

# POWERED BY PURPOSE





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# ABOUT THIS REPORT

GRI Indicators	
GRI 102-12	External initiatives
GRI 102-46	Defining report content and topic Boundaries
GRI 102-49	Changes in reporting
GRI 102-50	Reporting period
GRI 102-51	Date of most recent report
GRI 102-52	Reporting cycle
GRI 102-53	Contact point for questions regarding the report
GRI 102-54	Claims of reporting in accordance with the GRI Standards

This sustainability report is based on the theme 'Powered by Purpose', showcasing our efforts in adapting to Environmental, Social and Governance (ESG) frameworks, evolving regulatory requirements and identifying the emerging risks and opportunities. Through this report, we seek to highlight our efforts to ensure the welfare of people and the planet, while also maintaining a profitable business. Our future-oriented initiatives ensure that we are not only focussing on our financial performance, but also dedicated towards ensuring the well-being of our stakeholders.

Our fifth sustainability report provides an overview of our approach, along with our financial and non-financial performance, during the reporting period of April 1, 2020 to March 31, 2021.<sup>1</sup> The information provided herein highlights areas that we believe are material for both our stakeholders as well as our business.

In the reporting period, we have conducted a materiality assessment with our internal and external stakeholders. These interactions have helped us ensure that there

are sufficient disclosures on the key material topics identified.

Our sustainability reports are published annually.<sup>2</sup> The most recent of these, which provided a snapshot of our performance in FY 2019-20, was published in September 2021<sup>3</sup>, and there have since been some changes in our material topics and their boundaries.<sup>4</sup>

## REPORTING PRINCIPLES

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards: Core option.<sup>5</sup> Additionally, the disclosures are aligned with the National Voluntary Guidelines on Social, Environmental and Economic (NVG-SEE) Responsibilities of Businesses, issued by the Ministry of Corporate Affairs, Government of India.<sup>6</sup>

## REPORTING SCOPE AND BOUNDARY<sup>7</sup>

This report covers our operations in India located in Hosur (units 1 and 2), Ennore, Bhandara, Alwar, Pantnagar, Vellivoyal Chavadi (VVC), North

Chennai, Cab Press and Panel Shop (CPPS), foundries in Ennore and Sriperumbudur, and the corporate office in Chennai. We aim to expand the scope of our reporting to include our joint ventures and subsidiaries in the near future.

## FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that define our plans and expectations, based on rational assumptions and our previous performance. These projections are dependent on developments in the industry, changes in geographical market conditions, government regulations, laws and other incidental factors. These statements must not be used as an assurance of our future performance, as the underlying assumptions may change significantly.

Please direct any queries related to this report to N V Balachandar, Chief Sustainability Officer, at [esg@ashokleyland.com](mailto:esg@ashokleyland.com)<sup>8</sup>

<sup>1</sup> GRI 102-50  
<sup>2</sup> GRI 102-52  
<sup>3</sup> GRI 102-51  
<sup>4</sup> GRI 102-49

<sup>5</sup> GRI 102-54  
<sup>6</sup> GRI 102-12  
<sup>7</sup> GRI 102-46  
<sup>8</sup> GRI 102-53

# Message from **THE CHAIRMAN**<sup>9</sup>



Dear reader,

Mobility has been a driver of socioeconomic progress of the society and nation, connecting people and helping them reach the products and services they require. The current pandemic-hit landscape has, in fact, made the role of effective transport systems more relevant than ever before. While all of this has become a crucial need, we need to be cognizant that we build these mobility solutions in a socially responsible manner.

At Ashok Leyland, our commitment to social responsibility lies at the core of our operations, and is reflected in our brand promise of 'Aapki Jeet. Hamari Jeet.' We have always endeavoured to deliver on this promise and our passion lies in the success of our stakeholders, a goal that has only sharpened in these unprecedented times.

We recently formalised our Environmental, Social and Governance (ESG) objectives and instituted an ESG Committee of the Board, which will lend momentum to our adoption of best practices, and make us an even more sustainable and responsible organisation. Not only will this help us adapt to the changing climate and macroeconomic landscape, but it will also ensure our continued success in the years to come.

We have always endeavoured to provide technologically innovative and operationally efficient commercial vehicles for our customers. During this year, we took a major stride in this journey by launching our path-breaking AVTR range of modular trucks in the medium and heavy duty range with BS6 emission compliance. This range has been very well received by our customers.

Simultaneously, we have addressed new segments of the market as well effectively. This year saw the launch of BADA DOST - this vehicle has helped Ashok Leyland scale

its highest ever sales volume and market share in the light commercial vehicle segment. This has been especially instrumental in helping us maintain the resilience of our business in a year characterised by the lowest demands for commercial vehicles ever witnessed in recent times.

The light commercial vehicle segment holds great promise as it helps in last mile connectivity, facilitating e-commerce that is set to grow continuously. In the commercial vehicle segment, it would be the light commercial vehicle segment that is likely to lead the electric vehicle development and hence create sustainable mobility solutions for the future.

This focus on future-readiness and organisational resilience has always been a key part of our organisational strategy. We recognise that the risks posed by climate change are becoming increasingly relevant across industries and geographies, and at Ashok Leyland, we have resolved to do our best to address this. Electric vehicles have increasing importance in our portfolio, as they come with the dual advantages of climate action and business resilience. Towards this end, we have combined our electric mobility assets – including Optare, our subsidiary in the United Kingdom – under the unified platform of Switch Mobility. We believe that this will help us streamline our product development efforts which, in turn, will help us capture new and advanced markets like the European Union. This will be an instrumental part of achieving our ambitious goal of becoming one of the top ten commercial vehicle manufacturers in the world.

Innovation has been one of the key drivers of not only our product efforts but also our business models and processes. Our business innovation enables us to cater to our customers in a manner that is socially and environmentally responsible. In our quest to find such solutions, we developed the Digital Nxt solutions. These solutions help us in effective fuel and fleet management, optimal usage of fleet, preventive diagnostics that help avoid breakdown, thereby bringing down overall fuel consumption by about 15-20 percent and improving the Total Cost of Ownership for the customer. This has a direct impact on our customers, while at the same time reducing the carbon footprint.

I am confident that we can scale these heights, owing in large part to the talented and hard-working people that make up our workforce. Despite the health and safety concerns faced by all of them during the year, our teams have worked tirelessly to provide a superlative experience to our customers. They have also been instrumental in driving our sustainability agenda through their constant

innovation and commitment to creating shared value. We are striving to support them through these trying times, and are ensuring that all precautions are taken at our facilities. We are also in the process of vaccinating our workforce to protect them against COVID-19. We have also enhanced their learning, development, engagement and well-being through digital channels. Apart from our employees, we have also extended this support to our partners including the supply chain and dealer networks.

Our commitment on the social front also extends to our communities, who have stood by us through the years. Our corporate social responsibility team has quickly adapted to the limitations posed by the pandemic, to reach the most vulnerable groups through our education, nutrition and drinking water initiatives. We have engaged with community members and non-governmental organisations to raise awareness about COVID-appropriate behaviours and dispel myths about vaccination. Meanwhile, our existing flagship programmes have also evolved to ensure uninterrupted delivery during the pandemic. Road to School, in particular, is being implemented through digital and alternate channels, and has benefitted over 69,000 students during the year.

Protecting and preserving the environment forms another pillar of our approach to creating shared value. Ashok Leyland's operations have always been conducted in a manner that ensures resource optimisation and protection of the ecosystem. We are constantly striving to utilise new and innovative technologies towards minimising our environmental impact. This year, we have leveraged the collective expertise of the Hinduja Group to enhance the renewable energy mix at Ashok Leyland, and help us reduce our carbon footprint.

All our initiatives – whether they are aimed at our customers, investors, bankers, value chain partners, communities or governments – have the singular goal of creating shared value. We are fostering a culture of transparency, accountability, compliance, and disclosure throughout the organisation. In line with this commitment, I am proud to present Ashok Leyland's sustainability report, entitled 'Powered by Purpose', which outlines our efforts to support our stakeholders in the financial year 2020-21. I express my gratitude to everyone who has placed their faith in our business in these trying times, and look forward to your inputs on how we can continue to do better.

Yours sincerely,  
**Dheeraj G Hinduja**  
Chairman

<sup>9</sup> GRI 102-14



# Message from *THE MD & CEO*<sup>10</sup>



Dear reader,

We are cognizant of the role that our business – and industry, at large – plays in ushering in the progress of communities across the world. Our ethos of 'Aapki Jeet. Hamari Jeet.' has always directed us to make decisions in a way that amplifies the social, environmental and economic value created for our stakeholders. Over the last year, the pandemic has made the private sector's role in recovery and rebuilding more evident than ever before; and we at Ashok Leyland are powered by the purpose of creating shared value in a sustainable manner.

We believe that a good ESG performance is the key to not only achieving the goal of creating shared value, but also to becoming the business leaders of tomorrow. We are, therefore, involving all our functions in the ESG

journey, as we believe real change will happen when each business unit is focused on what ESG means to them, identifying relevant issues, and innovating accordingly. To lend further momentum to our efforts in this realm, we have also carved out a separate ESG Committee of the Board, headed by an independent director with tremendous international experience, at our recently concluded Board meeting. This committee will provide appropriate oversight and guidance on organisation-wide ESG initiatives, priorities, and practices.

A strong financial performance is integral to our ESG efforts, allowing us to cater to – and invest in – the stakeholders that have trusted us over the years – whether it is with their capital, patronage or talents. In light of the economic slowdown, the light commercial vehicles arm has helped our business maintain a leadership position in these trying times. This range comprises of both right and left-hand drive products, which will help strengthen our international business, helping us grow our presence in existing markets while also tapping into new ones.

Our endeavour to build a resilient, future-ready organisation relies heavily on our digital solutions. In 2017, we launched Digital Marketplace, which houses solutions like iALERT, Service Mandi, Leykart and eDiagnostics. Understanding the importance of digitalisation, particularly in a post-pandemic landscape, we have launched Digital Nxt. It comprises of offerings that monitor over 1 million hours of engine running every day. This has facilitated savings of 15% for our customers, five to ten of which can be attributed to fuel savings. These fuel savings are in line with our environmental protection efforts, which are reflected across our business decisions.

Zero-carbon mobility has been one of our focus areas. We already have over 280 electric buses on the road in India and the UK, and are constantly directing resources towards developing new products that enable clean transport. We have created a dedicated global EV-only entity called SWITCH Mobility, which will play a key role in the democratisation of green mobility. This year, SWITCH has undertaken collaborations to ramp up electric vehicle production and minimise the total cost of ownership, to give a boost to their adoption.

Various departments and functions also engage local value chain partners, wherever possible, to foster an ecosystem of success. We have also incorporated ESG considerations into our supply chain strategy and supplier selection process to manage costs, enhance our operational resilience, and lend momentum to our ESG efforts.

Environmental protection and preservation is another focus area of our endeavour towards creating shared value. 60% of our energy needs are now fulfilled through solar rooftop, solar ground mount, and wind-based renewable energy, and we are constantly working to further increase its share. In FY 2020-21, Hinduja Renewables has set up a solar plant with 75 MWp capacity, making it one of the largest group captive solar plants in India serving a single client. The plant is expected to provide us with over 120 million units of power each year, helping us abate over 85,000 tonnes of carbon emissions, equivalent to planting 1,57,487 trees. Meanwhile, the use of robotic cleaning technology for the solar modules is helping us conserve 9 million litres of water annually.

These efforts have not only helped us contribute towards climate change mitigation, but have also generated 500 direct jobs during the development phase and over 20 permanent operations-related jobs. We believe that this will help our communities become self-sustaining and resilient, in the same way they have helped our business thrive in the competitive landscape.

To support our communities during the pandemic, we provided essential items to over 2,75,000 healthcare professionals and frontline workers. We also conducted a series of awareness sessions to sensitise communities on the importance of health and hygiene. Moreover, these topics were incorporated in our flagship programme, Road to School, which trained students on the importance of social distancing, hand washing and using personal protective equipment. The RTS initiative has further evolved during this pandemic. Our teams stepped up and implemented a blended and asynchronous model of learning, which combined literacy and numeracy skill development with co-curricular, wellness, social and emotional training for children. We also distributed bespoke printed learning kits to help bridge the digital divide.

Employee volunteering contributed significantly to the seamless adaptation of the Road to School initiatives. Our personnel conducted live and pre-recorded sessions on health and education, distributed learning aids, and planted trees during the year. It gives me great pride to note that 646 volunteers dedicated 5,168 hours of their time in FY 2020-21, impacting over 35,000 beneficiaries across the country. Our employees have embodied our organisational culture by working tirelessly to not only drive our success, but also create value beyond business.

We also remain committed to ensuring the health, safety and professional development of our personnel during the pandemic. This year, we undertook the pulse survey 'ViBE', in which over 95% of our workforce participated, to understand how we can support our workforce in the current scenario. We sought their feedback on areas including – but not limited to – health and safety, senior leadership response and communication, and virtual work effectiveness. It has helped us identify and address some of the most pressing concerns faced by our employees, and enhance their experience at Ashok Leyland.

Owing to the nature of our operations, occupational health and safety has always been of utmost importance. This has taken on increased prominence in light of COVID-19, when our line managers and senior management have constantly worked with healthcare and human resources professionals to ensure the well-being of our employees. Additionally, a number of awareness sessions have been conducted, including those related to stress management, to ensure optimal mental health during these unprecedented times.

To foster a culture of uninterrupted lifelong learning within the organisation, training and development has also been transitioned to the virtual mode. We have adopted the ambitious goal of reaching 90% of our workforce through programmes that can help enhance their competencies for an evolving mobility landscape. We have also curated specific blended programmes for the development and growth of our women executives. All these interventions have garnered us the TISS Leapvault CLO Award 2020 for our use of technology in providing learning opportunities to our people.

The last year has made the importance of adaptation and resilience extremely evident. At Ashok Leyland, we pride ourselves on our ability to evolve and keep pace with the changing business landscape and stakeholder needs. I am optimistic that the support of our employees, communities, investors, value chain partners and the government will help us continue to thrive, as we embark on the road to recovery. And though our strategies may evolve from time to time, our dedication to creating value beyond business shall always remain unwavering, as illustrated in this report. We invite your feedback and suggestions on our sustainability performance and reporting, and look forward to serving our stakeholders in the years to come.

Yours sincerely,  
**Vipin Sondhi**  
MD & CEO

<sup>10</sup> GRI 102-14



# ABOUT ASHOK LEYLAND

GRI Indicators	
GRI 102-1	Name of the organization
GRI 102-2	Activities, brands, products, and services
GRI 102-3	Location of headquarters
GRI 102-4	Location of operations
GRI 102-6	Markets served
GRI 102-7	Scale of the organization
GRI 102-9	Supply chain
GRI 102-13	Membership of associations
GRI 102-16	Values, principles, standards, and norms of behavior

Established in 1948 as Ashok Motors, we at Ashok Leyland Limited<sup>11</sup> are the third-largest manufacturers of buses and tenth-largest manufacturers of trucks in the world. Our headquarters are located in Chennai<sup>12</sup>, and we have seven manufacturing plants in India, along with bus manufacturing facilities in Ras Al Khaimah, United Arab Emirates, and Leeds, United Kingdom. In addition, we have a joint venture with the Alteams Group for the manufacture of high-pressure die-casting extruded aluminum components. We are also the second-largest commercial vehicles manufacturer in India. We have a widespread customer base, with close to 3,000 touchpoints in India and over 550 globally.<sup>13</sup> These facilitate on-road services for millions of our vehicles. Recently, we have been ranked the 34<sup>th</sup> best brand in India.

As a USD 2.30 billion company catering to over 70 million passengers daily, we offer a product range from 1T Gross Vehicle Weight (GVW) to 55T Gross Trailer Weight (GTW) in trucks, 9 to 80-seater buses, vehicles for defence and special applications, and diesel engines for industrial, genset and marine applications.<sup>14</sup> In 2016, we launched India's first ever electric bus and a Euro VI-compliant truck. Additionally, we support defence forces around the world by providing them with our uniquely designed defence vehicles.

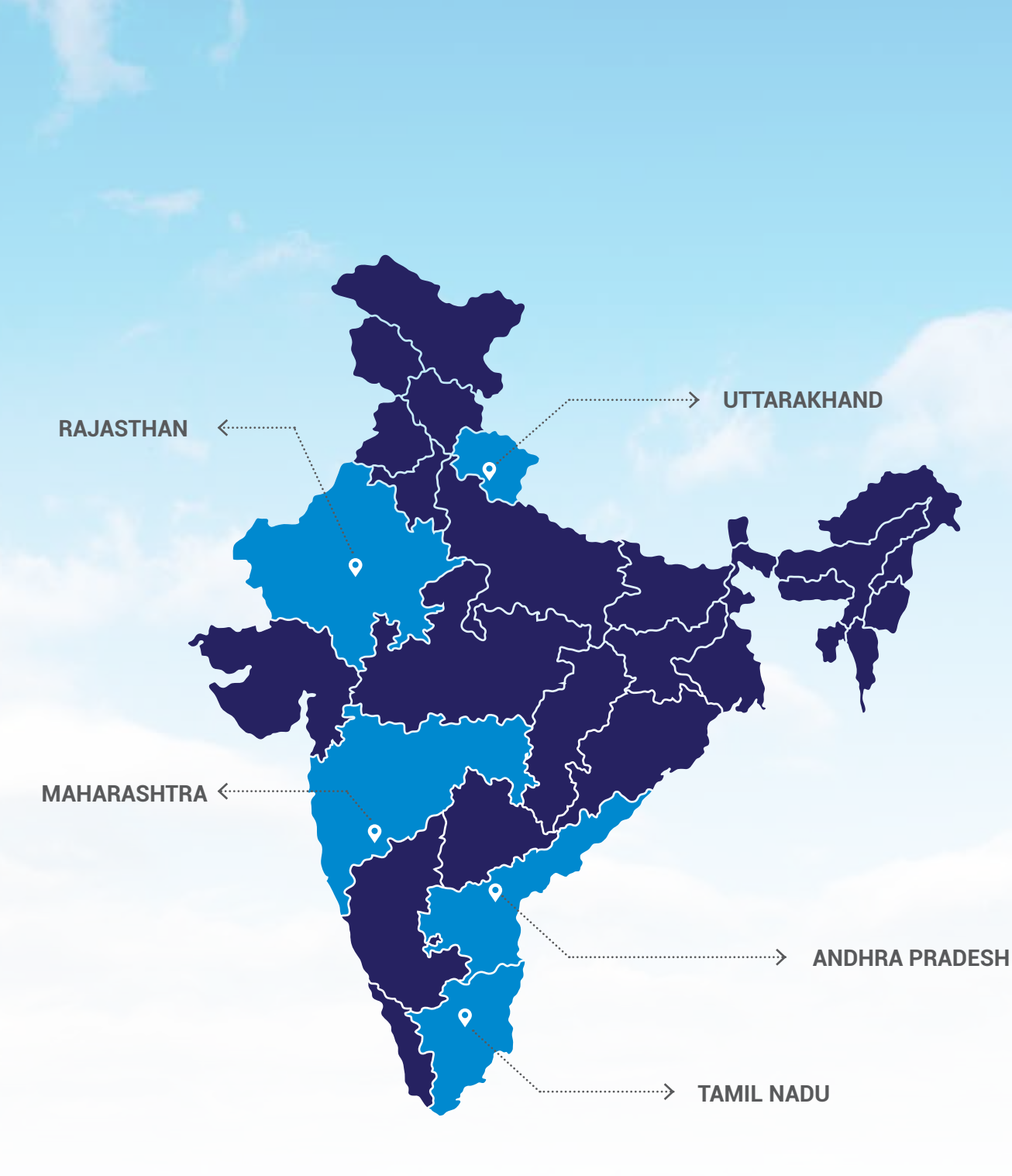
As pioneers in the Commercial Vehicle (CV) space, we were the first manufacturer in India to receive the on-board diagnostic-II (OBD) certification for BS-VI-compliant commercial vehicle engines, selective catalytic reduction (SCR), intelligent exhaust gas recirculation (iEGR) and compressed natural gas (CNG) technologies. We are also ISO/TS 16949:2009-certified. To further enhance our quality, we have also achieved the International Automotive Task Force 16949:2016 certification, which is a global automotive quality management system. We are the first automobile company in India to receive this certification.

<sup>11</sup> GRI 102-1  
<sup>12</sup> GRI 102-3

<sup>13</sup> GRI 102-6  
<sup>14</sup> GRI 102-7

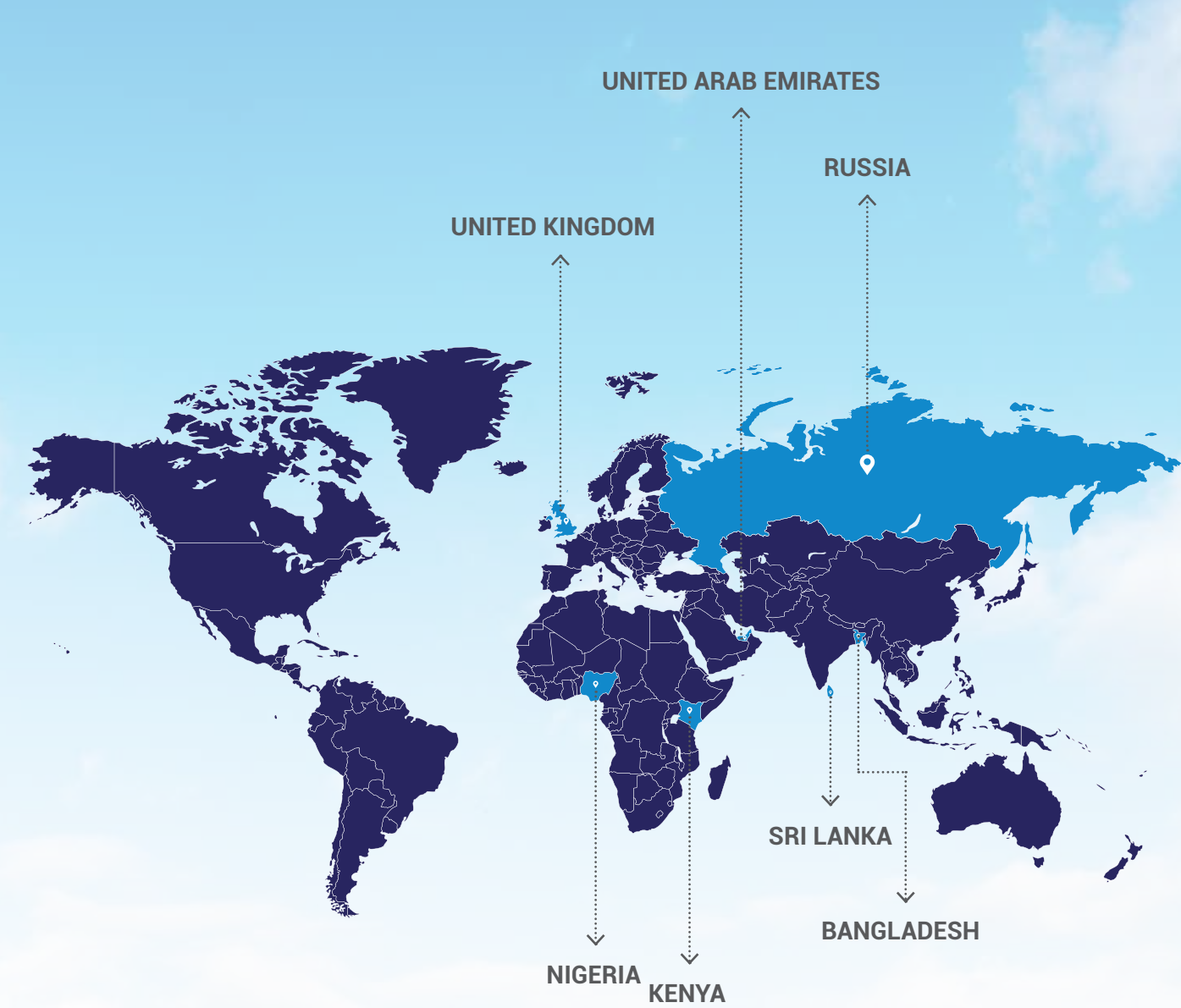


MANUFACTURING LOCATIONS IN INDIA<sup>15</sup>



<sup>15</sup> GRI 102-4

MANUFACTURING UNITS – INTERNATIONAL PRESENCE<sup>16</sup>



Our international business function has played a crucial role in helping us expand our global footprint. In FY 2020-21, we supplied 300 units of the Eagle 916 bus semi-knocked-down kits to Senbus Industries in Senegal. Through our continuous efforts, we have secured dealerships across eight countries, of which the infrastructure is ready in Tanzania, Sierra Leone and Madagascar.<sup>17</sup>

To cater to the international market, we have developed innovations such as the Falcon Super bus in 12 m segment, Gazl bus, and 70-seater AC buses, which have helped us regain our market share in the Gulf Cooperative Council.

