8	0	0	0	0	10	0	0	0	1	0	0	8	1	0	4	0	0	0
Medium	0	0	0	0	0	9	0	0	0	0	5	0	0	0	4	0	0	10	4	0
Low	0	2	0	0	0	1	0	0	0	10	4	0	0	0	5	0	0	0	6	0
Very Low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NR (No Risk)	0	0	10	10	10	0	0	10	10	0	0	10	10	0	0	10	0	0	0	0

An Assessment Result of BRF Showing Impact on Ecosystem services for Upstream Value Chain

	Reputational Risk												
	Environmental Factors					Socio-economic Factors				Additional Reputational Factors			
Risk Level	Protected/Conserved Areas	Key Biodiversity Areas	Other Important Delineated Areas	Ecosystem Condition	Range Rarity	Indigenous Peoples (IPs); Local Communities (LCs) Lands and Territories	Resource Scarcity: Food - Water - Air	Labour/Human Rights	Financial Inequality	Media Scrutiny	Political Situation	Sites of International Interest	Risk Preparation
Very High	0	0	0	0	0	0	0	0	0	1	0	0	0
High	1	1	0	0	0	0	0	1	1	1	1	0	0
Medium	0	1	1	0	0	0	0	2	0	0	0	0	1
Low	1	1	1	0	1	0	0	0	0	2	0	0	0
Very Low	0	1	1	0	1	0	0	0	0	6	0	0	0
NR (No Risk)	8	6	7	10	8	10	10	7	9	0	9	10	9

Very High High Medium Low Very Low

Actions in accordance with the Mitigation Hierarchy and SBTN's Action Framework (AR3T)

TVSM is deeply committed to integrating biodiversity conservation throughout its business operations and value chain. The Company is working a strategy to achieve No Net Loss by 2040.

To systematically pursue these ambitious goals, TVSM adheres to the principles of the mitigation hierarchy, an approach consistent with the Science Based Targets for Nature (SBTN) Action Framework (AR3T). This framework, guided by the Company's comprehensive Biodiversity Policy and site-specific BMPs, prioritise avoiding negative impacts, then minimising those that cannot be eliminated, actively regenerating and restoring affected ecosystems, and finally, strategically offsetting any residual impacts to maintain or enhance biodiversity. Through these structured efforts, TVS systematically addresses nature-related dependencies, impacts, risks, and opportunities across its business.

Avoid

Actions Taken

TVSM's business operations are strategically located in designated industrial areas, consciously avoiding adjacent to PAs with high biodiversity or ecological value. The Company integrates biodiversity considerations into its business decision-making processes to proactively ensure that operations do not adversely affect critical habitats. Furthermore, TVSM maintains a steadfast commitment to avoid sourcing materials from ecologically sensitive zones, conflict areas, and sites critical for biodiversity within its supply chain.

Potential Impacts of Actions

This proactive avoidance strategy significantly reduces the risk of direct operational impacts on critical biodiversity and ecosystems. It minimises potential legal and regulatory repercussions, enhances the Company's social licence to operate, and safeguards its reputation by preventing involvement in activities that could lead to habitat loss or species endangerment. By integrating these considerations early, TVSM mitigates long-term liabilities and fosters sustainable growth.

Reduce/Minimise

Actions Taken

TVSM implements robust measures to reduce and minimise unavoidable impacts:

- **Water Management:** Three Indian facilities are "Net Water Positive facility" recognised by CII. The Company conducts continuous water use assessments, leak audits, and water mass balance analyses to optimise water usage. Innovative dry wash systems at dealerships conserve up to 90% of water during vehicle washes. As of 31st March 2025, 150 dealer transitioned to dry washing, saving 30 million+ litres of water annually.
- **Waste Management:** TVS is committed to achieving Single Use Plastic (SUP) Free Premises and 3 of its manufacturing facilities in India are recognised as "Zero Waste to Landfill Certified Facility" by CII. Hazardous waste is managed responsibly, for instance, Nalagarh sends chemical sludge for co-processing in cement kilns. Food waste at Nalagarh is managed in secured bins to prevent wildlife attraction.
- **Emissions & Energy:** The Company is on a path to 100% renewable energy use across all global business operations, having achieved 91.62% globally and 95.32% in India (as of 31st March 2025), resulting in significant avoided CO_2e emissions. Investments are made in energy-efficient technologies and the development of low-carbon products, including electric and alternative fuel vehicles.

Potential Impacts of Actions

These reduction efforts lead to a significant decrease in environmental footprint, including lower water consumption, minimal wastewater discharge, reduced waste generation, and a smaller carbon footprint. This enhances compliance with environmental regulations, reduces operational costs associated with resource use and waste disposal, and improves the Company's resilience against resource scarcity. The development of eco-friendly products also aligns with evolving consumer demands for sustainable mobility solutions.

Regenerate/Restore

Actions Taken

TVSM actively engages in initiatives to regenerate and restore degraded habitats and natural processes:

- **On-Campus Habitat Restoration:** An obsolete solar pond at the Hosur plant was successfully converted into a wetland, leading to the arrival of new bird species. Dedicated butterfly gardens and microhabitats are maintained across campuses to enhance ecological complexity and attract diverse fauna.
- **Afforestation and Green Cover:** Over 43% of the total plant area in India is dedicated to green covers, which serve as habitats and carbon sinks. The Company maintains a policy of dedicating 15% of its factory sites for wild and native forests, creating natural habitats even for large predators.
- **Species-specific Conservation:** The RET (Rare, Endangered, and Threatened) Conservation Park at Hosur protects and propagates native flora. A sparrow conservation programme promotes nest installations in project villages, and a snake rescue and awareness programme at Nalagarh ensures the safe relocation of wildlife.
- **Water Body Restoration:** TVSM undertakes projects for the restoration of local ponds and larger water bodies like Kothur Lake (Hosur) and Ennehole Lake (Mysuru). Chikani River Conservation in Nalagarh involves debris removal and riparian buffer restoration, often in collaboration with local communities.

