EICHER MOTORS LIMITED

BUSINESS RESPONSIBILITY REPORT

Incorporated in 1982, Eicher Motors Limited (EML) is the flagship Company of Eicher Group. We operate in two distinct business verticals – Motorcycles and Commercial Vehicles. We produce the iconic Royal Enfield motorcycles and are global leaders in the mid-size (250cc–750cc) motorcycle segment. The motorcycles are manufactured in state-of-the-art facilities in Tamil Nadu and marketed with the support of an extensive network of dealers across India and across the world. Globally, EML has a presence in over 55 countries. We are committed to provide each and every customer with quality motorcycles and related accessories, as well as customer experience. In addition to motorcycles, we have a subsidiary VE Commercial Vehicles Limited, which is a joint venture with Sweden’s AB Volvo, to manufacture trucks and buses.

EML has witnessed phenomenal growth in recent years. We recorded our highest ever total income from operations in FY 2018-19. EML is listed on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) and is part of the NSE’s benchmark Nifty 50 Index.

While business excellence is a key objective, ensuring a positive impact on society and environment is a very important goal for EML. The company has embedded various initiatives on sustainability across operations. We undertake initiatives to reduce the impacts of our operations on the environment, health and safety, and ensure the development of local communities.

The disclosures contained in this Business Responsibility Report (BRR) illustrate the endeavour of EML in adopting responsible business practices and creating lasting value for our stakeholders.

SECTION A: GENERAL INFORMATION

A-1 Corporate Identity Number (CIN) of the Company
L34102DL1982PLC129877

A-2 Name of the Company
Eicher Motors Limited

A-3 Registered address
3rd Floor, Select Citywalk, A-3, District Centre, Saket, New Delhi–110 017

A-4 Website
www.eichermotors.com

A-5 E-mail id
investors@eichermotors.com

A-6 Financial Year reported
April 1, 2018 to March 31, 2019 (FY 2018-19)

A-7 Sector(s) that the Company is engaged in

A-8 List three key products/ services that the Company manufactures/ provides
Motorcycles

A-9 Total number of locations where business activity is undertaken by the Company:

i. Number of International Locations
EML has subsidiaries in North America, Brazil, Thailand and Canada and a technology centre in the United Kingdom. We have 42 exclusive stores across the UK, USA, Mexico, Colombia, Brazil, Argentina, France, Spain, Indonesia, Thailand, Philippines, Vietnam, Austria, Portugal, Australia, New Zealand and UAE.

- Registered office: New Delhi, India
- Corporate office: Gurugram, Haryana, India
- Manufacturing locations: Thiruvottiyur, Oragadam and Vallam Vadagal in Tamil Nadu, India.
- Technical centres at Chennai, India

National: As on March 31, 2019, there are 915 Royal Enfield stores in India.

International: EML has a market presence in 58 countries, including USA, Japan, UK, European and Latin American countries, Middle East and South Asia.

ii. Number of National Locations

A-10 Markets served by the Company

National: As on March 31, 2019, there are 915 Royal Enfield stores in India.

International: EML has a market presence in 58 countries, including USA, Japan, UK, European and Latin American countries, Middle East and South Asia.
### SECTION B: FINANCIAL DETAILS OF THE COMPANY

**B-1 Paid up Capital (INR):** 27,28,25,700

**B-2 Total Turnover (INR):** 9,794.48 crore

**B-3 Total profit after taxes (INR):** 2054.44 crore

**B-4 Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** EML spent INR 45.39 crores on CSR activities during FY 2018-19. This was 2% of the average net profits of the Company for last three financial years

**B-5 List of activities in which expenditure in 4 above has been incurred:**
- Rural Development
- Livelihood Development
- Road Safety
- Disaster Relief etc.

### SECTION C: OTHER DETAILS

**C-1 Does the Company have any Subsidiary Company/Companies?**

Yes, as at March 31st, 2019, the subsidiaries of the Company were:
- VE Commercial Vehicles Ltd.
- Royal Enfield Brasil Comércio de Motocicletas Ltda
- Royal Enfield North America Limited
- Eicher Group Foundation
- Royal Enfield (Thailand) Ltd.