<sup>16</sup> GRI 102-4  
<sup>17</sup> GRI 102-6

OUR VISION<sup>18</sup>

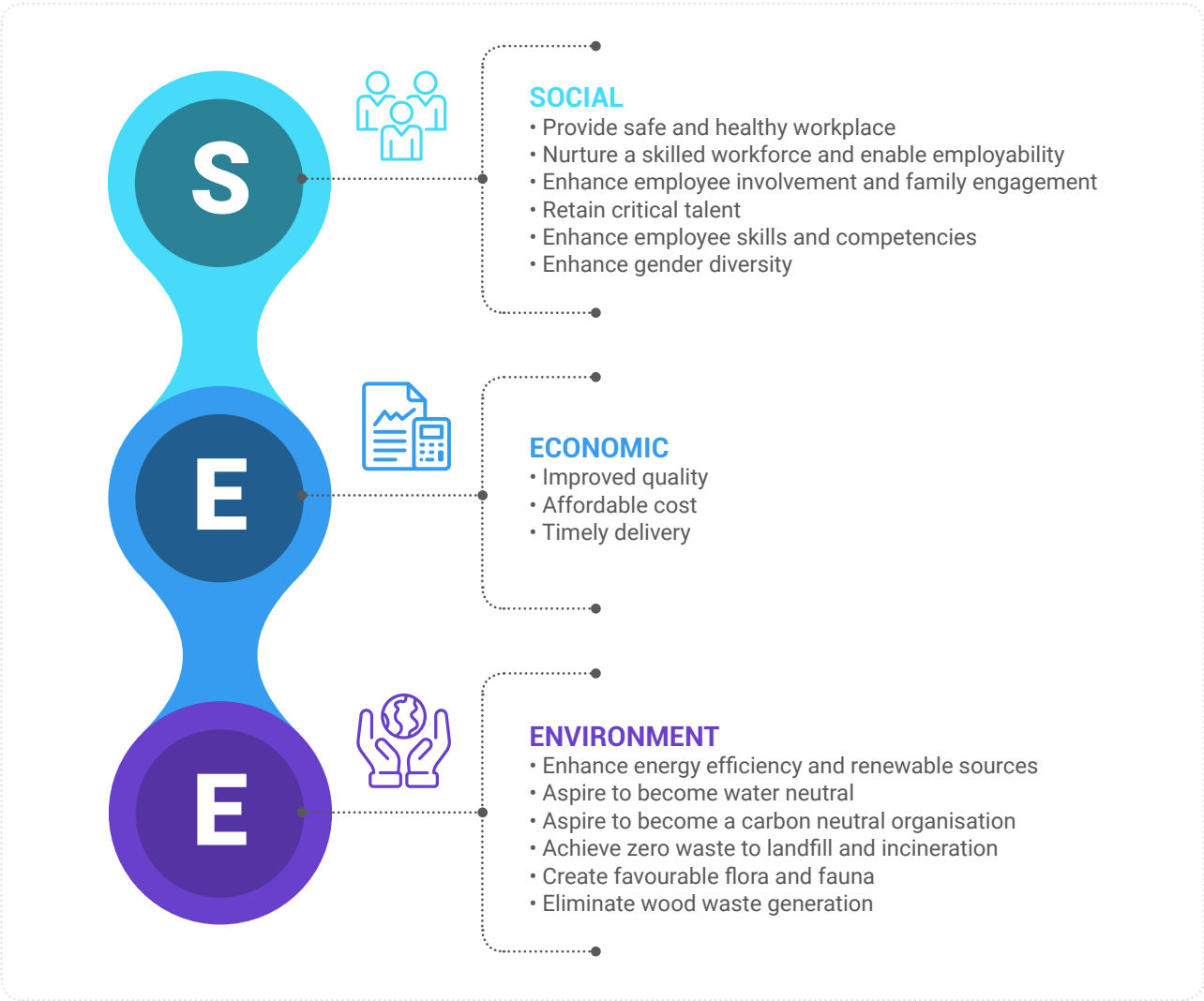
We aspire to be a top 10 global CV player, creating reliable and differentiated products and solutions, while delivering outstanding stakeholder value. This vision is not limited to achieving a sound financial performance, but also encompasses the value delivered to our stakeholders.

Since our inception, we have witnessed how externalities can impact the business landscape. The evolution of regulatory requirements and technological disruption have changed customer expectations and increased the demand for innovative and sustainable products and solutions.

Our sustainability framework provides an overview of our shared vision on how we can contribute towards creating social value and make a positive impact on our stakeholders. This 'SEE' framework is based on three parameters – social, economic and environment.



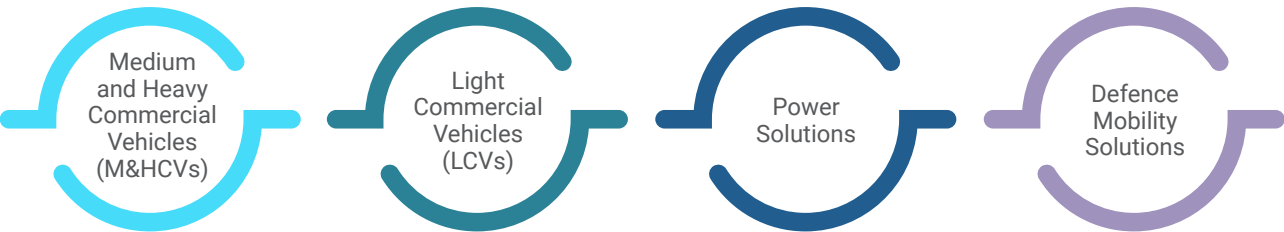
**We aspire to be a top 10 global CV player, creating reliable and differentiated products and solutions, while delivering outstanding stakeholder value**



<sup>18</sup> GRI 102-16

OUR PRODUCT PORTFOLIO<sup>19</sup>

Our portfolio comprises of a wide range of products. These include the following categories:



Medium and Heavy Commercial Vehicles

We are a preferred commercial vehicle brand, and have experienced our customer base grow extensively in the truck business. Our offerings cater to over 70 different applications, such as construction, mining, distribution, tractor-trailers and long haulage vehicles.

Trucks

Our revolutionary industry-first completely modular truck range AVTR is taking us to the next level. Truck customisation is now a possibility, with a host of options based on load, terrain and application requirements. This diverse range of trucks is powered by the i-Gen6 technology. The AVTR range promises improved reliability, performance and overall total cost of ownership (TCO) advantage.

We also launched India's first 4-axle truck with 40.5 T GVW. This product offers our customers flexibility to operate a large band of GVWs from 28T to 40.5T, with best-in-class TCO benefits. Its superior technology provides enhanced power, performance and fluid efficiency, along with better tyre life.

Additionally, we also implemented the i-Gen6 mid-NOx technology in our intermediate commercial vehicle truck range. This technology allows us to offer improved efficiency, low operational cost, simple functioning with fewer sensors, superior mileage and a larger diesel exhaust fluid (DEF) tank, with more flexibility in packaging.

Light Commercial Vehicles

The LCV business is critical to achieving our vision and plays an important role in overall business development.

Our LCV business is counter-cyclical to our M&HCV business, helping us derisk our overall growth. The ratios for domestic total industry volume spread and LCV volumes are LCV:M&HCV, 69:31 in line with the global standards and 51:49 respectively.

We have also increased our market share to 20.2% by introducing two new products, the BADA DOST and Partner 17ft (Air Brake). Our DOST+, PARTNER and MiTR buses have been used for vaccine transportation, in addition to various municipal applications and healthcare applications.

Through this business, we also invest in renewable energy infrastructure at our facilities, and Lean NOx Trap technology for achieving BS-VI emissions.

Power Solutions

Our power solutions business focusses on the non-auto segment that comprises of the power, industrial, agricultural and marine segments. It caters to our customers' requirements through application engineering and deployment of a dedicated sales and services channel.

In FY 2020-21, we achieved an all time high record performance in our agricultural segment. We also experienced a robust industrial business growth, aided by new business development initiatives across various applications with our new manufacturers. One of our key transformations in the non-auto business includes the implementation of BS CEV IV for construction equipment vehicles and TREM 4 for agricultural wheeled harvester combines. Additionally, we have developed customised engine and exhaust after-treatment system packages with suitable orientation that would fit the equipment and to meet the operating and service requirements of these emission standards.

<sup>19</sup> GRI 102-2, GRI 102-9





#### Defence Mobility Solutions<sup>20</sup>

We are one of the largest manufacturers and suppliers of logistics, combat support and specialty vehicles. These vehicles are used by the Indian Armed Forces for combat operations and peace-keeping missions as a part of the 'Make in India' initiative. Our array of products ranges from ambulances and water bowzers to long chassis buses, and vehicles for firefighting and recovery.

We provide the armed forces with vehicles customised to withstand rugged terrains and extreme climate conditions. These products also have a longer lifecycle. Some innovative automotive aggregates and vehicles from our division include armoured vehicles, 10x10 HMT trucks to carry 46 meter modular bridges developed in collaboration with the Defence Research and Development Organisation, winches, tyre pressure-monitoring system kits, centralised tyre inflation system, vehicle-mounted cranes, and radial all-terrain tyres. In FY 2020-21, we won almost 90% of tenders floated by the Indian Ministry of Defence and Ministry of Home Affairs to build and supply custom-made vehicles to the Indian defence and paramilitary forces.



***Our revolutionary industry-first completely modular truck range AVTR is taking us to the next level. Truck customisation is now a possibility, with a host of options based on load, terrain and application requirements. This diverse range of trucks is powered by the i-Gen6 technology. The AVTR range promises improved reliability, performance and overall total cost of ownership advantage.***

<sup>20</sup> GRI 102-2

## OUR MEMBERSHIPS AND ASSOCIATIONS<sup>21</sup>

We actively engage with the following key bodies and associations:



Along with these organisations, we have been participating in policy development consultations and other programmes that are focussed on electric mobility and institutionalising engines that are BS-VI-compliant. As a vehicle manufacturing company, we also contribute towards the improvement of transport infrastructure and enhancement of skills relevant to our industry.

<sup>21</sup> GRI 102-13

## AWARDS AND RECOGNITION

**'Bada Dost' awarded CV of the Year**  
at the Apollo CV Awards 2021

**'Bada Dost' named Pickup of the Year**

**'Partner' awarded the GCC Light Commercial Vehicle Customer Value Leadership Award**  
by Frost & Sullivan

Pantnagar plant won the **'Gold' Award** at Society of Energy Engineers and Managers' National Energy Management Competition

Alwar Plant garnered **first position at the Rajasthan Energy Conservation Awards** in the 'Industry – Automobile' category for energy conservation efforts

**Platinum Green Leaf Afforestation Award** in the automobile sector by Apex India Foundation

**Fifth consecutive winner in 'Customer-Facing Processes'**  
category at the 14th Six Sigma National Competition

**Quality Sustainability Award 2020** from the International Academy for Quality

**TISS Leapvault CLO Award 2020** for the best virtual learning programme

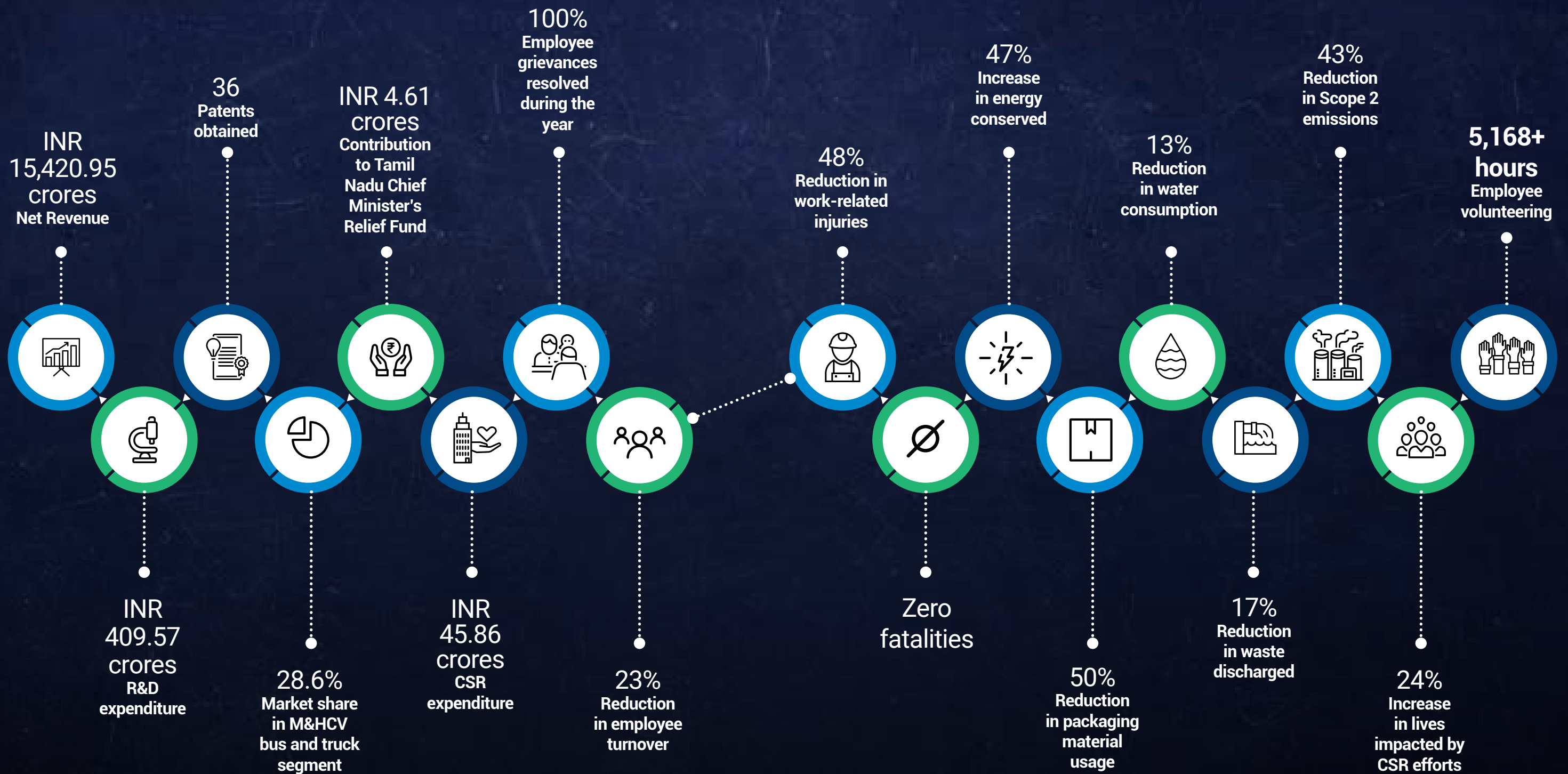
**CSR Shining Star Award in 'Environment'** category for our water projects

**RTS Programme recognised** by the Human Rights Cell, Tamil Nadu for educational initiative taken in Kelamangalam.





# PERFORMANCE HIGHLIGHTS







# OUR RESPONSE TO COVID-19

The drive to make a positive impact on our stakeholders has always propelled us forward. It is this purpose that has allowed us to bring our ethos of 'Aapki Jeet. Hamari Jeet.' to fruition, and help us emerge victorious in a business landscape characterised by volatility and complexity. The current pandemic-hit scenario is no exception, and we intend to stand by our stakeholders, as we navigate the new normal.

## RELIEF AND OUTREACH

The communities within which we function form the cornerstone of our success. Through the years, they have provided us with a talented resource pool, customer base and value chain partners, who have helped us meet – if not exceed – our targets.

Communities across the nation have been hit hard by the COVID-19 pandemic and the socioeconomic fallout caused by it. We, at Ashok Leyland, remain committed to leveraging our reach and resources to help the recovery and rebuilding of the nation. Our community-centric initiatives during FY 2020-21 include:

- Contribution of INR 4.61 crores to the Tamil Nadu Chief Minister's Relief Fund
- Development of a compact, lightweight and portable automated respiratory assist device that can augment ventilators for COVID-19 patients
- Awareness sessions for community members on COVID-19 and its prevention conducted at over 700 villages
- Health screening and disinfection of public roads in villages
- Distribution of food to migrant labourers
- Provision of sanitisers and personal protective equipment
- Distribution of food packets and groceries distributed to over 2,75,000 frontline health workers and community members in four districts
- Sessions to dispel myths and misconceptions on COVID vaccines conducted for communities
- Virtual sessions conducted by our employees to educate Road to School students on the importance of timely vaccination for their families



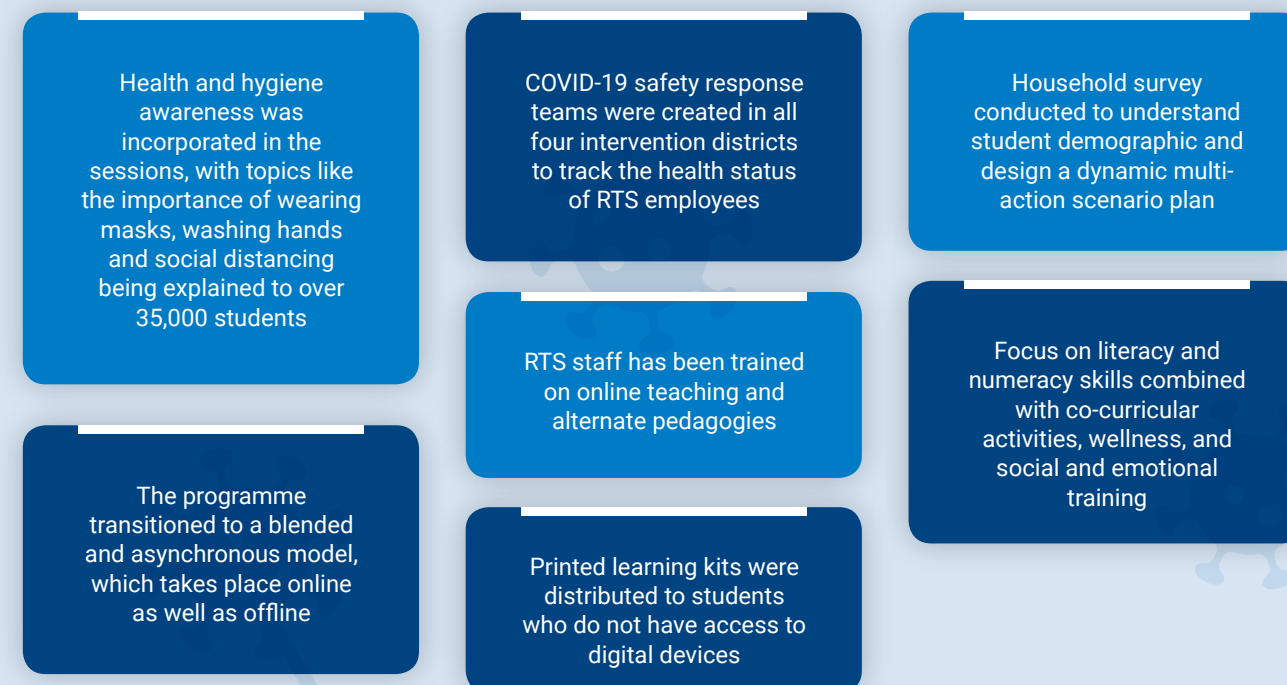


The COVID-19 pandemic posed a new set of challenges when it came to the implementation of our existing CSR initiatives. Most notably, school closures implemented to curb the spread of the virus affected children in remote and rural areas, as well as those from economically weaker sections of society. In addition to restricting access to learning, the pandemic also made them vulnerable to child marriage and child labour, and increased the risk of dropping out from the formal education system.

Our CSR team and RTS implementation partner surveyed over 40,000 households to understand the pandemic's

impacts on education and well-being, and address them through the initiative. We learned that RTS was the only gateway to learning resources for most households and digital learning could not be the sole source of outreach. Few beneficiaries had parents who completed high schooling or access to computers and tablets, as over 80% of households fell below the poverty line.

We, therefore, took a 360-degree approach to changing our delivery model, which incorporated the following measures:



## EMPLOYEE WELL-BEING AND DEVELOPMENT

Owing to the nature of our operations, our organisation has remained operational in varying capacities, despite the lockdowns imposed during the financial year. Our employees have put their health and safety on the line to serve our customers, during a period that has been marked by personal trials for them as well. We have, therefore, taken the following measures to support their personal and professional well-being and development during the reporting period:

- Launch of a hybrid working model to ensure uninterrupted operations, while safeguarding employee health and safety
- Standard operating procedures were devised and communicated for traveling to work locations, delivering vehicles to customers, and conducting meetings in a safe and secure manner
- Deployed COVID wardens to ensure that the defined safety protocols are being adhered to at each location
- Vaccination drives conducted for executives and their family members
- Special COVID-19 insurance introduced to support affected staff members
- An emergency response team, which works round the clock to monitor employees' physical and emotional well-being, has been set up
- Tele-consulting facilities made available to all employees
- Launch of counselling services through our Employee Assistance Programme, to help employees deal with stress
- Financial assistance provided in case of an employee's demise; this includes unpaid hospital expenses, payment of funeral charges, and continuation of salary for six months
- Seamless online transition of our existing learning and development interventions under the AL University framework
- We launched DigitAL – AL Digital Academy, to develop employees' digital competencies; over 190 executives participated in the inaugural session, and around 2,000 executives have undergone this programme
- Uninterrupted learning was ensured through the launch of over 100 on-demand courses
- Launch of Leader's Talk Series, comprising of interactive sessions with business leaders on a variety of topics, including behavioural and health-related issues

- Introduction of COO Speak, sessions with our Chief Operations, who addressed current challenges and the way forward
- BE ALERT sessions on how to embrace the new normal in a safe and responsible manner
- Periodic webinars and email communication on boosting immunity, social distancing, proper use of personal protective equipment, emotional well-being and other relevant topics
- Engagement with Art of Living to teach our employees breathing techniques that can help with stress management
- Virtual clubs related to photography, yoga, cooking, fitness and music, amongst many more, were introduced to keep our employees and their family members engaged
- Virtual recognition and festival celebrations conducted throughout the year



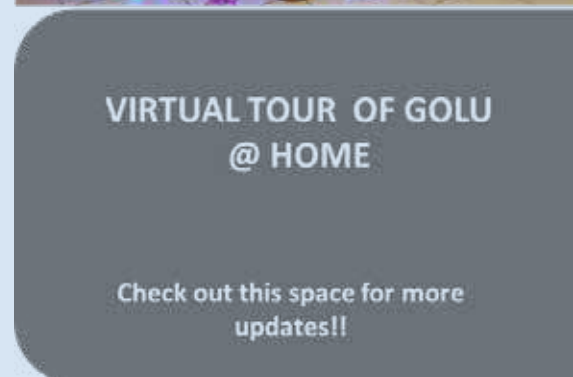
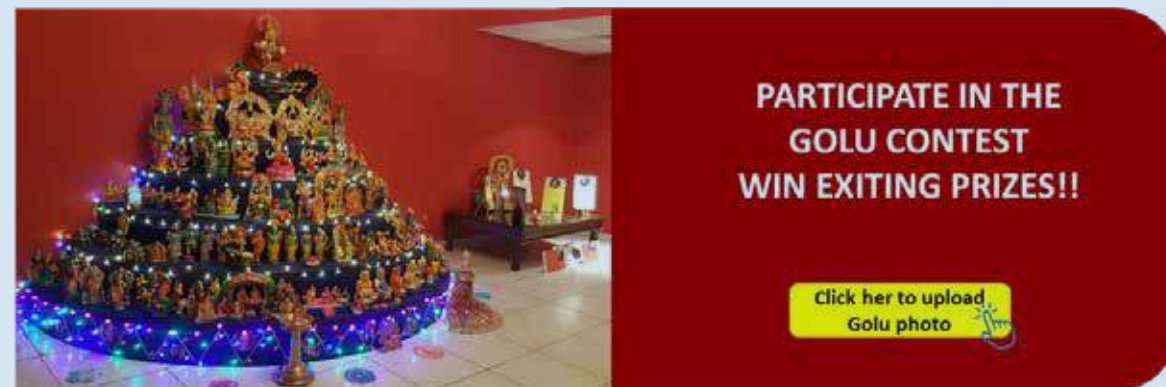
"The pandemic time was quite scary; however, Ashok Leyland ensured maximum support and concern for the safety and well-being of the employees as well as our families. We used to get daily check-ups on our health, along with our family. In case any of the employees or their families were exposed, an assigned SPOC would reach out to enquire and guide us through the recovery process. The company doctor, who is also alerted, checks on our status, test reports and suitably advises through the recovery as well as post-recovery period.

In my case, my spouse along with three family members tested positive for COVID-19. Out of four, three were stable and didn't require hospital admission, whereas one did. Right from the onset of symptoms to recovery, the company doctor and SPOC were in touch on a daily basis. Also, the COVID insurance offered by the company helped us tide through tough times. I am grateful to the company for taking care of me and my family."

Employee from Human Resources



## EMPLOYEE ENGAGEMENT



Date	Day	Colour
Oct 17, 2020	Day 1	Grey
Oct 18, 2020	Day 2	Orange
Oct 19, 2020	Day 3	White
Oct 20, 2020	Day 4	Red
Oct 21, 2020	Day 5	Royal Blue
Oct 22, 2020	Day 6	Yellow
Oct 23, 2020	Day 7	Green
Oct 24, 2020	Day 8	Peacock Green
Oct 25, 2020	Day 9	Purple

**DUSSEHRA COLOURS**

Dress-up daily as per colour code & upload selfies

Click her to upload selfies



**Let's NACHO!!**

**WIN EXITING PRIZES!**

Upload your Family / Team dance collage

- Video : max 3 minutes
- Team : min 5 members

Click her to upload dance video

**Join us in TEAMS and get ready to listen to the stories from #PhotoOfMyLife**

Microsoft Teams

Today 03.00 pm to 04.00 pm

**RISE (Reward for Individual's Search for Excellence)**

awarded to

**Hari Krishnan T**

Employee code: 100471

**RISE (Reward for Individual's Search for Excellence)**

awarded to

**Thiraviasundaram G**

Employee code: 100472

SUPPORTED BY: **Chennai Runners** Do More...Start Running!