Potential Impacts of Actions

Restoration initiatives significantly improve the quality and extent of natural habitats, enhancing biodiversity and local ecosystem services such as water quality, pollination, and natural pest control. These efforts contribute to ecological resilience, strengthen local community well-being, and demonstrate TVSM's commitment to actively improving the natural environment, yielding positive reputational benefits and fostering a healthier operational environment.

Offset & Transform

Actions Taken

TVSM strives for a broader positive impact on nature and society by transforming its business operations and influencing its value chain:

- **NPI Ambition:** The Company is committed to achieving a NPI on biodiversity by 2040 and ensures NNL across its business operations by 2040.
- **Circular Economy Transition:** TVSM is transitioning from a linear to a circular economy framework, aiming to eliminate waste, extend resource use, and incorporate recycled materials into its products and processes.
- **Strategic Partnerships for Conservation:** TVSM collaborates with the Forest Department, NGOs, and community groups to support five tiger reserves and undertake various conservation projects. The TVS Foundation also partners with other organisations to scale up conservation initiatives.
- **Value Chain Engagement:** TVSM actively works to embed its conservation ethos throughout its value chain. This includes implementing a Sustainable Supplier Code of Conduct and a Sustainability Ambassador Programme to train value chain partners on sustainable practices.
- **Environmental Education & Awareness:** The TVS Greening Minds programme educates schoolchildren, and the Sustainability Ambassador Programme fosters a culture of environmental responsibility among employees and stakeholders.

Potential Impacts of Actions

This comprehensive strategy is designed to achieve systemic change, leading to a broader positive impact on nature that extends beyond direct operational boundaries. It enhances TVSM's long-term sustainability, reinforces its leadership in responsible business practices, and strengthens its ability to meet global biodiversity goals. This proactive stance fosters innovation, builds stronger relationships with stakeholders, and contributes to a resilient future for both the business and the environment.

Priority Locations

TVSM conducted a comprehensive biodiversity proximity and sensitivity analysis study which helps in analysing locations of business operations or sites under consideration by measuring the distance between them and important biodiversity features in the area as its definition suggests, proximity analysis is one way of analysing locations of features by measuring the distance between them and other features in the area.

The assessment utilised Google Earth Pro and GIS software to determine the sensitivity of TVSM's business operations to PAs and KBAs. It also accounted for the presence of species listed on the IUCN Red List of Threatened Species near any identified biodiversity sites. Specifically, each business operation was analysed within a 10-kilometres buffer zone to assess its potential impact on biodiversity-sensitive areas. Further, water stressed locations were assessed using reports from the Central Ground Water Board, Ministry of Jal Shakti.

The outcomes of this study of own business operations presented in table below, include data on PAs, KBAs, IUCN Red List species, and water-stressed regions.

Sensitivity of TVSM's Business Operations (As per WRI Water Atlas)

Business Operations with Country	PA	KBA	IUCN Red List Species	Areas of Water Stress
Nalagarh, Himachal Pradesh India	0	1	10*	Safe
Hosur, Tamil Nadu India	0	0	0	Safe
Mysuru, Karnataka India	0	1	5*	Safe
Karawang Indonesia	0	0	0	NA

Sensitivity of TVSM's Upstream Value Chain Operations

Proximity to Protected Areas

0 Protected Areas (PA)	5 Key Biodiversity Areas (KBA)	1 Tiger Corridors

Areas of Water stress

2 Over-exploited	0 Critical	1 Semi Critical	3 Safe

*Note: The IUCN Red List threatened species mentioned above are few documented in secondary literature and species databases. However, the study area may have additional threatened species from other taxonomic groups as well.

Additionally, TVSM assessed the impact of its critical upstream suppliers by analysing their proximity and sensitivity to biodiversity using Geographic Information System (GIS) platforms and various data layers, such as PA and KBAs. The Company has thoroughly reviewed the results and is considering relevant actions, including increased collaboration with suppliers and capacity building, to effectively manage nature-related risks.

https://www.cgwb.gov.in/cgwbpnm/public/uploads/documents/17357182991031590738file.pdf

CASE STORY

TVSM Hosur Plant

A Potential OECM Site Demonstrating Industry-led Nature Stewardship

TVSM's Hosur manufacturing plant in India represents a strong example of how industrial landscapes can deliver measurable biodiversity outcomes alongside core business operations. The site aligns with the global ambition to conserve 30% of land and oceans by 2030 (the '30×30 Target'), articulated under the Kunming-Montreal Global Biodiversity Framework of the United Nations Convention on Biological Diversity.

The 30×30 Target recognises that achieving meaningful conservation outcomes will require not only formally protected areas, but also Other Effective Area-Based Conservation Measures (OECMs)—areas that are not primarily designated for conservation yet demonstrably contribute to the long-term in-situ conservation of biodiversity. OECMs play a critical role in addressing habitat fragmentation, safeguarding species diversity, and enhancing ecosystem resilience within human-dominated landscapes.

In India, the criteria and guidance for identifying OECMs have been articulated by the Ministry of Environment, Forest and Climate Change, the National Biodiversity Authority, and the United Nations Development Programme. The Aravalli Biodiversity Park stands as India's first formally recognised OECM, setting an important precedent for conservation beyond protected areas.

