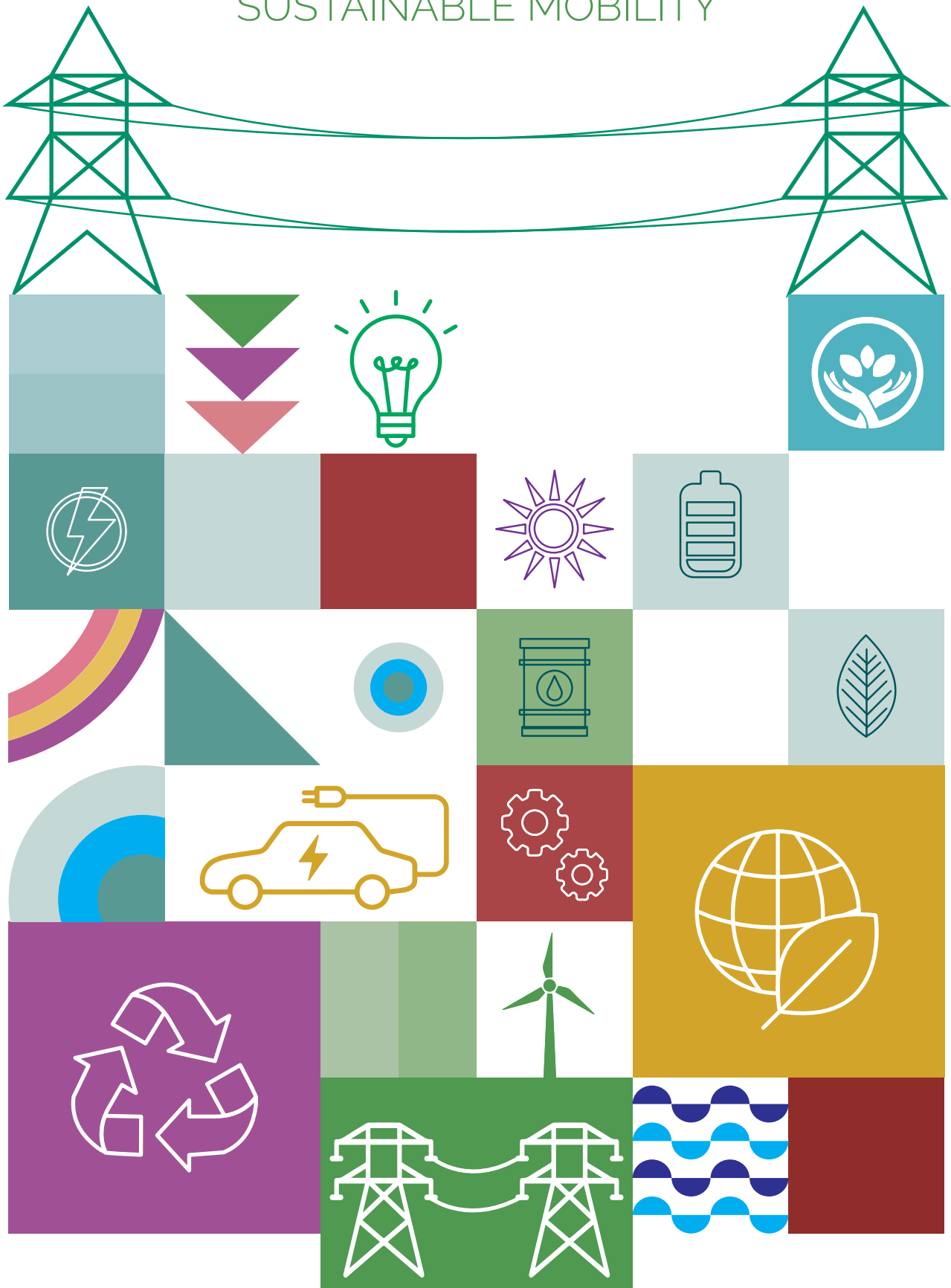


Transforming Towards

SUSTAINABLE MOBILITY



Transforming Towards

SUSTAINABLE MOBILITY



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Cautionary Statement

In this ESG report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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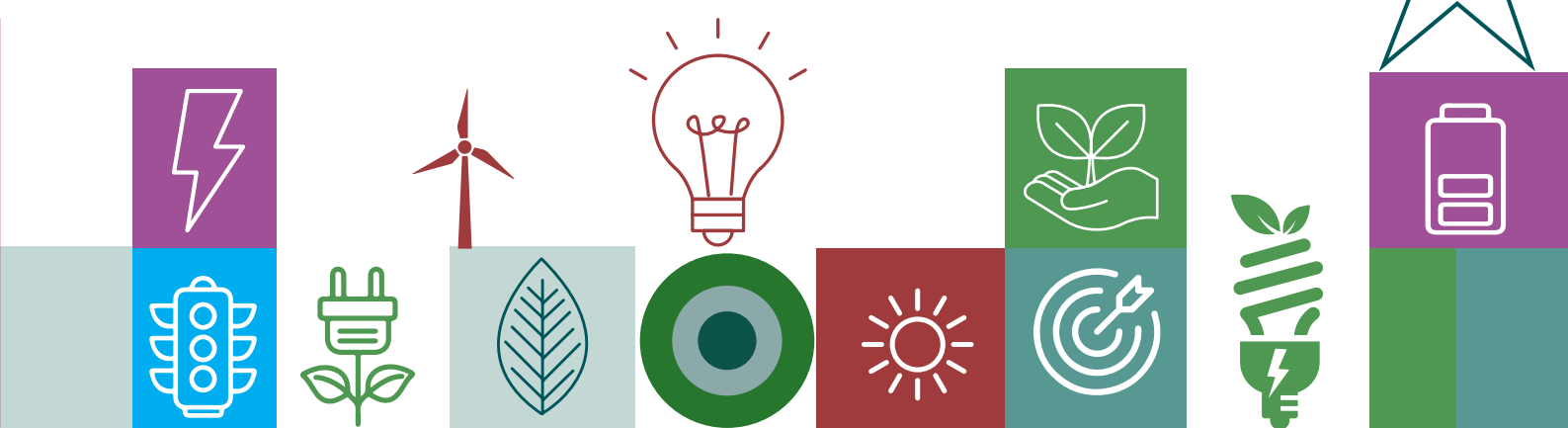
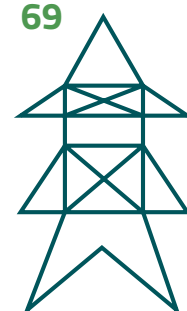
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ESG is more than just well-meaning ideas. Making a concrete, workable plan that produces actual outcomes is the goal.



Message from the Chairman and GCEO

GRI - 2-22

Dear Stakeholders,

With a mission to create Minda Corporation Limited (MCL) as a sustainable, efficient and global organisation while positively impacting society, people and the environment, we present to you our third Environment, Social, and Governance (ESG) Report FY 2022-23. With the goal of keeping our stakeholders informed about our ESG practises in a transparent, comprehensive and concise manner, we seek to accelerate our efforts for stakeholder value creation through our ESG endeavour.

Our philosophy of “Transforming towards Sustainable Mobility,” which reflects our commitment to operate in a responsible and sustainable manner, serves as the foundation for all of our activities. Our “Sustainability Policy” illustrates our dedication to the guiding principles we uphold in all of our interactions with various stakeholders.

ESG is more than just well-meaning ideas. Making a concrete, workable plan that produces actual outcomes is the goal. Success is not solely dependent on disclosures, diversity, and climate change. It’s about integrating these values—plus more—across all aspects of our company, from sustainable innovation to investment, allowing one to take on today’s toughest difficulties and tomorrow’s brightest chances.


Further, our ESG plan demonstrates how we manage key ESG pillars including Care for People, Responsible Value Chain, Sustainable Operations, and Inclusive Growth. In order to fulfil these obligations to the environment and society, we have also put in place a special ESG governance framework that will aid us in maintaining and tracking our performance and identifying opportunities for development.

As a result of human intervention, sustainability at MCL and the threats posed by the Covid-19 epidemic have not only disturbed the economic structure but have also exposed weaknesses in the social and natural environment. The fact that humans have emerged as both the cause of this global catastrophe and the implementers of workable

solutions to ensure the future is startling to note. This makes “sustainability” a duty that must be adhered to in order to stop any additional epidemics and natural disasters. The environment for automotive has changed as a result. In order to ensure the sustainability of the company, the earth and the cultures around us, we are learning how to prepare ourselves to deal with such unforeseen occurrences.

Companies are making it a priority to plan their operations in a sustainability-focused effective action manner in response to the growing concerns about climate change and human rights. Lightweight constructions, carbon emissions, and transmission to electric vehicles are some of the concerns at the forefront of the sector we work in. We at MCL support these changes and have been keeping up with market trends by putting a priority on sustainable mobility and ensuring that the triple bottom line underpins our business processes. Our team has made significant progress in the field of electric vehicles (EVs) by establishing an internal R&D centre to develop high-quality, scalable and affordable EV solutions. This has assisted us in reducing our environmental impact and maximising value for all of our stakeholders. In our prospective business operations, we will keep implementing numerous similar environmentally and socially responsible methodologies.

I want to take this opportunity to thank each and every one of you for your support of our efforts and faith in the mission of MCL. This report details the actions we have taken thus far to guarantee the stakeholders in our company and our business experience sustainable growth. Our corporate governance leadership, which upholds the values of ethics and accountability, has helped us achieve this. As we set out on this path to create a more responsible business community, we hope to strengthen our current business plans and motivate other companies to join the fraternity of stakeholders that support ethical business practices and a sustainable future for everybody.


Mr. Ashok Minda



Overview of the Report

GRI- 2-1, 2-2, 2-3, 2-4, 2-5

This is our third ESG report and provides an overview of our company's Environmental, Social, and Governance (ESG) performance over FY 2022-2023, adhering to the Global Reporting Initiative (GRI) Standards 2021. The purpose of this report is to demonstrate our commitment to sustainable mobility and to provide transparency to our stakeholders about our ESG performance. The theme of this report "Transforming through Sustainable Mobility" reflects our commitment to developing and manufacturing innovative auto-components that help us reduce emissions and improve fuel efficiency. We believe that sustainable mobility is essential for a sustainable future, and we are committed to playing our part in this transformation.

In this report, "Minda Corporation Limited" is referred to as "Spark Minda", "MCL", "Us", "We", "Our", "Firm", "Company", and "Organization"

Mapping Our Reporting Boundaries

The reporting period of our 3rd Sustainability Report is 1st April 2022 to 31st March 2023. Since beginning our journey of sustainability reporting in FY 2020-21, we have remained committed to reporting on our sustainability performance on an annual basis. This report is India-centric and excludes international operations.

The scope of this ESG report includes the Group Corporate Office in Noida, After Market Division offices, manufacturing units, and technical centers. There are 23 plants and 5 offices which are located across Pune, Aurangabad, Pithampur, Murbad,

Surendranagar, Noida, Greater Noida, Rewari, Pantnagar, Haridwar, Hosur, Mysore, and Pillaipakkam with two technical centres, one each in Bengaluru and Pune.

Restatements of Information: Reporting boundary are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together) - Standalone

Feedback

We value your feedback and welcome any comments, questions, or suggestions you may have regarding our sustainability performance. Our aim is to continuously improve and make a positive impact on society. Feel free to reach out to us through

Email: sustainability@mindacorporation.com

Registered Office Address: A-15, Ashok Vihar, Phase-I, New Delhi-110052

Phone: +91-120-4442500

Website: www.sparkminda.com

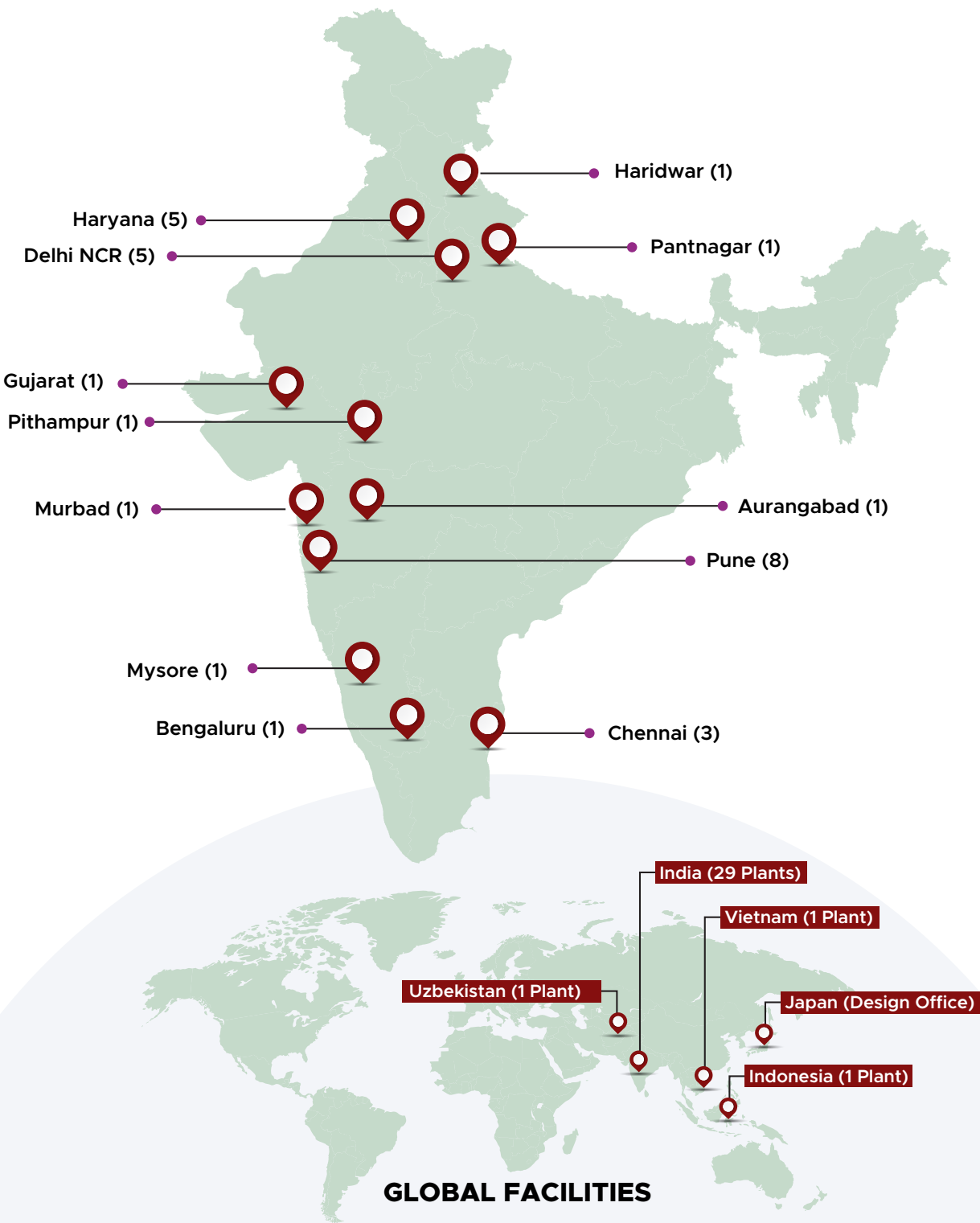
We will strive to address your concerns promptly and effectively.

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such

as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we

caution that actual results, performances, or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether because of new information, future events, or otherwise.





Chapter 1

Sustaining Progress – A Comprehensive Overview of MCL

1.1 Company at a Glance

GRI 2-1, 2-6, 202-2

Founded in 1958, MCL has been a leading automotive component manufacturer in India¹ with a growing global reach. We are part of the Spark Minda Group, one of the largest automotive component manufacturers in the world. We operate across 35 manufacturing plants/offices and over 16,000 employees².

Our product offerings include mechatronics, information and connected systems, interior plastics, and electronics for Original Equipment Manufacturers (OEMs) in the automotive industry. Our products serve a variety of vehicles, including passenger vehicles, commercial vehicles, motorcycles and scooters, off-road vehicles, and Tier 1 manufacturers in India. Our current export markets span across 17 countries in Asia, Europe and America.

We are committed to providing our customers with innovative and high-quality products that meet their



Vision

To be a Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer, to Create Value for all Stakeholders.



Mission

Our mission is to be an Automotive System Solution provider and Build a Brand recognized by vehicle manufactures progressively all over the world.



Philosophy

Our mission, in combination with our vision statement, sets the groundwork for how we want to go forward and build a more resilient future.

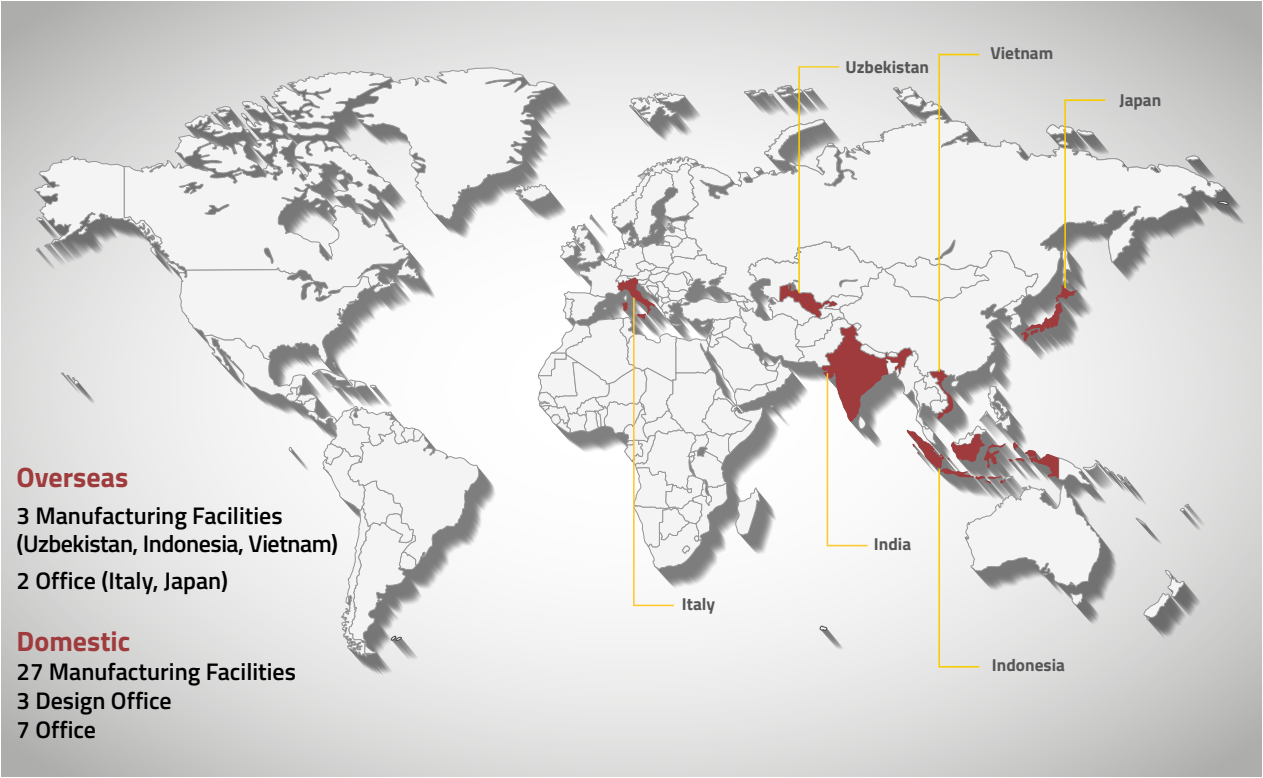
1. Listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)
2. All our employees, workers and senior management members are Indian citizen.

Needs. We are also committed to sustainable manufacturing practices and social responsibility. We believe that by working together, we can create a better future for the automotive industry and the world.