**Townscript | ORIGINALS**

**ARE YOU READY FOR INDIA'S BIGGEST VIRTUAL RUNNING CHALLENGE**

**ONE NATION RUN**  
RUN SOLO, STAY UNITED!

**SUNDAY, 16 AUG 2020**





# CORPORATE GOVERNANCE

## GRI Indicators

GRI 102-11	Precautionary Principle or approach
GRI 102-18	Governance structure
GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 405-1	Diversity of governance bodies and employees

We manage our business in accordance with responsible corporate governance principles geared towards sustainable and shared value creation in all areas of our business. To ensure compliance with these principles, clear lines of accountability have been defined in the Company's management system, which are reinforced through guidelines as well as internal control and incentive systems.

We believe effective corporate governance is a key element in improving efficiency and enhancing stakeholder confidence. Our governance framework gives our highly experienced Board of Directors the structure necessary to provide appropriate oversight of the Company.

Our governance structure of is spearheaded by the Board of Directors. The composition of the Board of Directors of is governed by the relevant provisions of the Companies Act, 2013, the rules made thereunder, and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 relating to corporate governance.

The responsibilities of the Board include overseeing the functioning of the Company, monitoring legal, statutory compliances, internal controls and management of risks on the basis of information provided to it. The Board is also responsible for approving the strategic direction, plans and priorities for the Company and monitoring corporate performance against strategic business plans. Our Board of Directors and Management of are committed to the enhancement of shareholder value through:

- sound business decisions, prudent financial management and high standards of ethics
- ensuring transparency and professionalism in all decisions
- achieving excellence in governance by conforming to, and exceeding wherever possible, the prevalent mandatory guidelines on governance

## APPOINTMENT, EVALUATION AND REMUNERATION OF THE BOARD

Our Nomination and Remuneration Committee (NRC), evaluates the structure, size, composition and diversity of the Board, along with assessing the existing skills,



outlining gaps and providing the required recommendations to the Board. We have a formal mechanism in place which helps our Board evaluate the performance of the Committees, Independent Directors and Non-Independent Directors, including the Chairman of the Board. Our compensation policy stays up to date and has been made to attract, retain and motivate professionals to accomplish our strategic objectives.

Our diverse board members have been selected on the basis of their outstanding achievements in their professional careers, experience, personal and professional integrity, financial literacy, familiarity with our business and industry, and an ability to work in a collaborative manner.<sup>22</sup> As on March 31, 2021, women constitute 9.09% of our Board. Further, 9.09% of our board members fall in the age group of 30-50 years, while the remaining are above 50 years.<sup>23</sup>

Name	Category	Member of the Committee				
		Audit	Nomination and Remuneration	CSR	Risk Management	Stakeholders' Relationship
Mr. Dheeraj G Hinduja	Promoter, Non-Independent, Non-Executive		✓	✓		✓
Prof. Dr. Andreas H Biagosch	Independent, Non-Executive				✓	
Dr. Andrew C Palmer	Independent, Non-Executive					
Mr. Jean Brunol	Independent, Non-Executive	✓				
Mr. Jose Maria Alapont	Independent, Non-Executive	✓	✓			
Ms. Manisha Girotra	Independent, Non-Executive		✓	✓		✓
Mr. Sanjay K Asher	Independent, Non-Executive	✓		✓	✓	✓
Mr. Saugata Gupta	Independent, Non-Executive		✓		✓	
Dr. C Bhaktavatsala Rao*	Non-Independent Non-Executive	✓				
Mr. Gopal Mahadevan	Non-Independent, Executive				✓	
Mr. Vipin Sondhi	Non-Independent, Executive					

\*Appointed with effect from November 6, 2020

<sup>22</sup> GRI 103-2, GRI 103-3 (Diversity and Equal Opportunity)  
<sup>23</sup> GRI 405-1

COMMITTEES OF THE BOARD

To ensure utmost focus on environmental, social and governance issues, we have instituted a number of committees that guide our actions and accelerate appropriate responses. The committees function as representatives of the Board, and their actions are periodically reviewed or subject to resolutions during the

respective meetings. All of the committees mentioned below form an integral part of our economic decision-making. Further, our Corporate Social Responsibility and Stakeholders’ Relationship committees are the key decision makers for environmental and social topics.<sup>24</sup> Details on the Boards of Directors and the Board’s committees can be found on pages 37 - 41 of the Annual Report for FY 2020-21.

Board Committees	Function
<b>Audit</b>	Our independent Audit Committee acts as a link between the management, external and internal auditors, and the Board of Directors. The Committee is responsible for overseeing our financial reporting process by providing direction to the audit function, and monitoring compliance with listing and legal requirements relating to financials statements, vigil mechanism, enterprise risk management, and the scope and quality of internal and statutory audits, evaluation of internal financial controls, and risk management systems.
<b>Nomination and Remuneration</b>	The Nomination and Remuneration Committee is the Compensation Committee for administration of Ashok Leyland Employees Stock Option Plan (AL ESOP), 2016 and AL ESOP, 2018, in accordance with Schedule II of the SEBI LODR. It is responsible for the formulation of our policies on remuneration and board diversity.
<b>Stakeholders' Relationship</b>	Stakeholders’ Relationship Committee receives and addresses the grievances of our security holders. Additionally, the Committee also reviews the manner and timelines of dealing with complaint letters received from regulatory bodies and the responses thereto.
<b>Risk Management</b>	The Risk Management Committee assists the Board of Directors and Audit Committee in their responsibilities of overseeing the Company’s risk management policies and practices (including the processes for monitoring and mitigating such risks) and the Company’s exposure to residual risks.
<b>Investment</b>	We have instituted an Investment Committee, which recommends our long-term strategic goals in manufacturing and product strategy.
<b>Corporate Social Responsibility</b>	Corporate Social Responsibility Committee works towards creating shared and sustainable value, and reviews the activities undertaken by the company under CSR.
<b>Technology</b>	The Technology Committee deliberates on the decisions with regard to product planning and choice of technology thereof. Additionally, it helps prepare the Company to stay ahead of emerging global product and technology trends.

<sup>24</sup> GRI 102-18





POLICY SUITE

At Ashok Leyland, corporate governance is not just about encompassing regulatory and legal requirements but also ensuring enhanced value creation for all our stakeholders. To ensure compliance with our corporate values and ethics, we have put in place a number of policies. These are available on our website- <https://www.ashokleyland.com/in/en/investors/investor-information/policies>



At Ashok Leyland, we have a publicly available Whistle Blower Policy, which is an extension of our Code of Conduct and Ethics applicable to all employees (full-time, part-time, outsourced and past), directors, apprentices, vendors, suppliers, customers and all other stakeholders directly or indirectly dealing with us. It is intended to provide a vigil mechanism for our stakeholders to report on concerns and provide adequate safeguards against victimisation to those who avail the vigil mechanism. Its effective implementation is ensured through mechanisms such as systematically defined responsibilities, accountabilities and reporting lines in each division, in addition to dedicated helpdesks, focal points, hotlines, an ombudsman and disciplinary measures. An essential part of our employment clause is anti-corruption and anti-bribery and we did not record any cases relating to corruption and anti-bribery in the reporting period.<sup>25</sup> Further, during the financial year 2020-21, we had no reported cases of anti-competitive behaviour and have not made any financial or in-kind political contributions.<sup>26</sup>

We also have a publicly available code for our Board members and senior management, which has been hosted on our website. It is aimed at ensuring the highest quality of disclosures, confidentiality and fairness in dealings and good corporate governance practices.



**We also have a publicly available Code which has been hosted on the Company's website for our Board members and senior management.**

RISK MANAGEMENT FRAMEWORK<sup>27</sup>

At Ashok Leyland, our robust Enterprise Risk Management (ERM) framework embeds the principles of COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework, 2017 and ISO 31000:2018, which fosters a sound risk management culture to facilitate informed decision-making. We follow the Precautionary principle through a comprehensive risk management approach to manage impacts of the identified risks and opportunities.

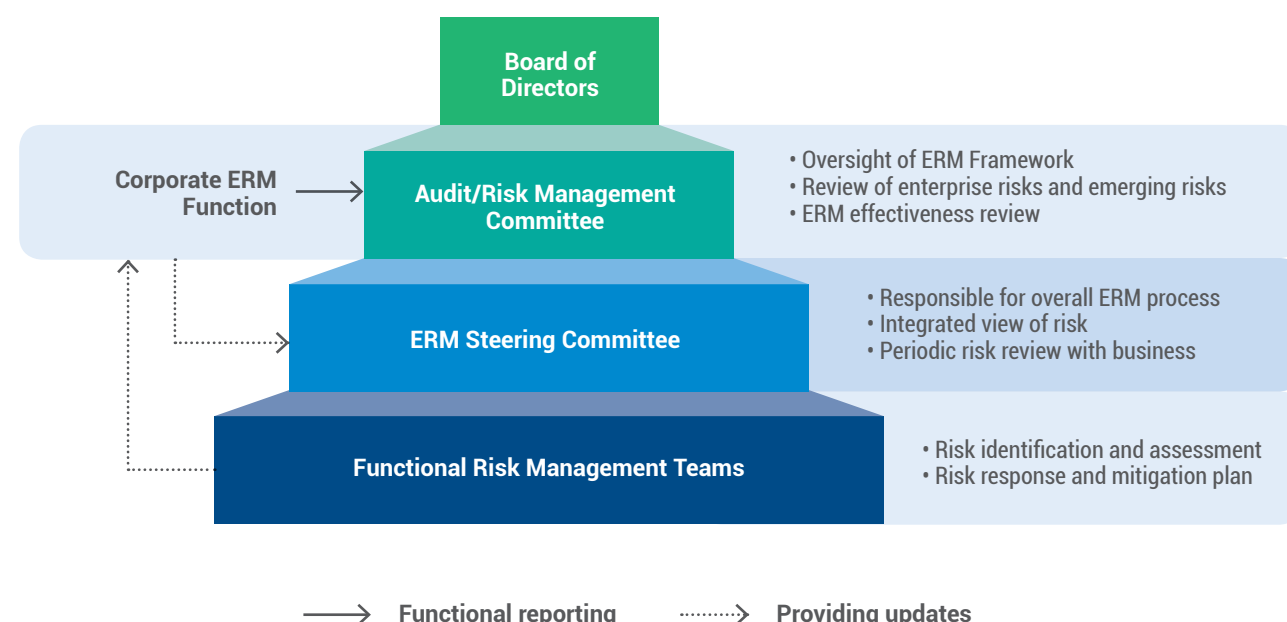
Our integrated and standardised ERM framework encompasses all the business units and functions across the organisation. The risk management process enables us to identify and proactively address risk and opportunities, assess them in terms of likelihood and potential impact, determine our response strategy, and monitor them on a regular basis.

Our Board, through the Risk Management Committee (RMC), is directly responsible for the overall effectiveness of the ERM framework. The RMC apprises the Board on a periodic basis about the effectiveness of the ERM framework, risks faced by us and mitigation measures in place.

An internal Risk Steering Committee, chaired by the MD and CEO and comprising of key members of senior leadership and core business vertical heads, is responsible for the risk management process. Their responsibilities encompass risk identification, impact assessment, effective implementation of risk mitigation plans, and risk reporting.

The Risk Management Committee of the Board as well as the management-level ERM Steering Committee set the 'Tone at the Top' through their overview of risk management practices, and by ensuring that the risk culture is embedded across the organisation as part of decision-making processes.

<sup>25</sup> GRI 103-2, GRI 103-3 (Anti-corruption), GRI 205-3  
<sup>26</sup> GRI 103-2, GRI 103-3 (Anti-competitive behavior), GRI 206-1  
<sup>27</sup> GRI 102-11



## INTERNAL CONTROL SYSTEM

At Ashok Leyland, we have designed a proper and adequate internal control system to ensure:

- Transactions recorded are accurate, complete and authorised
- Adherence to accounting standards and compliance with applicable statutes, policies and procedures
- Effective usage of resources and safeguarding of assets

Our internal control framework is developed in line with the specific requirements laid out under Section 134(5)(e) of the Companies Act, 2013, which calls for establishment and implementation of an internal financial control framework that supports compliance with requirements of the Act in relation to the Directors' Responsibility Statement. The framework follows the COSO Internal

Control Framework, 2013 and the Institute of Chartered Accountants of India's Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, which supports in evaluating the design and operating effectiveness of internal controls in a consistent manner.

Our internal audit function is independent and multi-disciplinary, and carries out risk-based internal audit reviews, based on the annual-risk based internal audit plan, as approved by the Audit Committee of the Board. The internal audit function reviews compliance vis-à-vis the established design of the internal controls, as also the efficiency and effectiveness of operations and compliance with applicable regulations.

Significant deficiencies, if any, in the internal controls, are subject to periodic reviews and tracked for closure. The summary of the audit findings and status of implementation of action plans for risk mitigation are submitted to the Audit Committee every quarter for review, and concerns around material residual risks, if any, are presented to the Board.

# STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT






GRI Indicators	
GRI 102-40	List of stakeholder groups
GRI 102-42	Identifying and selecting stakeholders
GRI 102-43	Approach to stakeholder engagement
GRI 102-44	Key topics and concerns raised
GRI 102-47	List of material topics
GRI 103-1	Explanation of the material topic and its Boundary

### STAKEHOLDER ENGAGEMENT


As an organisation, we believe in periodic and transparent communication with all our stakeholders. We work towards fostering and maintaining long-term relationships with them. At Ashok Leyland, we define our stakeholders as individuals or groups that can influence or are influenced by our operations. Our activities impact various stakeholders, such as employees, suppliers, customers, regulatory bodies and channel partners. In light of the pandemic, we sought inputs from some of our key stakeholders to ensure the relevance of our materiality topics. Our stakeholder engagement process is as follows:<sup>28</sup>




The inputs from the stakeholder interactions are used to:




Creating an exhaustive list of stakeholders across value chain, and categorising them in internal and external



Prioritising the stakeholders and identifying select groups for engagement



Formulating questionnaires for the identified stakeholder groups



Understanding the priorities and concerns of stakeholders and incorporating their suggestions in our materiality assessment

### Details of stakeholder groups and their expectations:<sup>29</sup>

Stakeholder Group	Mode(s) of Engagement	Frequency of Engagement	Key Expectations	Feedback Assessment
Employees	<ul style="list-style-type: none"> <li>Monthly and quarterly meet</li> <li>Personal review and visits</li> <li>Surveys</li> <li>Trainings</li> <li>Annual day</li> <li>Events</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>Quarterly</li> <li>Annual</li> <li>Need-based</li> </ul>	<ul style="list-style-type: none"> <li>Better future prospects</li> <li>Safe work environment</li> <li>Skill management</li> <li>Knowledge management</li> <li>Fair remuneration</li> <li>Employee volunteering for CSR activities</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement Surveys</li> <li>Annual appraisal</li> <li>Chairman's award</li> <li>MD's townhall meetings</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Suppliers meet</li> <li>Tech days</li> <li>Mutual visits</li> <li>Need-based meetings with leadership team</li> <li>Company events</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>Annual</li> <li>Need-based</li> </ul>	<ul style="list-style-type: none"> <li>Long-term business commitments</li> <li>Economic scenario with respect to commercial vehicle industry</li> <li>Scheduling</li> <li>Supplier development</li> </ul>	<ul style="list-style-type: none"> <li>Supplier summit</li> <li>Workshops</li> <li>Strategic supplier meets</li> </ul>
Customers (Institutional and Retail)	<ul style="list-style-type: none"> <li>Company events</li> <li>Surveys</li> <li>Initiatives like rewards for purchases</li> </ul>	<ul style="list-style-type: none"> <li>Need-based</li> <li>Periodic</li> </ul>	<ul style="list-style-type: none"> <li>Delivery</li> <li>Technical communication</li> <li>Aftersales service</li> <li>Quality of service</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> </ul>
Government and Regulatory Authorities	<ul style="list-style-type: none"> <li>One-to-one meetings</li> <li>Events and conferences</li> </ul>	<ul style="list-style-type: none"> <li>Need-based</li> <li>Periodic</li> </ul>	<ul style="list-style-type: none"> <li>Compliance</li> <li>Tax payment</li> </ul>	<ul style="list-style-type: none"> <li>Compliance reports</li> </ul>
Channel Partners	<ul style="list-style-type: none"> <li>Monthly and Quarterly meets</li> <li>Personal reviews and visits</li> <li>Surveys</li> <li>Trainings</li> <li>Events – dealer conference</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>Quarterly</li> <li>Annual</li> <li>Need-based</li> </ul>	<ul style="list-style-type: none"> <li>Business targets, commitment and development plan</li> <li>Training and development</li> <li>Customer engagement and satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Assessment audits – USI, PMI</li> <li>Monthly reviews</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Community welfare programmes</li> <li>Project assessment reviews</li> </ul>	<ul style="list-style-type: none"> <li>Need-based</li> <li>Periodic</li> </ul>	<ul style="list-style-type: none"> <li>Community safety and development</li> <li>Engagement and communication</li> </ul>	<ul style="list-style-type: none"> <li>Project assessment reviews</li> <li>Meetings with the community leaders</li> </ul>



<sup>28</sup> GRI 102-42, GRI 102-43

<sup>29</sup> GRI 102-40, GRI 102-43, GRI 102-44

MATERIALITY ASSESSMENT

During FY 2020-21, we engaged with our stakeholders to conduct a review of our material topics, and gauge their relevance in a post-COVID landscape. The material topics identified through this exercise are

reflected in the content of this report. We undertake this analysis in consultation with our stakeholders to foresee risks and develop mitigation plans for them.

Based on the materiality assessment conducted, we identified the following material topics:

Material Topics <sup>30</sup>	Impact Boundary <sup>31</sup>		GRI Topics	GRI Indicators
	Internal	External		
Product safety, quality and innovation	✓	✓	GRI 417: Marketing and Labeling 2016	GRI 417-2
Customer relationships and satisfaction	✓		GRI 416: Customer Health and Safety 2016 GRI 418: Customer Privacy 2016	GRI 416-1, GRI 416-2, GRI 418-1
Business growth and profitability	✓	✓	GRI 201: Economic Performance 2016	GRI 201-1
Regulatory compliance	✓	✓	GRI 307: Environmental Compliance 2016 GRI 419: Socioeconomic Compliance 2016	GRI 307-1, GRI 419-1
Road and occupational safety	✓	✓	GRI 403: Occupational Health and Safety 2018	GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9
Inclusive growth with community development	✓	✓	GRI 203: Indirect Economic Impacts 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016 GRI 413: Local Communities 2016	GRI 203-1 GRI 203-2 GRI 405-1, GRI 406-1, GRI 413-1, GRI 413-2
Sustainable supply chain and sourcing	✓	✓	GRI 204: Procurement Practices 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016 GRI 102: General Disclosures 2016	GRI 204-1, GRI 308-1, GRI 414-1, GRI 414-2, GRI 102-9, GRI 102-10
Recruitment and talent retention	✓	✓	GRI 401: Employment 2016	GRI 401-1, GRI 401-2, GRI 401-3
Grievance mechanism	✓	✓	Non-GRI Aspect	-
Cybersecurity	✓		GRI 418: Customer Privacy 2016	GRI 418-1

Resource optimisation and operational eco-efficiency	✓	✓	GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 303: Water and Effluents 2018 GRI 304: Biodiversity 2016 GRI 305: Emissions 2016 GRI 306: Waste 2020	GRI 301-1, GRI 301-2, GRI 302-1, GRI 302-4, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 304-1, GRI 304-2, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5, GRI 305-6, GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5
Human rights	✓		GRI 407: Freedom of Association and Collective Bargaining 2016 GRI 414: Supplier Social Assessment 2016	GRI 407-1, GRI 414-1, GRI 414-2
Anti-bribery and corruption	✓		GRI 205: Anti-Corruption 2016	GRI 205-3
Training and education	✓		GRI 404: Training and Education 2016	GRI 404-2
Labour management relationship (Freedom of association & collective bargaining)	✓	✓	GRI 402: Labor/Management Relations 2016 GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 402-1, GRI 407-1
Anti-competitive practices	✓		GRI 206: Anti-Competitive Behaviour 2016	GRI 206-1

<sup>30</sup> GRI 102-44, GRI 102-47  
<sup>31</sup> GRI 103-1







# CALIBRATING POTENTIAL

## GRI Standards Covered

### GRI 102: General Disclosures 2016

102-7	Scale of the organization
102-8	Information on employees and other workers
102-41	Collective bargaining agreements

### GRI 401: Employment 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
401-1	New employee hires and employee turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
401-3	Parental leave

### GRI 402: Labor Management Relations 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
402-1	Minimum notice periods regarding operational changes

### GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system
403-2	Hazard identification, risk assessment, and incident investigation
403-3	Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-9	Work-related injuries

### GRI 404: Training and Education 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
404-2	Programs for upgrading employee skills and transition assistance programs

### GRI 405: Diversity and Equal Opportunity 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
405-1	Diversity of governance bodies and employees

### GRI 406: Non-discrimination 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
406-1	Incidents of discrimination and corrective actions taken

### GRI 407: Freedom of Association and Collective Bargaining 2016

103-2	The management approach and its components
103-3	Evaluation of the management approach
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

The COVID-19 pandemic, and its socioeconomic impacts, have reiterated the responsibility that businesses have towards their stakeholders, including employees. We understand that the talent and hard work of our people has helped set us apart from our peers, and allowed us to reach and maintain our leadership position. Therefore, we endeavour to sustain an agile, enabled and empowered workforce with a global outlook, which will not only drive their individual growth but also that of our organisation.

To create value for our personnel, we are constantly working to foster a diverse, inclusive and safe work environment, where people feel free to innovate. Towards this end, we have taken a number of measures, some of which are outlined in this chapter.

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY

As we tackle new geographies and customer segments, employing a diverse workforce becomes more crucial than ever before. We recognise that people from different educational and professional backgrounds, genders, age cohorts and sections of society bring their unique life experiences and perspectives to our organisation. This not only allows them to bring out the best in each other, but also provides us with unique insight into our customers' needs.

Our approach to diversity and inclusion hinges on the three pillars of talent acquisition and intentional development, fostering an enabling environment and inclusive offerings. We are equal opportunity employers, who judge candidates solely based on merit. Further, our organisation takes a zero-tolerance approach towards discrimination, which is clearly articulated in all relevant legal documentation. As part of our efforts to intentionally develop talent, we have also designed bespoke training programmes to help women grow within the organisation. The Personal Effectiveness Programme for Women Executives identifies women in middle management roles, who are then provided with structured interventions over a period of time. These include, but are not limited to, learning labs, mentoring sessions, video nuggets, and interaction with women leaders outside the organisation. In FY 2020-21, 46 women participated in this programme, which averaged a rating of 4.4 out of 5.