Against this backdrop, TVSM's Hosur plant has been identified as a potential OECM site, consistent with the principles of the Kunming-Montreal Global Biodiversity Framework. Through the integration of biodiversity considerations into site planning, green-cover expansion, habitat stewardship, and operational management, the plant demonstrates how industrial sites can function as effective conservation landscapes while continuing to deliver economic value.

The Hosur case underscores the role of corporate-led stewardship in advancing national and global biodiversity goals. By contributing to conservation outcomes beyond protected areas, TVSM's approach highlights how OECMs can serve as a powerful complement to traditional conservation models—supporting ecosystem integrity, enabling nature-positive outcomes, and reinforcing the private sector's role in delivering the 30×30 ambition.

Risk and Impact Management

Businesses of all kinds are either impacting or dependent on the various ecosystem services provided by nature. Hence, understanding nature related issues becomes crucial for a company's successful operations. This makes it a material issue for investors and other relevant stakeholders. TVSM has developed its own Biodiversity Policy for understanding biodiversity risks and developing BMPs.

The risk and impact management section of this TNFD Report aims to disclose how TVSM has identified, assessed, and managed nature related risk and how these are integrated into the enterprise's risk management frameworks. Recognising the importance of these responsibilities, the Company has extended its focus beyond direct business operations to include upstream activities in this TNFD Report disclosures.

The key steps involved in TVSM's process for identifying and managing nature-related issues are provided in below.

TVSM's Process for Identifying and Managing Nature-related Dependencies, Impacts, Risk and Opportunities

Identifying Nature Related Dependencies, Impacts, Risks and Opportunities

STAGE 01 Biodiversity Risk Screening
Proximity Analysis

STAGE 02 Biodiversity Assessment
Biodiversity Assessment

STAGE 03 Ecosystem Service Review
Identifying Impact and Dependency on Ecosystem Services

Managing Nature Related Dependencies, Impacts, Risks and Opportunities

STAGE 04 Biodiversity Management Plan
Development of Biodiversity Management Plan

Knowledge and Awareness

Processes for Identifying, Assessing, and Prioritising Nature-related Dependencies, Impacts, Risks, and Opportunities in its Business Operations

To effectively identify and address issues at business operations, TVSM has site specific BMPs. These dedicated plans are designed to tackle the unique nature-related impacts and risks associated with each site. Stages involved in risk identification process and its management are provided in the figure below and detailed out in later sections.

STAGE 01 Biodiversity Risk Screening

The Company conducts biodiversity risk assessments for each site utilising GIS tools and datasets offering globally recognised biodiversity data. These resources help identify important biodiversity areas, protected regions, and locations deemed significant for plant or animal species globally and they offer a reliable indication of where Critical Habitats are situated. By leveraging such tools and datasets, TVSM can ascertain whether a site is within or near a biodiversity-rich area.

Based on these findings, the Company assigns biodiversity risk categories to its sites, as outlined below:

- **LOW** for sites over 10 km away
- **MEDIUM** for 5.1 to 10 km
- **HIGH** for those within 0 to 5 km of key habitats

STAGE 02 Biodiversity Assessment

Following Stage 1, detailed biodiversity assessment was conducted for all business operations. This assessment involves developing both qualitative and quantitative descriptions of the flora and fauna present in the area, along with an analysis of trends and driving factors.

STAGE 03 Ecosystem Service Review

In Stage 3, experts carry out a biodiversity risk assessment using the biodiversity and ecosystem services data gathered in Stage 2. This process delivers more detailed and site-specific information regarding biodiversity risks. The aim of the assessment is to ensure that the site has been assigned the most suitable biodiversity risk category.

STAGE 04 Biodiversity Management Plan (BMP)

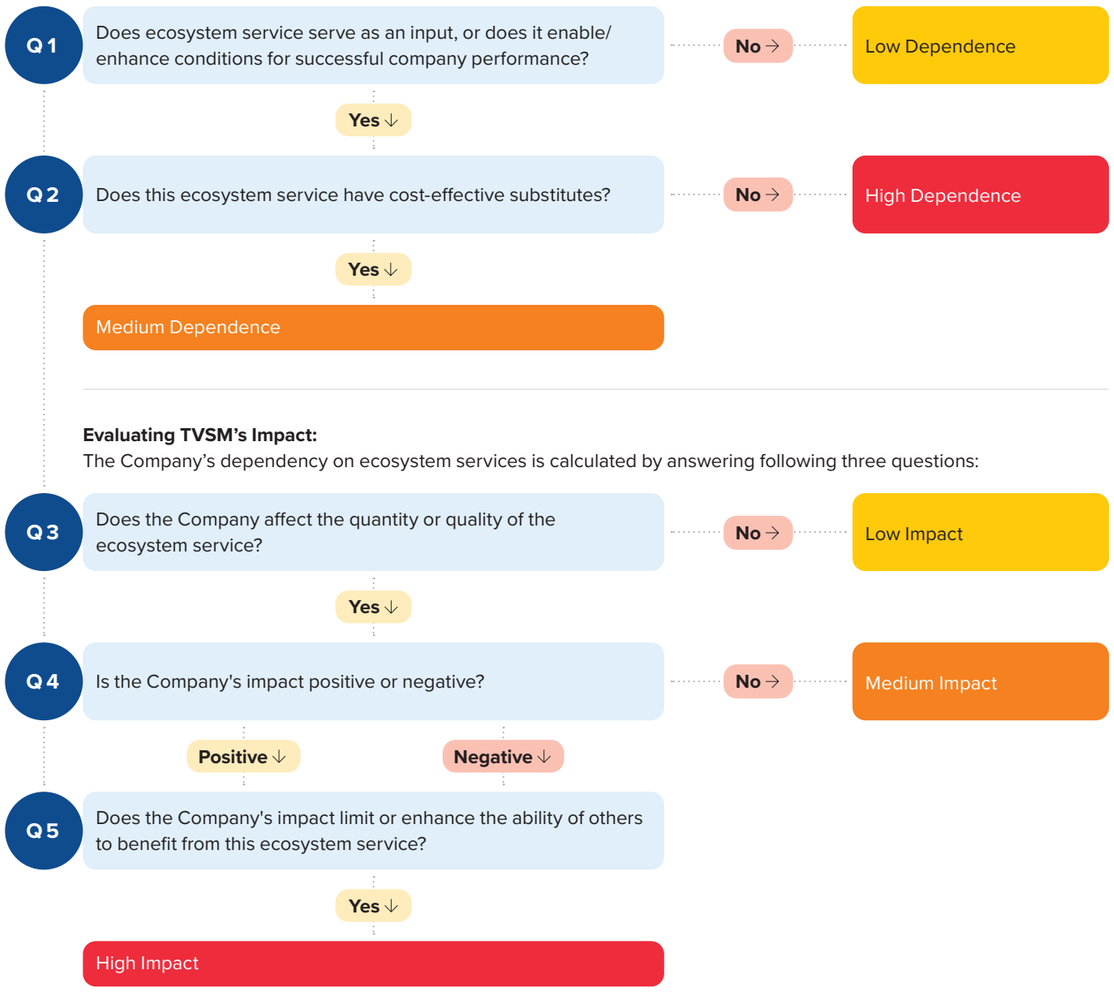
Focuses on determining the necessary level of biodiversity management, informed by previous risk assessments. Using the mitigation hierarchy, specific actions are identified for each impact, with the severity of impacts and associated biodiversity risks guiding the management level required for each site. A BMP is then crafted, prioritising biodiversity protection, restoration, and enhancement, including key ecosystem components such as air, water, and soil.