1.2 Flourishing in Domestic and Global Spheres

2-1, 2-6

MINDA CORPORATION LIMITED LOCATIONS



1.3 Our Key Production Divisions

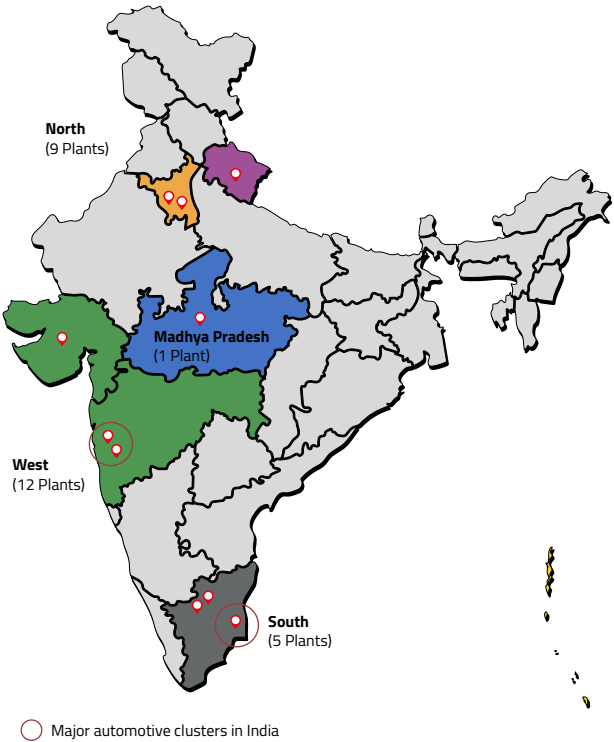
GRI 2-2, 2-6

Our Key Production Divisions

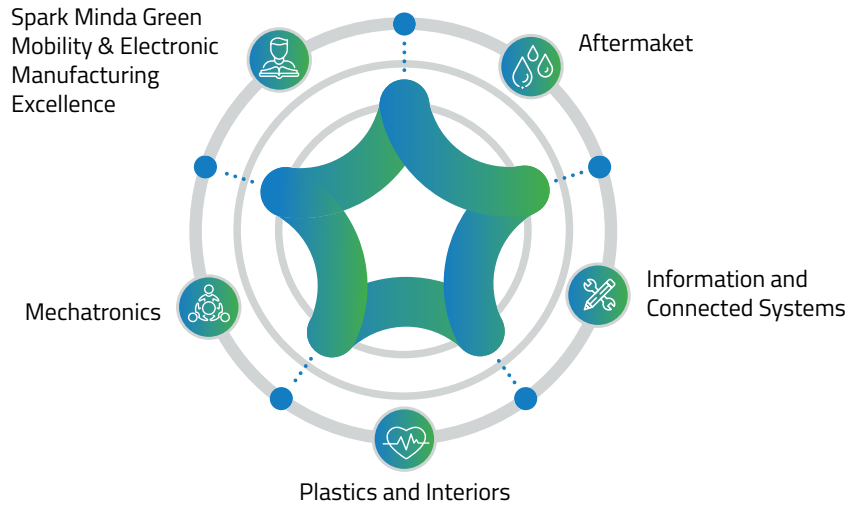
Our diversified product portfolio encompasses Mechatronics, Information and Connected Systems, Interior Plastic, electronics for auto OEMs, and the Aftermarkets division.

Our Business Highlights

- Revenue- INR 43,001 million
- EBIDTA- INR 4,615 million
- 32 Patents filed
- 16,000+ workforce



Operational Highlights



Product Division	Product Portfolio	Key divisions/ companies	Key customers	No. of plants	Plant Locations
Mechatronics	Ignition Switch cum Steering Locks, Smart Key Systems, Mechatronics Handles, and Immobilizers System; Die Casting Components; Starter Motors and Alternators	Security System	Bajaj Auto, Ashok Leyland, TVS, Yamaha, Honda Motors & Scooters, Suzuki Motors, Hero MotoCorp, Triumph, Ola Electric, JCB, M&M	4	Pune, Noida, Pantnagar, Aurangabad
		Die-Casting	Bajaj Auto, BorgWarner, Endurance, Garrett Motion, Keihin India, M&M, Brembo, Turbo Energy etc	3	Pune, Greater Noida
		Starter Motors and Alternators	Escorts, Magneton, Information Technology Laboratory, Tractors and Farm Equipment (TAFE), CNH	1	Bawal
		ASEAN Business	Yamaha, Suzuki, Kawasaki, Piaggio	2	Indonesia, Vietnam
Information and Connected System	Wiring Harness, Connectors, Terminals, Components; Instrument Clusters, Dashboard, Sensors like speed, temperature, position, pressure, exhaust gas etc	Wiring Harness Divisions	TVS, Ashok Leyland, Bajaj Auto, Honda Motors & Scooters, Hero Moto Corp, Piaggio	10	Pune, Greater Noida, Pillaipakkam, Kakkalur, Murbad, Pithampur, Haridwar, Mysore, Hosur
		Component	In-House Divisions, JV Companies	1	Greater Noida
Plastics and Interior	Air Vents, Glove boxes, center consoles, cup holders, ashtrays, louvers, oil slumps, cylinder heads, and battery trays	Plastics and Interior	Mahindra & Mahindra, Maruti Suzuki, Cummins	2	Greater Noida and Gujarat

Product Division	Product Portfolio	Key divisions/ companies	Key customers	No. of plants	Plant Locations
Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence	DC-DC convertor, Battery charger, Motor controller, Intelligent Transport system, Telematics, Connected Clusters, MFECU, Vehicle Control Unit (VCU)	Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence	Ashok Leyland, Ampere, Polarity, Etergo, Ola Electric, Bajaj	1	Pune
Aftermarket Division	Markets and sells all products manufactured by the Group Companies and certain outsourced products. The Company has invested in enhancing its brand profile in the segment and is expanding its automotive dealer network in the aftermarket division. Going forward, the company plans to add more products to its current portfolio and make significant inroads in the export market, building presence in the some of the aftermarkets in regions like Sri Lanka, Nepal, Bangaldesh, Africa and Latin America.				

1.4 Associations

GRI 2-28

■ Collaborative networks

We are committed to helping people with disabilities live more independent lives. Therefore, we partnered with the Ministry of Social Justice and Empowerment of Persons with Disabilities, the Artificial Limbs Manufacturing Corporation of India, and IIT Bombay to develop and distribute motorized tricycles to people with disabilities. These tricycles will help people with disabilities to get around more easily and independently. We have also developed a project called "Keys on Wheels" in collaboration with MSEPL. This project is a customized tricycle prototype that has the potential to be used for entrepreneurship by people with disabilities. The tricycle is designed to be easy to use and maintain, and it can be used for a variety of purposes, such as delivery, transportation, and tourism. Our initiatives are helping to make a real difference in the lives of people with disabilities. They are providing people with disabilities with the tools and resources they need to live more independent and fulfilling lives.

- Confederation of Indian Industries
- The Society of Indian Automobiles Manufacturers (SIAM)
- Automotive Component Manufacturing Association (ACMA)

We at MCL are committed to providing cutting-edge automotive technology to the Indian market. In line with this commitment, we have entered two strategic partnerships. The first partnership is with DAESUNG, Korea. Together, we intend to develop and introduce next-generation Advanced Driver Assistance System (ADAS) solutions to India. These solutions will use cutting-edge technologies to improve safety and efficiency on Indian roads. The other partnership is with LocoNav, which is a leading provider of telematics software. We will white label LocoNav's software, which will allow them to offer a complete mobility solution to their customers. This will include everything from ADAS to fleet management. These partnerships will help us to strengthen our position as a leading automotive technology provider in India. They will also help to make Indian roads safer, more efficient, and thereby sustainable.

- Strategic alliances
- Research Groups

Memberships - Mr. Sanjay Gupta (CEO) is a Board member and Chairman of the IESA Executive Council of IESA Executive Council which is the highest Apex body for the Indian Electronics & Semiconductors Association and leading critical Industry charters like Automotive CiG.



Chapter 2

Champions of Change: MCL's ESG Journey

2.1 Emerging ESG Landscape: Trends in the Automotive Industry

The automotive industry is navigating significant challenges as it strives to adhere to ESG (Environmental, Social, and Governance) regulations. These hurdles encompass the costly shift to low-carbon technologies, the imperative to enhance fuel efficiency and the adoption of recycled materials. Nonetheless, the industry remains resolute in meeting its ESG responsibilities. Automakers are channeling efforts into extensive research and development of innovative technologies while devising more sustainable business models. Engaging with stakeholders is another priority, ensuring that ESG initiatives are not only comprehensive but also effective.

In response to mounting pressure from investors, consumers, and regulatory demands, the automotive sector is undergoing a profound transformation toward sustainability. This shift is particularly evident in the intensified focus on sustainability by automakers and auto-component manufacturers. The European Union, for instance, has set ambitious climate targets that mandate a dramatic reduction in CO2 emissions from vehicles. This compels automakers to pivot towards electric vehicles and other low-carbon technologies, impacting both EU and non-EU companies operating in Europe. Furthermore, the EU has introduced regulatory frameworks like the European Union Emissions Trading System (EU ETS) and the Corporate Sustainability Reporting Directive (CSRD) to facilitate sustainable finance and stricter emissions control.

Technological innovation plays a pivotal role in enabling the automotive industry's transition to sustainability. Cutting-edge tools like artificial intelligence, blockchain, the Internet of Things, virtual reality, and augmented reality are harnessed to address sustainability challenges. Heavy investments are being made to usher in these innovations, making electric vehicles more accessible, optimizing vehicle weight, and enhancing fuel efficiency. As these technologies continue to evolve, they hold immense promise in combating climate change and other environmental issues. Besides these technological trends, various other ESG trends are gaining global momentum.

2.2 Charting the ESG Journey: MCL's Pathway to Impact

The previous section throws light on how the auto-component-making industry is facing a multitude of challenges and opportunities as it transitions to a more sustainable future. The growing focus on sustainability is leading to the development of new materials and processes that reduce the environmental impact of vehicles.

At Spark Minda, we view sustainability as a long-term ongoing process essential for our success. We are committed to making a positive impact on the environment and on the communities in which we operate. We are also committed to providing our customers with the most sustainable products and services possible, meeting industry standards. We are proud of the progress that we have made till date in sustaining our operations to date. However, we know that there is still more work to be done. We are committed to continuing our efforts to become a more sustainable business.

MCL's ESG Impact

Initiatives	Units	Impact Numbers (till date)
Environment & Resource Protection		
Renewable Energy Generated	Kwh (in Lakhs)	78.17
Total trees planted	Nos.	29409
Skill Development through Aakarshan		
Number of functional skill development centers	No. of centers	6
Number of Learners	No. of persons	13313
Employed Learners	Percent	70%
Empowering People with Disabilities (PwDs)		
Number of fitments provided to PWDs	No. of fitments to PwDs	16525
Unique Disability Identification enablement	No.	1769
Employed PwDs	No. of persons	1008

2.3 Recognitions and Honours: Celebrating Excellence

MCL is committed to sustainability, with an endeavor to strive for better environmental performance. We believe that sustainability is not just about reducing our environmental impacts. It is also about creating a more sustainable future for our employees, our customers, and our communities. We are committed to making a positive impact on the world and reporting on ESG parameters to encourage a culture of transparency with our stakeholders.

We at MCL have already been working towards the betterment of our operations through various initiatives for which we have been recognized across a plethora of committees in the automotive components industry in India.

We won a total of 170 External Awards at various forum like Quality Circle Forum of India (QCFI), Automotive Component Manufacturers Association of India (ACMA) & Confederation of Indian Industry (CII) for

Business Excellence, Quality Management, Low Cost Automation, Total Productive Maintenance (TPM), Energy Conservation, Logistics and Supply Chain, Food Processing, Leadership, Innovation & Entrepreneurship, Environmental, Health & Safety (EHS), Intellectual Property Rights (IPR), Design, Digital Transformation, Water Management, Sustainability, Green Business, Skill Competition, Manufacturing Practices, among others. This is a testimony to our relentless efforts to deliver the best quality to our stakeholders. We were also chosen as one of the 'Iconic' Brands of the Year and awarded with the prestigious 'Excellence in Innovation 2023' award by the coveted media house, The Economic Times. These recognitions are a testament to our brand's values and commitment to push the boundaries of what is possible.

Our performance is at par not just in our operations, but also in our concerted efforts to sustain communities around us. Having already been bestowed with National Awards twice for our CSR initiatives in 2019 and 2021, Additionally, our Aakarshan Skill Development Programme received the 9th National CSR Times Award over FY2022-2023.



Chapter 3

From Principles to Practice: MCL's ESG Approach in Motion

GRI 3-1, 3-3

As investors and consumers demand more sustainable and ethical business practices, companies are under increasing pressure to adopt ESG principles. It has become a critical part of corporate strategy. MCL is committed to ESG and has a long history of integrating these principles into its business practices. This chapter details MCL's ESG approach, highlighting our key priorities and initiatives. We believe that ESG is not just a compliance issue, but rather a strategic imperative. By integrating ESG principles into our business, we are creating a more sustainable company that is better positioned for long-term success.

3.1 Sustainability Strategy

Our sustainability strategy is a set of actionable steps that the company takes to improve its impact on the community and the environment. Our strategy provides a framework for focusing our investment, improving performance, and engaging with stakeholders. Our business decisions are now made with sustainability in mind, which benefits all stakeholders. We examined how well our company's strategy and objectives are aligned with the economic, environmental, and social aspects of its business operations. Then, used the materiality assessment process to identify and focus on important topics that have both direct financial impact on the company and environmental and societal consequences. We also created our own framework for ESG governance that links functional duties to stakeholder accountability.

Additionally, we paired specific corporate goals with a strong action plan internally.

In the face of growing global awareness of sustainability, we at MCL have taken the initiative to create an ESG framework to guide our journey toward a more sustainable future. The framework is built on five pillars: ethical business, sustainable operations, responsible value chain, care for people, and inclusive growth. Each pillar is

Responsible Communication



Figure 8: Sustainability Framework

supported by a set of Key Performance Indicators (KPIs) and targets, which will be tracked and reported annually. In 2022-23, the company worked hard to create and progress towards realistic targets in each of the five pillars. The framework is a living document, and we will continue to refine it as we explore more about sustainability and how to best embed it in our business. We are committed to transparency and accountability, and it will share its progress with stakeholders through annual ESG reports.

Our Sustainability Policy outlines MCL's approach to managing the key five pillars of its sustainability framework. The policy is based on the principles of transparency, accountability, and continuous improvement.

GRI 3-1, 3-2

Material Topics here at MCL are reviewed once in two years to identify and prioritize the most pressing issues for the company to attain sustainable operations. These issues are critical to our success and are addressed in our stakeholder communications, internal strategic goals, and corporate responsibility strategy. The materiality assessment is conducted in accordance with the GRI Standards of materiality, inclusiveness, and completeness. The assessment is based on the concerns of our stakeholders, and it considers our activities, performance, results, and impacts. The materiality assessment identifies the areas in which MCL's activities may have the greatest impact on natural ecosystems, as well as on the well-being of the community, individuals, and all MCL's stakeholders. This information is used to inform MCL's decision-making and to ensure that the company is operating in a sustainable manner.

The materiality exercise highlights the significance of reporting on ESG topics that are material or relevant to us and our stakeholders. For an auto-component manufacturing company like us, this means identifying and prioritizing topics that have a significant impact on its operations, reputation, and the well-being of stakeholders. Our material topics include issues covering environmental, social, economic, and governance related aspects. Reporting on these material topics enables us to disclose relevant information and address stakeholder concerns effectively.

We at MCL understand that sustainable growth requires more than simply addressing tangible operational and strategic challenges. Material issues are those that have a direct or indirect impact on a company's operations and footprint in terms of economic, environmental, or social value. We evaluated the characteristics of materiality that are essential to the company and aligned with the expectations of our stakeholders. To obtain an initial

set of material issues, we conducted a secondary study of GRI standards, MSCI indices, and the Sustainability Standards Accounting Board's (SASB) standards for the automotive components industry. These material topics were then compared to those considered by our national and international peers in the sector. The material topics that had been narrowed down were presented to senior management for validation.

Step 1 - Identification of Stakeholders: We identified our key stakeholders who may directly or indirectly will be impacted.

Step 2 - Identification of Issues and Comparability with Peers: The material issues were identified based on the impact on the business and priorities of our stakeholders, in accordance with international standards such as GRI, SASB, and MSCI as well as through peer benchmarking.

Step 3 - Internal Review and Validation: Interactions with internal teams were held to address their concerns and align the issues identified with their expectations and with our business strategy.

Step 4 - Prioritization of Material Topics: A prioritized list of issues concerning our business and stakeholders was developed.

Step 5 - Finalization of Material Topics: The issues were then categorized under broader material topics in alignment with key ESG-related issues as well as the UN SDGs.

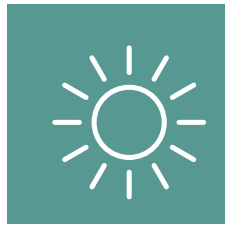
Step 6 - Review and Assessment: Finalized material topics were reviewed and assessed by sustainability steering committee.

Stakeholders are an important part of our materiality assessment process. By engaging with stakeholders, we identified the most material issues for our sustainable operations, prioritize them, and ensured that the materiality assessment is accurate and comprehensive. This helped us make better strategic decisions and create a more sustainable future for all. Based on an extensive study we have identified our key stakeholder groups as Shareholders, Investor, Employees, Suppliers, Customers, Creditors, Local Communities, Government, and Media.3.3 Foundational Pillars and Critical Focus Areas

GRI 3-2

As sustainability consciousness grows in businesses all over the world, we have incorporated our ESG framework of pillars with 20 material topics to guide its future actions. We are proud to report that we have made significant progress in implementing the framework. The material topics against the pillars mentioned here are as follows:

Pillars of ESG	Material Topics	KPIs	Relevance to the organization
Ethical Business	Regulatory Compliance	Business Responsibility and Sustainability Report, International Organization for Standards (ISO)	To ensure the safety, quality, and environmental impacts of our products
	Economic Performance	Economic value generated and distributed; Financial implications and risks and opportunities due to climate change	Determines our ability to invest in research and development, expand our operations, and hire new employees.
	Business Ethics	Anti-corruption	Helps to ensure that the company operates in a responsible and sustainable manner
	Anti-competitive Behaviour	Legal actions for anti-competitive Behaviour, anti-trust, and monopoly practices	Can harm competition and lead to higher prices for consumers
Sustainable Operations	Materials Management	Materials by weight/volume, recycled input materials, reclaimed products, and their packaging materials	To reduce our environmental impact and improve sustainability through products
	Energy Management	Energy consumed within and outside the organization, energy intensity, reduction in consumption	To reduce energy costs, improve efficiency, and reduce environmental impact
	Greenhouse Gas (GHG) Emissions Reduction	GHG Scope 1,2,3 Emission intensity and reduction, ODS, NOX, SOX	Major contributor to climate change and air pollution
	Water and Effluents Management	Water withdrawal, discharge, consumption	Critical resource for the manufacturing process
	Waste Management	Waste generated, waste diverted from disposal, waste diverted to disposal	To reduce our environmental impact by reducing the amount of waste sent to landfills and incinerators; Circular economy
Responsible Value Chain	Innovative Product and Lifecycle Management	Research and Development	Help improve our products, processes, and sustainability performance.
	Sustainable and Local Sourcing	Supplies social and environmental assessments	To reduce our environmental impact, improve supply chain resilience, and support local communities
Care For People	Occupational Health and Safety	Worker training on occupational health and safety; Work-related injuries & ill health; OHS system	To protect the health and safety of employees, improve productivity, and optimize operations
	Diversity and Equal Opportunity	Gender, Age, Disability, pay parity	To attract and retain top talent, improve decision-making, and boost innovation.
	Labour Management/ Relations	Employment, notice period, Benefits provided	To sustain a content workforce which will improve productivity
	Human Rights	Non-discrimination, child labour, forced labour, security practices, rights of indigenous people	Essential for ensuring a fair, just, and sustainable workplace
	Training and Education	No. of trainings, manhours logged across different managerial levels and gender	To improve employee skills, knowledge, and productivity
Inclusive Growth	Local Communities/ CSR Programmes	Operations with local community engagement, impact assessments, and development programs	To build goodwill, benefit the people living in vicinity and getting impacted by our operations
	Customer Satisfaction	Customer privacy, customer health and safety	For attracting and retaining customers, and for increasing sales
	Product Quality and Safety	Assessment of the health and safety impacts of product. Incidents of non-compliance	Protecting customers, complying with regulations, and building brand reputation.
	Marketing and Labelling	Requirements for product and service information and labeling, non-compliances	Help to inform customers about products and inculcate transparency; build brand awareness



Chapter 4

Pioneering Progress – Spotlight on Our Performance

4.1 Stand-Out Performance: ESG Highlights

During the reporting period of April 2022 to March 2023, Minda achieved some noteworthy successes that MCL would like to highlight.