**Step Down Subsidiaries**
- Royal Enfield Canada Ltd.
- VECV Lanka (Private) Limited
- VECV South Africa (PTY) Ltd.

**C-2 Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?**

Eicher Group Foundation (a not-for-profit company registered under Section 8 of the Companies Act 2013) has been incorporated by Eicher Motors Limited and its subsidiary VE Commercial Vehicles Limited, with the purpose of implementing the Group’s CSR policy. Other entities that the company does business with do not participate in BR initiatives of the Company.

**C-3 Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?**

Suppliers and distributors are independent businesses that are within the circle of influence of EML, but function as independent entities.

EML’s suppliers and distributors are not involved in our BR initiatives.

### SECTION D: BR INFORMATION

**D-1 Details of Director/Directors responsible for BR**

Details of the Director/Directors responsible for implementation of the BR policy/policies and details of BR Head:

The Corporate Social Responsibility (CSR) committee is the BR head at EML. The composition of CSR committee is mentioned below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name</th>
<th>Designation</th>
<th>DIN Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. S. Sandilya</td>
<td>Chairman, Non-executive and Independent Director</td>
<td>DIN 00037542</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Siddhartha Lal</td>
<td>Managing Director</td>
<td>DIN 00037645</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Inder Mohan Singh</td>
<td>Non-executive and Independent Director</td>
<td>DIN 07114750</td>
</tr>
</tbody>
</table>
## D-2 Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Questions</th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
<th>P7</th>
<th>P8</th>
<th>P9¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Do you have a policy/policies for...²</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Has the policy being formulated in consultation with the relevant stakeholders?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Does the policy conform to any national / international standards? If yes, specify?³</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
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<tr>
<td>6.</td>
<td>Indicate the link for the policy to be viewed online?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>P1: <a href="http://www.eicher.in/codes-and-policies">http://www.eicher.in/codes-and-policies</a> P2: Published in the intranet and to all contractors P3: Published in the intranet P4: <a href="http://www.eicher.in/uploads/1530165050_Eicher_Corporate_Social_Responsibility_Policy.pdf">http://www.eicher.in/uploads/1530165050_Eicher_Corporate_Social_Responsibility_Policy.pdf</a> P5: Published in the intranet P6: Published in the intranet P7: <a href="http://www.eicher.in/codes-and-policies">http://www.eicher.in/codes-and-policies</a> P8: <a href="http://www.eicher.in/codes-and-policies">http://www.eicher.in/codes-and-policies</a></td>
</tr>
<tr>
<td>7.</td>
<td>Has the policy been formally communicated to all relevant internal and external stakeholders?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Does the company have in-house structure to implement the policy/policies?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders’ grievances related to the policy/policies?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>

¹Although EML does not have a board approved policy on customer engagement, systems and processes have been established for addressing issues pertaining to customer satisfaction.

²The policies laid out by Eicher Motors Limited are mapped to each principle in following table.

³All our policies are in line with the National requirements and also incorporates international leading practices as appropriate.

### Principle

#### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

- Code of Conduct for Directors and Senior Management
- Whistle Blower Policy
- Policy for Determining Materiality of Events and Information
- Policy for Determining Material Subsidiaries
- Terms of Appointment of Independent Directors
**Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Environmental Policy
- Quality Policy

**Principle 3:** Businesses should promote the wellbeing of all employees
- Safety Policy
- Employee Welfare Policy
- Prevention of Sexual Harassment

**Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- Corporate Social Responsibility Policy

**Principle 5:** Businesses should respect the interests of, and promote human rights
- Employee Welfare Policy
- Prevention of Sexual Harassment

**Principle 6:** Business should respect, protect, and make efforts to restore the environment
- Environmental Policy

**Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- Code of Conduct

**Principle 8:** Businesses should support inclusive growth and equitable development
- Corporate Social Responsibility Policy

**Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner
- EML has an extensive programme for engaging with its customer, handling customer grievance and improving customer experience.