Nature-Related Dependencies, Impact, Risk and Opportunity Assessment Process

The ESR under Stage 3 of the Company's biodiversity risk assessment and management process is specifically focused on identifying nature-related dependencies, impacts, risk and opportunities. TVSM recognises the methodology developed by the WRI to carry out corporate ESR. WRI's ESR methodology provides a structured approach to evaluate the Company's dependence and impact on more than 20 ecosystem services.

This evaluation helps in identifying which of these are priority ecosystem services—the ones most likely to be a source of risk or opportunity for the Company. The priority ecosystem services are the ones which have medium/high dependency or medium/high impact from the Company.

Evaluating Company's Dependence:
TVSM's dependency on ecosystem services is calculated by answering the following two questions:



Evaluating TVSM's Impact:
The Company's dependency on ecosystem services is calculated by answering following three questions:

Identifying Nature-related Risks

The nature-related risks are evaluated based on the potential threats posed to TVSM that arise from its dependencies and impacts on nature. The risks are categorised into physical risks and transition risks.

Risk Categorisation

Physical Risk

- Chronic Risks
- Acute Risks

Transition Risk

- Technology Risks
- Reputational Risks
- Liability Risks
- Market Risks
- Policy Risks

Identifying Nature-related Opportunities

The nature-related opportunities are identified based on activities that TVSM can undertake to create positive outcomes for nature or mitigation of negative impacts on nature. The opportunities related to improving sustainability performance of the Company are identified. The description is provided below.

Nature-related Opportunities Assessment

Sustainability Performance

Sustainable Use of Natural Resources

Substitution of natural resources by recycled regenerative, renewable and/or ethically responsibly sourced organic inputs.

Ecosystem Protection, Restoration, and Regeneration

Activities that support the protection, regeneration or restoration of habitats and ecosystems, including areas both within and outside the organisation's direct control.

Processes for Identifying, Assessing and Prioritising Nature-related DIRO in Upstream Value Chain

TVSM's Biodiversity Policy extends its principles and commitments to all suppliers, ensuring that the same rigorous process of identifying, assessing, and prioritising nature-related dependencies, impacts, risks, and opportunities is applied throughout its supply chain. In future disclosures, TVSM plans to include detailed assessments of its upstream value chains.

Processes for Managing Nature-related Dependencies, Impacts, Risks, and Opportunities

TVSM employs its BMPs to both oversee identified risks and discover potential opportunities. Guided by its Biodiversity Policy, which aims to achieve positive biodiversity outcomes, the Company follows a mitigation hierarchy. This methodical approach prioritises preventing irreversible biodiversity harm, then strives to minimise unavoidable impacts. It also includes efforts to restore damaged ecosystems and compensate for any remaining adverse effects, thereby ensuring biodiversity is sustained or improved. This organised methodology enables TVSM to strategically tackle nature-related issues by implementing a holistic plan for managing its operational dependencies, impacts, risks, and opportunities.

TVSM's operations are committed to preventing deforestation and habitat loss. This is achieved by actively developing and improving a variety of natural areas, such as forest-like habitats, grasslands, and wetlands, both within its facilities and in surrounding regions. To lessen its environmental footprint, the Company places significant emphasis on robust water management, including initiatives like rainwater harvesting and water recycling, as well as advancing sustainable waste practices, exemplified by its move towards becoming a Single Use Plastic (SUP) Free enterprise.