This is supplemented with training modules on prevention of sexual harassment, women's networks, and a policy suite that understands, appreciates and caters to the unique needs of each of our employees. This year, we also conducted gender sensitisation workshops for managers



Our approach to diversity and inclusion hinges on the three pillars of talent acquisition and intentional development, fostering an enabling environment and inclusive offerings.

who have women on their teams. These sessions help attendees gain an increased awareness and sensitivity towards women and their work-life balance, in addition to helping them avoid any subconscious gender-based discrimination.<sup>32, 33</sup>

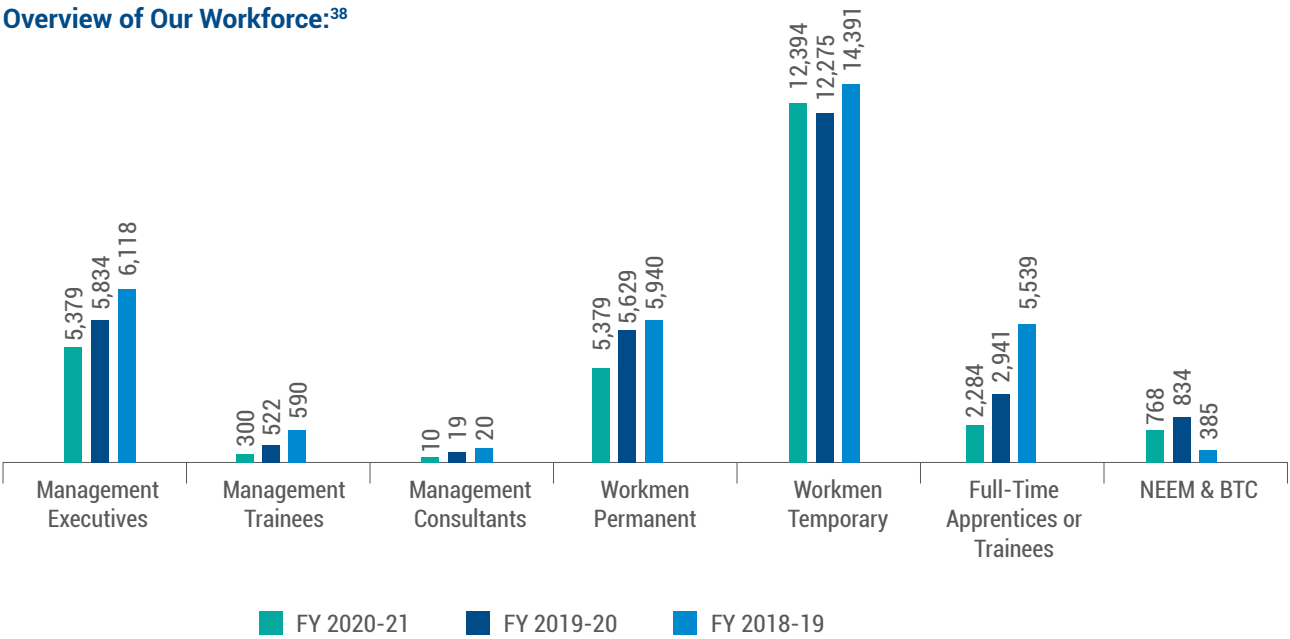
We believe that all these initiatives have further cemented our commitment to protecting human rights across our operations, and are happy to note that no instances of discrimination or human rights violations were recorded in FY 2020-21.<sup>34</sup> Further, the right to freedom of association and collective bargaining was respected and protected across our operations.<sup>35</sup> This year, 100% of our associates were covered by collective bargaining agreements.<sup>36, 37</sup>

Testimonial: Personal Effectiveness Programme for Women Executives

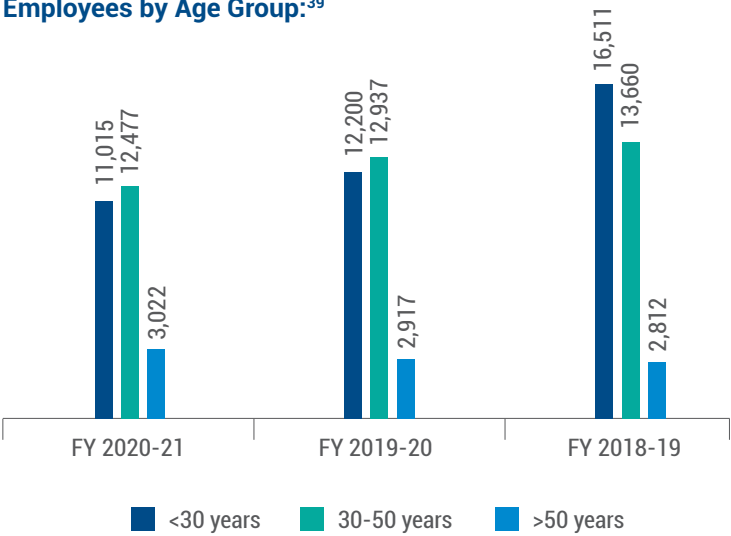
"The programme was well-organised with three practical lab sessions, and it was an amazing experience and opportunity to discuss complex issues explicitly and with integrity. The learning on leadership styles through video critique was awesome, and the points discussed in the programme motivated me to think out of the box and nurture my skill-based behavior. I am self-assured to handle the challenging roles and demonstrate more assertiveness in working environment."

Employee from Mechatronics

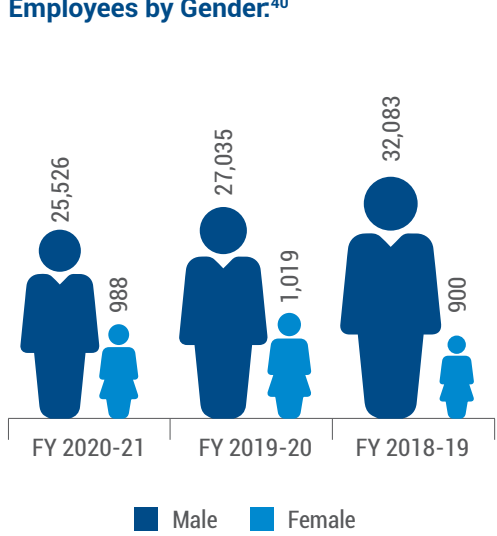
Overview of Our Workforce:<sup>38</sup>



Employees by Age Group:<sup>39</sup>

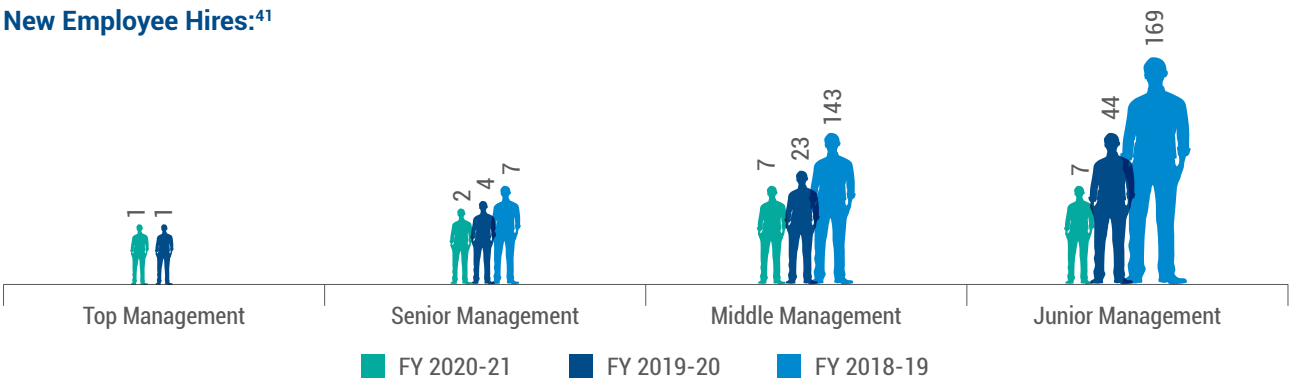


Employees by Gender:<sup>40</sup>



Additionally, 80 differently abled personnel are on our roster.

New Employee Hires:<sup>41</sup>



<sup>32</sup> GRI 103-2, GRI 103-3 (Diversity and Equal Opportunity)  
<sup>33</sup> GRI 103-2, GRI 103-3 (Non-discrimination)  
<sup>34</sup> GRI 406-1

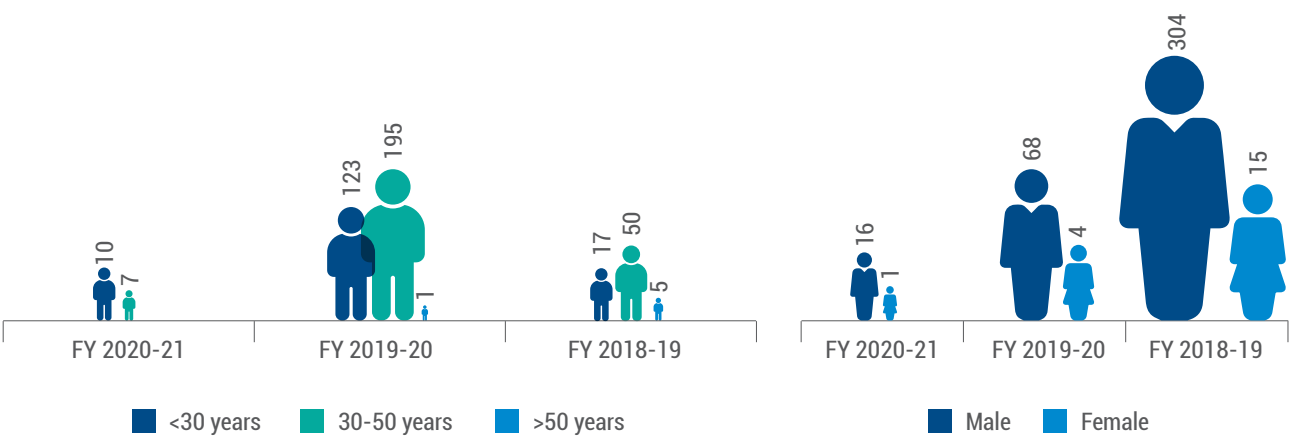
<sup>35</sup> GRI 103-2, GRI 103-3 (Freedom of Association and Collective Bargaining), GRI 407-1  
<sup>36</sup> GRI 102-41  
<sup>37</sup> GRI 103-2, GRI 103-3 (Employment)

<sup>38</sup> GRI 102-7, GRI 102-8  
<sup>39</sup> GRI 405-1

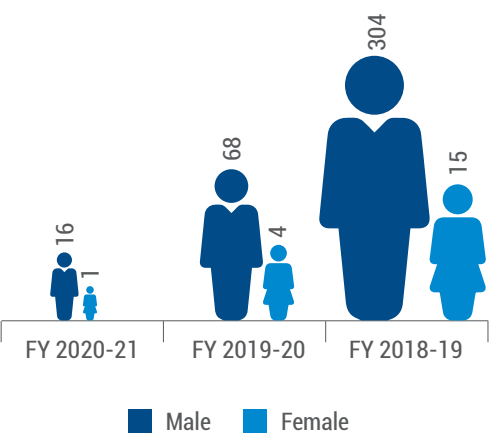
<sup>40</sup> GRI 405-1  
<sup>41</sup> GRI 401-1



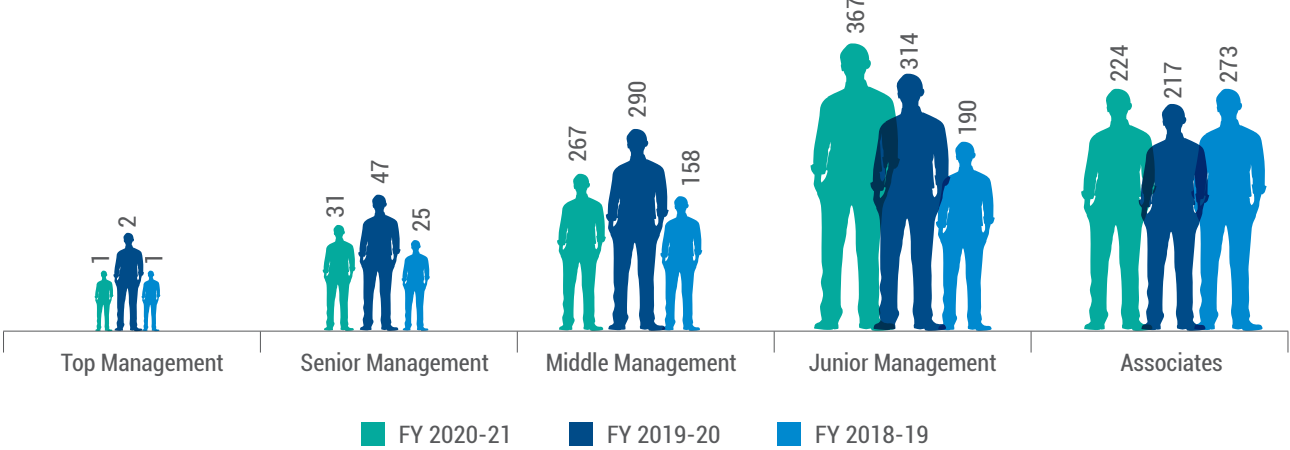
New Hires by Age Group:



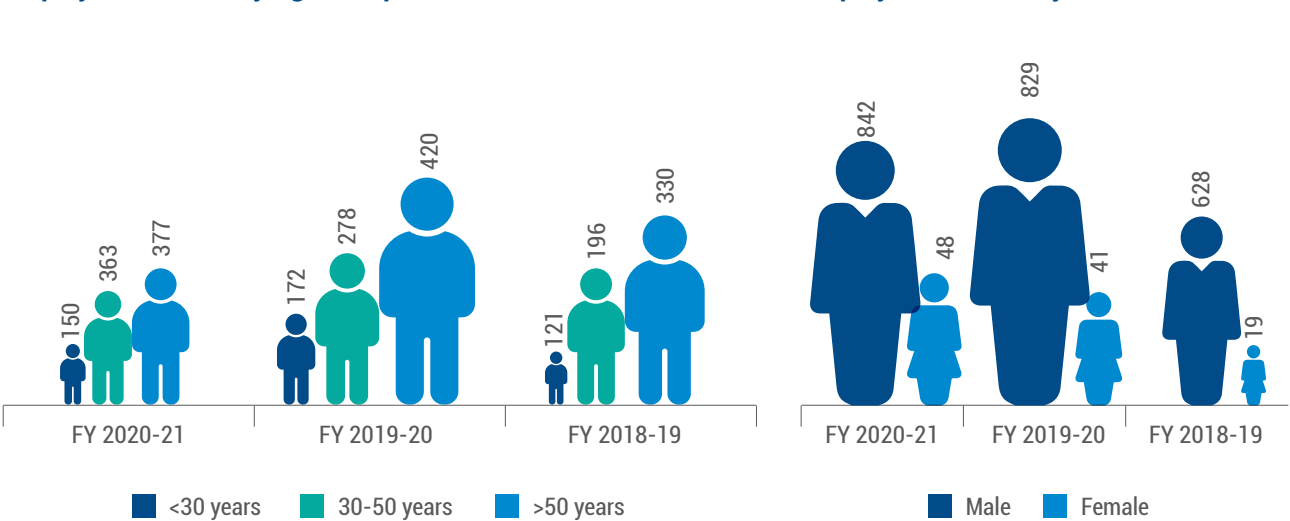
New Hires by Gender:



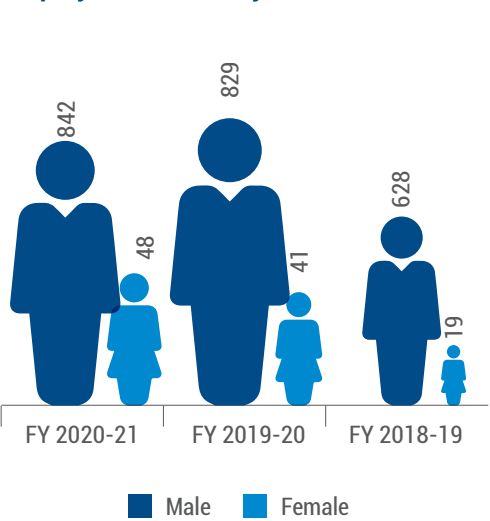
Employee Turnover:



Employee Turnover by Age Group:



Employee Turnover by Gender:



191 of the employee separations in FY 2020-21 can be attributed to resignations. Other reasons for turnover include voluntary retirement, retirement, scheduled contract endings and demise.



*We are cognizant that fostering an inclusive workplace means that we must also strive to understand and address the unique challenges faced by different groups of employees.*

We are cognizant that fostering an inclusive workplace means that we must also strive to understand and address the unique challenges faced by different groups of employees. We, therefore, provide performance-based rewards, health and life insurance coverage, retirement provision, and disability and invalidity coverage to our full-time employees.<sup>42</sup> These not only ensure their well-being and a healthy work-life balance, but also provide continued support to our personnel irrespective of the circumstances that arise. Further, major operational changes are discussed with employee representatives,<sup>43</sup>

and 21 days of notice is given to all relevant staff to ensure a smooth transition, in line with the Industrial Dispute Act.<sup>44</sup>

We adhere to the law of the land when it comes to providing employee provisions, and the Maternity Benefit Act, 1961 is no exception. Our female employees are entitled to 180 days of parental leave, whereas male employees can avail 14 days. In order to better accommodate new and expecting parents, we also extend adoption leaves and flexible working during pregnancy to our employees.

	FY 2020-21 <sup>45</sup>		FY 2019-20		FY 2018-19	
	Female	Male	Female	Male	Female	Male
Total number of employees entitled to parental leave	341	5,038	336	5,498	413	6,315
Total number of management executives who availed parental leave	41	202	31	269	10	268
Total number of management executives who returned to work in the reporting period after parental leave ended	22	187	22	265	10	268
Total number of management executives who returned to work after parental leave ended that were still employed 12 months after their return to work	9	67	26	255	10	256
Retention rate	31.28%*		94%		90%	

\*Executives returned as on September 28, 2021

<sup>42</sup> GRI 401-2, GRI 403-6  
<sup>43</sup> GRI 103-2, GRI 103-3 (Labor Management Relations)

<sup>44</sup> GRI 402-1  
<sup>45</sup> GRI 401-3

## LEARNING AND DEVELOPMENT<sup>46</sup>

Our industry is witnessing a seismic shift when it comes to technology, product offerings and after-sales service. This, combined with our ambitions of expanding into global markets with BS-VI using iGen6 technology, means that our employees need to keep pace with the sector's skilling needs. Our training and development efforts have been designed to aid the personal and professional growth of our personnel as well as our organisation at large.

Training programmes are also enhanced to adapt to external circumstances. This year, instructor-led courses on virtual platforms took center stage, as we transitioned from classroom to digital learning. The number of self-paced online courses also saw a significant increase, as did social learning through discussion boards, and personalised learning. These have been instrumental in working towards

our objective of covering 90% of our employee base through at least one programme.

This year, 5,689 of our employees logged a cumulative 68176.34 training hours, amounting to an average of 12 hours per person.

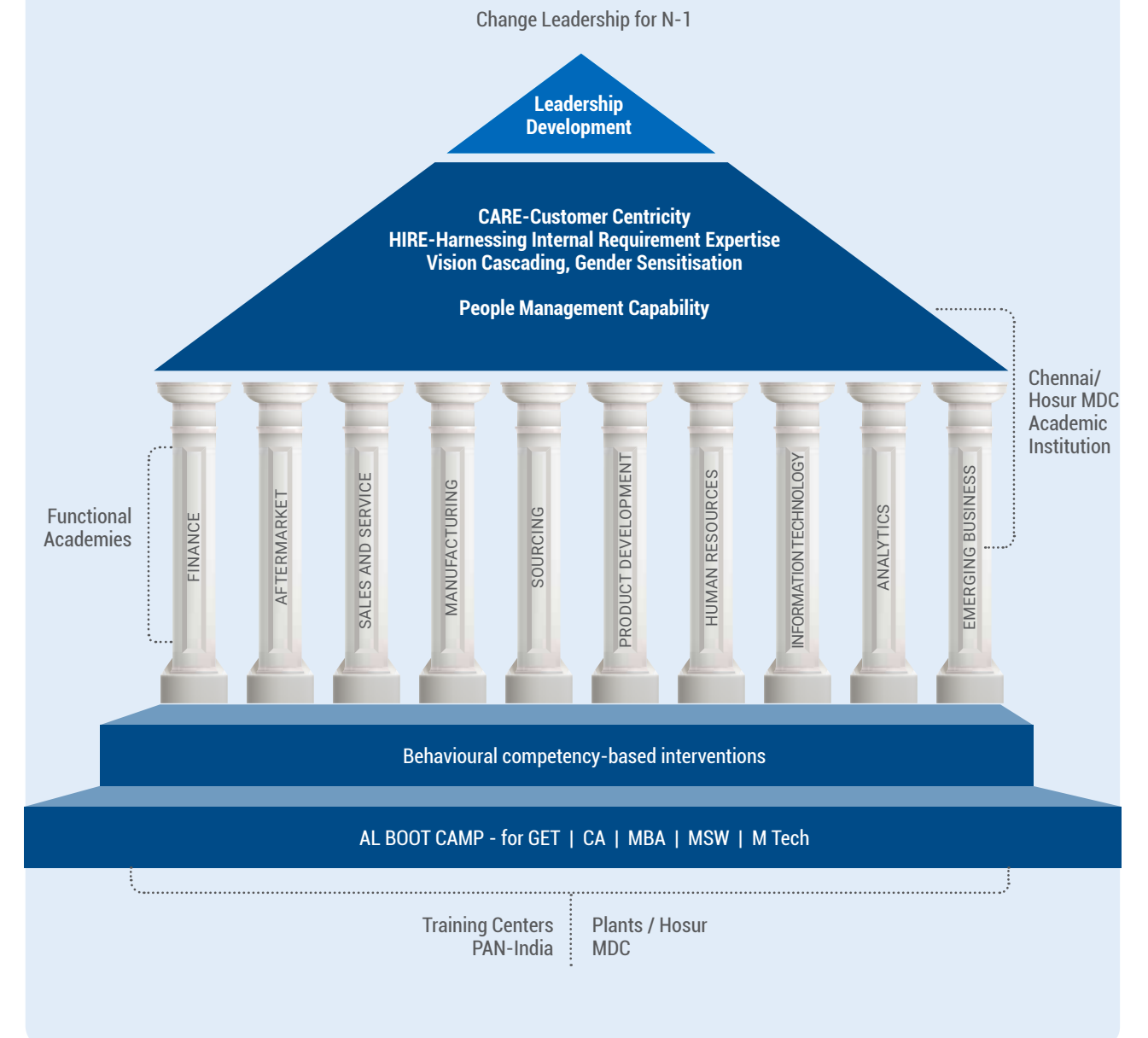
Though this year saw a significant overhaul in the implementation of our learning and development initiatives, we have retained our 'learning for all' framework, which has allowed us to seamlessly transition to the digital mode. The 100% virtual learning approach has also been instrumental in helping us work towards our goal of ensuring every employee participates in at least one programme during the year. This framework facilitates the growth of our employees by providing leadership and behavioural training, in addition to building their technical competencies through dedicated functional academies. All this is supplemented with need-based interventions such as retirement planning assistance for employees and their partners.

Training Programmes	Training Hours in FY 2020-21	Training Hours in FY 2019-20	Attendees in FY 2020-21		Attendees in FY 2019-20	
			Female	Male	Female	Male
Behavioural Training*	9,171.5	17,235	243	3,156	365	5,124
Functional Training	44,114.6	36,435	342	4,571	363	5,005
Technical Training	14,889	24,916	205	2,502	219	2,785
AL Boot Camp *	79,872	79,872	51	105	51	105

\*Includes health and wellness sessions conducted as part of behavioural programs

\*\*Owing to the restrictions imposed by the COVID-19 pandemic, the AL Boot Camp batch initiated in FY 2019-20 carried over to the reporting period

### AL University Framework - Learning for All

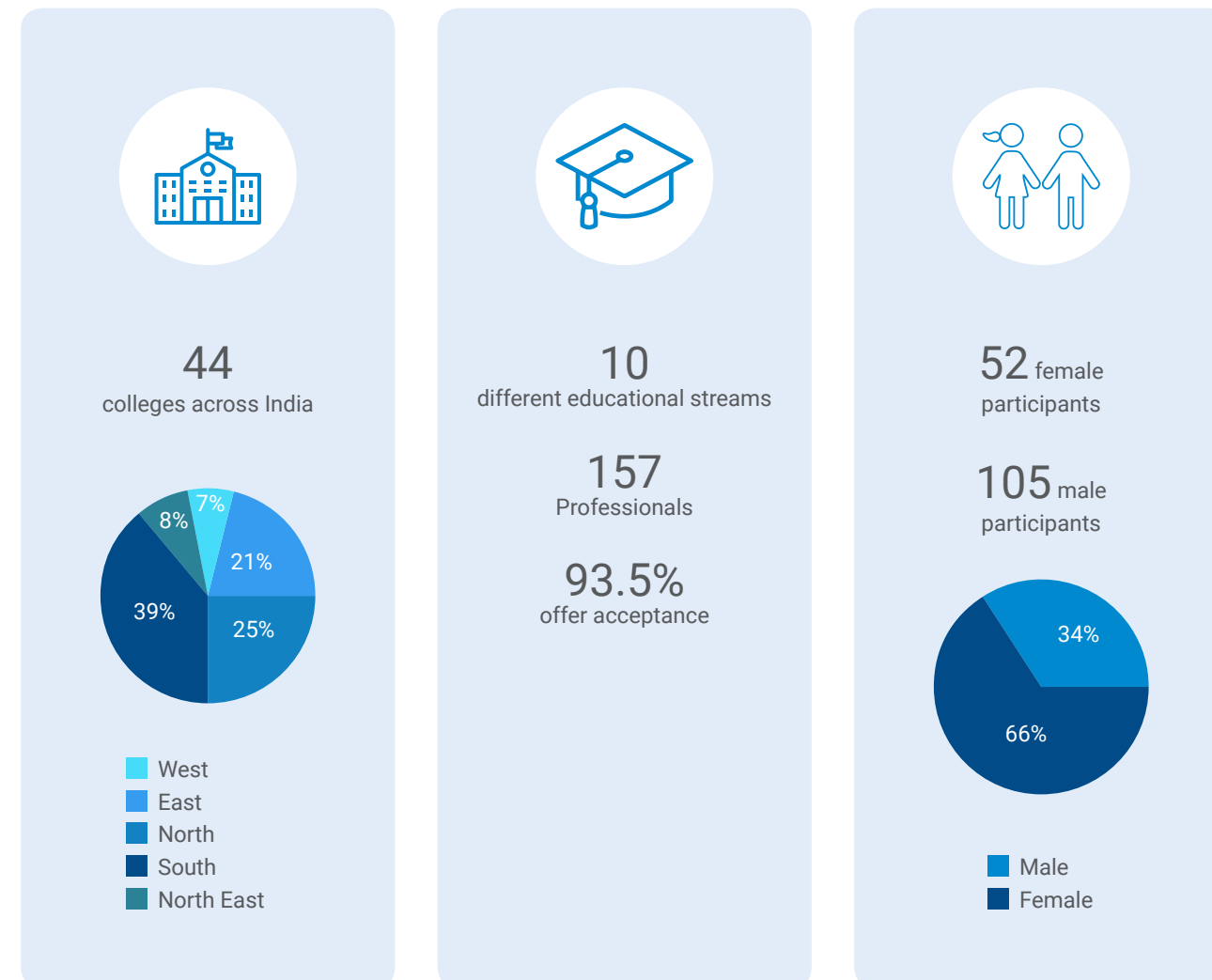


We believe that learning interventions are most effective when they are personalised with consideration for the unique needs and goals of the participant, and how those align with organisational ambitions. We, therefore, use the aforementioned framework to curate customised learning journeys for all our employees. These are imparted in addition to mandatory trainings on subjects like information security, diversity and inclusion, and the prevention of sexual harassment.

