



ESG (Environmental, Social, Governance) Policy

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Ashok Leyland is focused to achieve its vision 'To be a Top 10 Global CV Player' with environmental sustainability and social responsibility as its fundamental facet in all our operations. For over 74 years, we are committed towards the welfare of our clients, staff, communities, value chain partners, investors, and ESG remains the cornerstone.

Ashok Leyland aims to create and lead sustainable business practices through robust Environment, Social and Governance (ESG) initiatives that ensures to generate exceptional stakeholder value. This policy outlines Ashok Leyland's strategy for integrating ESG aspects into our business endeavours. The policy defines the ESG objectives and priorities, aligning to the business purpose. It also identifies the current and emerging ESG matters that may affect the Company or its stakeholders, and makes recommendations on how policies, practices and disclosures can be adapted accordingly

Objectives

The principal objective that defines this ESG policy is to foster the identification, mitigation, and management of ESG-specific risks and opportunities. Ashok Leyland seeks to achieve its objective by the following ESG aspects:

Environment: Fostering healthy ecosystems

- Aim to achieve carbon neutrality and sustain water positivity and Zero liquid discharge in all business endeavours
- Ensure zero waste to landfill and improve circularity of materials including Hazardous and Non-hazardous waste
- Enhance flora and fauna to improve the biodiversity within all units and the communities nearby through afforestation projects. Ensure that the operations and resource sourcing do not pose any threat to ecology and biodiversity of international and national notified eco-sensitive areas. Achieve sequestration of carbon dioxide through biodiversity efforts
- Establishing systems and controls to manage environmental and social impacts of business activities across the value chain
- Enhance energy efficiency and renewable energy footprint by developing guidelines, initiatives to improve energy efficiency and renewable energy dependency.

Social: Enabling value driven opportunities

- Ensure product safety with compliance to all norms and regulatory standards, with special focus on road safety of the products

- Encourage compliance with applicable health and safety regulations and continue to achieve zero harm work related health and safety issues at all offices and locations
- Promote diversity, equity and inclusion through talent acquisition, development, retention policies
- Facilitate trainings for skill development and ESG related matters to all employees, workers and value chain partners
- Empower communities by investing in the identified focus areas, which include but are not limited to community development, education and entrepreneurship, financial literacy, healthcare and sanitation, relief and rehabilitation, sports and environment

Governance: Ensuring Resilient Growth

- Inculcate and nurture a culture of fairness, transparency and accountability throughout all processes and stakeholders relationships of Ashok Leyland.
- Ensure a robust risk management process to identify, assess and mitigate material risks
- Comply with all applicable industry practices and norms as per various central and state regulatory authorities. Ensure to go beyond compliance in our actions and disclosures
- Ensure cyber security thereby protecting the data of all stakeholders
- Cater to the needs of the shareholders and continue to enhance customer satisfaction. Ensure availability of appropriate feedback mechanisms for all key stakeholders and incorporate the relevant suggestions to build a secure brand image and reputation

Applicability

- This ESG policy shall be applicable to all our operations in India. It shall include all our employees and relevant stakeholders including dealers, suppliers, customers, and value chain partners. Thereby our employees will be trained on the policy requirements and necessary controls shall be communicated to all relevant stakeholders.
- This policy covers our operations in India located in Hosur (units 1 and 2), Ennore, Bhandara, Alwar, Pantnagar, Cab Panel and Press Shop (CPPS) and foundries in Ennore and Sriperumbudur, Vellivoyalchavadi (VVC) our technical centre and Ashok Leyland Corporate office building situated in Chennai