Financial Highlights

- Earnings Per Share (Par value of J 2 per equity share)– ₹ 12.10
- Revenue – ₹ 43,001 Million
- Profit After Tax from Continued Operations – ₹ 2,845 Million

Environmental Highlights

- Solar Energy Consumed – 11.32 million kWh
- Water recycled – 99,529.71 KL
- Waste generated- 1051.17 MT

Social Highlights

- Number of Learners through Skill Development Programmes – 1407
- Number of People with Disabilities (PwDs) – 377
- Percentage of women in permanent employees- 8.81%

Governance Highlights

- Expenditure on R&D – 9.3% through ADAS for two-wheelers, rain light sensor, Rear seatbelt reminder and electric vehicle advance engineering, ensuring product quality and safety while ensuring innovation
- Expenditure on Acquisition of Latest Technologies
- –8.8% i.e., Rs 570 million through Investments in Solar, Wastewater Management, Energy Efficiency etc.

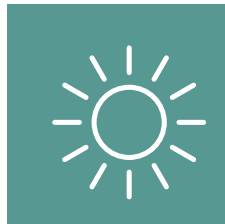
4.2 Driving Sustainable Transformation: Mapping Material Topics across Global Frameworks

Driving sustainable transformation is essential for the long-term success of businesses and the planet. To achieve this, MCL has identified and addressed the main pillars and material topics that are most important to their stakeholders. Mapping the ESG pillars and material topics across globally recognized frameworks is advantageous. United Nations Sustainable Development Goals (UN SDGs)

United Nations Sustainable Development Goals (UN SDGs)

To achieve a prosperous, inclusive, and sustainable society for all by the year 2030, the UN has established the Sustainable Development Goals (SDGs). Minda Corporation Limited have been steadily moving towards sustainable manufacturing practices as an ecologically conscious

company that is actively reducing its carbon footprint and have synchronized their overall business strategy with the UN SDGs for achieving their sustainability. By focusing on ending poverty and hunger, along with ensuring healthy lives for our employees, Minda plans to abide by the UN SDGs for achieving our sustainability goals. Apart from this we ensure that there is sustainable consumption and production patterns in our work.



Chapter 5

MCL's Governance Framework

5.1 Corporate Governance and Philosophy

We at MCL follow a system of principles, processes, and structures that are designed to ensure the management of our resources in the best interests of all stakeholders. These stakeholders include our shareholders, employees, customers, suppliers, and our community. By following sound governance principles, we intend to build trust with our stakeholders, attract and retain investors, and mitigate risks to our value chain. Our Board of Directors have wide range of industrial expertise and knowledge. This ensures we have the right skills and perspectives to make sound decisions. Our board meets regularly to discuss strategic, operational, and financial matters and has the authority to assign responsibility to committees. These committees are responsible for specific areas of the business, such as risk management, audit, compensation, and so on. We believe that good corporate governance is essential for long-term success. By following these principles and policies, we can ensure that MCL is managed in a responsible and ethical way.

MCL's organizational framework is based on relevant policies and standards that set the foundations and guide improvements to drive towards growth responsibly. Furthermore, strategic workshops are held for knowledge enhancement to enable the team to analyze risks and opportunities provided by the megatrends that affect our company as we navigate an ever-changing and evolving paradigm and work towards supporting a resilient environment. Our subject matter experts have created policies, technical standards, and supporting guidance and training documents that are consistently upgraded to provide a robust approach. These are available for use and reference through our website and are circulated through regular email communications with all stakeholders. These framework documents help our teams to be involved in and contribute to the development process, understand,

and fulfill customer expectations, and the role they must play in keeping our people, resources, and surrounding communities safe and always ready to respond to any unexpected threats or risks. MCL has instituted several policies and frameworks to ensure the ethical conduct of its business. These policies ensure that the company can always engage with stakeholders justifiably and responsibly. We have also formulated a Sustainability Policy, that helps us align our actions as per the objective.

Our core principles and service commitments serve as a guide for how we operate and govern ourselves. We understand that policies need to be regularly reviewed and updated to reflect changes in regulations and feedback from stakeholders. These policies provide clear guidance to our employees and partners on what is expected of them and how we conduct our business. Our policies are accessible to anyone through our corporate governance website, which is open to all stakeholders. We regularly assess and revise our policies to ensure that they continue to reflect our values and best practices. We believe that our commitment to clear and transparent policies is essential for building trust with our stakeholders and ensuring that we operate with integrity and accountability. By regularly reviewing and updating our policies, we stay at the forefront of ethical business practices.

MCL Policies

We govern our operations based on a defined set of policies and codes which are aligned with our core values and vision for sustainable governance. These policies serve as guiding principles for our daily operations, outlining how we interact with our staff, suppliers, and other stakeholders. We engage with key stakeholders through means of discussions to gather feedback and insights which help us identify potential areas of policy development in the future.

By adhering to these policies, we are certain that we can sustain our well-intentioned success over time. Our commitment and unbending efforts to uphold ethical business practices also contribute to our duty to take care of the broader community we are a part of.

- Human Rights Policy
- Equal Opportunity Policy
- Grievance Redressal Policy
- Stakeholder Engagement Policy
- Anti-Fraud & Anti-Corruption Policy
- Investor Grievance Redressal Policy
- Criteria for making payment to Non-Executive Directors
- Familiarization Programme for Independent Directors
- Whistle Blower Policy
- Risk Management Policy
- Sustainability Policy
- Code of Conduct for Board Members and Senior Management
- Code of Conduct for Prevention of Insider Trading
- Corporate Social Responsibility Policy
- Business Responsibility Policy
- Dividend Distribution Policy
- Nomination Remuneration and Board Diversity Policy
- Policy on Determination and Disclosure of Materiality of Events
- Policy For Determining Material Non-Listed Subsidiaries
- Related Party Transactions Policy
- Maintenance and Preservation of Documents and Archival Policy
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of conduct of Employees

Code of Conduct

GRI 2-12, 205-2 and 407

We believe in the proficiency of our employees and rely on the employees' good judgment and the willingness to perform efficiently, with integrity and with total confidence in the management within a sound and safe working environment. Our code of conduct is the foundation of our governance model. The code is based on ethics, integrity, and responsibility, and it is an important driver of social and economic development through our operations. The code defines responsibilities, accountabilities, and reporting

lines, and it has dedicated focal points for resolving internal and external code of conduct issues. All our employees and workers are provided trainings on Code of Conduct such as anti-corruption policies and procedures, POSH, etc. MCL's code of conduct was drafted with a view to acquaint all the employees with the company values and to ensure homogeneity of beliefs throughout the company. A structured mechanism with a key authorized person is in place for disciplinary action in case of any breach or violation. The grievance redressal mechanism is available on our company's website. The Corporate Audit and Governance (CAG) Department investigates possible violations of the Code of Conduct during standard periodic and specific audits.

Enhancing Transparency and Accountability

GRI 2-16, 2-25, 2-26, 205-1, 205-3

The Board of Directors (BoD) at MCL is responsible for making decisions that are in the best interest of the company and all its stakeholders. They are expected to be impartial and independent in their decision-making. All our operations are monitored for risks associated to unethical business conducts such as corruption in accordance to our Anti-Corruption Policy.

We at MCL believe in playing by the rules, and thereby expect our employees and partners to do the same. We are committed to creating a level playing field for all businesses, and it believes that bribery and anti-competitive behaviour only serve to distort the market and harm consumers. MCL is committed to upholding the highest ethical standards in all its business dealings. We comply with the Competition Act of 2002 and do not engage in any anti-competitive behaviour. We also have procedures in place to handle stakeholder concerns about anti-competitive behaviour. During the reporting period, there were no cases of anti-competitive behaviour recorded. We also prohibit bribery in all our commercial dealings. No employee or representative of MCL is permitted to receive, offer, pay, or authorize the payment of any bribes. During the FY 2022-23, no cases of bribery were reported using the whistle-blower mechanism. We are proud of our record of ethical and transparent business practices. We will continue to strive to be a company that is known for its commitment to ethics and integrity.

Whistleblowing policy enables mechanisms for employees and directors to report any instances of fraud, violation, or unethical behaviour. No cases of corruption and one case of sexual harassment have been reported through this mechanism. Appropriate strict actions have been taken in all these cases.

Whistleblowing is not only a regulatory requirement, but it also encourages our people to speak up about wrongdoings, corruption, and unethical behavior. The policy also allows employees to have direct access to the Chairperson of the Audit Committee if they have concerns. The Grievance Redressal Policy chalks out the mechanism

has been made available to all employees.

Sustainability Policy

At MCL we are committed to creating value for all stakeholders by offering solutions that contribute towards sustainable mobility. At the very core of that vision lies our Sustainability Policy that spells out Company's philosophy and approach to manage various pillars of our sustainability framework viz. Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People and Inclusive Growth. By incorporating sustainability principles into our day-to-day operations, we aim to minimize our impact on the environment and maximize value for all our stakeholders.

Data Privacy

We have a team of professionals dedicated to securing its corporate systems and processes. We understand that the personal or sensitive data provided by our customers, partners, and employees is our most asset. We have implemented various policies and security mechanisms to protect this data and have business continuity/contingency plans and incident response procedures for managing cybersecurity and data privacy issues.

Conflict of Interest

GRI 2-15

A conflict of interest exists when a personal interest or activity interferes or could interfere with Minda's task. Minda Corporation Limited has an approach to managing conflict of interests involving members of the Board which is also embodied within our Code of Conduct. We assess all the activities for potential conflicts and ensure that any actual, potential, or perceivable conflicts are declared and resolved before the initiation of any task or project. Further, the Board of Directors sign off on the Code of Conduct on an annual basis and an affirmation declaration is obtained from the Board of Directors. The Board confirms that there were no materially significant related party transactions made with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest with the company at large. In FY 2022-23, there were no complaints brought against Minda in relation to issues of Conflict of Interest of Directors or KMPs.

5.2 Governance Structure

GRI 2-9, 2-10, 2-11, 2-12, 2-14, 2-19, 2-20, 202-2, 405-1

Our Board of Directors at MCL is headed by Mr. Ashok Minda, who is also the Chairman and Group CEO. The board

is responsible for developing, approving, and updating the organization's purpose, carrying out decision-making, strategic planning, and management governance for effective implementation of the business. The board is also responsible for supervising how the organization moves towards sustainable mobility through its operations. We at MCL are committed to conducting business in an ethical and responsible manner. Our commitment to transparency, fairness, professionalism, and responsibility is essential to winning the trust of its stakeholders and ensuring its long-term success. Our business strategy is focused on long-term value generation and safeguarding stakeholder interests. We apply due care, expertise, and diligence to all business decisions. We have put in place systems, procedures, and policies to ensure that our board of directors is well-informed and prepared to carry out its duties. This allows management to provide the strategic direction necessary to meet the demands of long-term shareholder value.



Figure 9: Three Core Values of MCL

MCL has a multi-tiered governance structure with clear roles and duties for each system component. This structure is designed to ensure that the company is managed in a transparent, ethical, and responsible manner. The shareholders of the company are the ultimate decision-makers. They approve the board of directors' decisions on significant operational matters, key policy choices, and specific authorizations, as needed. The board of directors also decides on matters governed by the law and the company's articles of association and receives updates on key operational matters. The chairman and group CEO of the company, as well as executive directors, have been appointed and authorized by the board of directors to oversee the general management of the company. This includes ensuring that the company complies with all applicable laws and regulations, and that it operates in a sustainable and responsible manner.

MCL's board of directors is composed of eight members with diverse backgrounds and expertise. The board meets regularly to discuss strategic, operational, and financial issues. Our Board nomination, composition and remuneration is decided upon based our policy for

selection of directors and determining their independence. We have a dedicated policy outlining the Code of Conduct for Board of Directors and senior management

Four of the eight directors are independent, which ensures that the board has a good balance of internal and external viewpoints. The board has delegated authority to directors who lead different committees. There are six committees in total, each with its own terms of reference that set out its roles, responsibilities, composition, and scope of authority. The board's decision-making process is based on the best view on the table after detailed discussion and deliberation among directors. This ensures that the board makes decisions that are in the best interests of the company.

Board-level Committees

GRI 2-9, 2-13, 2-18, 2-19, 2-20

Audit Committee - The Audit Committee provides oversight of the quality and integrity of the accounting, auditing,

MCL BoD and Committee



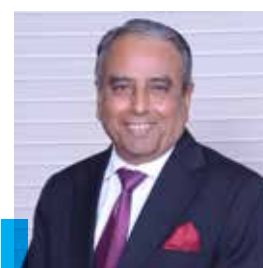
Mr. Ashok Minda
Chairman and Group CEO



Mr. Avinash Gandhi
Director



Mr. Rakesh Chopra
Director



Mr. Ashok Kumar Jha
Director



Mr. Aakash Minda
Executive Director



Ms. Pratima Ram
Director



Mr. N.K. Modi
Executive Director



Mr. Ravi Sud
Non-Executive &
Non-Independent Director



M	CSR and Sustainability
C	Audit
M	Nomination and Remuneration Committee
C	Stakeholders Relationship
C	Executive
C	Stakeholders Relationship
M	Risk Management

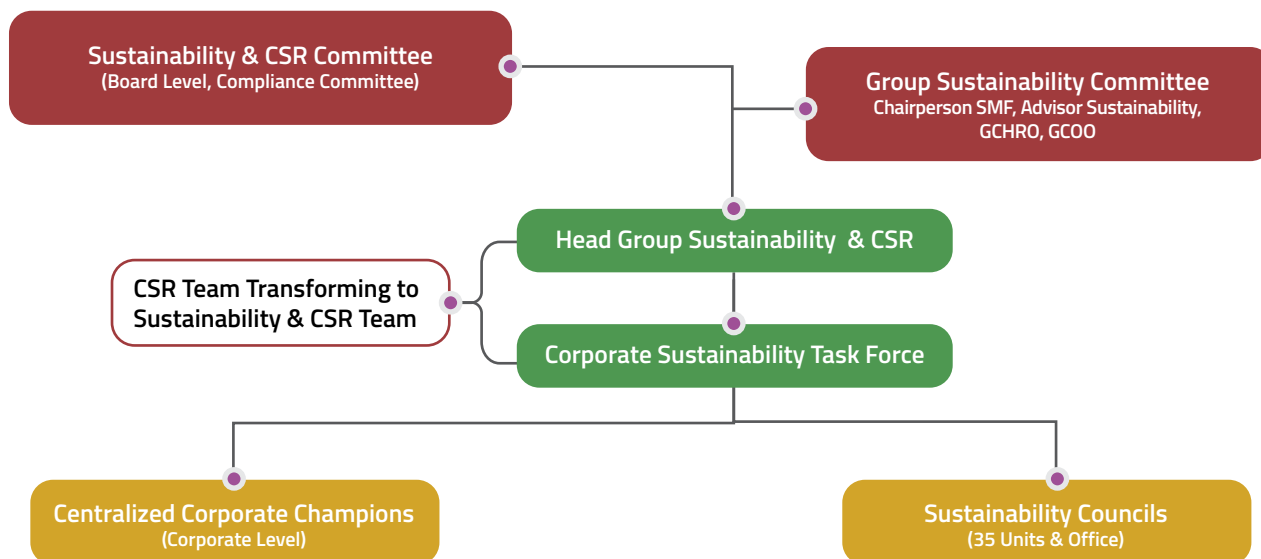


Figure 10: Governance Framework at MCL

financial reporting, and risk management practices of the company. This includes assessing compliance with ESG-related disclosure requirements.

Nomination and Remuneration Committee - The Executive Nomination and Remuneration Committee defines the prerequisites for CEO desired by Minda while considering changes in the business environment. It is responsible for formulating criteria for determining the qualifications, positive attributes, and independence of a director, recommending a remuneration policy to the board of directors, evaluating the performance of individual directors and the board, identifying qualified persons for appointment as directors and recommending them to the board, and overseeing the appointment and removal of senior management.

Stakeholders Relationship Committee – The Stakeholder Relationship Committee is responsible for resolving the grievances of the company's stakeholders, building, and maintaining relationships with the company's stakeholders, providing advice and guidance to the board of directors on matters relating to stakeholder relations, develop and implement stakeholder engagement policies and procedures, and advise the board on matters relating to stakeholder relations.

Risk Management Committee – The RMC is responsible for overseeing the company's risk management framework. This includes Identifying risks related to the company's products, services, and operations, assess the likelihood and impact of these risks, develop, and implement risk mitigation strategies, such as insurance, hedging, and contingency plans, monitor the company's risk profile and make recommendations to the board of directors, and advise the board on risk-related matters, such as new regulations or changes in the company's business environment.

CSR & Sustainability Committee – The CSR & SC is responsible for overseeing the company's Corporate Social Responsibility (CSR) and Sustainability initiatives. This includes Developing a CSR and sustainability strategy that aligns with the company's overall business strategy, overseeing the implementation of CSR and sustainability initiatives, such as environmental protection programs, employee welfare initiatives, and community development programs, monitoring and reporting on the company's CSR and sustainability performance, including metrics such as greenhouse gas emissions, water use, and waste generation, and advising the board of directors on CSR and sustainability matters, such as new regulations or changes in the company's business environment.

Executive Committee – The Executive Committee has been established to address significant operational issues as they arise. The Committee will grant authorization on an as-needed basis to various officials and employees to ensure the seamless functioning of all units and verticals of MCL, enabling them to represent the Company in dealings with customers, vendors, non-banking financial companies, and other relevant parties.

Investment Committee- An Investment Committee has been established to periodically identify investment opportunities, assess the amount and sources of funds required for these investments, and address all related matters and incidents.

We are committed to sustainability and have integrated it into our business operations to help generate long-term value. We have a strong sustainability governance structure, with cross-functional senior leadership that oversees sustainability at the board level. This makes it easier to incorporate sustainability into all aspects of the business.

We have also established an internal sustainability team at the apex level – Sustainability & CSR Committee – that supervises the activities relating to health, safety, environment, and corporate social responsibility at the board level. They meet twice every year to discuss the alignment of strategy, initiatives and operations across organization, communities, and value-chain. Through this committee, we get recommendations for the strategy development and follow-up for decision with concerned teams. The team meets quarterly at group level and pro-actively identifies and addresses global, regional, and national political and regulatory developments potentially impacting the sustainability agenda. Through them we identify and address cross functional issues and opportunities within the area of sustainability and allocate resources. This committee is also responsible for reviewing our ESG strategy targets for the group.

Our Group Sustainability Committee, headed by the Chairperson of Spark Minda Foundation, Ms. Sarika Minda. The Committee is responsible for developing sustainability strategy and targets, and comprises of GCHRO, GCOO, and the Advisor Sustainability. The team meets once every two months, is supported by designated members who carry different organizational roles at the management, senior management, and operational level. The committee ensures compliance with applicable international and national standards, rules, and regulations; allocation of resources across functional areas; quality; timely reporting to internal teams and external stakeholder groups; and identify major strategic issues of operational and reputational risk.

Group Head Sustainability & CSR reviews the work of the above once in two weeks and has been assigned with the responsibility of prioritizing KPIs and setting targets alongside ensuring compliance to all national and international rules, standards, and regulations. The group head will be responsible for ensuring smooth functioning of cross-functional teams and support them with operational advice and guidance.

Corporate Sustainability Task Force conducts weekly meetings and provides updates on the strategic roadmap, results, and KPIs alongside sharing knowledge to improve initiatives on those issues with the organization. Through its biweekly meetings, it helps us develop a sustainability expertise through identifying the needs and challenges of our operating model, provide insights from external sustainability trends and further come up with updates on strategy, KPIs, business plan and budget.

We have further gone to nominate Centralized Corporate Champions who develop and implement sustainability initiatives for their respective functions at the MCL group level such as People (admin, HR, IR, L&D), Governance, Carbon, Procurement, Customer, and Production & Operations. They share the collated data with the Corporate Sustainability Task Force and discuss best practices and challenges in the industry.