<sup>46</sup> GRI 103-2, GRI 103-3 (Training and Education), GRI 404-2



## HIGHLIGHTS OF AL UNIVERSITY



The AL University framework also encompasses AL Boot Camp, an intensive learning programme that allows freshers to enhance their problem-solving skills by way of on-the-job learning. Over the course of a year, participants work across various functions and locations, and are given close guidance from a mentor within the organisation. In FY 2020-21, 157 professionals were

accepted into this programme, which culminated in 82 hands-on learning projects across both manufacturing as well as non-manufacturing focus areas. We are proud to note that these projects culminated in savings of INR 4.40 crores, and 138 professionals being allocated to various departments and the executive cadre.



This year, leveraging virtual learning has proven to be instrumental in allowing us to reach over 90% of our workforce through our training interventions. In an employee survey, the score assigned to learning initiatives has also increased from 81% to 91.5%, while keeping COVID-19 protocols in place.

As part of these efforts, we offer certifications from top-notch universities through Coursera for Business, edX and LinkedIn Learning. These are geared at enhancing the leadership, functional, technical and business management competencies of our junior and middle management employees. Upon completing these modules, participants are also graded through peer reviews, which builds an ecosystem of social and collaborative learning. The highly interactive content is also curated to include emerging technologies like the Internet of Things, big data, artificial intelligence, machine learning and electric vehicle technology, to ensure individual and organisational resilience. This year, over 1,300 certifications were acquired by our employees on Coursera, while 163 learners logged 1,570 hours and 1,585 certifications on LinkedIn Learning. Meanwhile, edX allowed our personnel to earn 27 certifications from various universities. We also had 412 staff members attend three sessions as part of the Harvard Learning Series, which received overwhelmingly positive feedback.

To help our employees apply their enhanced technical competencies in real-life scenarios, we also offer gamified simulations. The experiential model of learning allows the learner to retain subject matter for a longer period of time. Therefore, these simulation-based self-paced modules are being offered to both individual contributors and managers leading teams. Over 100 learners have benefitted from them during the reporting period.

In line with our focus on constant learning, we have also offered courses on various topics – ranging from wellness to technical skills – through bite-sized videos featuring industry leaders from across the country. The wellness sessions have been attended by over 1,200 executives in FY 2020-21. We also introduced '5mL', which stands for 5-Minute Learning, and features global business leaders' insights that our leadership team can view at the click of a button.

All the interventions were very strategically designed, keeping the organisational competencies and needs in mind. A push and pull strategy is being used to ensure 100% adoption. Strategic learning campaigns have been designed to generate user pull, with mailers, flyers, testimonials generating awareness on available courses. All this has been instrumental in allowing us to win the TISS Leapvault CLO Award 2020 for the Best Virtual Learning Programme.



My experience with Coursera courses has been great. The concepts and basics were designed in a way that was easy to grasp, with valuable real-world examples. A few of the concepts were really new yet easy to learn. The course on data analytics has given me the confidence to solve real-world problems more efficiently in my job. It was indeed one of the best courses I've taken to date."

Employee from CQ Quality



EMPLOYEE ENGAGEMENT

Our employees’ contribution to helping us create value for our stakeholders is nearly unparalleled. In order to optimise their productivity and performance, and retain our talented workforce, we are constantly engaging with them through various channels. This includes formal as well as informal communication in the form of leadership meets, personal reviews and visits, celebration of festivals, and surveys.

This year, we conducted an employee pulse survey known as ViBE, which garnered responses from over 95% of our workforce. We used this survey to identify any concerns in the areas of employee wellness, health and safety, senior leadership response and communication, caring and connection, and virtual work effectiveness. Findings from the survey were addressed through dedicated focus groups created by the human resources function, in a bid to continually enhance the employee experience.

Grievance Redressal

Addressing any concerns in a timely and transparent fashion is of paramount importance to our employee engagement efforts. It is key to helping us understand and cater to the needs of our people, which is why we have instituted a grievance redressal mechanism. This is overseen by a committee of functional heads and senior management members, who ensure effective resolution. We did not receive any complaints regarding our labour practices in FY 2020-21, and 100% of minor grievances during the year were resolved as on March 31, 2021.

People Red Book

The efficacy of an organisation’s day-to-day administration can have a direct impact on employee morale and productivity. We have, therefore, devised People Red Book,



*Findings from our employee pulse survey were addressed through dedicated focus groups created by the human resources function, in a bid to continually enhance the employee experience.*

a process that seeks to ensure fair treatment of employees and timely resolution of complaints, while also raising awareness about our grievance redressal mechanism.

Prevention of Sexual Harassment (POSH)

We recognise that workers can only feel productive and engaged in a work environment where they are safe and free of all types of harassment. Our POSH Policy helps us create a safe and inclusive atmosphere, and deal with any incidents that may arise in a just and transparent manner. We have formulated an Internal Compliance Committee, which works with an HR representative, to address complaints related to sexual harassment. This year, we did not record any cases of sexual harassment at Ashok Leyland.

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Due to the nature of our operations, occupational health and safety has always been a material issue for us, when it comes to our human capital. We have put the necessary checks and balances in place to ensure that our employees do not face any harm while discharging their duties. This focus has only been amplified in light of the COVID-19 outbreak, where we have enhanced our systems, processes, policies and benefits to fulfil the needs of the hour.

We continue to aim for zero harm at our organisation. Towards this end, we have conducted regular third-party audits, risk assessments and hazard identification exercises to minimise the inherent risks of our operations for permanent and other workers.<sup>47</sup> In addition to hazard identification and risk assessment, we also have measures like walk-through safety audits, corrective and preventive actions, behaviour-based safety trainings, and safety score card for contract employees for determining the nature and mitigation measures for each risk. We expect our suppliers to have an occupational health and safety management system that is compliant with OHSAS 18001 or its equivalent. At our own manufacturing plants, we have one that is ISO

45001:2018 certified<sup>48</sup>, in addition to a Safety, Health and Environment (SHE) Policy that covers all manufacturing, R&D, warehousing and distribution facilities, in addition to our head office.

All employees are trained on the SHE Policy upon joining, and provided periodic refresher trainings to ensure a culture of compliance. This year, we also conducted several safety drills at our locations, in addition to providing medical checkups, conducting quarterly surveys and stationing medical teams at plants.<sup>49</sup> Our roster of trainings also included sessions on hazard identification and risk assessment, emergency preparedness, safety awareness, ISO 45001, pain management, ergonomics, diabetes and anemia management, personal hygiene, immunity, stress management, yoga and much more.<sup>50</sup>

These measures are backed with robust SHE targets, progress on which is overseen by a dedicated committee comprising of senior management as well as individual contributors.<sup>51</sup> In order to ensure that everyone’s best interests are protected, the Safety Committee conducts monthly townhalls. These meetings allow the relevant personnel to peruse any audit findings, safety concerns, progress on SHE targets and safety strategy at large to take remedial measures, where needed.

Work-Related Injuries for Permanent and Other Workers in FY 2020-21:<sup>52</sup>

Safety Parameters	FY 2020-21	FY 2019-20	FY 2018-19
Injuries	22	42	1,089
High-consequence work-related injuries	1	0	0
Lost days	299	135	24,630
Total manhours worked (in millions)	61.61	48.61	65.87
Injury rate	0.07	0.17	3.31
High-consequence work-related injury rate	0.003	0	0
Lost day rate	0.97	1.32	74.78

*\*Injury and lost-day rate have been calculated based on 200,000 hours worked.*

To continuously enhance our safety performance, control measures have been defined for each of the hazards identified, including ones that pose a risk of high-consequence injury. All of the incidents have been thoroughly inspected to identify their root causes, and take corrective action to prevent any future occurrences.<sup>53</sup>

<sup>47</sup> GRI 403-2, GRI 403-7  
<sup>48</sup> GRI 403-1  
<sup>49</sup> GRI 403-3, GRI 403-6  
<sup>50</sup> GRI 403-5

<sup>51</sup> GRI 403-4  
<sup>52</sup> GRI 403-9  
<sup>53</sup> GRI 403-2, GRI 403-7



# CONSERVING NATURE

GRI Indicators	
GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 301-1	Materials used by weight or volume
GRI 301-2	Recycled input materials used
GRI 302-1	Energy consumption within the organization
GRI 302-4	Reduction of energy consumption
GRI 303-1	Interactions with water as a shared resource
GRI 303-2	Management of water discharge-related impacts
GRI 303-3	Water withdrawal
GRI 303-4	Water discharge
GRI 303-5	Water consumption
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
GRI 304-2	Significant impacts of activities, products, and services on biodiversity
GRI 305-1	Direct (Scope 1) GHG emissions
GRI 305-2	Energy indirect (Scope 2) GHG emissions
GRI 305-3	Other indirect (Scope 3) GHG emissions
GRI 305-4	GHG emissions intensity
GRI 305-5	Reduction of GHG emissions
GRI 305-6	Emissions of ozone-depleting substances (ODS)
GRI 306-1	Waste generation and significant waste-related impacts
GRI 306-2	Management of significant waste-related impacts
GRI 306-3	Waste generated
GRI 306-4	Waste diverted from disposal
GRI 306-5	Waste directed to disposal
GRI 307-1	Non-compliance with environmental laws and regulations

There has been a growing need for organisations to manage their environmental impact. Mainstreaming environmental and social parameters into our operations has been of utmost priority at Ashok Leyland. Keeping in mind the scale and impact of our operations, we continuously work towards deploying environment-friendly practices and lowering our dependence on natural resources. In line with our endeavour to be a responsible corporate citizen, we have adopted measures to use environment-friendly, recyclable materials to optimise material consumption, and deployed processes to lower our environmental impacts.

We take precautionary measures and have Environmental and Social Management System (ESMS) plans formulated for all site activity and safety. Regular monitoring and periodic audits are carried out to ensure compliance with ESMS plans.<sup>54</sup> All our sites are ISO 14001:2015 certified, and we have a well-established sustainability data management system for measuring and recording data to monitor every unit's performance vis-à-vis production and resource consumption. A number of measures have instituted to reduce our environmental impact. These include, but are not limited to, continuous monitoring mechanisms, protecting and conserving biodiversity, lowering our waste generation, conserving water, and managing our emissions. Further, we carry out periodic audits to ensure compliance with environmental mandates and regulatory norms.

<sup>54</sup> GRI 102-11







## Power-saving and improved productivity in the heat treatment process at Bhandara

**Description:** At our Bhandara plant, the Rotary Hearth Furnace number 5 (RHF 5) was underutilised, as it was being run with single component loading due to the presence of only one press quenching machine near the furnace. At present, an additional press quenching machine has been installed. The plant is maintaining two components, loading and ensuring maintenance of all quality parameters. This initiative taken by the site has led to power-savings and productivity improvement of the furnace.

**Outcome:** The implementation of this initiative, led to a power savings of 99,312 Kwh per annum and a total of 81.44 tCO<sub>2</sub>e reduction in Scope 2 emissions annually. Further, in monetary terms the per annum savings totaled to INR 15.42 lakhs.



Picture before modification



Picture after modification

### CASE STUDY 2

## Replacing streetlights throughout the canteen road to ensure energy savings

**Description:** At the Alwar site, 250 Watt lights were replaced with 72 Watt LED lights. This replacement was done across the road leading to the canteen. The initiative helped the site not only drastically reduce their energy consumption, but also significantly lowered their carbon footprint.

**Outcome:** The implementation of this initiative has reduced the carbon footprint of the site by 52.6 tCO<sub>2</sub>e per annum and resulted in monetary savings of INR 2.65 lakhs per annum.



### CASE STUDY 4

## Optimised loading of 9S input shaft in sealed quench furnace leading to productivity improvement

**Description:** Before the modification, only a total of 50 9S input shaft charges would load in sealed quench furnace for carburising and hardening process. At present, the loading has been optimised with gears to counter underloading of charge in furnace, by ensuring necessary modifications in loading trays.

**Outcome:** This initiative has resulted in a per annum saving of INR 88,873 along with a power savings of 47,232 Kwh/annum and 38.73 tCO<sub>2</sub>e reduction in Scope 2 emissions per annum.



Picture before modification



Picture after modification

### CASE STUDY 5



Picture before modification

## Elimination of Wooden packing in Bus Body stores in Alwar

**Description:** At the site, the AC kits are received with the wooden packing box, which consumes a lot space due to its size and takes more time to unload. This issue was taken up with the supplier and an



Picture after modification

eco-friendly packaging and usage of metal pallets was suggested for delivering the AC kit instead of the wooden box pallets.

**Outcome:** The implementation of this initiative helped eliminate over 70 kgs of wood used in the two AC kits received during the financial year.

### CASE STUDY 3

## CASE STUDY 6

### Productivity improvements in components

**Description:** There were two types of synchro rings that were loaded in one cycle and then subsequently press quenched in press quenching machine. Post the modification, there are now three types, which are being loaded in one cycle and then subsequently press quenched in the machine. This helps in ensuring the quality requirements are within specifications, which has resulted in significant power savings and productivity improvement.

**Outcome:** The implementation of this initiative resulted in a total of INR 5.58 lakhs per annum. Additionally, this initiative has also led to yearly power savings of 44,136 Kwh and reduction of 36.20 tCO<sub>2</sub>e of Scope 2 emissions.



Picture before modification



Picture after modification

## CASE STUDY 7

### Maximising solar power utilisation

**Description:** At the Alwar plant, a deterioration was noted in the power factor for solar, since the meter was unidirectional and not properly calculating the power factor. This restricted the usage of solar power at the plant. The shop at substation replaced the power factor meter with a bidirectional meter. This has helped in maximum utilisation of solar power and reduced the unit cost by INR 2.

**Outcome:** The initiative has yielded recurring savings of INR 13.7 lakhs per annum, along with helping the plant reduce its dependence and consumption from traditional sources of energy.



Picture before modification



Picture after modification

## CASE STUDY 8

### Elimination of diesel consumption in Alwar

**Description:** At the store of the Alwar plant, a significant amount of diesel usage was noted in non-value addition activities like collection of empty gear box pallet using a forklift. This observation helped replace the forklift with an overhead crane for picking the pallets with ease.

**Outcome:** The initiative has led to savings of 5 liters of diesel per day.



Picture before modification



Picture after modification



MATERIAL CONSUMPTION

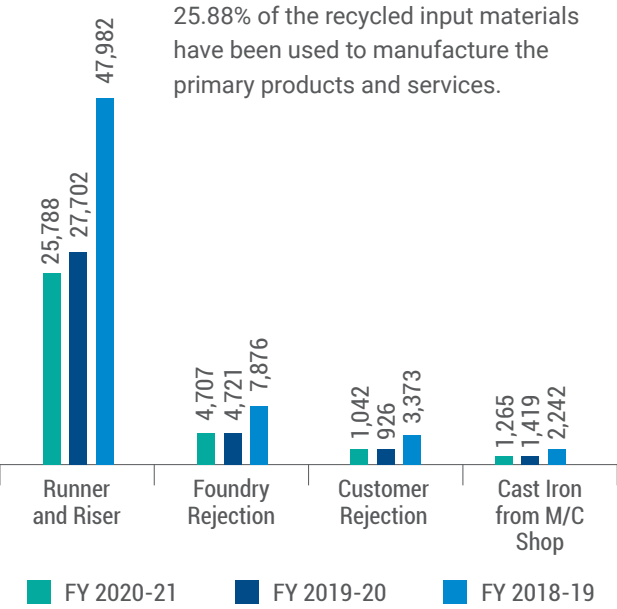
We track our material consumption at both the unit and corporate level. This data is used to monitor and optimise our material consumption, throughout the value chain. During product development, we work towards identifying ways to mitigate the environmental impact of our products, and making process changes that help us optimise our material usage without any compromise on the quality.<sup>64</sup>

Particulars	UoM	FY 2020-21 <sup>65</sup>	FY 2019-20	FY 2018-19
Primary Materials				
Steel	MT	12,711	15,941	4,22,371
Steel scrap	MT	21,027	33,610	58,055
Cast iron scrap	MT	16,099	18,389	27,740
Pig iron grade	MT	5,804	6,087	9,389
Ferrous alloys	MT	2,022	1,872	3,685
Associated Materials				
Oil and lubricants for process (used for equipment and machinery)	MT	1,652	1,799	-
Oil and lubricants for products (filled in products)	MT	1,07,334	5,019	-
Oil and lubricants	MT	1,08,986	6,818	10,664
Paints	MT	2,380	2,090	2,222
Chemicals (washing machines, paint shop, treatment plants, etc.)	MT	743	1,380	2,309
Consumables gas (LPG, propane, liquid nitrogen, co <sub>2</sub> , shield gas, ammonia, Dissolved Acetylene (DA))	MT	911	727	1,150
Sand	MT	44,979	62,162	1,04,409
Other consumables	MT	49	54	900
Diesel (filled in product)	kL	2,111	2,385	5,330
CNG (filled in products)	MT	20	130	75
Ozone-depleting substances	MT	3	-	-
Semi-Manufactured Goods				
Copper	MT	132	118	449
Non-metallics	MT	11,310	11,602	16,902
Batteries	MT	973	1,459	4,628
Aluminum	MT	0.06	0.15	2,434
Tyres and tubes	MT	7	56	3,027
Castings and forging	MT	8	0.16	8,681
Packaging Materials				
Carton box	MT	51	72	144
Plastic (PVC, polythene)	MT	35	101	73
MS pallets or racks (non-returnable)	MT	30	30	117
Wood	MT	9	49	306

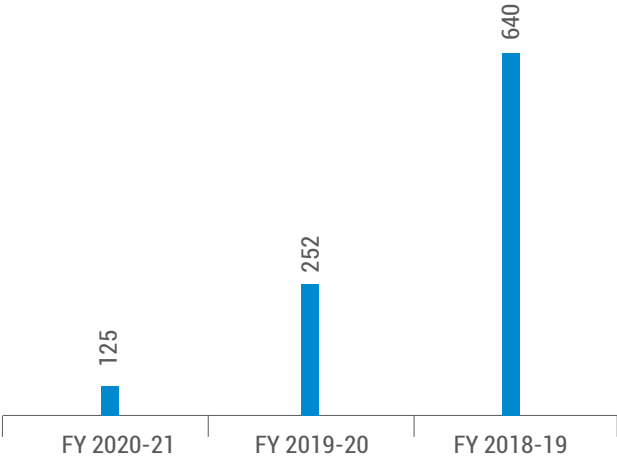
<sup>64</sup> GRI 103-2, GRI 103-3 (Materials)

<sup>65</sup> GRI 301-1

Recycled Material Consumption (MT)<sup>66</sup>



Packaging Material Consumption (MT)



WATER MANAGEMENT

Water is one of the most important resources in all our operations and its conservation is a social and environmental concern around the world. At Ashok Leyland, we constantly work towards managing the impacts of our operations that are situated in areas prone to water stress. We are committed to constantly reducing the amount of water withdrawn and monitoring the quality of wastewater discharged. We strive to mitigate our impacts on water bodies and ensure that the quality and availability of water is not affected for local communities and the local water environment. At Ashok Leyland, one of our key water-related goals is to achieve water positivity.<sup>67</sup>

Water sources for us include groundwater, municipality water, borewells and open wells. Additionally, we utilise

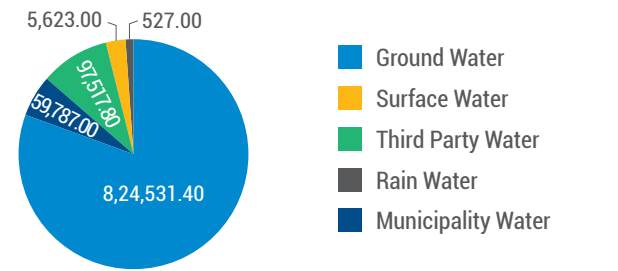
<sup>66</sup> GRI 301-2  
<sup>67</sup> GRI 303-1, GRI 303-2  
<sup>68</sup> GRI 303-5

rainwater from our rainwater harvesting facilities. In FY 2020-21, we had a total water consumption of 8,99,984.10 kL<sup>68</sup>. We had a total withdrawal of 9,87,986.2 kL and specific water withdrawal of 9.94 kL/HECU.<sup>69</sup>

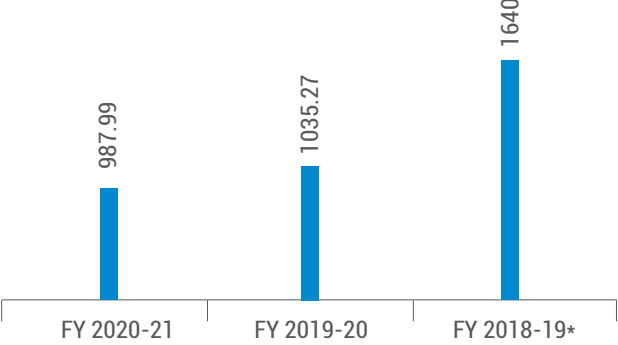
Water discharged by destination		
Source	Units	FY 2020-21
Surface Water	kL	99,908
Other water source	kL	12,814

To ensure that the wastewater we discharge is as per applicable laws, we have deployed stringent treatment processes and strive to achieve a 'Zero Discharge' status at all our sites.

Water Consumption (000' kL)

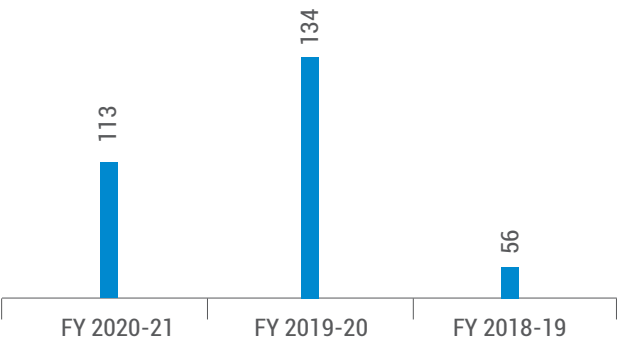


Water Consumption (000' kL)



\*for FY 2018-19 amount was consolidated using GRI Water 2016 standard.