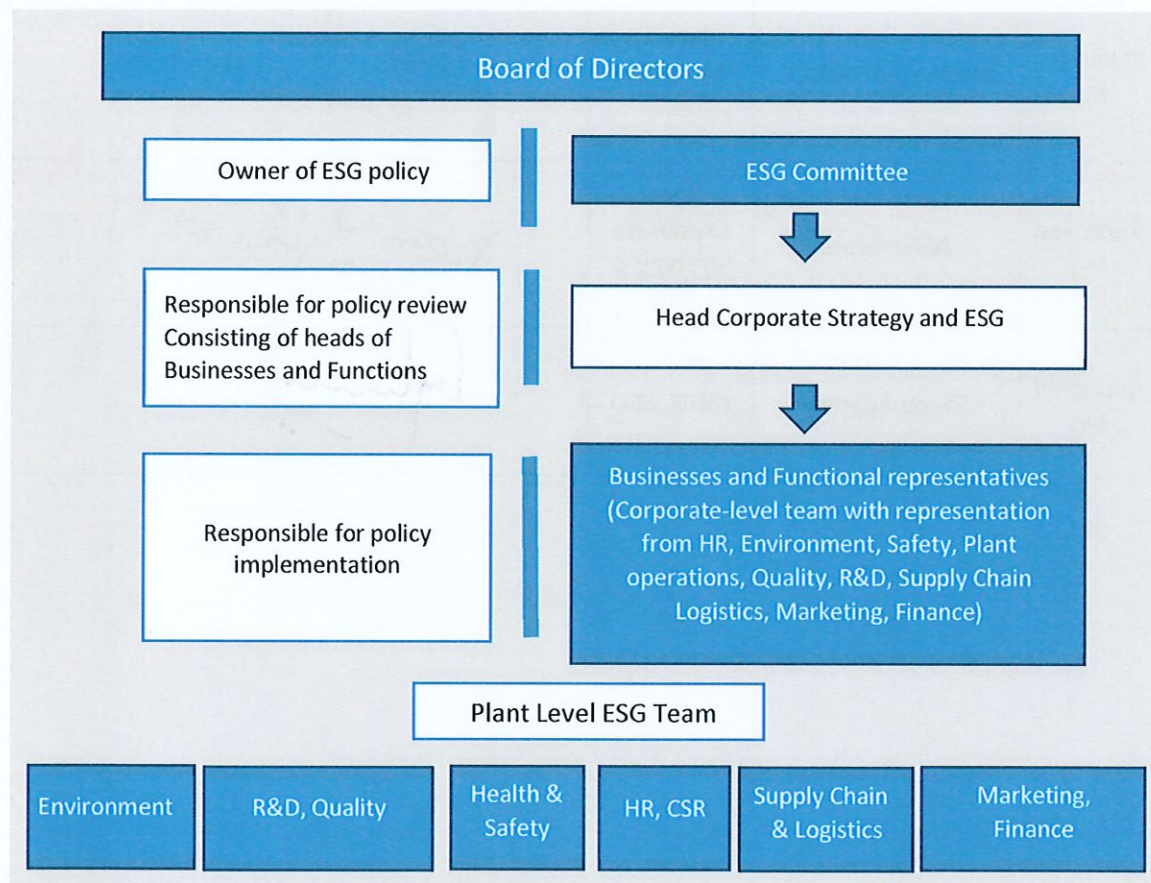
Focus Areas

Ashok Leyland has identified 10 Focus areas encompassing its Environment, Social and Governance. Objectives. For each of the focus area we shall establish targets, monitor the performance against each targets, and implement innovative practices to achieve these targets within the estimated target period. The focus areas include:

Environment	Social	Governance
<ul style="list-style-type: none"> • Carbon Neutrality • Water Positive • Resource Efficiency and sustainable sourcing 	<ul style="list-style-type: none"> • Diversity, equity and inclusion • Community Development • Health & Safety • Fair Labour Practices 	<ul style="list-style-type: none"> • Board independence practices • Global compliance • Disclosures and reporting

ESG Committee

- Ashok Leyland has formed an Environmental, Social & Governance (ESG) Committee of the board headed by an Independent Director. The role of this ESG Committee is to provide appropriate oversight and guidance in the company's journey on organization-wide ESG initiatives, priorities, and leading ESG practices
- ESG Committee will partner with all departmental stakeholders to accelerate the adoption of leading ESG practices into the business and focus on being sustainable and socially responsible. The endeavour is to create sustainable opportunities for people, businesses, and communities
- The aim of this committee will be to provide guidance and support to Ashok Leyland's ongoing commitment to Environment, Corporate Social Responsibility, Corporate Governance, and other Public Policy matters, relevant to the company



Policy updates on ESG topics

This policy document will be subject to annual review (as and when required) by the ESG Committee. Any changes concerning Ashok Leyland's focus areas and commitments will be reflected in this policy statement. Further, updates about the policy will be communicated to all relevant stakeholders through the authorized channels at Ashok Leyland.


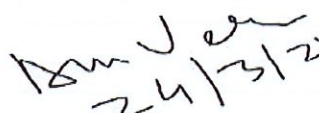
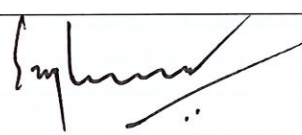
Grievance Redressal

Ashok Leyland has established robust communication and grievance procedures for addressing stakeholder concerns and inquiries. By having clear procedures for handling ESG grievances or complaints, the company shall deal with issues or concerns consistently and appropriately. In case of any grievances or complaints, stakeholders are advised to reach out to us on secretarial@ashokleyland.com

Applicable reference framework

The Policy has been developed with reference to the following standards:

- Applicable local, national and international environmental and social (including occupational health and safety) legislations
- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- National Guidelines on Responsible Business Conduct (NGRBC)

	Name	Designation	Signature and Date
Reviewed by:	Madhusudhanan K	General Manager, ESG	 24/03/2023
Approved by:	Alok Verma	Head, Corporate Strategy & ESG	 24/3/2023
Approved by:	Shenu Agarwal	MD & CEO	 ..