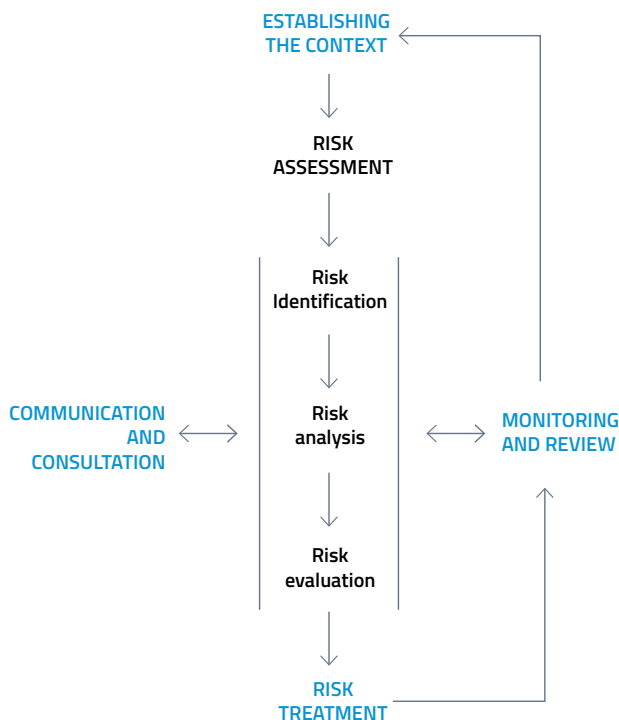


Figure 11: Risk Management System

The Sustainability Council comprises of members from each manufacturing plant or office and is headed by Sustainability Champions who act as SPOCs for their respective locations. The council meets weekly and is responsible for developing roadmap, and implementation procedures for MCL's strategic sustainability vision. The team also ensures that sustainability is instilled in MCL's everyday business operations. The council manages projects and initiatives and ensures bi-weekly planning of activities, reporting to Corporate Sustainability Team, efficient resource allocation when needed and compliance with international, national, and local standards and regulations.

5.3 Risks and Opportunities

As a manufacturing company, it is essential for us to have a robust risk management mechanism in place to deal with potential scenarios that could put us or our employees at risk. We have an elaborate risk management system that informs board members and other stakeholders about risk assessment and minimization procedures. Our risk management committee meets regularly to evaluate the efficacy of the framework related to risk identification and its mitigation. We at Minda Corporation Limited are committed to managing risks effectively to protect our business and stakeholders. Our risk management system is a robust mechanism that provides information to board members and stakeholders about the risk assessment and minimization processes. It helps us in identifying and assessing risks that we may not be aware of, develop plans to mitigate those risks and track the effectiveness of our risk management efforts.

S.No.	Risk Category	Risk Description	Mitigation
1	Macro-economic risk	<ul style="list-style-type: none"> Decline in revenue generation if there is a slowdown in the macro-economic region or industry. Unfavorable changes in the regulatory scenario. 	<ul style="list-style-type: none"> Implemented a strategic diversification plan to reduce its reliance on any single location, product, or industry. Includes expanding presence across geographies, pitching new customers and increasing kit value via product Premiumization. Maturing EV market to give an added push to the growth as 95% of product portfolio is power trainagnostic.
2	Exchange rate risk	<ul style="list-style-type: none"> Revenue Originates from export activities is subject to foreign currency fluctuations. Any adverse movement in exchange rates could have a negative impact on profitability. 	<ul style="list-style-type: none"> Participating in hedging activities and using forward contracts
3	Human resource risk	<ul style="list-style-type: none"> Substantial intellectual capital, emphasizing the need to attract, retain and develop highly skilled personnel. Maintaining a competitive advantage within the industry and ensuring long-term manufacturing sustainability. 	<ul style="list-style-type: none"> Fostering a people-centric and performance driven culture. Has put in place multiple programmes aimed at promoting employee health and safety, fostering engagement, and facilitating skill development.
4	Cyber security and Data Privacy	<ul style="list-style-type: none"> Risk of critical cyberattacks, which could potentially result in the loss of critical information. Could have an adverse financial and reputational impact on the overall business. 	<ul style="list-style-type: none"> Proactively strengthening its data and information security protocols
5	Market risk	<ul style="list-style-type: none"> Changes in the automotive industry, consumer preferences, or economic conditions impacting demand. 	<ul style="list-style-type: none"> Investing ~2% of our revenue in R&D to keep up-to-beat with the changing dynamics in the auto industry. Team of more than 450 engineers across verticals keeps track of the latest trends in the automobile sector

The World Economic Forum (WEF) Risk Mapping is a tool that helps organizations and stakeholders identify, assess, and prioritize global risks. It is based on the Global Risks Perception Survey (GRPS), which is a yearly survey of over 1,000 experts from around the world. The GRPS asks respondents to rate the likelihood and impact of a range of risks.

The WEF Risk Mapping uses the results of the GRPS to create a heat map of global risks. The heat map shows the risks that are most likely to occur and have the greatest impact. The risks are also categorized into five groups:

- **Environmental risks:** These risks include climate action failure, biodiversity loss, and extreme weather events.
- **Economic risks:** These risks include financial crises, income inequality, and supply chain disruptions.
- **Geo-political risks:** These risks include geo-economic confrontation.
- **Societal risks:** These risks include political instability, social cohesion erosion, and mass migration.
- **Technological risks:** These risks include artificial intelligence, gene editing, and cyberwarfare.

As our societies become increasingly reliant on technology, we become more vulnerable to those who would seek to exploit that reliance. In this new age of technological interdependence, our societies are more fragile than ever before, with greater risk of cyberattacks, disruptions of critical infrastructure, and even attacks on our food and water supplies. WEF recognizes Widespread Cybercrime and Cyber Insecurity as a severe risk over short and long terms. We at MCL have also recognized Cyber security and Data Privacy as one of the primary risks that our business faces and are working towards making our operations sustainable through means of devising Data Policy and strengthening our security mechanisms.

The key elements of Minda's risk management system include:

- Risk identification: The first step in risk management is to identify the risks that our company faces. This can be done by conducting risk assessments, reviewing historical data, and brainstorming with employees.
- Risk assessment: Once the risks have been identified, they need to be assessed. This involves determining the likelihood and impact of each risk if it occurs.
- Risk mitigation: Once the risks have been assessed, they need to be mitigated. This involves developing plans to reduce the likelihood or impact of the risks.

- Risk monitoring: The final step in risk management is to monitor the effectiveness of the risk management system. This involves tracking the risks that the company faces and adjusting the risk management plan as needed.

We have developed and implemented a detailed risk management policy for our business operations including identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the

Company as required under the Companies Act, 2013 read with Regulation 21 of the Listing regulations.

Stakeholder	Why we engage?	How we engage?
Shareholders	<ul style="list-style-type: none"> As providers of financial capital, they are key stakeholders in our growth and expansion plans 	<ul style="list-style-type: none"> Board meetings Annual reports and Websites
Investor	<ul style="list-style-type: none"> Funding and capital investment 	<ul style="list-style-type: none"> Investor calls, conference and meets Annual General Meetings Engaged with the investment community through our Annual Meetings and regular investor meetings Held Chairman's Roundtables virtually and face-to-face during the year with investors
Employees	<ul style="list-style-type: none"> Empowered and engaged workforce drives to achieving business targets and serve as a key for successful business Satisfied and motivated employee have higher productivity 	<ul style="list-style-type: none"> Employee engagement Initiatives Training programmes Performance appraisal reviews Grievance mechanisms Continued to create an open culture and dialogue around disability with us Akarshan program Promoted the inclusion of people with disabilities through Saksham program Continued to raise awareness of Speaking Up for non-compliance concerns and questions. Collective Bargain agreements with worker unions wherever required.
Suppliers	<ul style="list-style-type: none"> Cost optimization Operational leverage basis quality, technology, pricing etc. Lean manufacturing 	<ul style="list-style-type: none"> Vendor assessments and reviews Signed contracts Vendor meets Supplier social and environmental assessments
Customers	<ul style="list-style-type: none"> Revenue generation and growth Help in innovating new products through demand Help to increase market share 	<ul style="list-style-type: none"> Customer feedback Digital and social media connect Exhibitions and events Brochures and Catalogues Responded to sustainability requests. Built joint roadmaps and action plans together with customers, unlocking synergies. Continued partnership testing of refill-and-reuse delivery systems and scalable business models
Creditors	<ul style="list-style-type: none"> Revenue generation and growth Help in innovating new products through demand Help to increase market share 	<ul style="list-style-type: none"> Customer feedback Digital and social media connect Exhibitions and events Brochures and catalogues

Stakeholder	Why we engage?	How we engage?
Media	<ul style="list-style-type: none"> Improving the understanding of industry's positive impact on sustainability and climate change and the drivers for further development 	<ul style="list-style-type: none"> Training workshops Regular meetings Need assessments and Reviews Surveys CSR reports Press Release
Government	<ul style="list-style-type: none"> Key for ensuring compliance, interpretation of regulations and key to uninterrupted operations, policy matters, changes in law, rules, and regulations, as part of ease of doing business 	<ul style="list-style-type: none"> Meetings, presentation, reports and networking in different forums organized by regulatory authorities Regulatory Compliance
Local Communities	<ul style="list-style-type: none"> Understand and respond to the unique needs and concerns of the society. Work in partnership with government and civil society to help address some of the key challenges faced by country 	<ul style="list-style-type: none"> Press release Publishing articles and news Meetings and Interviews CSR programs

We have also constituted a Risk Management Committee of the Board comprising of an executive director, a non-executive director (Nominee Director) and an independent director of the Company as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the risk management initiatives taken by Minda on quarterly basis and evaluate its impact and the plans for mitigation. During the reporting period, the Committee met on June 10, 2022, September 23, 2022, December 12,

2022, and March 29, 2023. The Risk Management Policy can be accessed on our website.

This policy forms part of the internal control and corporate governance process of Minda. Basically, the aim of this policy is not to eliminate risks, but rather to mitigate the risks involved in our activities to maximize opportunities and minimize adversity by considering the following: -

- Identification of risk, define ownership with clearly defined roles and responsibilities
- Balance between the cost of managing risk and the anticipated benefits
- Contributing to more efficient use/allocation of capital and resources
- To encourage and promote a pro-active approach towards risk management
- Identifying any unmitigated risks and formulating action plans for its treatment through regular review

5.4 Stakeholder Engagement

GRI 2-12, 2-29, 2-30

Stakeholder engagement is the heart of our operations since we are aware of the direct and indirect impact on

the company and of the company through its elaborate value chains, as even highlighted through our Stakeholder Engagement Policy. The importance of including as many stakeholders as feasible increases as sustainability management activities become more extensive and comprehensive. Therefore, every stakeholder at MCL is expected to contribute and promote sustainability initiatives. Based on an extensive study we have identified our key stakeholder groups as follows:

- Shareholders
- Investor
- Employees
- Suppliers
- Customers
- Creditors
- Local Communities
- Government
- Media

5.5 Responsible investments to pursue growth

GRI 203-1, 2, 207 – 1, 2, 3, 4; 415-1

We are a forward-thinking company that is always looking for ways to stay ahead of the curve to transform towards sustainable mobility. We are constantly exploring new opportunities to invest our surplus in emerging technologies, business propositions, disruptions, and futuristic initiatives that have the potential to redefine the auto-component sector and shape new avenues. While we at MCL generate direct economic value through our operations, products, and services, we also work towards nation building by contributing to significant indirect economic impacts. We focus on protecting the environment as a part of which we develop green

mobility solutions, reducing materials used, increasing the energy generated from renewable sources, recycling and reusing wastewater among other initiatives. Additionally, developing skills of our nation's youth and empowering people with disability is also a key priority for us. These impacts culminate in increased economic activity, reduced social disparity, and enhanced quality of life. We maintain a healthy balance sheet with a clear commitment to financial resilience.

Tax Transparency

We at MCL take our corporate responsibility seriously and are committed to being a responsible taxpayer. We believe that tax transparency is an important part of being a responsible corporate citizen. We work closely with experts, auditors, and tax authorities to ensure that we comply with tax laws and pay our taxes on time. We also have open and constructive conversations with all our stakeholders, including the government and tax authorities. It is important to act with integrity in all aspects of business, including tax dealings, which is why we do not tolerate the facilitation of tax evasion by anyone acting on our behalf. Our tax approach at MCL is based on integrity and transparency. We believe that this is an important way to demonstrate the possibility to achieve an effective balance between our corporate responsibilities to society through the payment of taxes and our obligation to our shareholders. We are committed to neutrality in all political matters. As such, we do not allow the use of MCL funds or resources to support any political candidate, party, or cause.

We strive to ensure that all our commercial transactions comply with the law of the land, and we claim tax incentives and exemptions to the extent that they are legitimate. In case of any ambiguities or conflicts in the laws or regulations, we at MCL seek appropriate

expert internal and external professional advice before making decisions. The Chief Financial Officer (CFO) is responsible for handling taxes at our Board level, and they communicate with and advise the Board on the tax affairs and risks of our company. They are supported by a highly qualified and professional corporate tax team, including bankers, brokers, lawyers, external financial and tax advisors, escrow agent, consultants, and other relevant professionals. Any material tax risks, or disputes are reported to the Audit Committee for consideration.

Tax Strategy

Our vision is to be the future of sustainable mobility. We believe that paying our fair share of taxes and being transparent about tax contributions are essential to achieving this vision. We publicly report financial and tax information for each tax jurisdiction across geographies in compliance with the securities and taxation laws prevailing in each country of our operations. We also communicate our tax strategy to all relevant stakeholders, from the key persons making financial and commercial decisions to those involved in the routine tax processes/procedures. This ensures that the tax strategy is firmly embedded in our company culture.

The tax strategy is subject to continuous reviews to ensure that we are adhering to our strategic priorities and utilizing fair tax conduct as an enabler rather than an obligatory requirement. We are committed to building transparent and constructive relationships with tax authorities based on mutual trust. Therefore, we comply with all relevant legal disclosures¹ and approval requirements such as Sales Tax / Value Added Tax, Central Excise, Service Tax, Customs, Income tax, Goods & Services Tax (GST), Provident Fund Authorities etc. as per the prevailing tax laws. We also have relevant mechanisms in place for ethical conduct in tax affairs and avoiding tax havens.



Chapter 6

Ethical Business

Conducting business operations with ethics and integrity is the first among the five pillars of Spark Minda. At MCL, we strive to be economically successful and have made a clear commitment to act responsibly, abide by the law, and act morally. This includes avoiding anti-competitive behaviour, safeguarding customer data privacy, and engaging in honest and transparent marketing and labelling. Our commitment to conducting business ethically is supported by our Code of Conduct.

Material Topics Covered under this section

1. Economic Performance
2. Regulatory Compliance
3. Business Ethics
4. Anti-Competitive Behaviour
5. Marketing and Labelling
6. Respecting Privacy

6.1 Economic Performance

GRI 201-1, 201-4, 203-2

Economic performance is an important part of ethical business because it allows companies to invest in their employees, their communities, and the environment.

Our success is built on its strong financial performance, which allows it to meet its social, environmental, and economic obligations to the country and its stakeholders. We reinvest profits in its core business operations and market share growth, capitalizing on opportunities in the automotive components industry. We at Minda also provide transparency on its profit generation to keep its stakeholders informed. Our philosophy and holistic approach, which are evident in its financial performance, relationships with stakeholders, and environmental impact, are key factors in its ability to create long-term value. Also,

Economic Performance Highlights

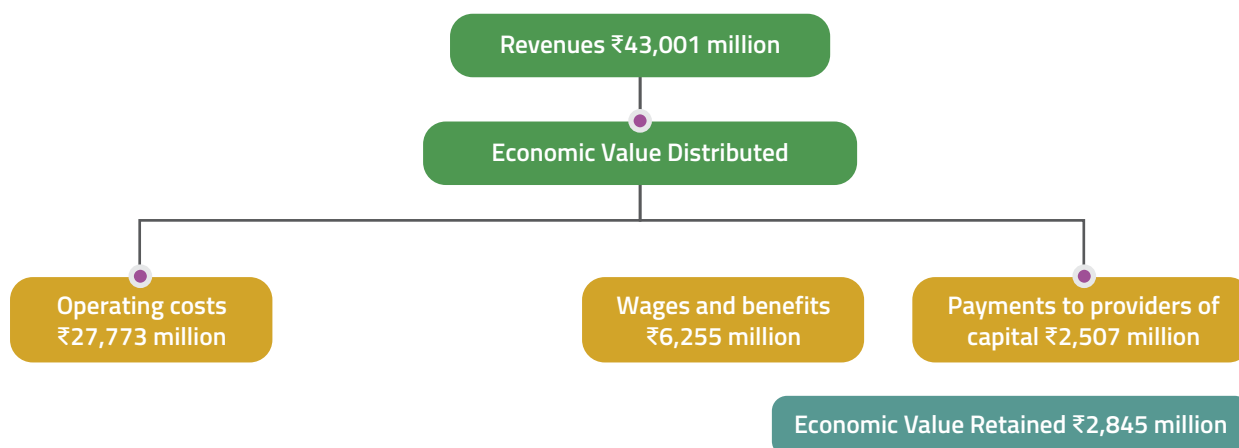


Figure 12: Economic Performance over FY 2022-2023

we have accrued the benefits of government approved Production Linked Incentives (PLI) scheme for automobile and auto-component industry in India.¹ In the reporting period, we reported a revenue of INR 43,000 million, and a net profit of INR 2845 million from ongoing operations.

6.2 Regulatory Compliance

GRI 2-27, 408, 409

We at Minda take compliance very seriously. As a publicly listed company, we are committed to adhering to all applicable laws and regulations in the countries where we operate. We also have an extensive internal control system to mitigate risks and ensure efficient operation. We are proud of our compliance record. We have not been penalized for any environmental or social non-compliance during the reporting period. We have also not received any complaints of child labour, forced labour, or discriminatory employment.

Our Board periodically reviews compliance reports and develops clear procedures for handling any instances of non-compliance. Throughout the year, our internal team assures stern adherence and legal compliance. Any pertinent observations are brought to the site's senior management's attention immediately, and any necessary remedial measures are taken. We periodically map out new laws, which enables us to easily switch to a new regulatory framework. To ensure continuous communication and conformity to recently enacted laws, several Board and general body meetings are held throughout the year.

We believe that compliance is essential for our success. It allows us to operate in a responsible and sustainable manner, and it builds trust with our stakeholders. We are committed to maintaining our strong compliance record and to continuing to improve our compliance efforts.

6.3 Business Ethics

At Minda, we aim to build trust with the public by being transparent and ethical in our business practices. We believe that a high level of transparency is essential to winning over stakeholders, and this includes incorporating ethical considerations into our overall business plan.

Our corporate governance framework respects the highest standards of competence and integrity. We are committed to ethical and open governance, and our company procedures and practices are designed to achieve excellence while addressing environmental, human rights, health, and safety concerns.

Our Board of Directors (BoD) brings a variety of experiences to the table. We expect our BoD to make

decisions that are in the best interest of the company and all its stakeholders while remaining completely impartial and independent. We believe that integrating ethics into business operations and the value chain is imperative. We require all members of our workforce to abide by a code of conduct from their first day on the job. The code of conduct covers a wide range of topics, and all employees are required to complete it once a year. We have a whistleblowing mechanism in place so that employees and directors can report any instances of fraud, violation, or unethical behaviour.

We have a strict policy against bribery. No one who represents MCL in commercial contacts, including our employees and workers, is allowed to receive, offer, pay, or authorize the payment of any bribes. We believe that bribery is a serious offense that undermines the integrity of our business and our industry.

6.4 Anti-Competitive Behaviour

GRI 206-1

We at MCL believe that following the rules of ethics and integrity is crucial to our business. It forms the basis for all our decision-making processes, and we are committed to complying with the Competition Act of 2002. We neither engage in nor encourage anti-competitive behaviour, and we have built-in procedures for handling stakeholder concerns about anti-competitive behaviour. During the reporting period, there were no cases related to anti-competitive behaviour.

6.5 Marketing and Labeling

GRI 417 – 1, 2, 3

At Minda, we value transparency in our communication with stakeholders. We strive to be open and honest about all aspects of our company, including our products and services. In line with the Legal Metrology Packaged Commodities Guideline, we clearly display all relevant product information on the product label. This includes the Maximum Retail Price (MRP) label with pricing, quantity, description, and date of manufacture. We believe that it is important for our customers to have access to accurate and up-to-date information about our products.

During the reporting period, zero non-compliance was reported concerning product and service information and/or labelling and marketing communications. This is a testament to our commitment to transparency and our dedication to providing our customers with the best possible experience. We are proud of our record of compliance and will continue to strive to be a company that is known for its transparency and honesty.