Effluent Discharged (000' kL)<sup>70</sup>



<sup>69</sup> GRI 303-3  
<sup>70</sup> GRI 303-4

WASTE MANAGEMENT

At Ashok Leyland, we work continuously towards identifying and reducing the waste generated throughout our processes. We have been working towards continuously managing waste as a resource and remediating the waste-related impacts. Our systematic process of treating, managing and disposing waste at every site ensures proper disposal.<sup>71</sup>

We have designated personnel for supervising the disposal of waste and co-ordinating with waste disposal

Waste Diverted and Disposed<sup>74</sup>

Hazardous Waste- Diverted	UoM	FY 2020-21
Used / Spent oil	MT	148.22
Wastes / Residues containing Oil - Oil Soaked Cotton Waste	MT	202.29
Wastes / Residues containing Oil - Grinding sludge	MT	26.46
Alkali Residues	MT	-
Phosphate sludge	MT	20.14
Wastes and residues - Paint sludge	MT	77.21
Filter, Residues	MT	3.76
Wastes/residues (sealant/ PVC residues from painting process)	MT	2
Discarded containers / barrels / Liners contaminated with hazardous wastes / chemicals	MT	122
Spent ion exchange resin containing toxic metals	MT	1
Oil and Grease Skimming Residue	MT	3
Filter and Filter Material	MT	0
Chemical sludge from wastewater treatment (ETP Sludge)	MT	155
Used Batteries	MT	14
E-Waste	MT	3
Spent Solvent (from Paint Shop)	MT	2
Non-Hazardous Waste- Diverted	UoM	FY 2020-21
Steel castings, MS scrap	MT	213.62
Aluminium scrap	MT	5.52
Scrap Tyres and Tubes	Nos.	541
Rubber Scrap	MT	0
Cable & Electrical Scrap	MT	1.32
Steel dust/ Shot blast dust/ grinding dust	MT	0
Wood Waste	MT	75.66
Cardboard/ Wastepaper	MT	120.44
Plastic Waste/ Used HDPE bags	MT	16.85
Waste sand	MT	0
Food waste	MT	0
Garden waste (jungle wood, dry leaves etc)	MT	0

organisations authorised by the respective State Pollution Control Board (SPCB). We carry out recycling of waste at our sites, wherever feasible. All our sites are actively taking measures to contribute towards our ‘Zero Waste to Landfill’ campaign.<sup>72</sup> During the year, we generated 1,10,364.37 MT of hazardous waste and non-hazardous waste from our operations.<sup>73</sup> The breakdown of the waste disposed and diverted is as below:

Non-Hazardous Waste- Disposed	UoM	FY 2020-21
Steel castings, MS scrap	MT	13,648.36
Aluminium scrap	MT	349.39
Scrap Tyres and Tubes	Nos.	8,169.21
Rubber Scrap	MT	26.90
Cable & Electrical Scrap	MT	15.01
Steel dust/ Shot blast dust/ grinding dust	MT	207.60
Wood Waste	MT	1,304.11
Cardboard/ Wastepaper	MT	2,510.75
Plastic Waste/ Used HDPE bags	MT	266.91
Waste sand	MT	80,870.19
Food waste	MT	57.24
Garden waste (jungle wood, dry leaves etc)	MT	350.27
Hazardous Waste- Disposed	UoM	FY 2020-21
Used / Spent oil	MT	129.28
Wastes / Residues containing Oil - Oil Soaked Cotton Waste	MT	70.36
Wastes / Residues containing Oil - Grinding sludge	MT	81.07
Alkali Residues	MT	-
Phosphate sludge	MT	10.92
Wastes and residues - Paint sludge	MT	244.46
Filter, Residues	MT	12.53
Wastes/residues (sealant/ PVC residues from painting process)	MT	0
Discarded containers / barrels / Liners contaminated with hazardous wastes / chemicals	MT	458
Spent ion exchange resin containing toxic metals	MT	0
Oil and Grease Skimming Residue	MT	0
Filter and Filter Material	MT	0
Chemical sludge from wastewater treatment (ETP Sludge)	MT	73
Used Batteries	MT	16
E-Waste	MT	3
Spent Solvent (from Paint Shop)	MT	0



BIODIVERSITY

We do not operate in, that are or lie within the vicinity of, areas that are home to International Union for Conservation of Nature (IUCN) Red List Threatened Species.<sup>75</sup> Further, we ensure that our operations pose no or minimal harm to biodiversity and ecological balance in our vicinity. We ensure that none of our resources are procured or extracted resources from World Heritage-listed properties. None of our plants, except the Ennore plant, are situated in a biodiversity hotspot or are in close proximity to protected water bodies. No operational sites are owned, leased, managed in, or adjacent to, protected areas or areas of high biodiversity value outside protected areas.<sup>76</sup>

We continuously engage with the communities to undertake environmental initiatives for protecting the environment and ensuring a responsible use of our natural resources. During the year we conducted, tree plantation drives were undertaken across all our units. We have adopted the Miyawaki method of creating forest areas across nine of our manufacturing units. Further, we have a biodiversity data management system that helps us track and record the saplings planted within and outside our manufacturing premises.<sup>77</sup>

COMPLIANCE<sup>78</sup>

While working towards shared value creation and business excellence, our continued focus lies on ensuring our environmental and social performance. With the objective of creating long-term value and fulfilling the needs of our stakeholders, we have employed processes and innovations that help us keep a check on our environmental footprint. We are committed to complying fully with all applicable environmental laws and regulations imposed by Central and State Pollution Control Boards and the Ministry of Environment, Forest and Climate Change (MoEFCC). In the reporting year, there were no non-monetary sanctions or monetary fines levied upon us for any environmental non-compliance.<sup>79</sup>

<sup>71</sup> GRI 306-1

<sup>72</sup> GRI 306-2

<sup>73</sup> GRI 306-3

<sup>74</sup> GRI 306-4, GRI 306-5

<sup>75</sup> GRI 304-2

<sup>76</sup> GRI 304-1

<sup>77</sup> GRI 103-2, GRI 103-3 (Biodiversity)

<sup>78</sup> 103-2, GRI 103-3 (Environmental Compliance)

<sup>79</sup> GRI 307-1





# CREATING OPPORTUNITIES, TRANSFORMING LIVES

GRI Indicators	
GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 203-1	Infrastructure investments and services supported
GRI 203-2	Significant indirect economic impacts
GRI 413-1	Operations with local community engagement, impact assessments, and development programs
GRI 413-2	Operations with significant actual and potential negative impacts on local communities

We are a valued organisation that not only looks after our economic and social growth, but also strives towards fulfilling commitments made to the communities in which we operate. Our CSR initiatives are mainly focused on the areas of conserving the environment, providing quality education, enhancing skills, community infrastructure development and access to healthcare facilities. Over a period of 25 years of working in this field, we have been able to create substantial impact in the communities, which will be highlighted through this chapter.

We have a structured CSR Policy, which directs us on how to carry out our activities in an efficient manner. We also have a comprehensive programme known as “Road To School” that was implemented since 2015 , through which we conduct various activities to address the societal issues faced by underprivileged groups. Our innovative, sustainable, and impactful approach towards implementing our CSR strategy involves our unique collaboration model. This RTS programme model enables us to successfully carry out various plans with our NGO partners.<sup>80</sup>

During FY 2020-21, our CSR expenditure amounted to INR 45.86 crore. In the reporting period, our operations did not have any significant actual or potential negative impacts on the local communities.<sup>81</sup> 95% of our operations involved engaging with the community, conducting impact assessment and initiating new developmental programmes as per the needs of the community.<sup>82</sup> Due to the new normal, most of our engagement activities involved using the digital platforms. In FY 2020-21, we have worked towards the expansion of our RTS project, encompassing 178 additional schools, benefitting 11,000 students in the Krishnagiri and Namakkal districts.

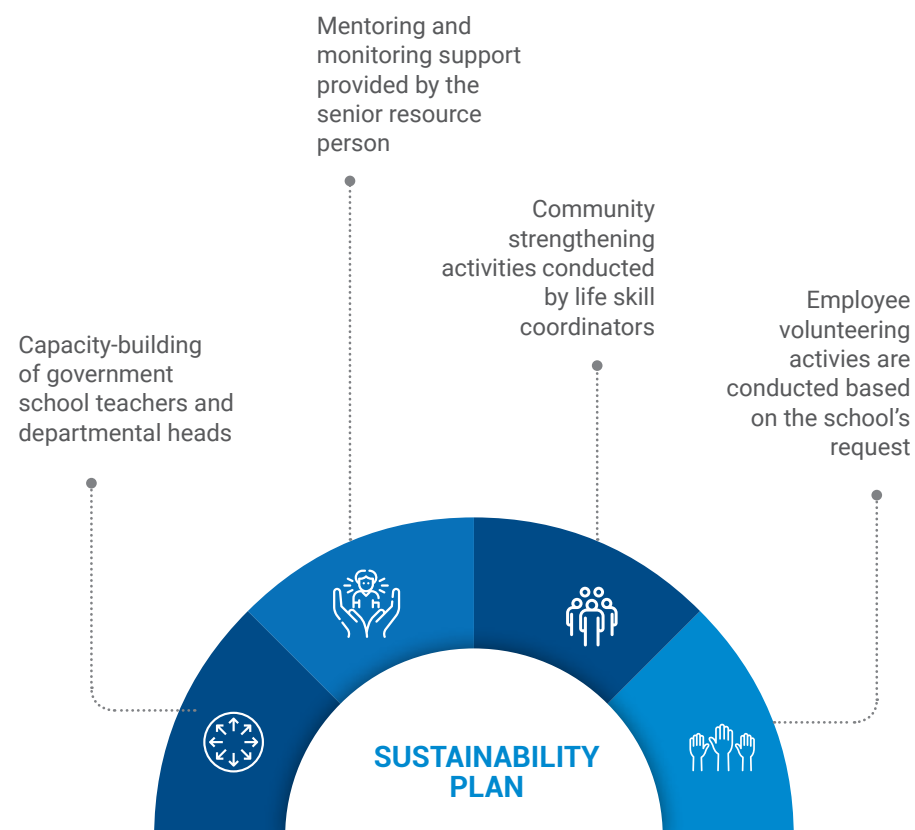
This year, we have also implemented a sustainability plan along with our NGO partners to carry out a four-year RTS project. This includes a three-year intervention, where support and trained manpower were provided to upskill teachers and build a systematic approach for effective learning. In the fourth year, support was provided to the faculty, making them tech-savvy and empowering them. The exit strategy included a sustainability plan ensuring that the core objectives of the programme are met and it continues to sustain itself.

<sup>80</sup> GRI 103-2 (Indirect Economic Impacts, Local Communities)

<sup>81</sup> GRI 413-2

<sup>82</sup> GRI 413-1





To ensure that this four year plan is executed effectively, we conducted stakeholder interactions, wherein we monitored and evaluated the progress of this plan and also shared these progress reports with our management. This synergy involves close co-operation between the block education officers and our team. They were also consulted with regarding the content of the materials provided to the students. As a part of this programme, we share monthly progress reports and invite them to competitions, activities and celebrations conducted at RTS schools. A region-wise review was conducted for all collaborators to track our progress efficiently.<sup>83</sup>

## OUR CONTRIBUTION TOWARDS SDGS

As a responsible corporate, we are committed to doing our part for India towards attaining its commitments related to United Nations Sustainability Development Goals by 2030. Through various activities, we attempt to accomplish the targets set for six SDGs.

### Road to School

The RTS programme is designed to contribute towards the holistic development of children. It aims at



enhancing their learning abilities by building a strong foundation, supporting them academically, as well as promoting co-scholastic activities. Additionally, we encourage primary and middle school students to improve their nutrition, physical development, health and well-being through our efforts.

This reporting year, the programme has impacted a total of 70,105 students across 899 schools. Of the 899 schools, 707 schools have directly been funded by us, 187 by Hinduja Leyland Finance Limited (HLFL) and 5 by Hinduja Housing Finance Limited (HHFL). Through these schools,

we have directly benefitted 55,283 students, while 13,506 students have been positively impacted by HLFL and 1,316 students by HHFL.

The RTS programme has been implemented in collaboration with Samagraha Shiksha Abhiyan, Government of Tamil Nadu, Rajasthan and Maharashtra. These projects are executed by Learning Links Foundation, a leading NGO working in the area of education across India. During FY 2020-21, we have upgraded this initiative to meet the needs of the children in this new normal. This included finding new ways to bridge the learning gap by extending our support in teaching, learning and assessing processes for students from the first to the seventh grade.

### KEY HIGHLIGHTS ON OUR EDUCATION INITIATIVE<sup>84</sup>



- 38,000+ students attended online classes on a regular basis
- 50,000+ students received learning kits
- 2.9 lakh hours were dedicated towards online learning activities
- 1,400+ students appeared for the Central Government examination (NMMS)
- 4,000+ students coached for the NMMS
- 7,400 students were assessed on fundamental numeracy and literacy
- 9,400 students participated in various co-curricular competitions held at the district level
- 400+ community learning centres were launched
- 2 new RTS learning centres were established for Nagalamalai and Thirumanagar tribal communities
- 200 government school teachers were trained

### HIGHLIGHTS OF THE OVERALL PROGRAMME

- Regular online engagements were attended by students throughout FY 2020-21
- Learning kits were distributed to students, ensuring a continuous learning process
- 47 RTS students joined our Basic Apprentice Training Centre
- 87 RTS students received National Means Cum Merit Scholarships (NMMS)
- 750+ parents purchased smartphones to encourage online learning

### Success Story: Improving learning abilities through activity-based learning

Palak, a student from class five, belonging from Gadegaon, Maharashtra, supported her family by working in the fields. Due to the work, her school life was neglected. The AL Care team intervened and strived towards boosting Palak's learning abilities and personal development. Additionally, counselling sessions were conducted along with adopting activity-based learning. This has helped Palak to gain confidence and has encouraged her to attend school regularly.



<sup>83</sup> GRI 103-3 (Indirect Economic Impacts, Local Communities)

<sup>84</sup> GRI 203-1



### Success Story of the Thirumaganagar and Nagamalai Migrant Communities

These communities belong to a secluded village that experienced 17 school children dropouts in FY 2020-21. The Life Skill Co-ordinators (LSCs), Resource Persons (RPs) and Senior Resource Persons (SRPs) continuously strived and established community learning centres. The villagers also contributed by providing them with the space to set up. Along with conducting educational activities, health check-ups were also organised in these communities. Through these centres, we reached out to 110 children. Recently, solar lamps were installed in the learning centres.



### STUDENT ENGAGEMENT ACTIVITIES

In order to continuously engage students and sustain the learning cycle, we utilise platforms such as WhatsApp groups, voice calls, SMSes and community learning centres. Through these modes, we were able to reach out to 38,311 students. Across our sponsored schools, we have set up 453 WhatsApp groups benefitting 28,508 students. HLF has also supported us by forming 215 WhatsApp groups across their sponsored schools, enabling 9,803 students with continued learning. The activities under this initiative included a four-day foundation course on basic literacy and numeracy, life skill education, COVID-19 awareness, writing exercise workshops and various online competitions. This project was implemented across 894 schools, benefitting 69,313 students. This also involved the active participation of 678 RTS teachers and 29 life skill trainers.



### KEY HIGHLIGHTS OF OUR HEALTH AND WELLNESS INITIATIVE



- 35,000+ students were trained on health and hygiene awareness and safety measures
- 500+ families were benefited through health camps and check-ups in the tribal community
- 600+ RTS women employees participated in reproductive and sexual health awareness programmes
- 21,000+ students participated in the wellness programmes conducted
- A structured wellness curriculum was implemented focussing on “Three Domains – Myself, My Society and My Planet”
- Around 60% students attended online workshops promoting hygiene practices



### Success Story of NMMS

Amongst the 99 students who successfully cleared the NMMS exam, two of them were coping with hearing and physical impairments. The resource person in charge of the area took care of the special requirements and equipped them with the knowledge and confidence during their preparations. All the children were coached for the Scholastic Aptitude Test (SAT) and Mental Ability Test (MAT) at their respective schools, before transitioning to online classes. The two students are now eligible for a one-time scholarship provided by the central government. They are also role models for the rest of the students aspiring to complete their education.



### KEY HIGHLIGHTS ON OUR COMMUNITY DEVELOPMENT INITIATIVE

- Conducted surveys to understand the demography of students
- 230 girls received AL's CSR scholarships
- 1,100 girls enrolled for the Sukanya Samrudhi Yojana
- 55 Young Alumni Networks formed in the RTS community
- 16,450 daily wagers participated in the workplace safety awareness sessions
- 4,500+ saplings were planted by RTS students
- 3,950 students participated in road safety awareness workshops
- 32 LSCs were trained on road safety by the Driver Training Institute (DTI) instructors





## OUR EFFORTS TOWARDS WATER REJUVENATION

As we embrace environmental sustainability, we place our focus not only in developing the community, but also emphasise on addressing the water crisis. Water is an important resource and access to purified drinking water amongst the local community is limited. We contribute towards providing villages and towns with access to clean water, along with the renewal of lakes, ponds, streams and more.

### HIGHLIGHTS OF OUR WATER REJUVENATION INITIATIVES<sup>85</sup>



- Madhakondapalli Lake was rehabilitated, creating an additional storage of 30,000 KL along with a biodiversity park
- Nandhiyampakkam Pond was restored near VVC
- 19 water ATMs were provided with uninterrupted water supply, serving 45,000 litres/day
- As a part of the Sustainable Water Management Project near Alwar plant, the following initiatives have been implemented along with community contribution.
  - 767 farmers were trained on various water conservation and agricultural practices
  - 82 rooftop rainwater systems, each having a capacity of 12,000 litres, was installed
  - 72 toilets were constructed
  - Sprinkler irrigation systems installed across 48 acres
- Under the Spring Shed Management Project initiated at Nainital District, the following activities were conducted:
  - 62 spring sheds were rejuvenated
  - 93 rooftop rainwater systems were constructed, having a capacity of 12,000 litres each
  - 62,000 trees were planted

### Positive Impact of the Water Initiatives:<sup>86</sup>

We track the impacts of our initiatives and plan projects that serve the larger community. Through our Madhakondapalli Lake rehabilitation efforts, we reached to 13,000 people across eight villages. By restoring the Nandhiyampakkam Pond, we positively impacted 4,500 individuals. Our water ATMs have successfully served



Madhakondapalli Lake before rehabilitation



Madhakondapalli Lake after rehabilitation

75,000 villagers. Out of the total water ATMs installed, 17 have been transferred to the panchayat. The sustainable water management project benefitted 6,300 people. Additionally, a solid waste management programme was set up in Pantnagar, providing 660 households with dust bins to successfully segregate, collect and dispose off the waste. This initiative benefitted 3,500 individuals.

### Success Story

Residents of Doomera village, Krishna Devi and her family were faced with water problems. She had to travel over one kilometer to fetch fresh drinking water. On attending a session for women's capacity-building, she was educated about the roof rainwater storage structure, an initiative taken by us. With technical help from the Ambuja Cement Foundation team, the family built a rooftop rainwater harvesting system. We lent a helping hand by providing them with the additional financial support required. Now, the family has round-the-clock access to clean water, enhancing the health of the family members.



### DRIVER HEALTHCARE

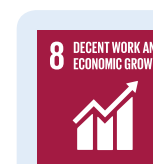
To promote and support the health of our driver communities, we have

conducted a number of activities in partnership with Apollo Tyre Foundation and Aster DM Foundation. The healthcare camps screened drivers for HIV, diabetes, and vision-related problems. We set up these camps at Namakkal DTI – Tamil Nadu, Bangalore DTI – Karnataka, Chhindwara DTI – Madhya Pradesh and Chhatia DTI – Odisha, benefitting 30,180 drivers.



### SKILL DEVELOPMENT<sup>87</sup>

Our RTS programme also paves the way to enhance the skills of the youth through a two-year Basic Training Programme conducted at our Hosur Plant. Through this programme, the students are provided with theoretical as well as hands on experience. This activity improves their skills making them industry ready. In FY 2020-21, 47 students across our education programme villages have enrolled in this programme. We also provide a NCVT Certificate to the candidates upon completion of the course.



### EMPLOYEE VOLUNTEERING ACTIVITIES

Along with fulfilling our responsibility towards society, we also encourage our employees to volunteer and be a part of these activities. Our employees contributed towards conducting 30-minute sessions using commonly available communication mediums and technology as part of RTS version 2. We ensured that these sessions were accessible to all our beneficiaries.

We engaged with over 35,000 children and individuals through our programmes and events. We recorded a total of 646 employee volunteers contributing over 5,168 hours. This year, thanks to the online accessibility, our employees showed enthusiasm in helping and spending time with the community.

### HIGHLIGHTS

- 5 health and awareness programmes were conducted
- 21 virtual education programmes were conducted to support the students
- Learning aid material worth INR 2,000 was distributed to the needy children
- 26 events were celebrated in the virtual mode
- 1,700 trees were planted



<sup>85</sup> GRI 203-1

<sup>86</sup> GRI 203-2

<sup>87</sup> GRI 203-1





# SUSTAINING OUR SUPPLY CHAIN

GRI Indicators	
GRI 102-9	Supply chain
GRI 102-10	Significant changes to the organization and its supply chain
GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 204-1	Proportion of spending on local suppliers
GRI 308-1	New suppliers that were screened using environmental criteria
GRI 308-2	Negative environmental impacts in the supply chain and actions taken
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor
GRI 414-1	New suppliers that were screened using social criteria
GRI 414-2	Negative social impacts in the supply chain and actions taken

Our suppliers play a crucial role at every stage of our products, lifecycle and contribute towards enhancing our operations. We have a clear sourcing vision to establish a reliable and efficient supply chain that delights our customers and enhances our supplier relationships. Through our supply chain management team, we focus on areas related to supplier capability and performance improvement, cost competitiveness imports indigenisation and local sourcing, capacity addition with headroom, technology partnerships, digital solutions, integration and supplier relationship management, with a keen focus on environmental and social criteria.

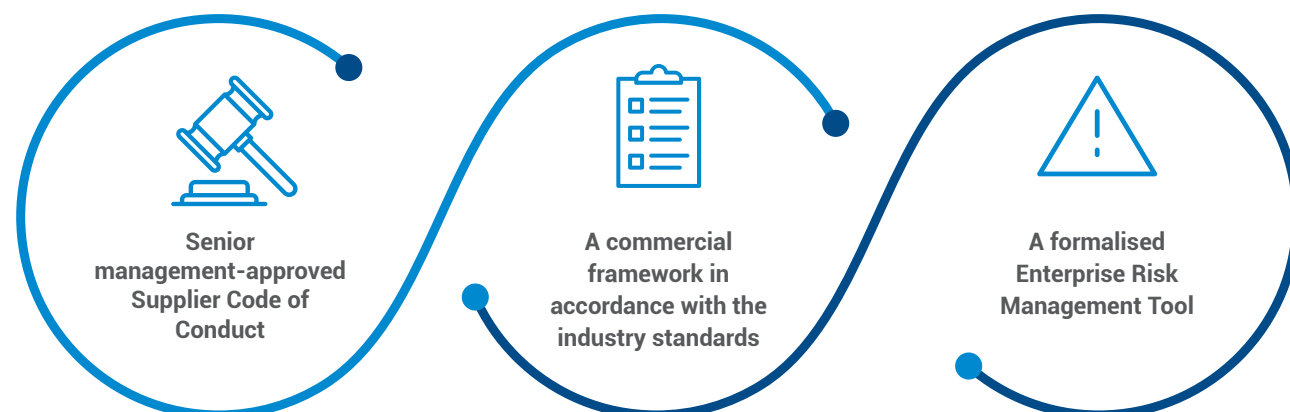
As we adapt to the changing global market trends in the automobile industry, we face challenges posed by increasing supply chain complexity and shifting raw material demands. Our team liaises with our suppliers to boost efficiency and optimise performance, while keeping a track of their sustainability standards. There were no significant changes to our organisation and supply chain in FY 2020-21.<sup>88</sup>

We conduct our business operations in compliance with the environmental and social norms set by the relevant local authorities. We have a wide network of suppliers, and we motivate them to adopt the same sustainability standards as we do. We consider environmental, social and risk parameters to be crucial to our commercial activities and have devised formal mechanisms to monitor and track our performance.<sup>89</sup>

<sup>88</sup> GRI 102-10

<sup>89</sup> GRI 103-2, 103-3 (Procurement Practices, Supplier Environmental Assessment, Forced or Compulsory Labor)





Additionally, we have also incorporated our ESG objectives and factors in our supply chain strategy and supplier selection process to deliver quality products, while managing our costs and keeping up with the latest technology.

In FY 2020-21, we formed a Strategic Sourcing Council within our organisation and have also appointed a Senior Vice President to monitor and oversee its functioning. The Council was set up with the aim to create synergy across functions and stay ahead of the curve in the current volatile economic context. This will help us

maintain our strategic relationship with our large suppliers as well as strengthen important processes like pricing, vendor capex, drive concurrent new product development and much more.

Additionally, we devised strategies for FY 2020-21, keeping in mind the changes in Modular Business Programme (MBP) and the adoption of BS-VI technology. Our strategy focusses on four main areas, namely quality, cost, delivery and management. The following image portrays how we have addressed each area.



Additionally, a sourcing and supply chain dashboard is maintained around our strategic focus areas, and metrics are identified accordingly to measure our progress on procurement practices and the human rights front, identifying improvement actions for the future.<sup>90</sup>

<sup>90</sup> GRI 103-3 (Procurement Practices and Forced or Compulsory Labor)

## PARTNERING WITH NEW SUPPLIERS

Our ambition is to enhance our capabilities by continuously improving the quality of our products and delivery processes, along with making them economical. To accomplish this objective, we monitor and set key performance indicators (KPIs) annually for our suppliers, and seek out new suppliers that meet our standards and the guidelines. Some of the KPIs include cost savings, inventory accuracy, number of reportable accidents, improvements in lead time and many more. Additionally, we are also committed towards ensuring that our new suppliers abide by social and environmental norms, implementing processes to efficiently monitor these practices.<sup>91</sup>

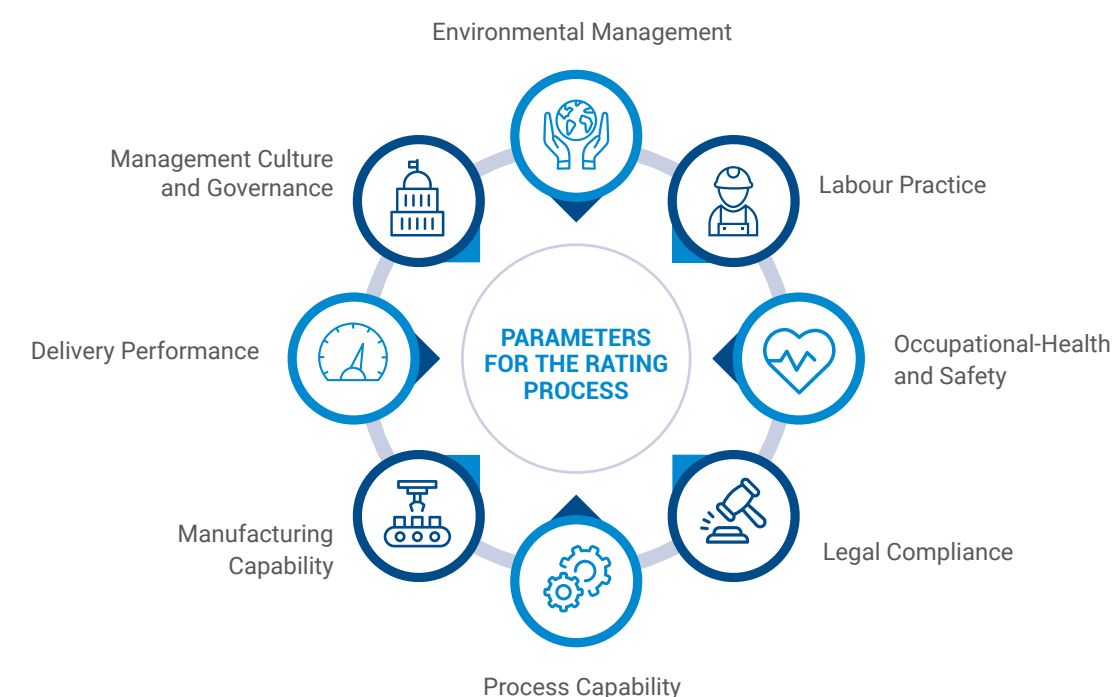
We assess our new suppliers as per our Plan-Do-Check-Act cycle to ensure that they are in compliance with our standards.<sup>92</sup> 100% of our new suppliers undergo a screening process based on set environmental and social parameters.<sup>93</sup> Additionally, they are evaluated on other criteria in terms of economic performance like manufacturing abilities, problem-solving capabilities, quality and strategy, to name a few.