TVSM's Mitigation Hierarchy

Avoid	Requires measures to avoid creating impacts from the outset, such as careful selection of resource inputs, and or the spatial or temporal placement of elements of infrastructure or activity to completely avoid impacts on certain components of biodiversity.
Minimise	Requires measures to reduce the duration, intensity and/or extent of impacts (including direct, indirect and cumulative impacts, as appropriate) that cannot be completely avoided, as far as is practically feasible.
Restore	Requires measures to rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimised.
Offset	Involves measures to compensate for any residual significant, adverse impacts that cannot be avoided, minimised and/or rehabilitated or restored to achieve no-net-loss of biodiversity. Offsets can take the form of positive management interventions such as restoration of degraded ecosystems, arrested degradation or averted risk, protecting areas where there is imminent or projected loss of biodiversity.

Regarding restoration, TVSM is dedicated to creating specialised conservation zones, such as the Rare, Endangered & Threatened (RET) Conservation Park located at Hosur. Furthermore, TVSM engages in collaborative efforts through environmental programmes that involve local communities and by forging partnerships with government agencies and NGOs for broader landscape conservation initiatives.

Each site-specific BMP is crucial to TVSM's strategy for identifying, evaluating, and ranking nature-related dependencies, impacts, risks, and opportunities. Once developed, these BMPs are instrumental in effectively managing the identified nature-related risks, allowing the Company to deploy targeted actions and programmes focused on environmental protection.

Integration of Nature-related Risks into Overall Risk Management

TVSM acknowledges that nature-related risks are intrinsically linked to its broader business risks. Consequently, the Company proactively incorporates these considerations into its comprehensive risk management framework. This ensures that environmental challenges and opportunities are systematically identified, evaluated, and managed across all organisational levels, supported by robust governance.

How Nature Risks are Integrated

- **Board-Level Oversight:** The Board of Directors plays a crucial role in overseeing nature-related risks. The Company's multi-tiered sustainability governance structure, which extends from the Board to the shop floor, ensures effective oversight and strategy implementation. The Board reviews the Company's environmental and social dependencies, their impacts on ecosystems, and associated financial threats or opportunities. These high-level discussions are informed by detailed biodiversity assessments conducted at sites like Hosur, Mysuru, Nalagarh, and Karawang guiding strategic decisions. Sustainability is a standing agenda item for every Board meeting, resulting in multiple reviews throughout the year.
- **Management Responsibilities:** Various management teams throughout TVS are tasked with overseeing nature-related risks as part of their daily functions. This includes the Director & CEO, Chief Sustainability Officer (CSO), and Unit/Plant-level Sustainability and EHS Committees and Estate Management:
  - **Identifying Risks:** The Company employs a comprehensive Biodiversity Risk Assessment (BRA) framework, aligned with the India Business and Biodiversity Initiative. This framework qualitatively and quantitatively assesses dependencies and impacts on biodiversity and ecosystem services (B&ES), identifying material risks associated with land use, resource consumption, waste generation, and air emissions.
  - **Assessing and Prioritising:** TVSM defines clear boundaries and sets a baseline for its BRA, encompassing business operations and upstream suppliers service centres. Quantitative BRA utilises tools like GaBi Life Cycle Analysis (LCA) modelling to gauge the severity of material hotspots. The Company also integrates climate risk assessments into its overall risk management, evaluating physical and transition risks.
  - **Monitoring Progress:** Continuous monitoring and reporting of progress on climate targets and biodiversity performance are integral. Plant-level senior staff and unions implement EHS & OHS Policies.
- **Use of Comprehensive Tools and Plans:** TVSM employs a suite of tools and strategies to effectively manage nature-related risks within its overarching risk framework. This includes:
  - **Biodiversity Assessments:** Regular qualitative and quantitative assessments are conducted across Indian operations (Hosur, Mysuru, Nalagarh, and Karawang) to establish baseline data on local flora and fauna, including endangered species.
  - **BMPs:** These site-specific plans guide conservation efforts, incorporating a mitigation hierarchy to avoid, minimise, restore, and offset potential impacts on critical habitats and biodiversity hotspots.
  - **Environmental Monitoring Systems:** The Company uses tools like WatScan and water pinch analysis for water management, significantly reducing consumption and waste. It also ensures compliance with all relevant environmental laws and regulations, with no significant fines or penalties reported in the past four fiscal years.
  - **Internal Pricing Mechanisms (IPM):** TVSM has established an Internal Carbon Price (ICP) and an Internal Water Price (IWP) to integrate environmental costs into financial decision-making, thereby incentivising reductions in emissions and water consumption and promoting sustainable practices.
  - **Stakeholder Engagement:** TVSM fosters sustainability through employee education via the Sustainability Ambassador Programme and engages employees, partners, and communities on topics related to water, energy, and waste management. It also plans to extend this ethos to its value chain.

Metrics and Target

TVSM has positioned itself as a pioneer in sustainable mobility and industrial excellence. The Company is deeply committed to embedding sustainability at the heart of its business operations, with a clear focus on the critical natural realms of Atmosphere, Freshwater, and Land.

Through the establishment of science-based and TNFD-aligned sustainability targets, TVSM aims not only to minimise its environmental footprint but also to enhance and preserve the natural ecosystems connected to its manufacturing and value chain activities. These commitments propel a robust agenda encompassing climate change mitigation, decarbonisation pathways, proactive water stewardship, circular economy innovations, and comprehensive biodiversity conservation. By pledging to achieve NPI on biodiversity and advancing extensive water positive certifications, TVSM drives forward a vision of sustainable growth that harmonises industrial progress with ecological stewardship, ensuring resilience and enduring value creation for its stakeholders and the planet.

