



Sustainability (ESG) Policy

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Policy Responsibility: Head of Sustainability

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ESG Policy Documentation

1. *About the company*

Brakes India is India's largest supplier of brakes systems, with an established presence across various segments - light vehicle braking systems, heavy vehicle braking systems, friction and aftermarket, ferrous castings, and polymers. Built on the foundations of Technology Leadership, Operational Excellence and Superior Service, we are committed to implementing core values of sustainability not only in our operations and but across our value chain. Brakes India's value proposition supports the vision of becoming the leading manufacturer while also ensuring quality, customer satisfaction, efficiency in operations, and business integrity.

2. *Policy Objective & Scope*

Brakes India is committed to conduct business sustainably and responsibly, while also integrating the principles of Environment, Social, and Governance which are centric to the company's values and core operations. We strongly believe that our philosophy on ESG would significantly contribute towards the betterment of people, planet and enhance long-term value to all our key stakeholders.

With this objective, our ESG policy ensures that Brakes India upholds the highest standards in its business plans and processes to achieve sustainable development and good governance.

This policy outlines the approach taken by the organization to integrate the elements of ESG in compliance with globally adopted standards and practices towards identifying, assessing, and monitoring risks / opportunities with respect to its operations.

This ESG policy applies to all employees across Brakes India and its subsidiaries. This policy outlines responsible business conduct by all Brakes India employees including the Board of Directors.

3. Policy Governance Structure

Sustainability Management Committee:

Managing Director	Sriram Viji
LVBU Head	Vasudevan K
HVBU Head	Sridharan D
Executive Director – Business Development	Badri V
Executive Director - Foundry	Suryaprakash K
Chief Financial Officer	Shankar G

Sustainability Governance Board:

Director (Corporate Affairs & HR)	Madhusudhan R
Head Manufacturing & Operations LVBU	Chella Perumal G
Head Manufacturing & Operations HVBU	Sivakumar K
Head Friction FAMBU	Srikanth Venkatesan
Head Corporate Sustainability & Management Systems	Daniel D

The Sustainability Committee will monitor the implementation of ESG policy within Brakes India. This Committee is also responsible for identifying initiatives related to sustainable development.

Further details on governance structure and locational heads are in the Annexure I

4. ESG Policy:

Brakes India is committed to:

- **Resource Conservation:** Promote environmental responsibility by conservative use of natural resources (energy, water & materials), using innovative technologies, that promote sustainable operations resulting in energy efficiency, carbon neutrality, water neutrality and zero waste to landfill.
- **GHG emission reduction:** Committed to reducing greenhouse gas emissions associated with our operations and products. We will set ambitious targets to decrease our carbon footprint and regularly monitor and report our progress towards these goals.
- **Energy Efficiency:** We strive to improve energy efficiency across all aspects of our operations, including manufacturing processes, facilities, transportation, and product design. We will invest in energy-efficient technologies and practices to minimize energy consumption and associated greenhouse gas emissions.
- **Renewable Energy:** Our company will actively pursue opportunities to increase the use of renewable energy sources such as solar, wind, and hydropower to power our operations. We will explore renewable energy procurement options and invest in on-site renewable energy generation wherever feasible.
- **Decarbonization:** We are committed to transitioning to low-carbon and carbon-neutral operations. We will develop strategies to decarbonize our supply chain, reduce reliance on fossil fuels, and explore carbon offsetting initiatives to mitigate our remaining emissions.
- **Water Quality and Consumption:** We will manage water resources responsibly, minimizing water consumption and optimize water use efficiency across our operations. We will also monitor and address water quality impacts to ensure the protection of local ecosystems and communities.
- **Air Quality:** Our company is dedicated to minimizing air pollution emissions from our operations. We will implement measures to control emissions of pollutants such as particulate matter, nitrogen oxide, sulfur dioxide, and volatile organic compounds to protect public health and the environment.

- **Responsible Chemical Management:** We will adopt a precautionary approach to chemical management, prioritizing the use of safer alternatives and minimizing the use of hazardous chemicals in our products and processes. We will comply with all relevant regulations and strive for continuous improvement in chemical safety and sustainability.
- **Sustainable Resource Management:** Our company will promote sustainable sourcing practices to minimize the environmental and social impacts associated with the extraction and use of natural resources. We will prioritize materials that are renewable, recycled, or sourced from responsibly managed forests and fisheries.
- **Waste Reduction and Reuse:** We will minimize waste generation through source reduction, recycling, and reuse initiatives. We will implement waste management programs to segregate and properly dispose of waste streams, diverting materials from landfill and incineration wherever possible.
- **Biodiversity Conservation:** Our company recognizes the importance of biodiversity conservation and will take measures to minimize our impact on ecosystems and habitats. We will implement biodiversity-friendly practices, such as habitat restoration, conservation easements, and biodiversity offsetting, where applicable.
- **Noise Emission:** Our company will minimize noise emissions from our operations to prevent disturbances to local communities and wildlife. We will implement noise control measures and adhere to applicable noise regulations and standards.

Compliance and Accountability

- Our company is committed to comply with all relevant environmental laws, regulations, and industry standards. We will regularly review and update our environmental management systems to ensure ongoing compliance and improvement. Senior management will provide oversight and support for environmental sustainability initiatives, and all employees will receive training and guidance on their roles and responsibilities in implementing this policy.
- Create an environment that will foster personal and professional development of its workforce through training and upskilling, encouraging more initiative, participation, and teamwork to achieve organizational and personal goals.

- Provide a workplace environment that is safe and healthy, equal employment opportunity and diversity, thereby promoting development with inclusive growth.
- Recognize and promote human rights ensuring compliance across its activities and value chain that prohibits child labour and forced labour.
- Strengthen its existing governance structures, procedures and practices to ensure ethical conduct across all levels & value chains, and ensure all employees are complying to the Code of Conduct.
- Ensure highest standards of integrity, ethical business practices, corporate governance, and transparency, comply with anti-corruption laws, prevent money laundering, avoid conflict of interests and also encourage business partners, employees and stakeholders to report any form of wrongdoings.



Sriram Viji

Managing Director

Annexure I