### D-2a If the answer to S.No. D-1 against any principle, is ‘No’, please explain why: (Tick up to 2 options)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Questions</th>
<th>P1</th>
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<th>P6</th>
<th>P7</th>
<th>P8</th>
<th>P9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The company has not understood the Principles</td>
<td>Not applicable</td>
<td></td>
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<td>2.</td>
<td>The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles</td>
<td>Not applicable</td>
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<td>3.</td>
<td>The company does not have financial or manpower resources available for the task</td>
<td>Not applicable</td>
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<td>4.</td>
<td>It is planned to be done within next 6 months</td>
<td>Not applicable</td>
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<tr>
<td>5.</td>
<td>It is planned to be done within the next 1 year</td>
<td>Not applicable</td>
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<td>6.</td>
<td>Any other reason (please specify)</td>
<td>P9: At EML, customer satisfaction is of the upmost priority. Detailed systems and processes have been implemented by the Company for handling customer grievance and improving customer experience.</td>
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</tbody>
</table>

### D-3 Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Managing Director, Chief Executive Officer and the Senior Management of EML review the BR vision, strategy and performance of the company annually.

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

EML has been publishing annual BR Report since FY 2015-16. The reports can be viewed at:
SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business Ethics, Transparency & Accountability

EML has well-defined policies and codes of acceptable conduct and behaviour for employees and management. These policies ensure adherence to ethical, professional and legal standards, and transparency and accountability mechanisms within EML and in all business matters. Some of the policies in this regard are:

- **Code of Conduct for Directors & Senior Management** — This policy has been put into place to safeguard confidential information, disclose potential conflicts of interest, and to ensure compliance with all applicable laws, regulations and Company’s policies, including anti-bribery and corruption laws.

- **Whistle Blower Policy** — This policy offers a mechanism that allows Directors, employees, dealers and vendors to report any wrongdoing or malpractice in the Company, without any reprisals or victimisation.

- **Policy for Determining Materiality of Events and Information** — This policy determines whether an event or information is material or not as per the provisions of SEBI Regulations, 2015, while ensuring timely, accurate, uniform and transparent disclosure.

- **Policy for Determining Material Subsidiaries** — This policy guides EML in determining material subsidiaries of the company and making necessary compliance relating to the same.

- **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Regulating, Monitoring and Reporting trading by Insider** — The key objective of these policies is to ensure timely and adequate disclosure of unpublished price sensitive information and prohibition of insider trading.

- **Terms of appointment of Independent Directors** — It lays down the code of conduct, responsibilities and other terms of appointment for Independent Directors of EML.

- A thorough internal and external mechanism is in place to respond to investor grievances in a timely and appropriate manner.

Policies of Eicher Motors Limited can be accessed online at http://www.eicher.in/codes-and-policies

The Code of Conduct for Directors & Senior Management, Policy for Determining Materiality of Events and Information and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information extend to the Company’s subsidiary and joint venture companies as well. Several subsidiaries and joint venture companies also have company specific whistle-blower practices in place.

In FY 2018-19, EML received 58 complaints from stakeholders. EML successfully resolved 56 complaints during the year which include 4 complaints pertaining to previous period. The resolution of complaints is reviewed by EML’s Stakeholder’s Relationship Committee which looks into the redressal of complaints received from shareholders and investors. The Committee is comprised of three non-executive independent directors as its members. The Managing Director and the Chief Financial Officer are invited to the committee meetings as required. The General Counsel and Company Secretary acts as the Secretary to the Stakeholder’s relationship committee.
Principle 2: Product Responsibility

At Eicher Motors Limited, environmental and social concerns are an integral part of its product development policy. Aspects like raw material, energy, water and waste are taken into consideration during the product design and manufacturing process. At the product development stage, material recyclability of the motorcycles is also a critical factor from a product life-cycle perspective.

At EML, motorcycles are primarily manufactured using recyclable materials. A majority of the materials used in manufacturing can be recycled at the end of its life (up to 85%), while the remaining materials consist of consumables. All motorcycles manufactured by the Company are complaint to End-of-Life Vehicles (ELV) regulations.