TVS Motor's Ambitious Goals for Nature Realms

Nature Realms			
Atmosphere	Freshwater	Land	SDG Linkage
GOAL 2025 and 2027			
Climate Change Work progressively towards reducing specific emission intensity (Scope 1 and 2) from the baseline year of 2024. **Decarbonisation** Internal Carbon Pricing (ICP) of $32/tCO$_2$e integrated into decision-making.	**Water Stewardship** • Achieve Water Positive status across manufacturing facilities in India by 2025; Hosur, Mysuru, Nalagarh currently certified. • Reduce raw water consumption by 20-50% through water-saving technologies (process optimisation, membrane filtration).	**Circular Economy** • Achieve Zero Waste to Landfill certification for all manufacturing sites by 2027. • Eliminate single-use plastics across Indian and Indonesia premises. **Biodiversity Conservation** Restore 15 acres at Karawang (30% of total plant area) by 2027.	7 AFFORDABLE AND CLEAN ENERGY 15 LIFE ON LAND 13 CLIMATE ACTION
GOAL 2030 and 2040			
Climate Change Reduce Scope 1 and Scope 2 emissions intensity by approx. 28% by 2030 over 2021 baseline. **Decarbonisation** 100% renewable energy across all business operations globally. (Achieved 85.36% in FY 2023-24; target 100% by 2030).	**Water Stewardship** Achieve water positivity for critical suppliers and dealers.	**Circular Economy** Use 100% FSC-certified wood for packaging; 100% deforestation-free certified natural rubber sourcing in value chain. **Biodiversity Conservation** • Undertake plantation of ~ 1 million tress. • 100% FSC-certified wood for packaging by 2030. • 100% deforestation-free certified natural rubber by 2030. • Manage invasive species to achieve 0 hectares under invasive species.	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 11 SUSTAINABLE CITIES AND COMMUNITIES
GOAL 2040 and 2050			
Climate Change Achieve Net Zero emissions commitment by 2050, aligned with ISO IWA 42:2022 Net Zero Guidelines.		**Biodiversity Conservation** Achieve Net Positive Impact (NPI) on Biodiversity, including No Net Loss (NNL) across business operations through Biodiversity Management Plans (BMPs) and offset measures, by 2040.	

TVSM's Disclosure Data against TNFD Core Global Disclosure Indicators and Metrics

Metric No.	Driver of Nature Change	Indicator	Metric	TNFD 2025	Connection to GBF Targets
	Climate Change	GHG Emissions	Refer to ISSB's IFRS-S2 Climate-related Disclosures Standard	**Scope 1:** 20,440.92 tCO_2e **Scope 2:** Total: 2,963.09 tCO_2e **Scope 3:** Total: 218,399,503.84 tCO_2e	Target 7
C1.0	Land/ Freshwater/ Ocean-use Change	Total Spatial Footprint (km2)	Total surface area controlled/ managed by the Company, where the Company has control (Acres)	**Leased Area:** 581.2 (Indian and Indonesian sites) Nalagarh – 48 Acres Hosur – 319.0 Acres Mysuru – 177.2 Acres Karawang – 37 Acres	(A.2 Extent of natural ecosystems), Target 2, Target 5, Target 11 (B.1 Services provided by ecosystems)
			A. Total disturbed area (Acres)	0	
			B. Total rehabilitated/restored area (km^2)	229 acres rehabilitated inside India operations with native forest species	
C1.1		Extent of Land/ Freshwater/ Ocean-use Change	Extent of Land/Freshwater/ Ocean-use Change (km^2) by:		Target 1 (A.2 Extent of natural ecosystems), Target 2, Target 5, Target 11 (B.1 Services provided by ecosystems)
			Type of ecosystem (When disclosing ecosystem types, refer to the IUCN Global Ecosystem Typology 2.0 https://portals.iucn.org/library/sites/library/files/documents/2020-037-En.pdf)	Terrestrial ecosystem	
			B. Type of business activity.	Smelter/Refinery/Power Plant/ Mines	
			Extent of land/ freshwater/ ocean ecosystem conserved or restored (km^2), split into:		
C2.1	Pollution/ Pollution Removal	Wastewater Discharged	Volume of water discharged (m^3), split into: A. Total B. Freshwater C. Other (Freshwater: (≤1,000 mg/L Total Dissolved Solids). Other: (>1,000 mg/L Total Dissolved Solids). Reference: GRI (FY18) GRI 303-4 Water discharge) D. Concentrations of key pollutants in the wastewater discharged, [by type of pollutant, referring to sector-specific guidance for types of pollutants] Temperature of water discharged [where relevant]	4,06,561KL (100% treated, ZLD at Hosur; Nalagarh on track; Indonesia wastewater treated) Total wastewater discharged to surface water: 0 Total wastewater discharged to ground water: 0 Total wastewater discharged to sea water: 0 Total wastewater sent to third parties: 0 Others (with treatment): 4,06,561	Target 7 (7.1 Index of coastal eutrophication potential), Target 11 (B.1 Services provided by ecosystems)