6.6 Respecting Privacy

GRI 418 - 1

As a company, we at MCL are constantly exposed to the risk of critical cyberattacks, which could potentially result in the loss of critical information. Such an event could have an adverse financial impact on the Company's overall business. Therefore, we are proactively strengthening our data and information security protocols to mitigate the risks posed by cyberattacks. All the critical information is backed at decentralized servers and cloud storage which

prevents the loss of any information or any unforeseen cyber security and data privacy threats.

To make this commitment more tangible, we have put in place a framework for cyber security and data privacy. <https://sparkminda.com/privacy-policy> framework for cyber security and data privacy.

Though there were no complaints received and no incidents of data leak reported with respect to data privacy and cyber security during the reporting period, the following corrective actions were taken or underway relating to cyber security and data privacy if they occur.

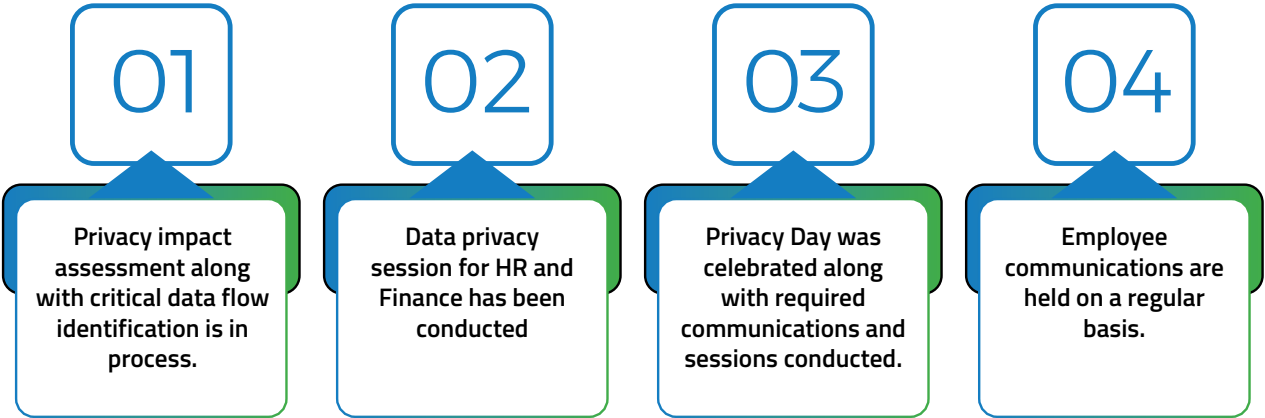


Figure 13: Data Privacy at MCL

Therefore, by ensuring that they are committed to economic performance, regulatory compliance, business ethics, anti-competitive behaviour, respecting privacy, and marketing and labelling, we at MCL can help to promote economic growth, create jobs, and contribute to a future that is greener and inclusive.



Chapter 7

Responsible Value Chains

Product, information, and financial flow are the three most crucial components of every organization, and a well-organized value chain enables their smooth movement. In recent years, stakeholders including customers, employees, investors, and governments have increased pressure on businesses to demonstrate responsible and sustainable value chains. The value chain helps to efficiently manage inventory and effectively communicate with stakeholders while providing businesses with access to raw materials, components, and services. Additionally, it is crucial to the automotive industry's efforts as it boosts cost reduction and optimization of manufacturing and distribution.

At Minda, we believe that integrating ESG principles into the value chain enables us to develop and implement a sustainable and responsible value creation strategy, resulting in products that are both high in quality and safety. We strive to be socially responsible and environmentally conscious throughout the product development process.

Material Topics Covered

1. Innovative Product and Lifecycle Management
2. Sustainable and Local Sourcing

7.1 Innovative Product and Lifecycle Management

We make every effort to apply sustainability across the lifecycle of our products and solutions. Our broad-based perspective, which includes a solid understanding of regulatory requirements, is supported by our reliable procedures for product development, best-in-class technologies, and skilled workforce. The following five practices strengthen our innovation in manufacturing and lifecycle management:

Innovative Product and Lifecycle Management Highlights

Key Performance Indicator	Performance
Percentage of R&D in specific technology to improve environment and social impacts of products and processes to total R&D	9.3% with ADAS for two-wheelers, rain light sensor, Rear seatbelt reminder and electric vehicle advance engineering, human capital cost
Percentage of Capex in specific technology to improve environment and social impacts of products and processes to total Capex	8.8% with Investments in Solar, Wastewater Management, Energy Efficiency etc.
Number of new patents filed	32
Technology partnerships	TLA with Daesung Eltec ADAS, LocoNav India
Achievements in Green Mobility	2-wheeler Demonstration Electric Vehicle (EV)

Technology Adoption

Being a top manufacturer of automotive components, it's critical that Minda Corporation Limited continue to adopt and use cutting-edge technology for our long-term growth and profitability. We are prepared for the future and well-positioned to handle the technological transformation brought on by rules, broad trends, and client desires. Being the system provider for our clients, we continually invest in new technologies like electronics, EV products, emission controls, and lightweight. For the reporting year, we have enhanced our four core business verticals in the following ways:

in our R&D practices. We have established internal R&D facilities for cutting-edge solutions. The Advanced Engineering Center for Electronics and Mechatronics, which is referred to as 'Spark Minda Technical Centre (SMIT)' has been established with a goal to evolve into a full-fledged advanced technology provider, that works with current players to create cutting-edge automotive subsystem technologies. We have 450 engineering experts to lead this technology hub.

Our passion for technology doesn't stop at adopting technologies, we also focus on technology licensing to keep us prepared for the future and the dynamic market

Enhancing the Core

Safety Security System: In India, only our business has the capacity to create the mechatronics and electronics required for smart keys. For smart keys, we hold more than 55 patents. We are the preferred supplier due to our dependability and quality. With a 100% RFQ victory for smart keys in India, we are expanding our market share.

Wiring Harness Division: By constructing cutting-edge tool room facilities in the components sector, we are attempting to implement backward integration. The reliance on other vendors decreased as the internal team continued to work on connector development. The company also produced Low Voltage Wiring Harness (WH) for EV commercial cars.

Die casting Division: We are quickly becoming a trusted source of turbocharger parts around the world. Our proficiency in each of the four casting technologies—HC, HPDC, GDC, and LPDC—has allowed us to produce high-quality die castings for a variety of uses. Only our company has a whole internal procedure for producing upper bracket and handle holder parts.

Instrument Cluster: We now have full access to the constantly growing market owing to the acquisition of Minda Stoneridge. It also gives us the freedom to work together in the future on innovative technology with other players.

condition. We license technologies from international vendors and have established technical alliances with strong regulatory backing as we believe they might be a breakthrough for regional suppliers. This has enabled us to increase the value that we offer to our clients. We currently have 4 technological partnerships with top players.

automotive industry. Our R&D team is working on several innovative new products, including electric vehicles, connected car technologies, and safety features.

Research and Development (R&D) Facilities

Our ability to uncover opportunities goes beyond market demand. To build mobility that has a lower environmental impact and improve on sustainable solutions that boost our overall production, we have been heavily investing

1. Product development: We are constantly developing new products to meet the dynamic needs of the

2. Process improvement: We are also investing in R&D to improve our manufacturing processes. The R&D team is working to develop new technologies to reduce waste, improve efficiency, and increase quality.
3. Sustainability: We are committed to sustainability, and our R&D team is working on several projects to develop more sustainable products and production processes. Our R&D team is working on developing various products and technologies that promote innovation and sustainable growth.

Through our continuous efforts, we were able to develop the following products and services with advanced technologies to enhance innovation as well as ensure the safety of our stakeholders.

Product/ Service	Description
Advance safety systems	Our engineering team is working to provide our customers in the Indian market with next-generation Advanced Driver Assistance Systems (ADAS) solutions for rear view cameras and park assist solutions, 1 and 4 channel Around View Monitoring system (AVM), Driver Monitoring Systems (DMS), occupant monitoring systems, NeoDAS, and other products, complying with future regulatory requirements.
Instrument clusters	Instrument clusters evolved from analog mechanical dials and gauges to fully digital clusters with sophisticated digital graphical renderings. Digital instrument clusters enable manufacturers to differentiate their products by providing customers with infinite options of bespoke styles, moods, themes, and even animation. Additionally, fully digital instrument clusters are now essential parts of consolidated cockpit domain controllers.
EV components	EV components such as DC-DC converters, battery chargers, and charge protection devices gained traction in response to the transition of traditional vehicles to Electric Vehicles (EVs), which has also piqued interest in developing cutting-edge products such as high-power DC-DC converters, on board and off board Battery Chargers.
Display systems in Commercial Vehicles	Secondary displays can be useful in Passenger Vehicles and even off-road vehicles for displaying information like GPS data, vehicle performance data, and camera feeds from multiple angles, which can help drivers navigate difficult terrain and avoid obstacles. At Spark Minda, we are working with major domestic and global Tractor OEMs to provide display systems in commercial vehicles.
Telematics Solutions	The increasing demand for Electric Vehicles, ubiquitous 4G connectivity, and favorable government policies and schemes related to design and manufacturing are fueling the demand for connected telematics devices for different mobility applications. Spark Minda, in collaboration with Loconav is providing telematics solutions to major Indian OEMs today and developing 5G telematics solutions in the future.
Key to keyless systems	Spark Minda is pioneer in indigenously designed and developed Keyless entry solutions for 2-wheeler. We are the only company in India to offer designed, developed and made in India solution for Keyless entry into a 2-wheeler vehicle. We, at Spark Minda are looking to further transform our offerings to the two-wheeler Smart PEPS market and offer secure encrypted key management, locking and unlocking vehicles.

New Products and Designs

To encourage the creation of innovative products, our Spark Minda Technical Centre (SMIT) in Pune is well-equipped with embedded software, an EMI/EMC lab, an anechoic chamber, and other cutting-edge equipment. To produce ground-breaking goods, we have a committed team of engineers working in each sector of competence. Our team is continuously working to identify the needs of the client and create products that offer exceptional value. To address future trends in electronics hardware, embedded software, mechatronics engineering, testing, HIL, SIL, EMI/ EMC, and CAE, we are utilizing our engineering capabilities. The following numbers are evidence of our passion for developing new products and design

- Wiring Harness and E&E Architecture: 50+
- Digital Clusters: 100+
- Power Electronics: 20+
- Vehicle Access solutions: 50+

Green Mobility

The National Electric Mobility Mission Plan (NEMMP), which kickstarted the Faster Adoption and Manufacturing

of Electric and Hybrid Vehicles (FAME) in India initiative, is driving the shift to electric vehicles (EVs), to align with the national target of achieving net-zero emissions economy by 2070. By integrating IoT technology into automotive systems to develop new applications and solutions, the automotive industry is working to make cars smarter and more intelligent, facilitating safe, effective, and comfortable driving.

We will be continuously making investments to understand our market dimension as well as the business, legal, and environmental compliances in which we are working. Thus, innovation is a way of life at Minda, and we are relentlessly focused on meeting customer and market expectations as well as the company's strategic growth goals.

7.2 Sustainable and Local Sourcing

GRI 2-6, 204-1, 308-1, 308-2, 414-1, 414-2

A crucial component of our operational success is applying sustainability in our sourcing practices. We believe that local sourcing is the best way to reduce our environmental impact, support the local economy, and improve the lives

of people in India. When we source our materials and components from local suppliers, it is putting money back into the local community. This can help to create jobs and boost economic growth. That why we are committed to sourcing our raw materials and components from sustainable sources. We work tirelessly to keep our sourcing and procurement as efficient as possible through careful inventory management and the purchase of quality raw materials.

We purchase goods and services from regional/ local vendors, including big, small, and medium-sized businesses, that adhere to our standards for Quality, Cost, Development, Delivery, and Services (QCDDS). Additionally, the Supplier Quality Assurance (SQA) team collaborates with suppliers to raise capacity and quality. In our supplier selection process, we try to take social, environmental, and ethical performance considerations into account. In addition, we have included provisions in our supplier contracts requiring compliance with laws governing environmental matters, pay, hours, and conditions of employment.

Sustainable and Local Sourcing Highlights

Local Sourcing

We at Minda are concentrating on procuring from regional vendors that are physically close to our production location. With the recent implementation of the FAME II regulation, OEMs in the EV market is required to prioritize local sourcing rather than importing the necessary components. Our sourcing strategy lays emphasis on localization and most of our sourcing is done within India. Through capacity planning and longer-term contracts, we are actively collaborating with our local major suppliers to minimize potential supply shortages. Local supply not only supports the local economy and creates jobs for the neighbourhood, but it also lowers our carbon impact. It also strengthens our dedication to the "Make in India" initiative.

Local sourcing is beneficial for us in several ways as it helps us to reduce our carbon footprint, supports the local economy and create more job opportunities. Additionally, local sourcing can also help to improve the quality of products, reduce lead times, and increase flexibility. We are well-positioned to take advantage of these benefits, as we have a strong presence in India and a long history of working with local suppliers. We purchase goods and services from regional/local vendors, including big, small, and medium-sized businesses, that adhere to our standards for Quality, Cost, Development, Delivery, and Services (QCDDS). Additionally, the Supplier Quality Assurance (SQA) team collaborates with suppliers to raise capacity and quality.

The table that follows demonstrates how heavily we relied on regional and small vendors for the reporting and the previous fiscal year.

Local and Regional Vendors

Key Performance Indicator	Unit	FY 2022- 23
Number of local (domestic) vendors	Nos.	719

We continue to make sure that our suppliers adopt more environmentally friendly practices and are compliant with all rules and regulations. Additionally, we work hard to keep good relations with all our partners throughout the value chain.

7.3 Sustainability in Supply Chains

GRI 2-6

Spark Minda is committed to sustainable supply chain management. We are committed to sustainable supply chain management and are working towards reducing our environmental impact and improve the social and economic conditions of our suppliers. A well-functioning supply chain ensures that products, information, and finances flow smoothly throughout a business. It will also help us to be more responsive to customer requests, improve inventory management, and enhance communication between teams. The automotive industry relies heavily on the supply chain to optimize manufacturing and distribution, and to minimize costs. Over the reporting period, we streamlined our supplier base by consolidating procurement from vendors offering a wide range of raw materials. This strategic move enabled us to minimize transportation requirements for shipping materials to our operations, intending to reduce our carbon footprint.

Efficient control process

We at Minda Corporation Limited are committed to adopt the industry best practices to ensure efficient control processes within our supply chain. One of the key factors contributing to this efficiency is the on-time flow of information. We emphasize the importance of timely communication throughout the supply chain to facilitate effective planning, tracking, and execution of operations. To ensure high-quality child parts, Spark Minda employs a double-check approach. This includes both incoming inspection and process inspection to maintain strict quality standards. The company's Supplier Quality Assurance (SQA) team leads these initiatives by conducting periodic checks, reviews, and audits. We have also adopted a

Zero-defect initiative at suppliers' location which has been uniquely designed and is under implementation to improve quality, delivery, and response.

An efficient control process is essential for us to achieve our goals and objectives of sustainability in supply chain. And by setting clear and measurable standards, measuring its performance, and taking corrective action, we can improve our efficiency, productivity, profitability, quality, and customer satisfaction which are very important for the success of our business.

Inventory management

Our inventory management is a crucial aspect of our supply chain operations, with the Production Planning and Control (PPC) team leading the way. Supported by the Supply Chain Management (SCM) team, we strive to optimize our inventory management practices and achieve higher efficiency. Our PPC team takes on the responsibility of effectively planning and controlling inventory levels to ensure smooth production and timely delivery of products. We employ industry best practices and advanced techniques to forecast demand, monitor stock levels, and coordinate with suppliers to maintain optimal inventory levels.

Sustainable inventory management is essential for us to achieve its environmental and efficiency goals. By taking steps to reduce its environmental impact and improve our efficiency, we can reduce our expenditure and improve customer satisfaction.

Helping Suppliers in Transition

Suppliers are a strategic and essential part of our supply chain. Therefore, we at Minda Corporation Limited have developed a supplier code of conduct to ensure that our suppliers meet their highest standards. We work with suppliers who share our values and culture of integrity and transparency and hence as per our supplier code of conduct we screen our suppliers on various parameters related to environmental and social aspects. These include assessing suppliers based on a scoring mechanism on evaluation criteria including but not limited to having a clearly defined organizational structure, attaining formal certifications, provision of training to employees on ISO 14001, OHSAS 18001, Greening approach, etc., formal grievance redressal mechanism with suppliers, awareness level on safety and environmental issues, monitoring levels of noise pollution, adherence of legislative requirements such as water, air, hazardous waste consent, factory loss, etc., awareness and implementation of water balance diagram, installation and understanding of ETP & it's working.

Digitalization

At Minda Corporation Limited, digitalization has emerged as the latest trend in the field of supply chain management, we are actively embracing this transformative approach. Recognizing the potential for enhanced efficiency and streamlined operations, we have significantly increased the utilization of ERP systems within our supply chain. This shift has enabled us to achieve higher levels of efficiency and productivity by automating various activities through the ERP platform.



Chapter 8

Sustainable Operations

Minda Corporation Limited is committed towards creating innovative solutions that allow people to move freely without harming the planet, with the belief that mobility is a fundamental human value. We seek to incorporate sustainability into all aspects of our business, which also encompasses reducing the environmental impact of our entire value chain system. Our goal is to reach carbon neutrality in a manner that promotes well-being, inclusivity, and environmental sustainability. We believe that sustainability is key to a brighter future, and therefore, we are focused on developing eco-friendly products. Beyond compliance, we make sure that our organization is ecologically responsible and contributes to a circular economy ecosystem. Sustainability is at the core of our business operations, and we prioritize it in our management by judiciously managing the following areas:

Material Topics Covered

1. Handling our Materials
2. Energy Efficiency
3. Controlling GHG and Air Emission
4. Managing Water and Effluents
5. Waste Reduction and Circularity

8.1 Handling Our Materials

GRI 301-1, 3

We at Minda are determined on incorporating innovation, safety, and sustainability into the design, procurement, and manufacturing processes, as well as adding economic value and a sense of ownership during the use phase. Throughout our value chain, we engage with

our stakeholders to ensure that our products continue to benefit human and environmental health, even after they reached their end of useful life. We pledge to reduce our material usage, specifically virgin materials, while simultaneously improving the quality and performance of our products and to prefer raw materials that can be recycled or are recyclable, whenever possible. The raw materials we use to manufacture our products not only provide comfort and safety to our customers, but also help the environment by using less energy and producing fewer emissions.

Material Management Highlights

We continuously work to lower the volume of virgin raw materials and packaging materials we use at our plants. The following tables summarize the overall raw material and packaging material usage data for the reporting and previous fiscal year.

Vertical 1 produces the highest number of products ranging from Lock Set, Seat Lock Assembly to Master Cylinder and Latch while Vertical 2 produces the second highest amount with products like wiring harness and Sensors. Vertical 3 contributes to the production of switches, handles and compressor housing.



Production Highlights



*28 Plants

Packaging Material Consumption

The table below shows the various packaging materials used in our operations. Some packaging materials we use are further reclaimed from our clients and brought back to our plants for reuse.

S. No	Packaging Material	Unit	FY 2022 - 23**
1	Corrugated Boxes	Nos. - Million	9.27
2	Air Bubble Sheet/Bag	Nos. - million	12.40
3	Polybag	MT	313
4	Pallets	Nos.	12,150

Note: The coverage for raw materials increased from *9 plants in FY 2021-23 to **27 plants and 5 offices in FY 2022-23.

Raw Material Consumption

S. No	Total Raw Material	Unit	FY 2022 – 23**
1	PCB	Nos. – in Million	8.1
2	Springs and Fasters	Nos - In Million	421.2
3	Plastic Granule	MT	3,060
4	Zamak-3 & 5	MT	4,117
5	Aluminum Alloy	MT	9,711
6	Terminals	Nos - In Million	1,118.8
7	Connectors	Nos – in Million	195.7
8	Rubber – Wire Seal	Nos. – in Million	316.4
9	Copper Wire	Mtr - In Million	621.14
10	Tape	Mtr - In Million	240.25

*Note: The coverage for raw materials increased from *9 plants in FY 2021-22 to **27 plants in FY 2022-23. Additionally, MCL collated data for 3 new raw material categories- PCBs, Connectors, and Rubber-Wire Seals.*

8.2 Energy Efficiency

GRI 302-1, 3, 4

The unrestrained consumption of energy, coupled with the rising demand for it, exerts significant pressure on the planet's ecosystem. We at MCL are aware of the challenges in our business to meet societal needs in a responsible manner while also dealing with rising energy prices, varying supply chain models, and stricter environmental regulations. Our energy management strategy is organized, systematic and comprehensive. We carefully deal with the purchase, conversion, distribution, and usage of energy to meet our requirements while also considering the financial and environmental impacts. In this regard, our major areas of focus are energy conservation and energy efficiency improvements.

place, including diesel generators and solar energy. Our production processes also require a stable fuel source for which we utilize Liquified Petroleum Gas (LPG), Natural Gas and Diesel.