***Our ambition is to enhance our capabilities by continuously improving the quality of our products and delivery processes, along with making them economical.***

## SUPPLIER SELECTION

We have established a formal system to effortlessly conduct our supplier selection process. This includes an onboarding exercise organised for all our new suppliers. This activity enables us to understand the existing processes and practices of our suppliers and rate them as per our formal matrix. This method evaluates vendors and selects suitable partners to engage with us. We have over 770 Indian suppliers in our supply chain and in the reporting year, we have partnered with 27 new suppliers.



As on March 31, 2021, we have spent a total of INR 8,500 crore towards the purchase of raw materials and parts. Of the total expenditure incurred, 99% was spent on local suppliers, while less than 1% was spent on importing parts.<sup>94</sup>

<sup>91</sup> GRI 103-2 (Supplier Environmental Assessment and Supplier Social Assessment)

<sup>92</sup> GRI 103-3 (Supplier Environmental Assessment and Supplier Social Assessment)

<sup>93</sup> GRI 308-1, GRI 414-1

<sup>94</sup> GRI 102-9, GRI 204-1



## Ensuring Supplier Quality

Process capability is one of the important factors that contributes to our suppliers' quality and reliability in delivering parts. We engage with our suppliers right from the initial stages until the final part product is ready. We have implemented various digital monitoring systems to track the quality of our suppliers' products. These include the production part approval process, production part quality management and 4M change management system. The 4M change management system considers four aspects of man, machine, material and method to keep check on the quality of the parts received, in case of any change. Additionally, we have established a Supplier Quality Improvement Cell to authenticate the quality of the parts. A self-part revalidation programme, along with monitoring supplier process failure mode effect analysis (PFMEA), supplier firewall defect control and parts process capability have also been executed for all our suppliers.

We have established critical quality parameters for our suppliers and carry out audits to monitor their progress. In FY 2020-21, we conducted 635 process capability audits for 127 of our suppliers. 90% of them were found to be compliant with our set parameters, while we are helping the rest meet our quality standards.

## SUPPLIER ASSESSMENT

To effectively evaluate our suppliers, we conduct two types of audits, namely the Supplier Evaluation Audit (SEA) and the surveillance audit. The SEA is a scorecard-based audit conducted on an annual basis for all our suppliers to ensure that their practices are in compliance with the applicable rules and regulations. Our suppliers are rated as platinum or gold, on the basis of the scores they receive as a result of SEA. The suppliers with a score of 85% and above are platinum suppliers, whereas if the score is between 70-84%, they are called gold suppliers. Suppliers receiving the platinum rating are assessed every two years, while the suppliers with a gold rating are provided with advice on improvements for their processes. In FY 2020-21, 283 surveillance audits were carried out and no breaches related to legal compliance or human rights were reported.<sup>95</sup>

Through our SEA, we not only assess our suppliers on their economic performance, but also take into account their social and environmental impacts. These parameters include, but are not limited to, our suppliers following and maintaining their ISO 14001 requirements, CSR activities, SPCB certificate mechanisms for employee and customer grievances, systems for responsibly disposing off hazardous waste, and reporting on child labour. Additionally, we ensure the fair treatment of our suppliers' employees - on parameters like the freedom to association, right to collective bargaining, training and development, and equal remuneration - through dedicated clauses in our General Purchase Agreement.<sup>96</sup> We ensured that 283 of our audited suppliers abide by these practices and have agreed to improve on their existing systems.<sup>97</sup> All of our suppliers are ISO 9001:2015 certified.

We also identify our critical suppliers through our surveillance audits. Based on these audits, suppliers that add 80% value to our growth are categorised as strategic partners. They significantly contribute in terms of technological leadership, business volume, critical facilities, innovations, regulators, certifications and much more.

## STRENGTHENING OUR SUPPLIER RELATIONSHIPS

Our goal is to build a lasting relationship with all our suppliers and grow together to achieve success. We regularly interact with our suppliers through various programmes like the Supplier Summit and the Strategic Partners Meet, and need-based interactions are conducted with the middle and top management. Through these events, we aim to enrich our bond and encourage them to perform better by providing grievance redressal, keeping them updated with recent developments and seeking their feedback. In FY 2020-21, an annual supplier satisfaction survey was anonymously conducted for 124 of our high buy value suppliers, who gave us a 98% satisfaction score.



## Vital Parameters for the Supplier Survey



## KEY INITIATIVES IMPLEMENTED IN FY 2020-21

Along with prioritising our suppliers, we have also taken various initiatives with respect to improving the efficiency of our supply chain performance and minimising risks. Over the years, we have undertaken a wide range of projects like Supplier SAMRAT, Supplier Buddy, Logi-file, K54 2.0, Supplier TAT and many more. This year, the following action plans were implemented:

### Implementation of the QR Code

In March 2021, the government released a notification and simultaneously implemented the Mandatory Recall Policy, wherein suppliers are equally liable for a vehicle recall. To improve the traceability of parts, we enforced this initiative. We implemented QR codes for 1,850 of our parts, which accounts for 99% coverage involving over 180 suppliers. We bought QR code scanners and practiced this scanning activity at our assembly line. This helps our employees to easily pull up information by scanning the QR code and assemble them in their respective destinations, minimising errors. Additionally,



***In FY 2020-21, an annual supplier satisfaction survey was anonymously conducted for 124 of our high buy value suppliers, who gave us a 98% satisfaction score.***

integrating QR codes in our automobiles and parts helps authorities trace the vehicle by analysing its engine and chassis number to track the theft.

<sup>95</sup> GRI 409-1, GRI 103-2, GRI 103-3 (Socioeconomic Compliance), GRI 419-1

<sup>96</sup> GRI 407-1

<sup>97</sup> GRI 308-2, GRI 414-2



Improving the Product Lifecycle

We continuously strive towards improving the quality and longevity of our products. To achieve this goal, we engage with our suppliers at various levels, and implement processes to ensure the quality of the product parts is as per requirements. To ensure that the product lifecycle has been improved, we have initiated programmes with the objective to:

- Standardise all processes at the suppliers’ end
- Improve the capabilities of their systems to achieve superior performance on quality
- Anchor periodic reviews and timely interventions with the suppliers’ top management
- Knowledge sharing

The Supplier Cluster Programme is one of these initiatives. It is an extension of the Supplier Part Quality Improvement action plan conducted for selective suppliers to help them improve their capabilities. The following measures help us produce and supply defect-free engines to our customers.

- Firewall ensures that a pre-delivery quality assurance audit is conducted to avoid a defective outflow
- Cast right is implemented at casting suppliers’ units to certify that casting-specific issues are identified and necessary actions are taken
- Weldone is executed at sheetmetal suppliers’ units to certify that welding-specific issues are identified and necessary actions are taken



- JigFix improves the control to ensure trouble-free vehicles by reviewing the adequacy of the existing jigs and fixtures
- R-COAL helps identify leaks and aids in supplying leak free parts
- Spark link enables quality improvements of electric part suppliers. It has been benchmarked against the industry’s best setup, providing improved machine processes
- Reinhose aids process improvements and facility upgradation for all the hose suppliers

Additionally, processes were standardised through benchmarking and cross learnings. Our 500+ process and systemic improvements have led to zero defects. The ACMA-UNIDO cluster project for MSMEs involved 28 suppliers spread across three zones, namely Chennai, Hosur and Pantnagar locations. The methodology adopted is “Gemba-oriented”, which includes monitoring of quality data through best practices and implementing a proactive approach through systematic monitoring of KPIs followed by a regular management review.

Derisking the Supply Chain<sup>93</sup>

In order to boost our agility and flexibility in terms of importing raw materials and parts, we have implemented a dual sourcing strategy. This strategy helps us efficiently import without depending on a single source. We import 21 part families directly across the globe without depending on a single country to source the material. This practice ensures forex as well as geographic risk mitigation. Additionally, we have also increased local sourcing across three of our manufacturing plants, namely Hosur II, Pantnagar and Ennore. The adoption of this strategy has improved the flexibility in our supply chain.

Agile Supply Chain Through Digitisation

The supply chain 4.0 framework has been adopted to increase transparency, and improve efficiency and flexibility, while also reducing lead time by leveraging digital technology. This is a continuous process, and we are at the initial stages of transitioning through this journey. Our digitalised supply chain approach has enabled us to address new customer requirements and supply challenges, and improve our efficiency. As a continuous effort, we have carried out the activities listed on the next page.







# INNOVATION FOR CUSTOMER DELIGHT

GRI Indicators	
GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 416-1	Assessment of the health and safety impacts of product and service categories
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data

## PRODUCT INNOVATION

With innovation at the core of our operations, we ensure continued focus on current and future auto technologies to enhance the attributes of our vehicles and to boost the overall experience of our customers. At Ashok Leyland, we have a deep understanding of the economic stimuli and customer needs, along with the ability to translate these into offerings that the customers desire through our cutting-edge technologies.

Our efforts are aimed at ensuring the best use of our skills and resources to deliver long-term value. We work towards identifying precise customer needs and developing products that are best-suited to fulfilling them. The growing preference for environment-friendly products has been a key driving force for us to innovate and emerge as a prominent market player. From frugal engineering to our work on vehicles powered by alternative fuels, innovation forms one of the key pillars of our business. Our teams work together to ensure safety of the vehicles beyond the specified statutory requirements. Further, we constantly focus on introducing user-friendly features that enhance the efficiency of the products.<sup>98</sup>

Some of the key considerations in product innovation include market trends, customer requirements, safety and environmental standards and requirements. In FY 2020-21, there were no cases of customer grievances pertaining to the health and safety aspect of our products. Additionally, no violations regarding product-based compliances pertaining to labeling and advertisement were reported.<sup>99</sup>

### Switch Mobility

For decades, we have been pioneering the introduction of latest technologies in India, for emissions, safety, ride comfort as well as better transport economics. Keeping this in mind, over 15 years ago, we initiated an alternate propulsion plan and successfully introduced CNG buses in Delhi. Additionally, given India's National Electric Mobility Mission Plan 2020 (NEMMP) to promote rapid adoption and production of hybrid and electric vehicles in the country, we

<sup>98</sup> GRI 103-2, GRI 103-3 (Marketing and Labeling)

<sup>99</sup> GRI 417-2



have begun taking the necessary measures to foray into the market. We consider this an opportunity to further expand our business by launching products that not only meet customer requirements but are also sustainable. We have been focussed on energy management strategies such as fast charging and swap technology that enable us to reduce the size of the onboard battery. Given the challenges in battery operations and charging infrastructure, we are working towards aspects such as increasing battery life.

Further, through our subsidiary Optare in the UK, we have been working to accelerate our efforts in zero carbon mobility and provide a unified approach in electric vehicle technology development. We have combined our electric mobility assets into a single entity under the name of Switch Mobility.

#### Shift from BS-IV to BS-VI

By focusing on sustainable mobility, we believe we can expand our product offerings and keep pace with changing market trends. We have moved from manufacturing vehicles compatible with BS-IV to manufacturing BS-VI-compliant vehicles. Our product development team has established standards and guiding principles for carrying out operations as per the requirements.

#### Quality Management

We, at Ashok Leyland, ensure product quality by considering a host of parameters such as process, manufacturing, design and environment. During the financial year, we renewed our IATF 16949:2016 certification for Automotive Quality Management System at all seven plants and the corporate functions.

We have instituted systems and mechanisms for resolving customer complaints, which include our quick resolution team for new platform issues, product lifecycle management for customer complaint resolution, warranty data analysis and corrective preventive action for reliability improvement.

To improve the Ashok Leyland Problem Solving (ALPS) methodology of continuous learning, our teams participate in major Six Sigma forums conducted by CII, NIQR and IAQ, among others. In FY 2020-21, we were awarded with an IAQ Quality Sustainability Award and CII's National Six Sigma Award for the fifth consecutive year. These awards serve as a testament to the problem-solving culture at our company.



***We have incorporated quality management in each stage of our manufacturing processes.***

We have incorporated quality management in each stage of our manufacturing processes. Additionally, quality assurance controls are embedded at every point to ensure conformance to requirements. These dynamic controls are monitored on a periodic basis. They are also upgraded with the latest technology from time to time to enhance our productivity. An in house customer product audit system has been put in place to ensure quality conformance of aggregate and vehicles as per our customers' requirements.

#### INTRODUCTION OF SUSTAINABLE PRODUCTS IN OUR PORTFOLIO

##### Trucks

Higher GVW trucks have been introduced to reduce our carbon footprint. New product 4120 – 8x2 DTLA, that can carry more than 5T payload compared to a conventional 8x2 truck. This offers higher fuel efficiency, thereby reducing emissions.

Boom pump trucks have been introduced to reduce the human effort in concreting high-rise structures and to eliminate safety risks. Our AVTR N2825 truck is suited for mounting of boom pump equipment. It offers quicker completion of infrastructure projects.

BADA DOST is the first product to be built on an all-new AL IPR-owned global LCV platform. It is equipped with an 80 hp engine that delivers best-in-class power and mileage and offers best-in-class payload and load body length. It is an ideal vehicle for inter and intracity applications, owing to its low turning radius and best-in-class ground clearance, and can navigate all terrains with ease. BADA DOST is a versatile product that offers a perfect blend of comfort and performance-enhancing customer profitability and ownership experience.

##### Electric Buses

**Dual Gun Charging Technology:** We have pioneered in introducing the dual gun charging technology compliant to Combined Charging System-2 (CCS-2) protocol. This will enable faster charge by up to 300kW, since the bus will be charged with two guns. This allows the vehicle to run for longer distances and makes the overall solution cheaper, since the charging infrastructure's utilisation increases and there is a reduction in the size of the onboard battery.

**Development of 12m Electric Bus:** We launched our 12m fully electric bus for intracity applications. It comes with a modular design and multiple variants with different battery capacities. It is fitted with our innovative dual gun charging that reduces the need for larger batteries, helping make the vehicle less expensive, more efficient and affordable.



Electric buses introduced



## PRODUCT INNOVATION IN FY 2020-21

Living up to the dynamic demands and preferences of customers, we have taken the necessary measures to deliver products that provide world-class performance. We have introduced technological modifications in our vehicle engines to control emissions and introduced customisable options for our customers to choose from.



### AVTR - Modular Truck Platform

These trucks are powered by i-Gen6 technology and give the customers power to customise their vehicles based on load, terrain, and application requirements. Further, catering to the choice of consumers, we have offered varying sizes ranging from 18.5-55T. Our AVTR range ensures improved reliability and performance. These trucks have been a game-changing innovation offering customers newer driving experiences.



### Ready Built RMCs

We introduced a fully built ready-to-use RMCs to improve profitability of our customers. This option comes with a wide range of options to meet the varied needs of our customer.

### 4120 – India's First 4-Axle Truck with 40.5T Gross Vehicle Weight

We introduced India's first 4-axle truck with 40.5 T GVW. This product comes with a 40.5 ton lift axle down and a 28 ton lift axle up during light load/partial load/return empty. It offers flexibility to the customers to operate at a large band of GVW from 28T to 40.5T with best-in-class TCO benefits. AVTR 4120 is fitted with 12.5 T dual tyre lift axle (DTLA) with patented parallelogram technology ensuring better tyre life. AVTR 4120 is powered with 200 horsepower (HP) engine and iGen6 technology offering superior power, performance and fluid efficiency.



### Xpressline

Our Xpressline Range is built for e-commerce applications. It comes with a fully built container to deliver more and gain more profits. It comes with a customisable container with volumetric space and is ready for use from the first day.



### Defence:

With the thrust for an 'Atmanirbhar Bharat' or self-reliant nation, we saw an increase in the opportunities for our indigenously designed, developed and manufactured defence mobility solutions. During FY 2020-21, we witnessed a slew of strategies towards the indigenisation of imported aggregates, contributing to the overall defence ecosystem with greater business opportunities to the Micro, Small and Medium Enterprises (MSMEs). Some of the identified innovative automotive aggregates include but are not limited to armoured vehicles, 10x10 HMV truck to carry 46 meter modular bridge developed in collaboration with DRDO, winches, Tyre Pressure-Monitoring System (TPMS) kits, vehicle-mounted cranes and radial all terrain tyres.

During the year, we also supplied ambulance vehicles to the Indian Army that were gifted by the Chief of Army Staff to his counterpart in Nepal. We continue to supply ambulances and vehicles to the Indian Army in large numbers, ensuring a strengthened support system.

### CUSTOMER DELIGHT

Our business is aligned towards understanding customers' requirements and exceeding their expectations. In line with this, we carry out extensive market research to identify demand patterns and provide the best product and service offerings. The focus on product quality flows through each stage, starting at the initial stages of product conceptualisation. Our trained team of engineers ensures the use of sophisticated technologies and mechanisms that identify potential issues and take necessary actions accordingly. We further assist our customers through our seamless after-sales



***In FY 2020-21, there were no cases of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services.***

services and carry out repair and maintenance of vehicles through over 750 workshops across India.<sup>100</sup>

Our systematic feedback mechanism has played an integral part in helping us deliver value to our customers. Our customer satisfaction index was at 797 in FY 2020-21, with factors like workshop facilities, quality of service and repair job carried out, and satisfaction with the service representatives among others obtaining a strong rating.<sup>101</sup> The constant customer feedback, along with our in-depth research, helps us work on vehicle designs and features in the new models before these are rolled off the assembly line.

To assess the health and safety impacts of our products,<sup>102</sup> we conduct checks for services as well as spares. For services, there are processes followed in the design, manufacturing and operating phase like design sign-off, iAlert data and schedule service checklist, among others. For spares, some ways to ensure health and safety include the use of non-asbestos BBL, shift from Low-Density Polyethylene (LDPE) to carton for gears, and carton shredding machine in lieu of void fill.

To ensure compliance related to product health and safety, we carry out system checks for service adherence, in addition to reminders and stakeholder trainings for service adherence and genuine spares and lubes usage. In FY 2020-21, there were no cases of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services.<sup>103</sup>

<sup>100</sup> GRI 103-2 (Customer health and safety)

<sup>101</sup> GRI 103-3 (Customer health and safety)

<sup>102</sup> GRI 416-1

<sup>103</sup> GRI 416-2, GRI 419-1

## Sales Journey

We provide our customers with operating manuals laying down specific standard operating conditions and checks for ensuring optimal performance. As a part of the sales journey, we place emphasis on raising awareness about vehicle servicing and resolving issues pertaining to spare parts.

Practical Improvement in Sales and Marketing or PRISM is a programme created at Ashok Leyland to focus on marketing-related aspects. Through PRISM, we our primary focus is on creating marketing strategies and building people capabilities. This process makes available data pertaining to customers and various transactions on an annual basis. We have launched PRISM 2.0 to help address the dynamic business environment with the support of digital technology. PRISM 2.0 helps us have real-time access to the sales pipeline and market intelligence which, in turn, drives higher sales, improved market coverage and increased market share. Around 94% of our dealer sales team uses these apps for their day-to-day transactions and over 700 leads have been created per day through the app. Additionally, to ensure customer delight, our app has an inbuilt vehicle configurator, which helps the customers choose a vehicle basis their needs and applications. We have also introduced 'Make to Order' process, which customises the product after the order is placed by customer and deliver the vehicle in the shortest possible time.

We measure the adoption and maturity of our sales and marketing process on a 10-parameter scale called PRISM Maturity Index (PMI), which covers adherence, quality and effectiveness of process on PMI to drive uniform sales experience for customers across geographies, and aids with data-driven strategising and decision-making within the organisation.

Leverage Analytics to Drive Decisions or LEAD is used to derive actionable inputs from sales and service-related data with the help of data analytics. These inputs are then used in our processes and systems.

SELECT is a platform to engage with our customers. The primary focus of this platform is to develop strategic relationships, enhance trust and build brand loyalty. We engage with our customers to identify and address their preferences and requirements. Some of the benefits provided to our SELECT customers include priority services and other rewards and privileges. Our SELECT customers are identified according to their

business relationship with us over a period of time. We prioritise SELECT customers by extending services such as helpdesk support, and training support through Knowledge on Wheels (KNOW) and Workshop on Wheels (WOW).

To ensure periodic engagement with our customers and their families, we conduct initiatives that include but are not limited to events, rewards for purchases, and personalised greetings. We provide reward points to our customers for every transaction; these can be redeemed later for special benefits or vouchers of their choice, such as availing services and purchase of new vehicles and spares. We ensure customer satisfaction and privacy in all our operations and dealings.<sup>104</sup> During the year, there were no complaints concerning breaches of customer privacy, data leaks, thefts or losses of customer data.<sup>105</sup>

## After-Sales Journey

We ensure the provision of reliable and seamless after-sale services to all our customers through site services and workshops, and by providing them with genuine vehicle spare parts. We offer on-site services to customers who operate their vehicles in remote locations such as construction sites, mines and big fleet sites. Our 24x7 multilingual call centre provides PAN-India support in the event of vehicle breakdowns.

As a responsible organisation, we have also introduced environment-friendly packaging material, which helps us reduce our environmental footprint. We have started using



## Replacement of plastic in packaging material

recyclable packaging material in place of the original plastic 50 micron void-fills. Additionally, we have come up with non-asbestos brake lining, which is made with eco-friendly materials and comes with optimal brake power for safety and driving comfort.

To improve the customer experience, we have introduced e-Diagnostics, which is a Bluetooth diagnostic device identifying the error codes for customers' vehicles just by connecting the smartphone with it. This helps in faster resolution of complaints and aids the driver or mechanic to resolve the issue by following the process explained visually. Our online payment gateway was also established for the ease of customers, EasE-Pay enables



customers to pay for our services online from the comfort of their surroundings.

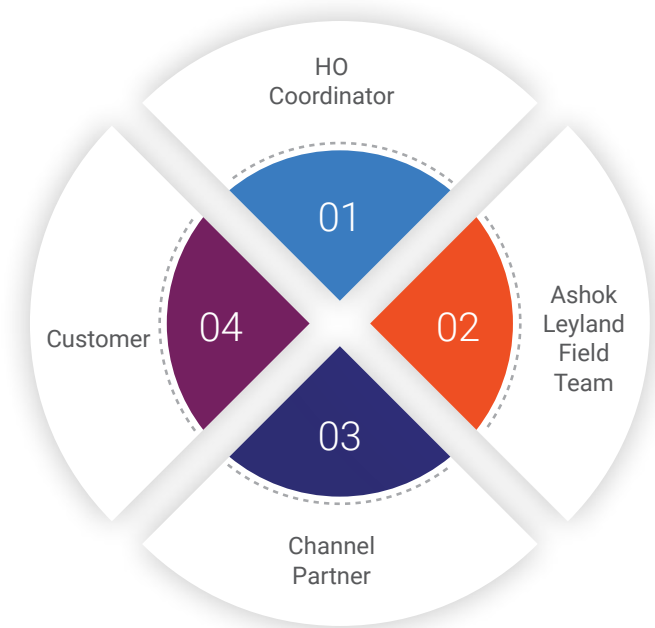
We have been able to resolve our customers' concerns and issues within the shortest time possible, with the help of PRISM. Our call centres help us track and monitor customer grievances until they are resolved. We have put in place a number of modes to receive customer grievances, which include PSF, long distance calls, social media and email, amongst others.

A few of the key initiatives taken this year for service and spares include lockdown support, AL care, warranty campaigns, warranty cycle time reduction, BS-VI MSL at channel partners and provision of digital tools.

We provided support to stranded drivers and migrant labourers by providing 13,600 packet containing essential items. Further, essential vehicles, support was provided to 200 vehicles on-road during the lockdown. As Delhi Transport Corporation (DTC) operated 24x7 during the lockdown for transport of medical personnel and security forces, our team operated round-the-clock to support them.

We work around resolving customer grievances within a period of 14 days from the receipt of a complaint.

## Stakeholders involved in the customer grievance redressal process



<sup>104</sup> GRI 103-2, GRI 103-3 (Customer privacy)  
<sup>105</sup> GRI 418-1





**One of our pioneering digital initiatives, ServiceMandi connects fleet managers or owners and drivers to certified workshops through mobile applications.**

We are establishing a dedicated accident repair facility to ensure timely and high-quality repair and quick claim support. One of our pioneering digital initiatives, ServiceMandi connects fleet managers or owners and drivers to certified workshops through mobile applications. There are different apps for fleet managers, drivers and workshops.

Our connected vehicle technology, iALERT, enables customers to monitor their vehicles in real time. It sends regular alerts to help fleet managers enhance safety, performance and productivity of the fleet, and keeps customers updated on the vehicles' health.