Metric No.	Driver of Nature Change	Indicator	Metric	TNFD 2025	Connection to GBF Targets
C2.2	Pollution/ Pollution Removal	Waste Generation and Disposal	Weight of hazardous and non-hazardous waste generated by type (tonnes), referring to sector-specific guidance for types of waste.	Total Waste Generated: 20,902.199 Metric tonnes E-waste: 36.4 Metric tonnes Battery waste: 792.25 Metric tonnes Bio-medical Waste: 0.629 Metric tonnes Other Hazardous Waste: 4,237.58 Metric tonnes Other Non-hazardous Waste: 15,253.11 Metric tonnes Plastic Waste: 582.23 Metric tonnes Waste Recycled: 17,967.76 Metric tonnes Incineration – Bio-medical Waste: 0.70 Metric tonnes Waste to Landfill: 0 Other disposal operations: The remaining hazardous waste disposed to cement industry for co-processing: 2,933.81 Metric tonnes	
			A. Hazardous Waste		Target 7, Target 11 (B.1 Services provided by ecosystems)
			B. Non-Hazardous Waste		
			Weight of hazardous and non-hazardous waste (tonnes) disposed of, split into:		
			A. Waste incinerated (with and without energy recovery).		
			B. Waste sent to landfill; and		
			C. Other Disposal Methods		
			Weight of hazardous and non-hazardous waste (tonnes) diverted from landfill, split into waste:		
			A. Recycled/Reused		
			B. Other Recovery Operations		
C2.4	Pollution/ Pollution Removal	Non-GHG Air Pollutants	Non-GHG air pollutants (tonnes) by type: A. Particulate matter (PM2.5 and/or PM10); B. Nitrogen oxides (NO_2, NO and NO_3); C. Volatile organic compounds (VOC or NMVOC); D. Sulphur oxides (SO_2, SO, SO_3, SOx); and	• NOx Emissions: 148.38 Metric tonnes • SOx Emissions: 55.52 Metric tonnes • Particulate matter: 84.79 Metric tonnes • Volatile organic compounds: 4.1 Metric tonnes • Persistent organic pollutants (POP): 0	Target 7, Target 11 (B.1 Services provided by ecosystems)
C3.0	Resource Use/ Replenishment	Water Withdrawal and Consumption from Areas of Water Scarcity	Water withdrawal and consumption (m^3) from areas of water scarcity, including identification of water source:	• Total water consumption: 6,85,168 KL • Total water withdrawal -surface water: 24,943 KL • Total water withdrawal - ground water: 5,58,185 KL • Total water withdrawal - Third-party: 34,951 KL • Total Water withdrawal: 6,18,079 KL	Target 11 (B.1 Services provided by ecosystems)
			A. Surface Water		
			B. Ground Water		
			C. Rainwater		
			D. Mine Intersection/Produced Water		
			E. Third Party Water (Water Supply including treated water)		
			Sea Water		
C3.1	Resource Use/ Replenishment	Quantity of High-risk Natural Commodities sourced from Land/Ocean/ Freshwater	Quantity of high-risk natural commodities (tonnes) sourced from land/ocean/freshwater, split into types, including proportion of total natural commodities.		Target 5 (5.1 Proportion of fish stocks within biologically sustainable levels), Target 9, Target 11 (B.1 Services provided by ecosystems)

Way Forward

TVSM is committed to deepening its biodiversity conservation efforts and integrating nature-related risk management comprehensively into its business for long-term resilience and sustainability. Following the release of its inaugural TNFD Report, TVS continues to advance transparency in disclosing nature-related dependencies, impacts, risks, and opportunities.

Key future initiatives include:

BMPs

TVS is actively updating its existing BMPs for all business operations and planned expansions to enhance guidance on habitat conservation and impact mitigation. These updated BMPs build on rigorous biodiversity assessments conducted at its Indian and Indonesian locations, incorporate global best practices, and align with India Business Biodiversity Initiative (IBBI) standards. The revised BMPs will be published in upcoming TNFD disclosures.

Achieving NNL and NPI

TVSM aims to achieve No Net Loss of biodiversity and move toward a Net Positive Impact by 2040. The Company is updating Biodiversity Management Plans for its Hosur, Mysuru, and Nalagarh sites, integrating science-based NNL strategies. These plans align with international frameworks such as IFC Performance Standards, IUCN Guidelines, and BBOP. Early assessments show two sites with stable or improving habitats and one with habitat shifts, offering restoration opportunities. After validating extended baselines, TVSM will strengthen mitigation and enhancement measures across sites and embed biodiversity considerations into operations and future planning. The Company will transparently disclose progress, site-level insights, and BMP milestones in its next TNFD-aligned report, outlining the roadmap toward becoming a net positive contributor to nature.

Water Stewardship and Water Positive Status

TVSM plans to achieve net water positive all it manufacturing sites by 2030.

Circular Economy and Waste Management

TVS is transforming its business operations towards a circular economy by pursuing zero waste to landfill certification, enhancing waste segregation and recycling, and reducing reliance on virgin materials. TVSM's 3 Indian manufacturing facilities are "Zero Waste to Landfill facility' by CII and plan to extend to all Its manufacturing sites by 2030.

Climate Adaptation and Risk Management

Proactive integration of climate risks, including physical and transitional risks into enterprise risk frameworks guides TVSM's operational resilience and strategic planning. Future TNFD reports will include detailed scenario analyses and updated assessments to refine response strategies.

Stakeholder Engagement and Capacity Building

TVS promotes a sustainability culture through its Sustainability Ambassador Programme, training employees and engaging suppliers and communities. The Company plans ongoing expansion of its value chain sustainability assessment and capacity-building initiatives through the ‘My Sustainability Index’ framework and supplier collaboration aligned with TNFD recommendations.

These forward-looking actions underpin TVSM’s commitment to embedding sustainability within its corporate DNA, balancing innovation, responsible resource stewardship, and community well-being. By driving continuous environmental performance improvements and transparent reporting, TVSM aspires to be a global leader in nature-positive industrial operations, delivering value to stakeholders and contributing meaningfully to global biodiversity conservation and climate action goals.