EML is dedicated towards reducing its energy footprint, with energy saving initiatives being regularly undertaken at manufacturing sites. In order to reduce direct energy consumption during process heating, we have moved from High Speed Diesel (HSD) to cleaner fuels like Liquefied Petroleum Gas (LPG). As a result, fuel efficiency has increased by 80%. At the same time, greenhouse gas emissions have reduced by 45%. Our energy intensity for FY 2018-19 is 0.66 GJ/motorcycle produced, is marginally higher by 0.07 GJ/motorcycle produced compared to last year. This can be attributed to the scaling-up of operations at our new manufacturing plant at Vallam Vadagal, Tamil Nadu.

In addition, we have put processes in place to minimise the generation of hazardous waste and its proper management and disposal. Aluminium and steel scrap generated during the manufacturing processes are recovered and sold to industry for recycling. All plants operated by EML have a closed-loop water recycling design to ensure minimal discharge of water. Despite the marked increase in production of motorcycles, our water use intensity (kl/motorcycles produced) has only marginally increased.

EML focuses on indigenisation of components and local sourcing. A predominant section of our supplier base is located within a 100-kilometer radius of our manufacturing sites. We source 98.1% by value of our raw materials from within India, translating to procurement of roughly INR 4,959 crores from indigenous suppliers in FY 2018-19. This helps in optimising cost, increasing productivity, and reducing environmental footprint associated with logistics. It also creates employment opportunities for the local community.

We also strive to integrate sustainability into our in-bound supply chain. Towards this end, we have taken initiatives to significantly eliminate the use of packaging materials through use of bins, pallets, and reusable trolleys. For export of motorcycles, especially the popular 650 twins, we use the Chennai port, which is close to our manufacturing sites for reducing transportation related emissions.

EML had established a New Supplier Assessment process in FY 2017-18, for assessing suppliers based on select social indicators amongst other standard criteria. In FY 2018-19, several suppliers were assessed for their social impacts.
All our existing and new models of Royal Enfield motorcycles are compliant with the vehicle ELV regulations. Health and safety of our customers is of utmost importance to us. Therefore, we ensure that all the motorcycles are free of hazardous substances like Lead, Cadmium, Mercury, and Chromium.

Almost 85% percent of paint and metal used in our motorcycles can be recycled at the end of their life.

EML also places emphasis on the recovery of waste generated during the manufacturing process and recycling. Some of the key materials recycled are mentioned below:

- Almost 55% of the hazardous waste generated at our sites is sent for co-processing to the cement industry, where it is used as a fuel in kilns. Used oil and spent solvents are sent to authorised recyclers.
- Aluminum and steel scrap is converted into briquettes and is also sold to recyclers. Scrap is also directly delivered to the melting sources for recycling, which eliminates multiple processing while improving resource efficiency.

**Principle 3: Employee Wellbeing**

A committed and productive workforce is the backbone of EML. As on 31st March 2019, the total workforce with the Company was 14,568. Out of this, we have 4082 permanent staff and executives on our payroll. Rest of the workforces comprises of engineers, workmen, trainees, casual and contract workmen.

EML is an equal opportunity employer and does not discriminate among employees on the basis of gender, caste, creed, religion, or any other characteristic. We are also committed to increasing the representation of women across our workforce. Women account for 6% of full-time employees in our company. They also accounted for 11% of new hires in FY 2018-19. We also make an effort to include people with special needs as part of our workforce.

Recognising the right to collective bargaining of our employees, we have established internal and independent labour unions at our Thiruvottiyur plant. All the permanent employees at the plant are members of this union. The union follows all statutory requirements. We also undertake wage settlements with the employee union once in three years.

The Company has developed systems and processes to eliminate the presence of child labour, forced labour, involuntary labour, and sexual harassment in its operations. We also conduct various programmes to build awareness of employees on these issues. In line with the statutory requirements, EML doesn’t employ anyone less than 18 years of age. During the financial year under review, Company received one complaints of sexual harassment which was investigated and appropriately dealt with as per the statutory provisions.

EML provides regular trainings to its employees for the upgradation of their skills and knowledge, and safety related issues. Training is provided by in-house experts and external agencies according to an annual calendar. In FY 2018-19, 77% of the permanent employees and 87% of women employees received training on the above-mentioned aspects. We also trained our contractual and temporary employees on safety and other relevant aspects.
Principle 4: Stakeholder Engagement

EML has identified internal and external stakeholders that are impacted by the company’s operations and inversely, have the potential to impact the company as well. The major stakeholder groups are mentioned below:

- Employees and their families
- Consumers
- Suppliers and dealers
- Bankers
- Investors
- Government and regulatory bodies
- Local community
- Peers and industry ecosystem

EML has identified following two categories of stakeholders as disadvantaged, vulnerable and marginalised:

- Certain sections of local community around our areas of operation;
- Socio-economically disadvantaged sections of the society.