Energy Management Highlights

Key Performance Indicators	Performance
Energy consumption	3,16, 174.67 GJ
Energy intensity (GJ / INR million)	36,553.87 GJ

Energy Consumption

GRI 302-1

For the smooth operation of our business, we majorly source our electricity from the grid.

From renewable sources	FY 2022-23 (GJ)
Total electricity consumption (A)	36,553.87
Total fuel consumption (B)	0
Energy consumption through other sources (C)	0
Total energy consumed from renewable sources (A+B+C)	36,553.87
From non-renewable sources	
Total electricity consumption (D)	1,55,003.75
Total fuel consumption (E)	1,24,617.04
Energy consumption through other sources (F)	0
Total energy consumed from non- renewable sources (D+E+F)	2,79,620.79
A Total energy consumed (A+B+C+D+E+F)	3,16,174.67

Energy Intensity

GRI 302-3

Minda Corporation Limited is committed to reducing its environmental impact, and energy intensity is a key area of focus to this commitment. Energy intensity is a measure of how much energy a company uses to produce a unit of output.

Energy Intensity		
Total Energy Consumption (GJ)	Total Revenue (INR Million)	Energy Intensity (GJ/Million INR)
3,16, 174.67	43,001	9.05*10 ⁻⁶

At Minda Corporation Limited one of our key priorities are conserving energy and implementing energy-efficient technologies. We believe that energy-related initiatives can directly improve the economy and the environment. MCL is focused on adopting energy conservation practices and integrating energy-efficient systems throughout the industrial value chain which ensures significant cost savings, increased productivity, and a safe working environment. We aim to reduce energy usage and greenhouse gas emissions by improving energy efficiency using cutting-edge technologies.

Energy Saving Initiatives

Use of VFD & VSD operated air compressor

Problem: Air compressors are a major source of energy consumption industries. A fixed speed rotary screw air compressor always operates at the same RPM, regardless of change in demand, which lead to high energy consumption, especially when demand is low.

Solution: MCL decided to install Variable Frequency Drives (VFDs) & Variable Speed Drives (VSDs) on its compressors. VFDs & VSDs are devices that can control the speed of an electric motor, and they can be used to save energy by matching the speed of the compressor to the demand for air. These are helpful in applications where the demand for air varies widely, such as in an automobile parts manufacturing plant.

Initiatives	
Main LT voltage controlling	Fix type compressor replace with VSD Air compressor
VFD installed in place of induction motor	KVR reduction
Energy saving through timer installation	Servo compressor VFD
Replacement of CFL to LED lighting	Moulding M/c Insulation jacket
Minimization of air leakage	A/C controller Installed
Motion sensor for light (washroom, office cabins, meeting rooms)	Introduce energy eff tower MF
Auto timer for shop floor lighting	Introduce Fuel Catalyst
Machine stop timer in idle condition	Energy Saving/Conservation

* Data considered for 34 plants and offices

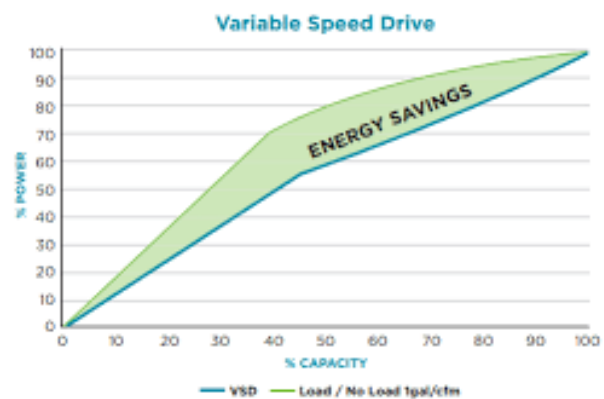
Impact: MCL observed a notable reduction in energy consumption by adjusting the compressor speed to match demand and energy wastage during periods of low demand was eliminated. The ability to adjust compressor



Problem: Air compressors are a major source of energy consumption industries. A fixed speed rotary screw air compressor always operates at the same RPM, regardless of change in demand, which lead to high energy consumption, especially when demand is low.

Solution: MCL decided to install Variable Frequency Drives (VFDs) & Variable Speed Drives (VSDs) on its compressors. VFDs & VSDs are devices that can control the speed of an electric motor, and they can be used to save energy by matching the speed of the compressor to the demand for air. These are helpful in applications where the demand for air varies widely, such as in an automobile parts manufacturing plant.

Impact: MCL observed a notable reduction in energy consumption by adjusting the compressor speed to match demand and energy wastage during periods of low demand was eliminated. The ability to adjust compressor speed based on demand fluctuations improved the plant's operational flexibility. It also reduced wear and tear on compressors, increasing their lifespan. Also, the reduction in energy consumption led to substantial decrease in energy bills, resulting in cost savings.



Use of LED and Motion Sensors to control switching of Lights

Problem: Plants and offices are a major source of energy consumption, with lighting accounting for a significant portion of that consumption. The primary issue is the excessive energy consumption resulting from lights remaining on in unoccupied areas. This not only increases the electricity bills but also contributes to unnecessary carbon emissions.



Solution: MCL decided to replace traditional fluorescent lights with energy-efficient LED fixtures and install motion sensors to control their activation and deactivation. Motion sensors can detect when people are in a room and turn on the lights, and they can turn off the lights when people leave the room. This can help to ensure that lights are only on when they are needed, which can lead to significant energy savings.

Impact: Energy consumption for lighting reduced significantly, resulting in cost savings on electricity bills. The reduced energy usage translated to lower carbon emissions. The consistent and high-quality illumination from LED lights contributed to a more comfortable and productive work environment.

Use of Catalytic Converter in PNG line



Problem: PNG is a clean-burning fuel that produces fewer emissions than other fossil fuels, such as coal and oil. However, PNG can still contain harmful pollutants, such as Volatile Organic Compounds (VOCs), Nitrogen Oxides (NOx) and Sulfur Oxides (SOx)

Energy Saving Initiative

Solarization

To supplement the 2030 energy capacity of 500 GW in India, we have initiated the transition from energy systems based on fossil fuels to those based on renewable energy and adoption of non-fossil fuels too.



In addition to meet Panchamrit goal of 2030, to meet the energy requirement by 50% through renewable sources. MCL is systematically pursuing the generation of renewable energy across the Group. MCL's renewable energy capacity has increased with solar power generation accounting for 8024.78 GJ, to diversify its "clean energy" portfolio and lessen the threat of "climate change".

Solution: Catalytic converters can be used to reduce the emissions caused by converting the pollutants into harmless substances, such as water and carbon dioxide. Fuel Catalyst reformulates gasoline, diesel, fuel oil, propane and natural gas causing the reformulated fuels to produce more energy during combustion than these fuels otherwise would.

Impact:: Catalytic converter promote the oxidation of VOCs, SOx and NOx into less harmful compounds, reducing overall emissions. The reduction in pollutants not only improved environmental performance but also optimized the combustion efficiency, saving upto 7-10 % of fuel by using the catalytic converter in gas line before the burner.

8.3 Controlling GHG and Air Emission

GHG Emissions

At Minda, we recognize the urgent need to address climate change and reduce greenhouse gas emissions. As a leading automotive component manufacturing company, we understand the significant impact our operations can have on the environment. Our aim is to lower Greenhouse Gas Emissions (GHG) emissions, so it is crucial that we measure our emissions to gauge our progress towards that goal. To achieve the same, we have undertaken GHG emission studies at our plants and supporting facilities to create an emissions inventory and identify opportunities for the reduction of emissions. Last year we calculated Scope 1 and 2 emissions and keeping that as a benchmark, we compare this year's Scope 1 and 2 emissions. This is the first time we are measuring Scope 3 emissions and moving forward we intend to measure all GHG emissions.

Key Performance Indicators	Unit	Performance
Direct (Scope 1) GHG emissions	tCO2e	18,243.85
Indirect (Scope 2) GHG emissions	tCO2e	39,577.21
GHG emissions intensity	tCO2e/INR million	1.34
Reduction of GHG emissions	tCO2e	8,092.59

Scope 1 Emission

GRI 305-1

Minda Corporation Limited is committed to reducing its Greenhouse Gas (GHG) emissions and mitigating the effects of climate change. As part of this commitment, we report on our Scope 1 emissions, which are direct emissions from owned or controlled sources. These emissions include those from on-site energy consumption, such as natural gas and fuel, as well as emissions from fleet

vehicles. Scope 1 emissions represent a significant portion of our overall GHG emissions profile. We believe that reducing our Scope 1 emissions is an important part of our sustainability strategy and by reducing our emissions, we are helping to protect the environment and mitigate the effects of climate change.

S. No	Type of Emission	Tons of CO ₂ eq.
1	DG Sets	1,765.22
2	PNG	6211.38
3	LPG	57.27
4	Coal	296.66
5	Refrigerants	9,619.5
6	CO ₂ type fire extinguisher	1.69
7	Diesel Vehicles	76.18
8	Petrol Vehicles	26.50
9	Diesel used in Processes	189.43
Total		18243.85

**Data considered for 34 plants and offices*

Vertical 1 emits the highest amount of GHG from Scope 1 emissions as it consumes the highest amount of energy for production.

Scope 2 Emission

GRI 305-2, 4

Scope 2 emissions are those generated from the consumption of purchased or acquired electricity, steam, heat, and cooling. These emissions are indirect, but they can be significant, as they account for approximately 78.65% of Spark Minda's overall greenhouse gas (GHG) emissions. Our Scope 2 emissions are primarily because of the use of electricity in its manufacturing operations.

S. No	Type of Emission	tons of CO ₂ eq.
1	Emissions due to purchased electricity	39,577.21

Vertical 1 contribute the most towards Scope 2 emissions as their energy usage from purchased electricity is the highest. Vertical 2 and Vertical 3 come in second and third respectively.

Emission Intensity*		
Scope 1 and 2 Emissions (tCO ₂ e)	Total Revenue - FY 23 (INR Million)	Emissions Intensity (tCO ₂ e / INR million of Turnover)
57,821.05	43,001	1.34

Initiatives to reduce GHG emissions

GRI 305-5

To minimize our carbon footprint and the risks it poses, we at Minda Corporation Limited regularly plan to assess, manage, and mitigate emissions by making significant changes to our processes and implementing new technology. We have developed a comprehensive strategy for reducing our carbon emissions. At our facilities, we are always looking for ways to save energy, and we replace old, carbon-emitting equipment with more energy-efficient models. We have implemented various energy-saving techniques at our facilities, such as installing automatic timers for fans and lights and replacing tube lights with UFO LED lighting. Through our tree planting initiative, we continue to plant more trees to remove carbon from the environment. We have dedicated Standard Operating Procedures (SOPs) for our tree planting initiative to increase the number of local trees.

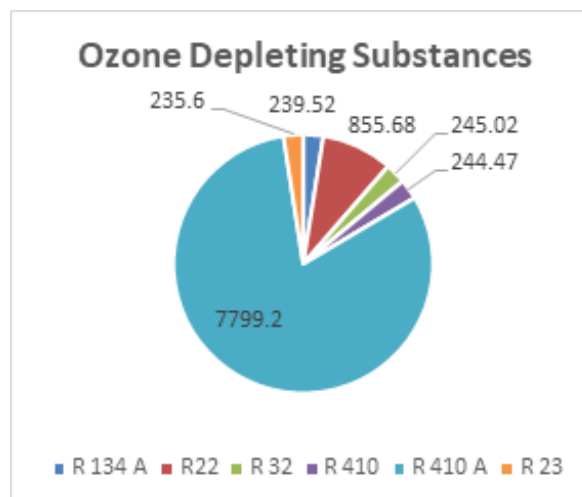
Emissions of Ozone Depleting Substances (ODS)

GRI 305-6

Spark Minda is committed to protecting the ozone layer and reducing its greenhouse gas (GHG) emissions. Ozone-depleting substances (ODS) are chemicals that can destroy the ozone layer, which protects the Earth from harmful ultraviolet radiation.

Ozone depleting substances (ODS) consumption	Emissions (tCO ₂ e)
R 134A	239.5215
R 22	855.68357
R 32	245.0238
R 410	244.4787
R 410A	7799.20
R23	235.6
Total	9619.50

Ozone depleting substances (ODS) Emissions at MCL



Air Emission Management

GRI 305-7

Good air quality is essential for high quality of life which leads to increased productivity and a strong economy. While our manufacturing facilities generate air pollutants like NO_x, SO_x and particulate matter, we are focused on following all applicable laws and regulations to keep our emissions within acceptable levels.

8.4 Managing Water and Effluents

GRI 303- 1,2

Water scarcity and the ever-increasing water demand are two major challenges faced by communities worldwide. Water, being a key natural resource, is essential for the smooth operations of all our manufacturing as well as assembly units. At Minda, we are committed to developing sustainable and responsible water management strategies to manage the business and help in addressing the global water crisis. We recognize the critical importance of water as a shared and precious resource and are committed to minimizing the impact of our operations on local water resources through sustainable practices and effective water management.

Water Management Highlights

Key Performance Indicators	Performance
Water Withdrawal	4,63,862 KL
Water Consumption	4,63,169 KL
Water Recycled	99,529.71 KL

We are devoted to effective water management and take several factors into considerations, including the quality of the water returned to the environment and the security of the water supply. Our aim is to maximize water recycling at our operations and minimize the wastage of water at our manufacturing plants. We have resolved to use water efficiently and have been mindful to control our water usage within regional permit limitations. In times like these of water crisis where communities are facing water insecurity, we are putting our efforts towards converting our wastewater into a resource. We at MCL have pledged to increase the use of recycled water in our operations in order to reduce our reliance on fresh water. We have been working to increase our capacity to harvest rainwater to reduce our reliance on external sources of water. To attain this goal, we have installed water recharge infrastructure, such as rainwater harvesting pits, at several locations.

All our facilities have implemented water recycling, and each one has its own Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) as part of our forward-thinking design. Instead of using tap water for domestic purposes such as cleaning toilets and gardening, we use recycled water from our STP/ETP facilities. This helps us in conserving water and reduce our water footprint.

In order to understand our water related challenges, we review the water impacts, risks and opportunities at all our sites in order to optimize it. The information on water withdrawal, water consumption, water discharge, and water reuse for the reporting year is shown in the table below.

8.5 Waste Reduction and Circularity

GRI 306- 1, 2

At Minda, we recognize the importance of responsible waste management as an integral part of our commitment to sustainability. As an automotive component manufacturing company, we understand that our operations can have a significant impact on the environment. We are moving towards following the principles of circular economy and resource efficiency, and this strategic focus is integrated into all aspects of our operations and business processes at our production facilities. Each production facility has a designated team responsible for categorizing, sorting, and disposing of waste in an environmentally responsible manner.

Management of significant waste-related impacts

At Minda, we understand the impacts of the waste we generate being an automotive component manufacturing company. We do our best to mitigate the impacts by ensuring that the waste generated is segregated and disposed of properly. We also recycle most of our e-waste and battery waste and try to use the product as input in our manufacturing to reduce the stress on the environment.

For the current fiscal year, the below table depicts our waste management performance for hazardous and non-hazardous waste.

Waste Management Highlights

Key Performance Indicator	Total Waste Generated & Diverted from Disposal (Metric Tons – MT)
Waste generated	104,141.02
Waste diverted from disposal	364.9 MT
More than 30% of our waste generated is diverted from disposal through authorized means of recycling and reclamation methods.	

GRI 306-4, 5

Waste Management Performance

We have consistently made efforts to lower our waste generation through process innovations, and we are committed to reducing our waste and increasing recycling and reuse. With the long-term goal of reducing our environmental footprint, we continually explore innovative ways to optimize our manufacturing processes, ensuring minimal material waste during production.

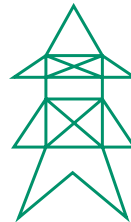
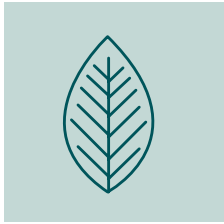
Bag Project

Problem: In response to growing concern over plastic pollution and its impact on the environment, many industries are taking proactive steps to adopt more sustainable practices. MCL identified packaging as a significant area where changes could be made to minimize plastic pollution.



Solution: MCL undertook a comprehensive evaluation of its packaging practices and identified cloth bags as a more sustainable alternative to plastic. Cloth bags are reusable and have a longer lifespan, reducing the need for frequent replacements.

Impact: As a result, there will be a significant reduction of the company's carbon footprint, with each kilogram of plastic replaced by cloth resulting in a reduction of approximately 3.5 kg of CO₂e. This reduction is equivalent to driving approximately 16 kilometers in a car. Furthermore, the decision to reuse cloth bags for dispatching locks for various products, emphasizes the importance of extending the lifespan of packaging materials to minimize waste generation. Beyond its environmental implications, the initiative also carries significant social value. By introducing the bag project for Aakarshan Skill Development Cutting and Tailoring students, we not only promote sustainable practices but also creates employment opportunities. Involving 42 females from marginalized communities in Pant Nagar in this project underscores reflects our commitment to fostering inclusivity and community development.



Chapter 9

Care for People

We at MCL trust our culture and people to be our greatest assets. We are a diverse and talented team with a shared passion for innovation. We are committed to delivering innovative and competitive solutions to our clients, while also adding value to all stakeholders. We believe that a happy and productive workforce is essential to our success. We create a work environment that promotes individual satisfaction and progress, while also supporting the company's overall success. We are committed to the wellbeing of our employees and the larger society. We focus on occupational health and safety, diversity and equal opportunity, labour management and relations, human rights, and training and education. We believe that long-term value creation and preservation is only possible if we operate in a sustainable way. We are committed to ESG practices that benefit our employees, our clients, and the communities in which we operate.

Material Topics Covered

1. Employee Management & Labour Relations
2. Diversity and Equal Opportunity

3. Occupational Health & Safety
4. Human Rights
5. Upskilling our Employees and Value Chains

9.1 Employee Management & Labour Relations

GRI 401, 402

We at MCL uphold the principles of equality and non-discrimination in all aspects of our operations. We are guided by Article 15 of the Indian Constitution, which prohibits discrimination based on religion, race, caste, gender, or place of birth. This commitment is reflected in our employment practices, where we provide equal opportunity to all eligible candidates, regardless of their background. This is also a testament to their positive work culture, which is conducive to fostering growth and development.

GRI 2-7

Total employees per employee category by age and gender

Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		Number (B)	% (B/A)	Number (C)	% (C/A)
	Employees				
Permanent (D)	1570	1432	91%	160	8.7%
Other than permanent (E)	101	79	78%	22	22%
Total (D+E)	1,671	1,511	90.4%	182	10.8%

Particulars	Total (A)	Male		Female	
	Workers				
Permanent (F)	1385	1277	90.2%	108	7.7%
Other than permanent	14291	9900	69.2%	4391	30.7%
Total	15,676	11,177	71.3%	4,499	28.6%

GRI 2-8

The number of total employees in the table and graphs above are with the break-up of the total workforce by age, gender, and region. This does not include the workers. The contractual workers at all the factories & units add up to 18,028 in the reporting period FY 2022-23.

GRI 201-3, 401-2, 401-3

We ensure that all our employees and workers are treated with dignity and respect. We know that a major segment of our workforce is workers, so we make a point to go the extra mile to serve them justly. We make sure that no human rights violations occur in their lines of operations and that equity is maintained. We provide all our workers with the same benefits as those provided to our management employees, such as providing with parental leave to support them with childcare to meet their individual circumstances, daycare facilities, health insurance & accidental insurance for them and their families. We provide retirement assistance to 100% of our workers and employees (wherever applicable as per law) with measures like gratuity, Provident Fund, and ESI benefits like pension for the employee as well as their family. We also engage all our workers in employee engagement programs to bring alive the company spirit throughout all working categories and make everyone feel included. We assist our staff in balancing their professional and personal lives.