Achieving No Net Loss of Biodiversity

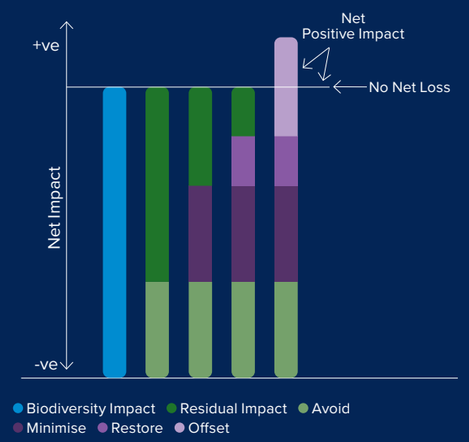
TVSM has committed to achieving No Net Loss (NNL) of biodiversity and progressing toward Net Positive Impact (NPI) by 2040, using 2020 as the baseline year, subject to refinement through periodic ecological monitoring, habitat condition assessment and improved spatial biodiversity data. This commitment reflects the Company's long-term approach to integrating biodiversity considerations into operational decision-making, infrastructure planning, sustainability governance, environmental risk management.

To operationalise this commitment, TVSM is strengthening site-level biodiversity governance and management through Biodiversity Management Plans (BMPs) across key manufacturing locations, including Hosur, Mysuru, and Nalagarh. These plans provide a structured framework for site-specific biodiversity management, restoration, and enhancement actions. The NNL pathway is being designed in alignment with internationally recognised standards, including the IFC Performance Standards, IUCN guidelines, and the Business and Biodiversity Offsets Program (BBOP), ensuring that biodiversity mitigation, restoration and offset interventions follow the mitigation hierarchy and are scientifically robust and globally consistent.

Preliminary ecological assessments across operational sites indicate varying habitat conditions and biodiversity status. Two facilities currently demonstrate stable or improving habitat conditions based on ecological indicators such as vegetation cover, habitat structure and species observations, suggesting that existing environmental management measures are contributing positively to ecosystem management. At one site, however, changes in habitat quality have been identified, presenting opportunities for targeted restoration measures and strengthened biodiversity interventions.

Addressing the residual biodiversity impacts associated with the TVSM operational sites and striving for No Net Loss, will involve the long-term commitment to implement a range of actions to avoid, minimise, restore, and or offset residual impacts to biodiversity in accordance with the mitigation hierarchy.

(Figure 1) Conceptual model of the Mitigation Hierarchy



source: https://www.thebiodiversityconsultancy.com/services/site-level-advisory/mitigation-hierarchy/

Building on these insights, TVSM will undertake continued ecological monitoring and periodic baseline reassessment to consolidate its biodiversity performance across operational locations. Looking ahead, biodiversity considerations will be embedded into operational planning, infrastructure expansion, and future greenfield developments, ensuring that nature-related risks and dependencies are proactively manage nature-related risks and ecosystem dependencies within the Company's broader sustainability strategy.

To ensure transparency and accountability, TVSM will publicly disclose progress toward its NNL commitment through TNFD-aligned reporting, including site-level ecological insights, biodiversity performance indicators, and Biodiversity Management Plan implementation milestones. Through this structured pathway, the Company aims to transition toward becoming a nature-positive enterprise while supporting responsible industrial growth.

Annexure 1

TVS Motor Company's Biodiversity Policy

TVS

Biodiversity Policy

We, at TVS Motor Company, a leading mobility solution provider, recognize our business linkages with the Biodiversity and Ecosystem Services in terms of "dependencies & impacts" to ensure its conservation and sustainable management.

We will strive to reverse nature loss by protecting and enhancing biodiversity and ecosystem services for the benefit of present and future generations. This shall be achieved by assessment of dependencies and impacts of operations of TVS Motor Company and its value chain on biodiversity followed by focused actions towards avoidance and minimization of impacts on biodiversity.

We employ responsible sourcing strategies to prevent deforestation or habitat destruction by engaging certified and sustainable sources.

In order to have sustained positive impacts on biodiversity and for safeguarding diversity of species, genetic & ecosystems, we will aspire to exceed pertinent statutory and regulatory requirements and integrate applicable systems and procedures with our management systems.

We are dedicated to aligning our biodiversity conservation practices with national regulations and the global framework of United Nations Sustainable Development Goals.

This policy commitment shall be achieved through continuous awareness and training of all the stakeholders and their engagement in biodiversity management program. The performance of biodiversity shall be communicated and reported to all stakeholders at planned intervals.

K N Radhakrishnan
Director & CEO
TVS MOTOR COMPANY

Rev. 01, August 04, 2023.

Abbreviations Table

BMP Biodiversity Management Plan	**GRI** Global Reporting Initiative	**PA** Protected Area
BRF Biodiversity Risk Filter	**IPM** Integrated Pest Management	**R&D** Research & Development
CEO Chief Executive Officer	**ISO** International Standard Industrial Classification	**SASB** Sustainability Accounting Standards Board
CFO Chief Financial Officer	**IUCN** International Union for Conservation of Nature	**TNFD** Task Force on Nature Related Financial Disclosure
CSR Corporate Social Responsibility	**KBA** Key Biodiversity Area	**WEP** World Economic Forum
DIRO Dependencies, Impacts, Risks and Opportunities	**KL** Kilo Litre	**WRI ESR** World Resource Institute Ecosystem Services Review
ENCORE Exploring Natural Capital Opportunities, Risks, and Exposure	**LEAP** Locate, Evaluate, Assess, Prepare	**WWF** World Wildlife Fund
ESR Ecosystem Services Review	**NNL** No Net Loss	**ZLD** Zero Liquid Discharge
ETP Effluent Treatment Plant	**NGO** Non-governmental Organisation	
GHG Greenhouse Gas	**NPI** Net Positive Impact	

Registered Office:

TVS Motor Company Limited
Chaitanya No. 12, Khader Nawaz Khan Road
Nungambakkam, Chennai – 600 006

www.tvsmotor.com

Concept and design at stirrup | whatsup@stirrup.works