In line with our CSR policy, we have identified broad areas of intervention for the local communities. These include road safety, environmental sustainability, children’s education, healthcare, local area development, and livelihood development. Key initiatives undertaken during FY2018-19 were:

- **Education**: EML is committed to improving the access to quality education in the country. Our major interventions in this area include development of school infrastructure, providing financial support to meet the operational expenses of schools, renovation of anganwadis, transit schools for drop-outs, computer education, and scholarships. These initiatives were implemented in Rajasthan and Tamil Nadu.

- **Livelihood Development**: In order to improve employment opportunities, we offer skill training programmes for school dropouts in and around Chennai and Gurugram. We also offer vocational trainings for less educated, economically backward youth and differently abled children.

- **Disaster Relief**: Several social development projects are being implemented by EML in Tamil Nadu and neighbouring states. Through our disaster relief efforts around Chennai and Kerala, we are providing access to healthcare, sanitation, and safe drinking water; as well as eradicating hunger, poverty and malnutrition.

- **Road Safety**: We also initiated a project in Leh district of Jammu and Kashmir, and Lahaul and Spiti district of Himachal Pradesh to create road safety awareness and provide emergency and trauma care. We are also developing a trauma care system on the Manali-Leh route.

- **Local Area Development**: Through our village upgradation program around our manufacturing units at Thiruvottiyur, Oragadam and Vellam Vadagal, we revived lakes/ponds, established a multi-disciplinary training centre, provided healthcare facilities, and promoted women’s empowerment through Self-Help Groups. We also established mobile learning labs in Andhra Pradesh through Self-Help Groups; and rural electrification in Ladakh region.
EMPOWER: Rural Electrification in Ladakh

EML implemented the EMPOWER project in Ladakh region to facilitate holistic development of the community and empower the local population. With our support, solar micro-grids were setup in remote villages of the region. With the support of Global Himalayan Expedition, Khangral, Batambis (Upper, Middle, Lower), and Hanamur villages were identified for electrification.

• Projects Undertaken: Over 6,500 clothes were distributed during the clothes distribution drive at Kashmir, Uttarakhand, Jharkhand and Himachal Pradesh, helping more than 5,000 families with clean and warm clothes.

Principle 5: Human Rights

EML is committed to upholding the leading standards of integrity and accountability across our operations. In line with our commitment, we have laid down policies/codes like Code of Conduct for Directors and Senior Management, Policy on Prevention of Sexual Harassment, Employee Welfare Policies, CSR Policy, etc. All our subsidiaries and joint venture companies are also covered under Company’s Policies and/or have their own Policies of similar nature.

During the financial year under review, Company received one complaints of sexual harassment which was investigated and appropriately dealt with as per the statutory provisions.

Principle 6: Environment

EML’s Environment Policy showcases our commitment to implement initiatives related to resource efficiency, cleaner production, and waste reduction and management; awareness generation; and training of employees on environmental issues. At present, the Company’s environment policy does not cover Group/Joint Ventures/Suppliers/Contractors/NGOs. However, we encourage all our stakeholders to implement robust environmental practices across their operations.

Recognizing the risks posed by environmental issues such as climate change on their businesses and on the society, EML has been implementing initiatives to reduce the carbon footprint. We have undertaken efforts to lower our energy consumption in manufacturing units and shop floors. Through our energy saving measures, we have saved 2,119 MWh of energy which is equivalent to 2,074 Tonnes of CO2e.

We also use recycled water in our production processes. Almost 90% of the water used in manufacturing is recycled. Water from the Sewage Treatment Plant (STP) is also used for gardening, air-handling units (AHU), boilers, cooling towers, and in toilets. Additionally, rain water harvesting systems set up at all the plants help in ground water recharge.