GRI 402-1

Our management takes the views of workers into account when making specific decisions. According to the Industrial Disputes Act, of 1947, all levels of management have a notice period of three months, which is reduced to one month during the probation

period (if applicable). Associate employees have a notice period of one month, with a 15-day notice period during probation (if applicable).

9.2 Diversity and Equal Opportunity

GRI 2-21, 405 - 1, 2

GRI 2-21, 405 - 1, 2

We at MCL are committed to diversity and inclusion. We believe that a diverse workforce is a stronger workforce and are working to create a workplace where everyone feels welcome and valued. We have a policy of zero tolerance towards any form of discrimination or harassment and are committed to providing a safe and positive workplace for all our employees. We also celebrate International Women's Day to showcase our supportive workplace environment which promotes gender equality and appreciates our women employees for their hard work and breaking stereotypes regarding women working at manufacturing-intensive industries.

However, we understand that we still have a long way to go. We will strive to increase the diverse leadership representation. We are also working to address the issue of low female talent retention. We are confident that we can achieve our goals and are committed to creating a workplace where everyone feels welcome and valued, regardless of their gender.

We are committed to ensuring that all our employees are paid fairly, regardless of their gender. We have adopted



uniform standards to ensure that our pay structure is fair and equitable. Our pay structure is based on performance and responsibility, and it includes both a basic income and pay-for-performance components. We also adjust their pay structure based on ongoing benchmarking to ensure that it remains competitive. We are also committed to being open and honest with our employees about the general framework of their compensation. The salary is determined by the employee's merit, function, and experience. We at MCL are committed to ensuring that all our employees are paid fairly, and we are taking steps to make sure that our pay structure is fair and equitable.

9.3 Occupational Health and Safety

Occupational health and safety (OHS) management systems are a way of organizing and managing OHS in an organization. They are based on the idea that OHS should be integrated into all aspects of the business, not just seen as a separate issue. OHS management systems typically follow a "plan-do-check-act" cycle. This means that the organization plans what it needs to do to manage OHS, does it, checks to see if it is working, and then acts to improve it. A systems-based approach to OHS management is more effective than an approach that treats hazard identification, risk assessment, and incident investigation as separate activities. This is because a systems-based approach looks at the whole system, not just individual parts. This helps the organization to identify and address deficiencies in its overall management of OHS. By focusing on system deficiencies, an organization can ensure continual improvement in its OHS performance. This can lead to a safer and healthier workplace for everyone.

GRI 403-1

We at MCL show our efforts towards the safety and

wellbeing of our workforce by walking the walk when it comes to health and safety. We are not only committed to upholding these principles in our own equitable world for all by enforcing the same in our value chains as well. We believe that by creating a healthy and safe workplace, we can help our employees thrive and reach their full potential. We also believe that by working towards improving our OHS management system, we can help to prevent accidents and injuries, and make the world a safer place for everyone.

GRI 403-2

We are a company that takes its responsibility as a manufacturing facility very seriously. We understand our duty to keep our employees and workers safe. As part of our commitment to safety, we conduct regular checks & studies. These studies help us to identify potential risks and hazards in our operations so that we can take steps to mitigate them. We also have a comprehensive occupational health and safety management system in place. This system includes regular maintenance of equipment and machines, mandatory checklists to identify faults, 360-degree protection on machines, and permits for all high-risk works. The entire group of MCL is mapped in an excel with advanced monitoring sheet. There is a scoring criterion, and each plant is given an action sheet. The plants conduct an audit. All our Safety Security Division (SSD) facilities adhere to international safety standards and are certified under ISO 45001.

GRI 403-3

We have established Occupational Health Centers at all our plants. These centers are designed to identify risks and create effective recourse in case of any incidents. The centers are staffed with qualified medical professionals who are trained to assess and treat work-related injuries and illnesses. They also provide preventive care, such as vaccinations and health screenings. In addition to providing medical



care, the centers also offer training to employees and workers on the potential hazards of the equipment and workplace measures that pose a threat. This training helps to keep employees and workers safe and healthy. The centers have been very successful in preventing work-related injuries and illnesses.

GRI 403-4

We at MCL are focused at creating a safe and inclusive workplace for its employees and workers. The best way to do this is to involve them in the process of identifying and assessing risks. Workers and employees at our operations participate in meetings to discuss risks and assessments. They also contribute to the OHS management system through their inputs and consultations with the organizational Safety Committee deployed at each plant. These consultations create effective dialogue and an inclusive workplace and OHS management system. All workers are represented by these plant level committees and can voice their grievances, or inputs on the decision-making procedures at the plants. This ensures that everyone's voice is heard and that the company is taking steps to address their concerns. In addition to these meetings, we also ensure deterrents and protective measures before our workers and employees enter the plants' premises every morning and evening. This includes checking for ID cards, conducting security checks, and requiring workers to wear personal protective equipment. These measures help to ensure that the workplace is safe for everyone.

GRI 403-5

We at MCL provide training to our employees, including contractual workers. In the reporting period about 82.50% of contractual employees received training on specific work-related hazardous activities, incidents etc.

GRI 403-6

We are creating a healthy and safe working environment for our employees and workers. We have set up Occupational Health Centers in all our plants. These centers are staffed with qualified doctors who provide occupational and non-occupational health checks, as well as regular analyses to monitor the impacts of the environment on an employee or worker's health and safety. We practice a strict Standard Operating Procedure to ensure that the risks that are directly linked to our operations, such as manufacturing fumes, etc. are effectively mitigated. Plants especially in the first vertical have a relatively higher chance of employees and workers encountering work hazards around blast furnace, getting into accidents around STP and ETP vicinities and contact with hazardous substances. To ensure safety and mitigation practices, we conduct regular mock drills for first-aid, precautionary measures, reactions, and responses, among others. These drills help to prepare employees and workers for the unexpected and ensure that they know how to respond in the event of an emergency.

GRI 403-7

We also engage in open communication with their employees and business partners to identify and address potential risks in a timely manner. We at MCL believe that prevention and precaution are key to safety, and we strive to identify and eliminate potential hazards before they can cause harm. We have taken a proactive approach to occupational health and safety, which involves continuously monitoring and improving health and safety performance by regularly reviewing our policies and procedures to ensure they remain up-to-date and effective.

GRI 403-8

We have implemented an occupational health and safety management system (OHSMS) that covers all workers in our organization. This system is designed to identify and assess potential occupational health and safety hazards in the workplace and take necessary measures to eliminate or



CASE STUDY: Tie up with Dr. Lal Path Labs, is an initiative by Spark Minda, which exhibits an employee centric environment promoting health and well being

Observations: With increasing health issues in day to day life, getting oneself diagnosed in a reliable and trustworthy medical center is not easy. Getting appointments on time and discounts is a big time challenge these days

Approach- Minda's response to the problem: At PAN India, we have tied up with Dr. Lal Path Labs, which has a wide network of diagnostic centers. It provides discounted diagnosis facility to our employees and their families. Also, on availing this facility our employees are treated as a priority wherein samples can be easily collected from employees residence

Overall Impact

- To motivate employees to take care of their own and their loved one's health and well being
- To ensure seamless sample collection process
- To reduce burden on employee's pocket

control them. The OHSMS covers all the workers, including permanent employees, temporary workers, contractors, and subcontractors. The MCL Health and Safety committee identifies hazards consistently on a routine and non-routine basis. Basis the hazards identified, if at all, MCL ensures that mitigation actions are undertaken to combat the identified risks and hazards. This ensures that all workers are protected in the workplace, regardless of their employment status. The OHSMS is an essential element of sustainable development we enforce at MCL. We believe that a safe workplace not only benefits its employees, but also helps to improve the quality of its products and services. We encourage all workers to report any occupational health and safety concerns or hazards they encounter in the workplace to the OHSMS team. All reported incidents are investigated, and necessary measures are taken to prevent their recurrence in the future. We are continuously improving the OHSMS to protect our workers' health and safety. The cases of work-related injuries or ill-healthy reported in FY 2022-23 are as follows:

9.4 Human Rights

GRI 406, 407, 408, 409, 410, 411

We at MCL take our commitment to human rights with utmost importance and have a long history of following the laws of the countries in which we operate. Our Human Rights Policy includes free expression and privacy, corruption prevention, Labour standards, and environmentally In the sustainable practices. We values diversity and consider a variety of factors, including but not limited to gender, race, and ethnicity, when selecting board members. We believe that a diverse board is essential for making sound decisions and ensuring that the company is responsive to the needs of all stakeholders.

In the reporting period, no cases of discrimination based on race, ethnicity, or social status especially rights of indigenous people etc. or child, forced or compulsory labour was reported.

9.5 Upskilling our Employees and Value Chains

GRI 2-17, 404-2

We conduct regular trainings on skill upgradation and health and safety in manufacturing plants as well as head office. We have curated guidelines that highlight the responsibilities and competencies of workers and employees, as well as the trainings required for each level of the workforce. The manual also includes a training calendar, thematic areas to be covered, attendance and feedback mechanisms, and other information to ensure the effectiveness of the training programs. To identify trainings for development of key skills of the workforce, we evaluate the skill of our employees once every quarter and accordingly suggest skills for upgradation, also taking insight from the annual performance review discussions. In the reporting period, a greater number of trainings were required for workers on health and safety considering the evolving nature of work, and new hires entering the organizational workforce.

In addition to training own employees, we also provide trainings to third-party workers who are hired by contractors and to service providers. This ensures that everyone who works at the company is properly trained and prepared to perform their duties safely and effectively.

Following are the trainings conducted in FY 2022-23

GRI 403-9, 403-10

Type of Incidents	Unit	FY'22
Total Incidents Reported Across Senior, Middle, Junior Levels of Management		
Total fatalities reported	Nos.	0
Lost Time Injuries (LTIs)	Nos.	3
Lost Time Injury Frequency Rate	per million hours worked	0.81
Total Incidents Reported for Contractual Employees		
Total fatalities reported	Nos.	0
Lost Time Injuries (LTIs)	Nos.	3
Lost Time Injury Frequency Rate	per million hours worked	0.081

We are committed to upholding human rights and ensuring that all our employees are treated with dignity and respect. We have a zero-tolerance policy for any form of discrimination or harassment, and we take all allegations of such behaviour very seriously. We have a comprehensive Code of Conduct that outlines our expectations for employee behaviour, and we provide regular training to all employees on the importance of respecting human rights.

Segment	Topics covered in the training
Board of Directors	Capacity Building Session on Sustainability & ESG, Effective Feedback, Goal Management System, Prevention of Harassments at the workplace, Vision Mission Values and Code of Conduct at Spark Minda, Visioning 2030 Workshop, Whistle Blower Module
Key Managerial Personnel	Goal Management System, Prevention of Harassments at the Workplace, Vision Mission Values and Code of Conduct at Spark Minda, Whistle Blower Module
Employees other than BoD & KMPs	Negotiation Skills, SAP, DWM, POSH, TPM, FMEA, SPC, MSA, PNEUMATICS & ELECTROPNEUMATIC, IATF, ZOHO, Hazard & Risk, Safety, First Aid, Fire Fighting, MS Office, Lean Manufacturing, Communication & Presentation Skills, DOE, Interpersonal Skills, Finance for non-finance, JH, VSM, Team Building, Emotional Intelligence, Mission vision code of conduct, Policy Awareness (Whistle Blower), Problem Solving, Cyber Security Awareness, MDP
Workers	5S, KAIZEN, 3M, TPM, MSDS, Chemical Handling, MS Office, JH, First Aid, Fire Fighting, Interpersonal Skills, Spoken English, CT/ TT, OLE, OEE, SAP, POSH, 4M, 7 QC Tools, BBS, Industrial & electrical safety, Poka Yoke, SMED, 5 Axis, Process Sheet, WI Sheet, Tool History Card, 16 Losses, PLC, Single piece flow, Costing & Negotiation, CTQ, Product knowledge, VA/VE, 3C, FIFO, 3G, Communication Skills, Safety awareness, On Job Trainings for skill upgradation

GRI 404-1

We strongly believe in preparing our human capital for future challenges and future skill ready. As such, we invest heavily into training programs for our employees and workers alike to ensure that they are ready for any opportunity in the market by providing transition assistance programs in case of any employment termination or voluntary retirement besides monetary benefits.

Spark Minda Gurukul LMS

Spark Minda Group is a company that provides learning and development solutions to its employees. They have

a comprehensive learning ecosystem called Spark Minda Gurukul LMS that allows employees to learn anytime, anywhere at their own pace. The LMS offers a variety of courses and programs, including organization-specific, personal development, managerial development, leadership skills, and digital transformation. The content is a mix of animated videos, recorded sessions, documents, and assessments. The rich repository of curriculums are extensive and interactive.

With the advent of a centralized learning structure and focused learning partners for different business verticals, a thoughtful drive was initiated in this area by bringing awareness amongst the employees, key stakeholders, and management.

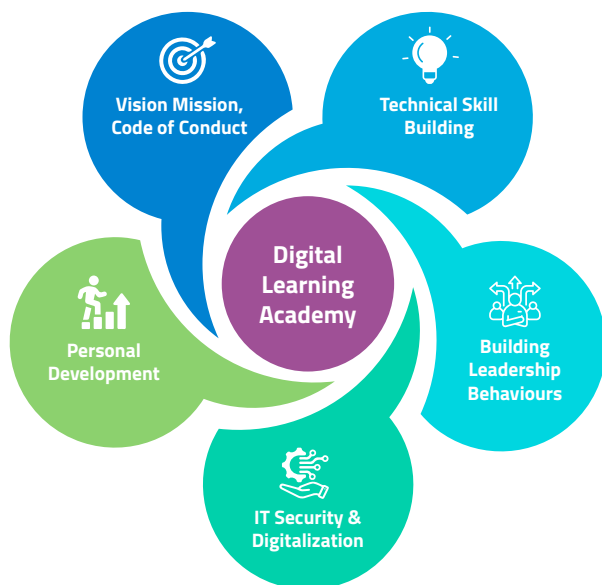


Figure 22: Categories of Training under Digital Learning Academy

The central Learning & Development Team consistently targeted the completion percentage of mandatory and other assigned courses by sharing Business Vertical Wise, and Employee Wise Snapshots, addressing learner queries, and conducting regular user awareness sessions. This drive was run Business Vertical wise with regular reminder emails and setting deadlines to achieve the objective. The mandatory courses which were targeted from the Organization Specific category were Vision Mission Values and Code of Conduct, Prevention of Harassment at the Workplace, Whistle Blower Module, Cyber Security Awareness- Phishing, HMSI Learnings, Goal Management System, and Goal Setting.

These courses were assigned to all the learners. All the new joiners are assigned the mandatory curriculums at the time of their joining and were required to complete it within 15 days.

The Spark Minda Group witnessed a significant improvement in the digital learning hours from Oct-2022 onwards with a flying leap in March 2023.

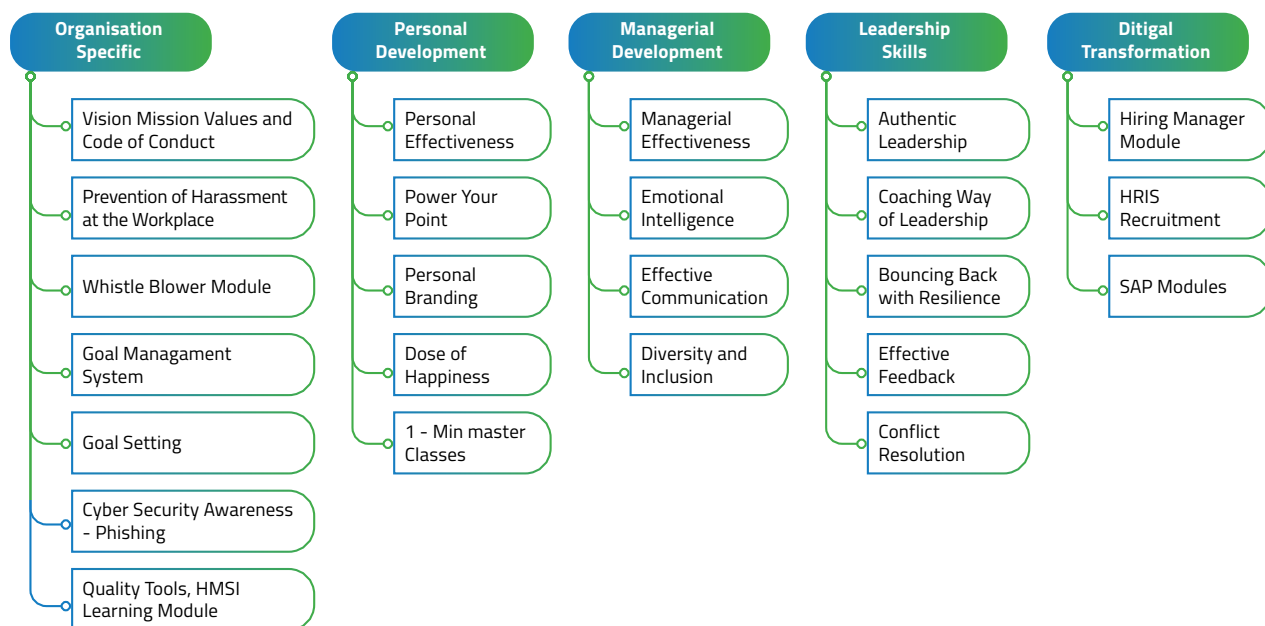


Figure 23: Categories of Trainings

From mere 143.63 hours in Oct-2022, Mar-2023 recorded 2738 digital learning hours and is continuing to record consistently high learning hours to date.

The entire focused effort and drive which yielded fantastic results were well appreciated by the learners, managers, key stakeholders, and management and to sustain this drive it was decided to drive continuous digital learning via Spark Minda Gurukul LMS in a focused manner

by respective Central L&D Partners to achieve 100% completion of mandatory and assigned curriculums throughout the Group.

GRI 404-3

Regular Performance Feedback is given to all MCL employees. In the reporting period, the percentage of employees were given performance feedback where the remaining were apprentices, trainees, interns and /or new joiners who were not eligible for the same.





Chapter 10

Inclusive Growth

We at MCL are committed to taking action to curtail inequality and foster a culture of partnership, teamwork, and collaboration among all stakeholders. Establishing deep and strong relationships with all stakeholders is essential to our success. Stakeholders, especially the local communities around our operations, and our customers, play a vital role in our flourishing business. We are working towards building trust and support from our stakeholders by engaging with them regularly, understanding their needs, communicating with them transparently, and involving them in our decision-making processes. This helps us build long-term prosperity for both the business and the stakeholders. Our Corporate Social Responsibility (CSR) initiatives, customer satisfaction initiatives, and approach to ensure product quality and safety are all designed to benefit and provide equal opportunities for all stakeholders. We are committed to creating a more inclusive and equitable society, and believe that by working together, we can achieve greater prosperity and progress for all.

Material Topics Covered under this section

1. Corporate Social Responsibility: Building a Better World
2. Customer Satisfaction and Management
3. Product Quality and Safety

10.1 Corporate Social Responsibility: Building a Better World

GRI 413-1

All businesses are responsible for giving back to the communities around which they operate. We at MCL are committed to positively impacting the environment, the economy, and the lives of the people we touch. Spark Minda Foundation (SMF) oversees Corporate Social Responsibility initiatives for us at MCL. Through these initiatives, we aim to create a positive social footprint on the communities around us by upholding values such as equity, equality, ethics, transparency, protection, care, and respect. The foundation's CSR vision is to build a sustainable society by improving the quality of life, protecting the planet, and establishing integrated and inclusive growth for people and the environment. We passionately believe in actively engaging with communities to address societal challenges. By collaborating with local organizations, the foundation aims to make a lasting influence on the lives of individuals in and around our value chains and contribute to the overall development of society.

Our CSR policy sets out the objectives, scope, and monitoring mechanism for our CSR initiatives. Our approach to social initiatives at MCL is comprehensive and aims to not only meet the needs of the host communities but also support their growth and development. Our projects focus on the areas of Skilling and Livelihood Promotion, Empowering People with Disabilities, Community Healthcare and Environment and Resource Protection.

