

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01
	Principles of Sustainability & Business Ethics	Chapter No. 55	Page 1 of 7

1. **Title:** This document is intended to outline the policy for establishing the Principles of the Sustainability for MKIPL – Manesar and Gujarat Plant.
2. **Applicability:** This policy is applicable to MKIPL- Manesar, Gujarat and other upcoming plants in India. This policy is effective from January 1, 2024.
3. **Preamble:** By adhering to the mentioned Principals MKIPL supports the Social Sustainability (Human rights and Working Conditions), Compliance related to business conducts, Environmental sustainability, Core labor standards prescribed by ILO (International Labor Organization) / Local Legislations and Business Ethics in Organizational Operations.

4. Social Sustainability

Social Sustainability relates to practices that contribute to the quality of life of both employees and communities that could be impacted by the company's operations. MKIPL respects the human rights of workers and treat all people with dignity as recognized by the guiding Legislations.

4.1 Human rights are the rights which represent the universally agreed minimum conditions that enable all people to maintain their dignity. At MKIPL human rights are inherently built in the system and no discrimination is in practice irrespective of the nationality, place of residence, sex, ethnic origin, color and religion.

4.2 Child labor and young workers relate to the prohibition of employment of children who are under the legal minimum working age. MKIPL has a Child labor Prohibition Policy which prohibits the employment of persons below 18 years of age.

4.3 Wages and benefits relate to the basic or minimum wage or salary and any additional entitlements payable directly or indirectly, in cash or in kind, by the employer to the worker and arising out of the worker's employment. At MKIPL employee's remuneration are in accordance with applicable regulations and prevailing industry practices. Such remuneration is adequate to cover basic needs and enable a decent standard of living for the employees and their family. In addition to cover the personal exigencies employees are provided with leaves as per legal regulations and government-mandated benefits.

4.4 Modern slavery refers to all work or service taken from any employee under the menace of any penalty and for which that person has not offered themselves voluntarily. Examples include forced overtime, retention of identity documents, as well as human trafficking. At MKIPL Human dignity and values are respected and it is ensured that Individuals working at MKIPL are not subjected to any of the Unfair Labor practices.

4.5 Ethical recruiting refers to hiring workers lawfully and in a fair and transparent manner that respects human rights. Examples of unethical recruitment include misleading or defrauding potential workers about the nature of the work, asking employees to pay recruitment fees, and/or confiscating, destroying, concealing, and/or denying access to employee's documents and other government-issued identity documents. MKIPL believes in ethical recruiting practices which are fair and transparent and are in line with legal requirements.

 APPROVED BY	 APPROVED BY	 CHECKED BY	 PREPARED BY	CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01	
	Principles of Sustainability & Business Ethics		Chapter No. 55	Page 2 of 7

4.6 Freedom of association relates to the right to freedom of peaceful assembly and freedom of association at all levels, in particular trade union, civic and political matters, which implies the right of everyone to form and to join trade unions for the protection of their interests. At MKIPL collective bargaining is practiced as a process of negotiation between employers and a group of employees which aims at reaching an agreement that regulates working conditions and improvements thereof.

4.7 Harassment is defined as a harsh and inhumane treatment - or the threat of such treatment - including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers. At MKIPL Policies like Prevention of Sexual Harassment at Workplace (POSH) are in practice to curb any such incidents arising during due course of business.

4.8 Women's rights refer to the principle that women are entitled to political, economic and social equality. Gender inequality underpins problems such as unequal opportunity in employment and unequal pay for equal work. At MKIPL Women Rights especially Gender Equality is practiced and all forms of discrimination against Women are discouraged.

4.9 Diversity, equity and inclusion relates to the principle that companies should develop and promote inclusive cultures where diversity is valued, celebrated and everyone is able to contribute fully and reach their full potential. MKIPL encourages diversity at all levels of workforce and leadership.

4.10 Rights of minorities and indigenous peoples refer to respect for the rights of local communities to decent living conditions, education, employment, social activities. MKIPL ensures that all business activities are in line with the societal requirements and does not affect the rights of the local communities.

4.11 Land, forest and water rights and forced eviction relates to the avoidance of forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters. MKIPL in its business practices ensures that the ecological balances are maintained and respected in all the business acquisition thereof and are as per the requirements prescribed by the legislative bodies.