We hold monthly and quarterly meets along with surveys, trainings, dealer conferences, personal reviews and visits to engage with our channel partners from time to time. The frequency of engagement varies from monthly or quarterly to yearly or even need-based. These interactions are primarily focussed on aspects such as customer engagement and satisfaction, training and development, and achieving business targets and commitments. We constantly upgrade our channel partner workshops with modern equipment and better technologies for enhanced customer interface. Our workshops equipped with smart bays deliver high-quality repair and delivery of vehicles. We provide our channel partners with service manuals that consist of step-by-step guidelines for repair and rectification of product issues. Any changes in the product and service requirements are communicated through circulars to all the channel partners. Through SOPs and protocols, we ensure the dissemination of effective communication regarding product quality.

### Spare Parts

At Ashok Leyland, we have undertaken a number of initiatives in our aftermarket domain, some of which include Leykart, Ashok Leyland Mechanic Club, SparkFlow

and SPARK. These initiatives have been put in place to ensure access to genuine repair and maintenance spares, lubes and accessories through primary (dealers, authorised service centers), secondary (distributors, retailers, mechanics) and online (Leykart) channels.

With the primary objective of not merely having a transactional relationship with our mechanics, we have implemented an Ashok Leyland Mechanics Club. This is a multi-tier loyalty programme developed to better their lives. It offers a range of benefits, such as family health insurance, trainings and scholarships for children.

To deliver multi-fold revenue growth, enhanced profitability and strengthen our bottom line, we implemented Project SPARK. The SPARKFlow strategy has been adopted at Ashok Leyland for ensuring increased sales with optimum inventory. With the increasing risk of counterfeiting products in the aftermarket business, we have taken stringent measures to revamp our packaging for genuine components and parts. For example, the pricing label has special features that indicate that the product is genuine.



**New Packaging Skin, MRP Label and Genuine Parts Scanner**

### NETWORK

An amplified network helps our channel partners to improve our global footprint through our sales and aftermarket services. Our work has been consistently focussed on enhancing our dealer performance which, in turn, provides our customers with easy access to all our products and services. We focus on monitoring the quality of service by considering factors such as technical and customer handling capabilities.

A biannual sales and service satisfaction survey that covers customers of LCV and M&HCV vehicles is carried out. This third-party survey aims to capture sales and service satisfaction.

We have also employed financial dashboards that help us in identifying opportunities, increasing drive service absorption ratio and ensuring operational improvements for dealers. The dealer financials exercise entails exhaustive dealer reviews with the senior leadership at dealerships on sales, parts, service and financial performance.

### TRAINING

At Ashok Leyland, we take great pride in being the pioneers for the concept of an institute for drivers. Our first DTI (Driver Training Institute) in India was set up at Namakkal, Tamil Nadu in 1995. Since then, 11 more DTIs were established in various parts of the country and one more is being setting up. We have trained over 13

lakh drivers through our DTIs since their inception. The curriculum at these institutes goes beyond the ordinary driver training, and is extended to provide drivers with the knowledge on stress management, firefighting skills and yoga, among other aspects.

Our trainings for supervisors, drivers, mechanics and dealers are aimed to enhance their technical as well as communication skills. We lay great emphasis on skill upgradation, towards which we have developed an operational framework that focusses on extending continual skill improvement.



**Trainings to ensure quality in the field**

ASHOK LEYLAND DRIVER TRAINING INSTITUTES

Empowering the youth for Atmanirbhar Bharat



12 functional service training centers of ours provide trainings in vernacular languages. Our trainings are extended to all dealerships during the launch of new products and technologies. Additionally, we provide sales training to our dealer sales executives to help increase their knowledge and skills along with enhancing their productivity. The focus of our driver training programme is to make the rural youth employable and add to their sector-specific skills. With the constantly increasing need for high-quality drivers who are well-acquainted with safety awareness, we consider it important for us to conduct these trainings on a periodic basis.

Through the introduction of Knowledge on Wheels, we aim to provide people in remote areas across India with greater access to technical training programmes. We have also been delivering on-site trainings at various customer locations through our mobile trucks. These trainings are also imparted at our channel partner locations, local mechanic garages, and several government institutes. Some of the key topics covered in the training sessions include troubleshooting, maintenance, familiarisation, and diagnostics, which are communicated with the help of sophisticated equipment and tools.

We have in place the SuccessFactors Learning Management System, which is accessible to all our service executives for gathering knowledge on e-learning modules that are developed at Ashok Leyland.

Additionally, they are encouraged to guide our service technicians to upgrade their knowledge. We have also carried out BS-VI familiarisation training through multiple panel discussions and webinars.

Our Service Samrat initiative acknowledges the efforts of our technicians. We select a winner from the participants, and this activity is conducted across all our dealerships and channel partners.

SOLUTIONS

To tackle customer issues such as the rising cost of fuel and resource constraints, we have a customer solutions business aimed at providing effective solutions to the customers. Further, we introduced the eN-Dhan programme with the objective of helping customers address their concerns around operating expenses driven by surging fuel costs.

Through the use of digital resources, we have been working towards ensuring smooth delivery of our solutions and programmes to all our stakeholders and customers. Some of our other services include accident repairs, breakdown support, maintenance contracts, recon aggregates, mechanics training, and extended warranties, to name a few.





# CREATING SHARED VALUE

## GRI Indicators

GRI 103-2	The management approach and its components
GRI 103-3	Evaluation of the management approach
GRI 201-1	Direct economic value generated and distributed

We constantly work towards improving the efficiency of our operations and creating stakeholder value through our activities. As a responsible business, we are directing our efforts towards inclusive growth, cost optimisation, process efficiency and investment in research and development. We strive to create several new products that meet the needs and applications of our customers across market segments. Keeping this in mind, we have introduced a modular truck platform AVTR for the medium and heavy range with innovative i-Gen6 emission technology. We also commercially launched the BADA DOST in September 2020, which reached the highest position in sales volume and market share in the light commercial vehicle segment.<sup>106</sup>

The impacts of the COVID-19 pandemic across sectors affected the performance of our business and industry last year. The second wave extended to rural areas, which largely triggered a setback for the CV business. The overall total industry volume (TIV) of India's commercial vehicle market posted a drop of 20.8% year-on-year. However, at Ashok Leyland, we were able to achieve a market share of 28.6% in M&HCV. Further, BADA DOST helped us increase the market share by 2.1% and helped increase sales volume by 5%, despite a 17.3% drop in TIV in its segment.

In FY 2020-21, we recorded total vehicle sales of 92,724 units in the domestic market and 8,001 units in the export market. In case of the domestic market, we recorded a sale of 46,671 LCVs and 46,043 M&HCVs, which included 2,723 M&HCV buses and 43,320 M&HCV trucks, including defence vehicles. We were able to achieve a market share of 28.6% in M&HCV bus and truck segment, even though the TIV decreased by 28.4%.<sup>107</sup>

<sup>106</sup> GRI 103-2, GRI 103-3 (Economic Performance)

<sup>107</sup> GRI 102-7

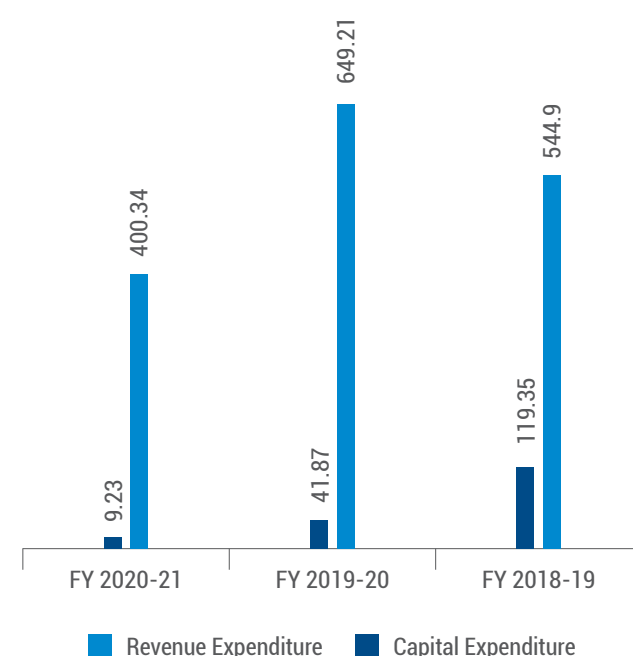


### Economic Performance (INR crores)<sup>108</sup>

Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Economic value generated	15,420.95	17,590.81	29,164.89
Economic value distributed	15,820.83	18,415.04	27,851.27
Operating cost	13,933.59	15,370.91	24,437.28
Community investment	45.86	41.52	34.07
Payments to government	0.02	285.16	524.81
Employee wage and benefits	1,582.64	1,613.46	2,098.77
Payments to providers of capital	258.72	1,103.99	756.34
Economic value retained	(399.88)	(824.23)	1,313.62

During FY 2020-21, our R&D efforts were directed towards technology improvements with reference to engines and aggregates, and the development of M&HCV range from BS-VI perspective. In the financial year, we have invested INR 409.57 crores in R&D (excluding depreciation), contributing to 2.68% of the total turnover.

### Breakdown of R&D Expenditure (INR crores)



#### As a result of our R&D investments, we have derived the benefits listed below:

- Entire product range for BS-VI vehicles with best-in-class Total Cost of Ownership launched
- New modular platform that allows for configuration of significantly higher number of variants with significantly less number of parts
- Fleet of electric buses operational in Ahmedabad and Patna
- 36 patents obtained in FY 2020-21
- CEV IV certification is done for off-highway application

#### Some of our future plans of action include:

- Extension of Modular Platform for export markets and new domestic variants
- CNG in ICV trucks and buses
- Exploring other energy management strategies such as fuel cells



<sup>108</sup> GRI 201-1, GRI 102-7



## Independent Assurance Statement

### Scope and Approach

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Ashok Leyland Limited ('Ashok Leyland' or 'the Company', Corporate Identity Number (CIN) L34101TN1948PLC000105) to undertake independent assurance of the Company's Sustainability Report 2020-21 including references to the Annual Report 2020-21 in its printed format ('the Report') for the financial year ending 31 March 2021. The sustainability disclosures in this Report have been prepared based on the material topics identified by the Company and related performance disclosures based on the Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('GRI Standards') and its Core option of reporting. The reporting scope and boundary encompasses economic, environment and social performance of Ashok Leyland's operations, as brought out in the Report in the section 'About this Report' for the activities undertaken by the Company during the financial year 1 April 2020 - 31 March 2021.

We performed a limited level of assurance based on DNV's VeriSustain<sup>TM1</sup>, which is based on our professional experience, international assurance best practices including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised\* and the GRI Principles for Defining Report Content and Quality. Our assurance engagement was planned and carried out during October 2021 – December 2021. The intended user of this assurance statement is the management of Ashok Leyland.

### Responsibilities of the Management of Ashok Leyland and of the Assurance Provider

The Management of Ashok Leyland has the sole responsibility for the preparation of the Report and are responsible for all information disclosed in the Report as well as the processes for collecting, analyzing and reporting the information presented in the printed Report as well as maintaining the integrity of online versions of the Report and related references made to the Annual Report and website. In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of Ashok Leyland.

We did not provide any services to Ashok Leyland during the reporting period, which in our opinion, would have constituted a conflict of interest with this assurance work. Our assurance engagements are based on the assumption that the data and information provided by Ashok Leyland to us as part of our review have been provided in good faith and are free from misstatements.

### Basis of our Opinion

As part of the assurance process, a multi-disciplinary team of sustainability specialists performed assurance work for selected sample sites of Ashok Leyland considering a limited level of assurance. We adopted a risk-based approach, that is, we concentrated our verification efforts on the issues of high material relevance to the Company's business and its key stakeholders. Due to the COVID-19 pandemic and associated travel restrictions, we undertook remote audits in line with DNV's remote assessment methodology as one-to-one interactions and site visits were not possible. We carried out the following activities:

- Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in this Report.
- Reviewed the process of reporting on Organizational Profile, Strategy, Ethics and Integrity, Governance, Stakeholder Engagement and Reporting Practices based on GRI Standard 102: General Disclosures 2016.
- Reviewed the performance disclosure of identified material topics and related GRI Standards; that is, carried out a remote assessment of the processes for gathering and consolidating performance data related to identified material topics and, for a sample, checked the processes of data consolidation to assess the Reliability and Accuracy of performance disclosures reported based on GRI's Topic-specific Standards.

<sup>1</sup> The VeriSustain protocol is available on [www.dnv.com](http://www.dnv.com)

\* Assurance Engagements other than Audits or Reviews of Historical Financial Information.  
109 GRI 102-56

# ASSURANCE STATEMENT



- Interviewed personnel responsible for the management of sustainability issues and reviewed selected evidences to support issues disclosed in the Report.
- Reviewed sustainability disclosures for selected operational sites located at Ennore (Tamil Nadu) and Alwar (Rajasthan) India and overall data aggregation and consolidation by the sustainability team at the Company's Corporate Office at Chennai, India.
- Reviewed draft and final sustainability report and presented a gap assessment report against the requirements of GRI Standards: Core option.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. The reported data on economic performance, expenditure towards Corporate Social Responsibility (CSR) activities, and other financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial information within the Report.

### Opinion and Observations

Based on the verification undertaken, nothing has come to our attention to suggest that the Report together with referenced information does not properly describe Ashok Leyland's adherence to the GRI Standards: Core option of reporting, including the GRI 102: General Disclosures 2016, GRI 103: Management Approach 2016 and the disclosures related to the following GRI Standards:

- GRI 201: Economic Performance 2016 – 201-1;
- GRI 203: Indirect Economic Impacts 2016 – 203-1, 203-2;
- GRI 204: Procurement Practices 2016 – 204-1;
- GRI 205: Anti-Corruption 2016 – 205-3;
- GRI 206: Anti-Competitive Behavior 2016 – 206-1;
- GRI 301: Materials 2016 – 301-1, 301-2;
- GRI 302: Energy 2016 – 302-1, 302-3, 302-4;
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 304: Biodiversity 2016 – 304-1, 304-2;
- GRI 305: Emissions 2016 – 305-1, 305-2, 305-3\*, 305-4, 305-5, 305-6;
- GRI 306: Waste 2020 – 306-1, 306-2, 306-3, 306-4, 306-5;
- GRI 307: Environmental Compliance 2016 – 307-1;
- GRI 308: Supplier Environmental Assessment 2016 – 308-1, 308-2;
- GRI 401: Employment 2016 – 401-1, 401-2, 401-3;
- GRI 402: Labor/Management Relations 2016 – 402-1;
- GRI 403: Occupational Health and Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9;
- GRI 404: Training and Education 2016 – 404-2;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1;
- GRI 406: Non-discrimination 2016 – 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 – 407-1;
- GRI 413: Local Communities 2016 – 413-1, 413-2;
- GRI 414: Supplier Social Assessment 2016 – 414-1, 414-2;
- GRI 416: Customer Health and Safety 2018 – 416-1, 416-2;
- GRI 417: Marketing and Labeling 2016 – 417-2;
- GRI 418: Customer Privacy 2016 – 418-1;
- GRI 419: Socioeconomic Compliance 2016 – 419-1.

\* Ashok Leyland has disclosed Scope 3 emissions covering five out of the fifteen categories (as listed in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard)

### Observations

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain and GRI reporting principles:

#### Materiality

*The process of determining the issues that is most relevant to an organization and its stakeholders.*

The Report brings out the process of the materiality determination as adopted by Ashok Leyland based on GRI's reporting principles. As a part of validating the relevance of identified material topics, Ashok Leyland's team carried out a review of existing list of topics, confirmed their continued relevance and included two additional material topics - Anti-Corruption and Anti-Competitive Behavior for sustainability management and reporting. The materiality validation process considered inputs from key internal and external stakeholders and senior management of the Company, as well as issues considered important for the automotive sector and global peers.

**Nothing has come to our attention to believe that the materiality determination process has not missed out any significant material topics based the current business of Ashok Leyland and the overall sustainability context.**

#### Stakeholder Inclusiveness

*The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.*

The Report brings out the processes of stakeholder identification and modes of engagement, as well as key concerns. The engagement process includes both formal and informal engagements with identified stakeholder groups – Employees, Suppliers, Customers, Government & Regulatory Authorities, Channel partners and Local communities.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.**

#### Responsiveness

*The extent to which an organization responds to stakeholder issues.*

The Report brings out the Company's responses to key material issues through descriptions of the Company's policies, strategies and management systems including key performance indicators for the identified material topics using selected GRI Standards.

**Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.**

#### Reliability

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

Ashok Leyland has developed a spreadsheet-based system to capture and report sustainability related performance for the identified material topics across its reporting boundary. The majority of data and information verified through our remote assessments with Ashok Leyland's management teams at the Corporate Office and sampled sites were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed for correctness.

**Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.**

#### Completeness

*How much of all the information that has been identified as material to the organisation and its stakeholders is reported?*

The Report articulates Ashok Leyland's scope and boundary of reporting, that is, Economic, Environmental and Social performance for the material topics identified by the Company for the reporting period 2020-21, covering its boundary of operations in India. It is suggested that reporting boundary may be expanded to cover Ashok Leyland's businesses in other geolocations of operation.

**Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.**

#### Neutrality

*The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.*



The Report brings out disclosures related to Ashok Leyland's sustainability performance including key concerns and challenges faced during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic environment, so as to not unduly influence stakeholders' opinions made based on the reported data and information.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.**

### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct<sup>2</sup> during the assurance engagement and maintain independence as required by relevant ethical requirements of assurance standards. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and Management Report. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

For DNV Business Assurance India Private Limited

<p><b>Kaliaperumal, Thamizharasi</b></p> <p>Digitally signed by Kaliaperumal, Thamizharasi Date: 2021.12.01 15:59:19 +05'30'</p> <p>Thamizharasi Kaliaperumal Lead Verifier DNV Business Assurance India Private Limited, India.</p>	<p><b>Radhakrishnan, Kiran</b></p> <p>Digitally signed by Radhakrishnan, Kiran Date: 2021.12.01 15:47:43 +05'30'</p> <p>Kiran Radhakrishnan Assurance Reviewer DNV Business Assurance India Private Limited, India.</p>
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1 December 2021, Bengaluru, India.

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<sup>2</sup> The DNV Code of Conduct is available on request from [www.dnv.com](http://www.dnv.com)



Rainwater harvesting pond at Hosur



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# GLOSSARY OF ABBREVIATIONS

Abbreviation	Full Form
AI	Artificial Intelligence
AL	Ashok Leyland
AL AuRA	Ashok Leyland – Internal Audit & Risk Management Academy
ALCOB	Ashok Leyland Corporate Building
ALFA	AL Finance Academy
ALHRA	AL HR Academy
ALITA	AL Information Technology Academy
ARAI	Automotive Research Association of India
ASCI	Advertising Standards Council of India
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BRR	Business Responsibility Reporting
BS	Bharat Stage
BSE	Bombay Stock Exchange
BTL	Below the line
CATI	Computer Assisted Telephone Interview
CEO	Chief Executive Officer
CGCF	Continuous Type Gas Carburizing Furnace
CII	Confederation of Indian Industry
CNG	Compressed Natural Gas
COSO	Committee of Sponsoring Organisations of the Treadway Commission
COVID-19	Corona Virus, 2019
CPPS	Cab Press and Panel Shop
CSR	Corporate Social Responsibility
CTC	Cost To Company
Cu.mt	Cubic Meter
CV	Commercial Vehicle
DA	Dissolved Acetylene
DEF	Diesel Exhaust Fluid
DET	Diploma Engineer Trainee
DG	Diesel Generator
DSE	Dealer Sales Executive
DTI	Driver Training Institutes
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECU	Equivalent Cabin Unit
EGR	Exhaust Gas Recirculation
ELP	Emerging Leaders Program
EMS	Environment Management Systems
ENT	Ear, Nose, Throat
ER	Employee Relations
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESOP	Employees Stock Option Plan
ETP	Effluent Treatment Plant
EV	Electric Vehicles



EWP	Extended Warranty Package
FDSS	Fire Detection and Suppression System
FES	Fire Equipment Services
FICCI	Federation of Indian Chambers of Commerce and Industry
FTE	Full Time Equipment
FY	Financial Year
GET	Graduate Engineer Trainee
GHG	Green House Gases
GJ	Giga Joules
GMP	General Management Program
GRI	Global Reporting Initiative
GTW	Gross Trailer Weight
GVW	Gross Vehicle Weight
GWP	Global Warming Potential
HECU	Hybrid Equivalent Common Unit
HFO	Heavy Fuel Oil
HIV	Human Immunodeficiency Virus
HLFL	Hinduja Leyland Finance Limited
HP	Horse Power
HR	Human Resources
HSD	High Speed Deisel
Hz	Hertz
ICC	Internal Compliance Committee
ICVs	Intermediate Commercial Vehicles
IDP	Individual Development Plan
iEGR	intelligent Exhaust Gas Recirculation
INR	Indian Rupees
ISAE	International Standard on Assurance Engagements
ISMS	Information Security Management System
ISO	International Organisation of Standardisation
IT	Information Technology
ITI	Industrial Training Institute
IUCN	International Union for Conservation of Nature
KLD	Kilo Litre per Day
Km	Kilometer
Kmpl	kilo meter per liter
KNOW	Knowledge on Wheels
kW	Kilo Watt
kWh	Kilowatt-hour
KYC	Know Your Customer
L&D	Learning & Development
LCV	Light Commercial Vehicle
LEAD	Leverage Analytics to Drive Decisions
LED	Light Emitting Diode
LLF	Learning Links Foundation

LPG	Liquefied Petroleum Gas
M&HCV	Medium & Heavy Commercial Vehicle
MD	Managing Director
MDV	Medium Commercial vehicle
MITR	Mutual Improvement Through Relationships
MoEFCC	Ministry of Environment and Forest & Climate Change
MOOCs	Massive Open Online Courses
MSME	Micro, Small and Medium Enterprises
MT	Metric Ton
MWh	Megawatt hour
NEMMP	National Electric Mobility Mission Plan
NGO	Non-Governmental Organisation
NOx	Nitrogen Oxide
NRC	Nomination and Remuneration Committee
NSE	National Stock Exchange
NVG-SEE	National Voluntary Guidelines on Social, Environmental and Economic
OBD	On Board Diagnostic
ODS	Ozone Depleting Substances
OEM	Original Equipment Manufacturer
PHC	Primary Health Centres
PM	Particulate Matter
POSH	Prevention of Sexual Harassment
PRISM	Practical Improvement in Sales and Marketing
PVC	Polyvinyl Chloride
QCI	Quality Council of India
R&D	Research & Development
RACE	Rapid Average Cost Estimation
RLNG	Regasified Liquid Natural Gas
RMC	Risk Management Committee
RO	Reverse Osmosis
RTL	Road to Livelihood
RTS	Road to School
SAP SF	SAP Success Factors
SCR	Selective Catalytic Reduction
SEA	Supplier Evaluation Audit
SEBI	Securities Exchange Board of India
SEE	Social, Economic and Environmental
SHE	Safety, Health and Environment
SIAM	Society of Indian Automobile Manufacturers
SOPs	Standard Operating Procedures
SOx	Sulphur Oxides
SPARK	Spare Parts Accelerated Reforms Kick-off
STP	Sewage Treatment Plant
T	Tonne
TAT	Turnaround Time



TCO	Total Cost of ownership
tCO <sub>2</sub> e	Tonne CO <sub>2</sub> Equivalent
TDS	Total Dissolved Solids
TIV	Total Industry Volumes
UAE	United Arab Emirates
UN SDGs	United Nations Sustainable Development Goals
VOCs	Volatile Organic Compounds
VTs	Vehicle Tracking System
VVC	Vellivoyal Chavadi
WBCSD	World Business Council on Sustainable Development
WOW	Workshop On Wheels
WRI	World Resources Institute
YTP	Young Talent Program

# SDG MAPPING





Sustainable Development Goal	Statement	Reference
 <b>2</b> ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	23, 63 66, 67
 <b>3</b> GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	23-25, 66-71
 <b>4</b> QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	66-68, 71
 <b>6</b> CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	70
 <b>7</b> AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all	9, 59
 <b>8</b> DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	66, 67, 69, 71
 <b>10</b> REDUCED INEQUALITIES	Reduce inequality within and among countries	66, 67
 <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns	55-59
 <b>13</b> CLIMATE ACTION	Take urgent action to combat climate change and its impacts	56, 57, 59
 <b>15</b> LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	63

# UNGC PRINCIPLES MAPPING



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<b>LABOUR</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	42
Principle 4	The elimination of all forms of forced and compulsory labour	Annual Report - Page 77
Principle 5	The effective abolition of child labour	Annual Report - Page 77
Principle 6	The elimination of discrimination in respect of employment and occupation	42
<b>ENVIRONMENT</b>		
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<b>ANTI-CORRUPTION</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	33



Solar power panels at Hosur Plant, Ashok Leyland



**Aapki Jeet. Hamari Jeet.**

**Registered Office** - Ashok Leyland Limited, No. 1, Sardar Patel Road, Guindy, Chennai - 600032.  
Tel. - 91 44 2220 6000 | E-mail - reachus@ashokleyland.com | Website - www.ashokleyland.com



**HINDUJA GROUP**