Skilling and Livelihood Promotion

- Aakarshan Skill Development Programme
- Dual System of Training (DST)
- World on Wheels Project
- Digital Unify Prison Outreach Project
- Minda Mitra
- Business Integrated Prison Project
- Empowering and Enriching Holistic Development

Environment and Resource Protection

- Sustainability Initiatives

Health & Wellbeing

- Shakti Project
- Eye Health Care
- Community Health Check-up
- Blood Donation Drives

Empowerment of People with Disabilities

- Saksham - Empowerment of People with Disabilities Programme (Camps and Centres)
- Skilling
- Employment of PwDs
- Entrepreneurship

CSR Highlights

Key Performance Indicator	Performance
Total amount spent on CSR in the reporting period	₹ 62.08 million
Percentage of Aakarshan Program Learners that are Employed	61%
PwDs hired during the reporting period	377

Empowerment of People with Disabilities

Saksham Program

Our Saksham programme was launched in 2014-15 to empower people with disabilities (PwDs) and reduce inequalities within the community. At MCL, our primary objective is to provide accessible and assistive aid and fitments to PwDs, and to help them develop the skills they need to find employment, thereby promoting equal opportunity. Saksham has helped many PwDs to get their first job, provided them with their livelihood, and facilitated skill development and sustenance. We make this possible by providing skilling facilitation and on-the-job training in various manufacturing functions. We also work to create employment linkages for PwDs in the industry by collaborating with partner organizations to organize job fairs specifically for PwDs. Since its inception,

we have reached over 16,500 PwDs through our Saksham initiatives and have employed over 1,000 PwDs across the Spark Minda Group. We are committed to working with PwDs to ensure that they have the tools and resources they need to live independently and have a successful career.

Objectives of Saksham:

- Providing Accessible and Assistive Technology to PwDs
- Assistance in registering for UDID cards (Unique ID for Persons with Disabilities)
- Identification and Provision of Employment to eligible PwDs with Partner Organizations
- Skill Development and On-Job Training as per requirement



Case Story of the Little Champ



Jishwant is an 11 years old, brave child from New Delhi studying in 5th standard. There are 5 members in his family. Since he is the eldest son, he has the mindset to economically sustain his whole family in the coming future. His dream is to become a police officer in the future and is trying his best to achieve that dream. Jishwant is a sincere child who never misses his classes and tuition. He loves to play games in his free time. His father is working as a mason in construction work. Due to their economic condition, his family is unable to pay the treatment cost.

They got to know about this camp through their neighbors and visited the camp. Initially, he was very nervous, scared, and hesitant to come because of the fear of pain. However, his family and team SMF motivated him and got the caliper fitted on his legs. Then his nervousness changed to happiness when he realized that the calipers are helping him walk easily. He is closer to his dream of becoming a police officer. Through this initiative, his willpower has also increased and now he's going to be more dedicated to his career. His positive attitude towards his life will make him stronger. He is grateful to the team and the Saksham camp for providing such a great opportunity to him.

Initiatives	Units	Impact FY 2022-23
Empowerment of People with Disabilities		
Number of PwDs reached to date (fitments done in centers & camps)	No. of PwDs	5122
Dual System of Training	No. of Trainings	30
Business Integrated Prison Program	No. of Inmates	99
Unique Disability ID (UDID)	No. of UDID Cards	709
Total PwDs Employed	No. of persons	377

Skilling and Livelihood Promotion

We at MCL have established six Skill Development Centers across the country to serve the community. The centers were chosen based on a needs assessment and survey,

and are in Kuleshara Village in Greater Noida, Uttar Pradesh; Donde and Khed Village in Pune, Maharashtra; Vengadu Village in Chennai, Tamil Nadu; the Transit Camp Slum and Saraswati Shishu Mandir School in Rudrapur, Uttarakhand; and Bhondsi village in Haryana.



335 Students Convocated in Uttar Pradesh Aakarshan Convocation

Till date, our Skill Development Program has reached a total of 13,313 people. (The centers offer courses such as basic computer skills, Tally Pro, spoken English, cutting and tailoring, beauty and wellness, and industrial tailoring.) In the reporting period, we reached 2360 people

through the different skill development programmes. We are proud of the work we have done to provide skills training and livelihood opportunities to people in need. We are committed to continuing this work and positively impacting the lives of the people we serve.

MEGA CAMP FOR THE EMPOWERMENT OF PEOPLE WITH DISABILITIES

We organized a 10-day mega camp in Noida, Uttar Pradesh, from February 1 to 10, 2023, to empower people with disabilities (PwDs). The camp offered various initiatives including help with UDID registration, skilling programs, and employment support. We were proud to collaborate with Amazon and Big Basket, among other well-known companies, to bring forth employment opportunities to PwDs, further improving their prospects towards a better livelihood. Over 20 NGOs, corporate foundations, and government organizations collaborated on the program.

Our collaboration with the Ministry of Social Justice and Empowerment of Persons with Disabilities led to a partnership with the Artificial Limbs Manufacturing Corporation of India (ALIMCO). Through this partnership, we were able to distribute customized motorized tricycles to PwDs after the camp, allowing them to improve their mobility and independence. The camp also introduced the "Keys on Wheels" project, which we developed in collaboration with IIT Bombay and Minda Silca Engineering Private Limited (MSEPL). We are proud of the work we did at the camp, and we are grateful to all the partners who made it possible. More than 2800 PwDs were reached during the camp.

Case Study: Bag Project



Poonam Chauhan, a resident of Lohiya Nagar in a rented house, faced financial constraints when her husband lost his job during the second wave of COVID-19. Her husband later started a small business, but it was not enough to support the family. As a student of Cutting & Tailoring at the Aakarshan center of Spark Minda Foundation, Poonam learned about the bag project and started working on it from home. The work was hard but beneficial, and she was able to start giving money to her family to support them during the crisis. Poonam later expanded her work in Cutting & Tailoring, and with the help of the remaining money, she started her own small business making customized clothes of gods and goddesses.

"I am glad to work and earn money through this project, which inspired me to work further. I am thankful to Spark Minda Foundation for this opportunity." - Poonam

Initiatives	Units	Impact FY 2022-23
Education		
Total Number of Learners	No. of persons	1407
Employed Learners	No. of persons	61%

Case Study: Akshansha



Ms. Akansha who lives in Phulsungi, Rudrapur had a keen interest in fashion design, grooming, and styling since her childhood. One day she got to know about the Aakarshan skill development centre run by Spark Minda Foundation, she enrolled herself in a Cutting & Tailoring course, and after completing the course, SMF provided her the opportunity to work on a bag project and earn money by doing work from home. Furthermore, she utilized that earned money to open her boutique in their own locality, which helped secure her future.

"I was delighted to work on such a project that gave me the golden opportunity to change my life. I am grateful to Spark Minda Foundation for helping me achieve my goals" - Ms. Akansha

Health & Wellbeing

We at MCL have laid a huge emphasis on health and wellbeing including programmes around empowering women, eye healthcare, blood donation among others.

Initiatives	Units	Impact FY 2022-23
Community Health		
Eye Camp	No. of people	6014
Health Check-up Camps	No. of camps	77
No. of people covered in health camps	No. of people	9,075
Total units of blood donated/ collected	No. of units of blood	1089
No. of persons covered in safety awareness camps/ sessions	No. of persons	8177

Environment and Resource Protection

Tree Plantation:

At MCL, we are committed to sustainability and environmental responsibility. As part of our sustainability strategy, we are organizing a tree plantation drive in collaboration with the local community. Trees are essential for a healthy planet. The ecosystem benefits for maintaining a dense forest cover are paramount, especially in today's challenging environmental conditions. Regular tree plantation drives are held throughout the year. All employees, their families, and members of the local community are invited to participate.

We have a standard operating procedure that details the types of trees that need to be planted including shade-giving, fruit-giving, and flower-giving trees. These trees help improve the air quality, reduce the urban heat island effect, and provide habitat for wildlife.



Figure 25: Tree Plantation drives conducted at MCL

We believe that this tree plantation drive is a valuable opportunity to give back to the community and help to ensure a sustainable future.

Initiatives	Units	Impact FY 2022-23
Tree Plantation		
Trees planted	Nos.	3,743

10.2 Customer Satisfaction

GRI 416 - 1, 2

We are passionate about providing our customers with the best possible experience. We strive to understand our customer's needs and preferences to build lasting relationships. We do this by providing personalized interactions, innovative solutions, and a commitment to continuous improvement. We believe that by creating a

customer-centric culture, we can fuel our success in the automotive industry. Our customer-centric approach can be observed through the multiple policies, practices, and initiatives adopted. We also prioritize developing product solutions that are optimized, off-the-shelf, and cost-effective for our customers. We also ensure that the data of the customers is protected. There are metrics to measure the confidence of our customers at MCL. We regularly solicit customer feedback and carefully analyze

it to identify areas of improvement and incorporate them. Focused on customer-centricity, at Minda, we are poised to embark on a transformative journey, with the aim of achieving new milestones while staying attuned to the ever-evolving needs of tomorrow. No cases were recorded over the reporting period concerning the health and safety impacts.

10.3 Product Quality & Safety

GRI 416 - 1, 2

At Minda, we understand that the automotive component manufacturing industry faces a variety of challenges. We are committed to overcoming these challenges and prioritizing the satisfaction and safety of our employees, customers, and consumers recognizing that failure to meet quality and safety standards can lead to negative consequences.

We adhere to legal standards for safety and quality, and we offer products that are both appealing and safe for our

customers. We are committed to continuous improvement of our technologies and processes, and to providing high-quality products that contribute to sustainable and profitable growth.

We have established a Research & Development (R&D) facility and partnerships with leading companies in the automotive industry to incorporate advanced technologies into our products. This has given us expertise in product design and technology that meets high international quality standards.

We intend to continue being a reliable and valuable partner to all our stakeholders. We have not reported any incidents of non-compliance due to the health and safety impacts of products. We are committed to preventing any such incidents from ever occurring. We have a rigorous quality assurance process in place, and we are constantly working to improve our standards. Our group's companies have received QS 9000, ISO 14001, and TS certifications. We believe that by focusing on quality and safety, we can build long-term relationships with our customers and stakeholders.





Chapter 11

The Road Ahead to a Resilient Future

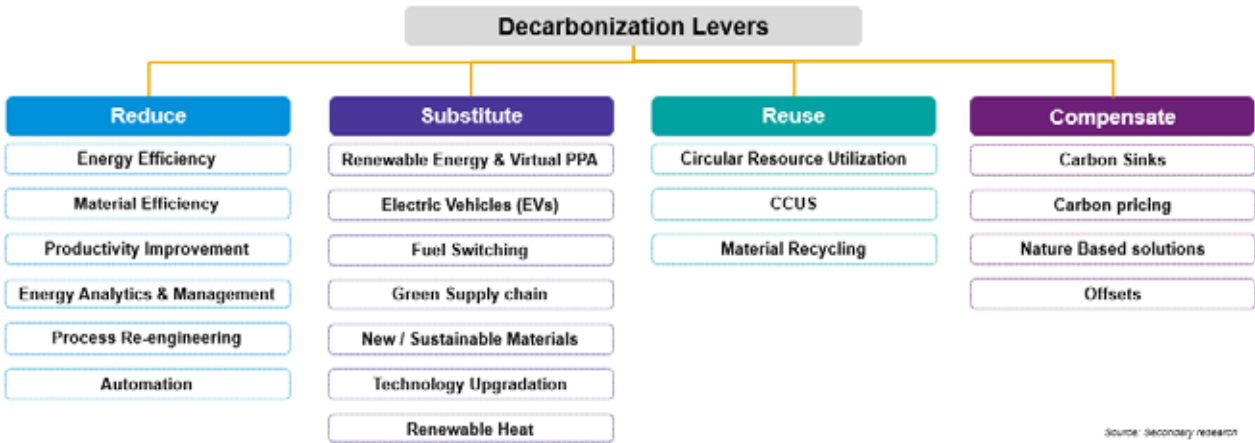
The chapters above have described MCL’s journey and performance on ESG, encapsulating our unwavering commitment to sustainability. We at MCL recognize that as the world moves towards a more sustainable future, customers, investors, and employees are demanding that we take concrete steps to reduce their environmental impact and improve our social and governance practices.

To achieve this, ESG targets and commitments can help us move towards sustainability by setting clear goals and timelines for reducing emissions, improving fuel efficiency, using sustainable materials, providing a safe and healthy workplace, and being a good corporate citizen. While we adhere to the mandatory regulatory compliance by SEBI with BRSR, we have also working towards developing reports on various

other global sustainability disclosures. We are also making concerted efforts to enhance transparency in our governance by publishing regular sustainability reports across disclosures and pledging to targets and commitments.

ESG Targets

To reduce our carbon footprint, we have formed a Carbon Team which will be responsible for the mapping of carbon emissions and reducing those direct emissions across scope 1 and scope 2. Through our mapping and baselining, we’ll be able to optimize our emission targets not just at the group level but also bring out a comparative narrative for our various verticals. We intend to re-duce our carbon emissions intensity by 50%



by 2025. This vision of transforming towards sustainable mobility will be materialized through our efforts and initiatives such as increasing solar energy consumption through open access and rooftop installation, and further incorporation of greener technologies at our sites of operations.

For reduction of indirect emissions (Scope 3), we have devised an approach of identifying the potential decarbonization initiatives under levers such as Reduce, Substitute, Reuse and Compensate. Besides emissions and energy targets, MCL shall strive to achieve water neutrality and zero waste to landfills in the near future. We believe in learning from our peers the best industry practices and intend to incorporate them in our business operations.





Global Reporting Initiative (GRI)

Content Index

Statement of use	Minda Corporation Limited (MCL) has reported the information cited in this GRI content index for the period from 1 March 2022 to April 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (pg)
GRI 2: General Disclosures 2021	2-1 Organizational details	8 (Overview of the Report) 10 (Company at a Glance) 11 (Flourishing in Domestic and Global Spheres)
	2-2 Entities included in the organization's sustainability reporting	8 (Overview of the Report) 11 (Our Key Production Divisions)
	2-3 Reporting period, frequency and contact point	8 (Overview of the Report)
	2-4 Restatements of information	8 (Overview of the Report)
	2-5 External assurance	8 (Overview of the Report)
	2-6 Activities, value chain and other business relationships	(Company at a Glance) (Flourishing in Domestic and Global Spheres) 11 (Our Key Production Divisions) (Sustainable and Local Sourcing) (Sustainability in Supply Chains)
	2-7 Employees	52 (Care for People)
	2-8 Workers who are not employees	53 (Employee Management & Labour Relations)
	2-9 Governance structure and composition	23 (Governance Structure) 25 (Board-level Committees)
	2-10 Nomination and selection of the highest governance body	23 (Governance Structure)
	2-11 Chair of the highest governance body	23 (Governance Structure)
	2-12 Role of the highest governance body in overseeing the management of impacts	(Code of Conduct) (Governance Structure) 29 (Stakeholder Engagement)
	2-13 Delegation of responsibility for managing impacts	25 (Board-level Committees)
	2-14 Role of the highest governance body in sustainability reporting	23 (Governance Structure)
	2-15 Conflicts of interest	23 (Conflict of Interest)
	2-16 Communication of critical concerns	22 (Enhancing Transparency and Accountability)
	2-17 Collective knowledge of the highest governance body	57 (Upskilling our Employees and Value Chains)
	2-18 Evaluation of the performance of the highest governance body	25 (Board-level Committees)
	2-19 Remuneration policies	23 (Governance Structure) 25 (Board-level Committees)

GRI STANDARD	DISCLOSURE	LOCATION (pg)
	2-20 Process to determine remuneration	23 (Governance Structure) 25 (Board-level Committees)
	2-21 Annual total compensation ratio	54 (Diversity and Equal Opportunity)
	2-22 Statement on sustainable development strategy	7 (Message from the Chairman and GCEO)
	2-25 Processes to remediate negative impacts	22 (Enhancing Transparency and Accountability)
	2-26 Mechanisms for seeking advice and raising concerns	22 (Enhancing Transparency and Accountability)
	2-27 Compliance with laws and regulations	32 (Regulatory Compliance)
	2-28 Membership associations	13 (Associations)
	2-29 Approach to stakeholder engagement	29 (Stakeholder Engagement)
	2-30 Collective bargaining agreements	29 (Stakeholder Engagement)
GRI 3: Material Topics 2021	3-1 Process to determine material topics	(From Principles to Practice: MCL's ESG Approach in Motion) (MCL's Material Topics)
	3-2 List of material topics	17 (MCL's Material Topics) 17 (Foundational Pillars and Critical Focus Areas)
	3-3 Management of material topics	16 (From Principles to Practice: MCL's ESG Approach in Motion)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	31 (Economic Performance)
	201-2 Financial implications and other risks and opportunities due to climate change	29 (Risk Identification)
	201-3 Defined benefit plan obligations and other retirement plans	54 (New Recruits to our MCL family)
	201-4 Financial assistance received from government	31 (Economic Performance)
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	10 (Company at a Glance) 23 (Governance Structure)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	30 (Responsible investments to pursue growth)
	203-2 Significant indirect economic impacts	30 (Responsible investments to pursue growth) 31 (Economic Performance)
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	36 (Sustainable and Local Sourcing)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	22 (Enhancing Transparency and Accountability)
	205-2 Communication and training about anti-corruption policies and procedures	22 (Code of Conduct)
	205-3 Confirmed incidents of corruption and actions taken	22 (Enhancing Transparency and Accountability)
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	32 (Anti-Competitive Behaviour)
GRI 207: Tax 2019	207-1 Approach to tax	30 (Responsible investments to pursue growth)
	207-2 Tax governance, control, and risk management	30 (Responsible investments to pursue growth)
	207-3 Stakeholder engagement and management of concerns related to tax	30 (Responsible investments to pursue growth)
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GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	46 (Managing Water and Effluents)
	303-2 Management of water discharge-related impacts	46 (Managing Water and Effluents)
	303-3 Water withdrawal	47 (Water Withdrawal)
	303-4 Water discharge	47 (Water Discharge)
	303-5 Water consumption	48 (Water Consumption)

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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	44 (Scope 1 Emission)
	305-2 Energy indirect (Scope 2) GHG emissions	45 (Scope 2 Emission)
	305-4 GHG emissions intensity	45 (Scope 2 Emission)
	305-5 Reduction of GHG emissions	45 (Initiatives to reduce GHG emissions)
	305-6 Emissions of ozone-depleting substances (ODS)	45 (Emissions of Ozone Depleting Substances (ODS))
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	46 (Air Emission Management)
GRI 306: Waste 2020	306-1 Waste generation and significant waste- related impacts	48 (Waste Reduction and Circularity)
	306-2 Management of significant waste-related impacts	48 (Waste Reduction and Circularity)
	306-3 Waste generated	50 (Waste Management Highlights)
	306-4 Waste diverted from disposal	50 (Waste Management Highlights)
	306-5 Waste directed to disposal	50 (Waste Management Highlights)
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	36 (Sustainable and Local Sourcing)
	308-2 Negative environmental impacts in the supply chain and actions taken	36 (Sustainable and Local Sourcing)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	53 (New Recruits to our MCL family)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	54 (New Recruits to our MCL family)
	401-3 Parental leave	54 (New Recruits to our MCL family)
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	54 (New Recruits to our MCL family)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	55 (Occupational Health and Safety)
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	403-3 Occupational health services	55 (Occupational Health and Safety)
	403-4 Worker participation, consultation, and communication on occupational health and safety	56 (Occupational Health and Safety)
	403-5 Worker training on occupational health and safety	56 (Occupational Health and Safety)
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	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	56 (Occupational Health and Safety)
	403-8 Workers covered by an occupational health and safety management system	56 (Occupational Health and Safety)
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	58 (Upskilling our Employees and Value Chains)
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	404-3 Percentage of employees receiving regular performance and career development reviews	60 (Regular Performance Feedback)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	23 (Governance Structure) 54 (Diversity and Equal Opportunity)
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GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	22 (Code of Conduct)
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	32 (Regulatory Compliance)
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	32 (Regulatory Compliance)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	61 (Corporate Social Responsibility: Building a Better World)

GRI STANDARD	DISCLOSURE	LOCATION (pg)
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	36 (Sustainable and Local Sourcing)
	414-2 Negative social impacts in the supply chain and actions taken	36 (Sustainable and Local Sourcing)
GRI 415: Public Policy 2016	415-1 Political contributions	30 (Responsible investments to pursue growth)
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	65 (Customer Satisfaction) 66 (Product Quality & Safety)
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	65 (Customer Satisfaction) 66 (Product Quality & Safety)
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	32 (Marketing and Labeling)
	417-2 Incidents of non-compliance concerning product and service information and labeling	32 (Marketing and Labeling)
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GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	33 (Respecting Privacy)

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