

ENVIRONMENT POLICY

MOTHERSON

Adopted by the Board of Directors of Samvardhana Motherson International Limited
(formerly Motherson Sumi Systems Limited)
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Environment Policy

1. PURPOSE AND BACKGROUND

1.1 The United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Climate agreement 2015 (the “Paris Agreement”) along with any other local guidelines and laws drafted by the local governments¹ provides the framework for a collective commitment to minimise the effects of global warming. The Paris Agreement acknowledges the urgent need to scale up the global response to climate change. This requires international business across all industries to play their part in addressing the challenge.

1.2 We at Motherson are committed to passing on to future generations a clean environment and a sustainable business.

Motherson shall include and mean all the direct and indirect subsidiaries, associate companies, group companies, partnerships and joint ventures of Samvardhana Motherson International Limited.

2. ABBREVIATIONS AND DEFINITIONS

2.1 **Carbon net zero:** defined as reducing carbon emissions emitted into the atmosphere and then achieving a balance with carbon removed from the atmosphere

2.2 **Ecologically sensitive area:** defined as any area designated by state or local governments or authorities as habitat for threatened or endangered species; or an area intended to encourage natural habitat development.

3. APPLICATION AND SCOPE

3.1 The following policy applies to Motherson and all Motherson employees worldwide, as well as directors acting as representatives of the group and its companies.

3.2 The policy also applies to third parties who act on behalf of Motherson, including but not limited to agencies and contractors.

3.3 We are adopting rigorous reporting and monitoring practices, environmentally conscious technologies and business practices to further our ambitions.

¹ Note : Including the Principles of National guidelines on Responsible Business Conduct (NGRBC) for companies incorporated in India.

3.4 We have embedded the principles of sustainability in related policies and statements of intent, including but not limited to:

- Global Citizenship
- Human Rights
- Occupational Health and Safety

4. PRINCIPLES

4.1 As a global Tier 1 supplier to the automotive, general transport, aerospace, and medical industries, Motherson is aware of its influence and opportunity to create value and implement change through the value chain, including but not limited to elements such as logistics. As such, Motherson is committed to:

- Fulfil all compliance obligations including laws and regulations relating to the environment.
- Minimise and wherever possible eliminate its emission of greenhouse gases with the ambition to achieve carbon net zero by 2040.
- Meet and comply with air quality standards and regulations of the regions in which we operate, always striving to minimize our impact.
- Improve energy efficiency in all areas and maximise access to sources of renewable energy.
- Foster and promote the use of energy-saving, low-emission and low-waste technologies.
- Improve water management and use, implementing recycling systems where possible, reducing consumption and waste while promoting efficiency and harvesting.
- Minimise and wherever possible eliminate waste and environment pollution, focusing on an increased application of recycling solutions and where necessary use an environmentally responsible waste disposal method.
- Awareness of our responsibility regarding sourcing and management of materials throughout our value chain.
- Protect and encourage biodiversity at our sites, including ecologically sensitive areas and avoiding deforestation.
- Train and inform our employees and other stakeholders on the environmental impact of Motherson operations and promoting measures and initiatives to minimize these impacts.
- To ensure and maintain a working environment which encourages the discussion of best practice, emerging climate-related issues and to share knowledge within the Motherson group
- Encourage our contractors and suppliers to adopt the Motherson environment policy, principles and practices and encourage appropriate environmental management across the supply and value chain.

5. COMMITTED TO ENVIRONMENTAL PRESERVATION

5.1 Strategy commitment

Motherson is committed to delivering a strategy which addresses the group's impact on the environment, aligned to the needs of all our stakeholders, the communities in which we operate, and society as a whole.

This strategy will include but is not exclusively limited to the following key elements:

- Definition of Climate and Environmental impact reducing specific ambitions and targets.
- Establish target realization time frame with major progress review milestones in 2025, 2030 and 2040.
- Definition of Climate related specific management objectives.
- Climate risk assessment process and impact analysis.
- Product and process development to minimise climate impact and maximise climate positive portfolio potential.
- Supply chain engagement, analysis and development.
- Sustainable manufacturing and infrastructure development.
- Inorganic strategic growth, assessment and due diligence.
- Working collaboratively with our customers, suppliers and the surrounding community for preservation of the environment.
- Inform our employees and the general public to the fullest extent about environmental protection and energy use.

5.2 Climate-related industry trends and emerging transitional opportunities

At Motherson we are looking to increase our business based on the transitional opportunities for climate positive actions driven by industry trends and changing consumer attitudes resulting in the following focus areas:

- Value added solutions for electrification & new energy vehicles.
- Opportunities for alternative and renewable energy solutions.
- Increased use of recycled and recyclable materials.
- Solutions with natural, environmentally sustainable and ethically sourced materials.
- Research, Development and open innovation for new solutions to create a positive environmental impact.

5.3 This Policy will be reviewed periodically and updated seeking to continually integrate and environmental protection perspective to all key processes of the organization.