EML has a formal risk management framework in place to assess potential risks and take appropriate measures to mitigate them. The Risk Management Committee, overseen by MD, is responsible for the implementation of this framework. Regular meetings with various internal departments, as well as external associations and industry bodies are conducted to identify emerging risks. All processes are analysed with ASPECT-IMPACT analysis to ensure that the impact on environment is reduced on a continuous basis through operational control procedures (OCP).

Human rights policies and stakeholder complaints
Coverage of environmental policies and practices and strategies to address environmental issues
Initiatives on clean technology, energy efficiency etc
Environmental risk assessment and development mechanism
EML doesn’t have any projects related to Clean Development Mechanism. However, several initiatives to improve energy efficiency have been implemented in our manufacturing units, leading to significant reduction in manufacturing costs as well greenhouse gas emissions from our operations.

EML has laid down procedures to ensure statutory compliance with the Central Pollution Control Board/ State Pollution Control Board on emissions, air and noise quality, and waste generation. We conduct regular ambient air and noise quality tests through laboratories accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) and submit reports to the Tamil Nadu Pollution Control Board (TNPCB). We have also installed an online monitoring system for Volatile Organic Compounds (VOC). This is connected to the TNPCB Care Air Centre to monitor any fluctuations in the permissible limits. We also ensure proper segregation, recycling and disposal of hazardous and non-hazardous waste generated at the site.

During the FY 2018-19, all emissions and waste generated by EML were within the permissible limits given by CPCB and TNPCB and no show cause or legal notices were received.

**Principle 7: Advocacy and Public Policy**

EML is a member of the Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), Society of Indian Automobile Manufacturers (SIAM) and Society of Automotive Fitness and Environment (SIAM SAFE). Participation in such associations provides us a platform to engage with other automotive companies on relevant issues. We aim to contribute to the development of policies and regulations, implementation plans, etc. through regular engagement with the Government of India. We also interact regularly with the Bureau of Indian Standards (BIS) to suggest inputs for new regulations for vehicles, new standards and their feasibility, etc.

**Principle 8: Inclusive Growth and Equitable Development**

EML has a clearly articulated CSR policy in line with the Companies Act, 2013 and the Rules made there under. Our broad areas of intervention and details on initiatives implemented in FY 2018-19 are described under Principle 4.

In FY 2018-19, EML spent INR 45.39 crores on CSR activities under the broad themes of rural development, livelihood development disaster relief and road safety. We collaborate with reputed NGO partners to ensure efficient implementation and quality outcomes. These programmes are regularly managed and monitored by an in-house CSR Committee facilitated by Eicher Group Foundation. The CSR committee assesses the progress and impacts of the programmes, provides valuable insights and suggests course correction and improvement in the existing programmes.

A participatory approach is adopted by EML for developing and implementing the community development initiatives, which address the unmet needs of the community. This helps in on-boarding community members from the very beginning of the programme, ensuring greater ownership and successful implementation. Our field teams continuously interact with community members during the implementation period.
**Principle 9: Customer Engagement**

EML is committed to provide world-class quality products and services to its customers both nationally and internationally. Our products comply with all requisite codes, specifications and industry regulations relevant to the automobile industry. They also comply with statutory safety norms of India as well as export markets. All the product literature, including safety information is disclosed to the customers through user manuals, media platforms, and company’s website. The dealers also orient the customers on products’ features and performance during pre-sales interactions and product delivery. In addition, the Company regularly uses various media and non-media platforms to communicate the importance of safe driving to its customers.

The Company has a formal and well-defined process in place for addressing customer grievances. Complaints filed by customer through social media or the central command centre are documented with the Dealer Management System (DMS). Dedicated teams analyse these complaints to provide timely resolutions. There is an escalation matrix built into the system to ensure any delays in resolution are notified to the senior management. During FY 2018-19, 94% of customer complaints were resolved.

Customer satisfaction is critical to the growth of our business. We and/or our dealers regularly undertake customer satisfaction surveys. In case of low satisfaction scores (1-2), we take corrective actions and resolve them within 15 days. JD, a third-party agency, had conducted surveys in 2017. As per the survey, EML is ranked No. 2.

There were no cases of litigation against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.