5.Business Ethics & Sustainability: This outlines a formal process, that demonstrates a company's commitment to conducting business, in accordance with local laws, in its business and supply chains which are coherent to the Sustainability practices followed at MKIPL. The policy outlines the company's responsibility to operate in compliance with local law and guidelines of Automotive Industry Guiding principles. It encompasses the following elements:

5.1 Prevention of Corruption / Anti Bribery Principles Simply stated It is defined as the abuse of entrusted power for private gain. This can mean not only financial gain but also non-financial advantages. At MKIPL a well drafted Code of Conduct is in practice and employees are made aware of the principles related to general conduct within the Organization via Induction Programs.

				CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE
APPROVED BY	APPROVED BY	CHECKED BY	PREPARED BY			

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01	
	Principles of Sustainability & Business Ethics		Chapter No. 55	Page 3 of 7

5.2 Data protection and security refers to an individual's right to make their own decisions about who can process their personal data and for what purpose. It also relates to the protection and safeguarding of such data from unauthorized access and data corruption throughout its lifecycle. At MKIPL Personal information of the employees are protected and it is ensured that no information is disclosed without employee's concurrence.

5.3 Financial responsibility refers to a company's responsibility to accurately record, maintain and report business documentation including, but not limited to, financial accounts, quality reports, time records, expense reports and submissions to customers or regulatory authorities, when appropriate. MKIPL ensures that Books and records are maintained in accordance with applicable law and generally accepted accounting principles.

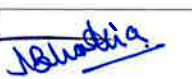
5.4 Disclosure of information refers to MKIPL responsibility to disclose financial and non-financial information in accordance with applicable regulations and prevailing industry practices and, as and when applicable, disclose information regarding labor force, health and safety practices, environmental practices, business activities, financial situation and performance to the relevant legislative bodies.

5.5 Fair competition and anti-trust refers to companies upholding standards of fair business and competition including, but not limited to, avoiding business practices that unlawfully restrain competition, improper exchange of competitive information and price fixing, bid rigging or improper market allocation. MKIPL complies with competition rule and has developed a compliance system that best suits to maintain an effective process to minimize the risk of involvement in competition law infringements and the costs resulting from anti-competitive behavior.

5.6 Conflicts of interest occurs when an individual or a corporation (either private or governmental) is in a position to exploit their own professional or official capacity in some way for personal or corporate benefit. MKIPL follows a robust controlling systems in its processes and systems for ensuring there are no conflict of interest in any business dealings.

5.7 Counterfeit parts refers to the requirement for companies to develop, implement and maintain methods and processes appropriate to their products and services to minimize the risk of introducing counterfeit parts and materials into deliverable products. MKIPL has established an effective process to detect counterfeit parts and materials and, if detected, quarantine the materials and notify the Original Equipment Manufacturer (OEM) customer. MKIPL also confirms that any sales to non-OEM customers are compliant with local laws and those products sold will be used in a lawful manner.

5.8 Intellectual property refers to creations of the mind, such as inventions; designs; and symbols, names and images used in commerce. It is protected in law by, for example, patents, copyright and trademarks, which enable people to earn recognition or financial benefit from what they invent or create. MKIPL follows all the practices which is in line with guidelines related to Intellectual property principle.

				CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01
	Principles of Sustainability & Business Ethics		Chapter No. 55 Page 4 of 7

5.9 Export controls and economic sanctions refer to restrictions on the export or re-export of goods, software, services and technology, as well as with applicable restrictions on trade involving certain countries, regions, companies or entities and individuals. MKIPL has guidelines in place to ensure that Export Control procedures are followed in principle.

5.10 Retaliation & Whistle Blowing Mechanism MKIPL has established processes (whistleblowing system) that allow concerns to be raised anonymously with confidentiality and without retaliation. The name and the number of the concerned personnel are maintained on the website of the company to ensure that it is followed in principle

At MKIPL all such confidential matters could be reported to: -

☎ +91 124 475 4400

✉ info@munjalkiriu.co.in

MKIPL has a dedicated website: <https://munjalkiriu.co.in/contact-us/> for any disclosure related to Sustainability practices .

6.0 Environmental Sustainability MKIPL Environmental Sustainability aims to improve the quality of human life without putting unnecessary strain on the earth's supporting ecosystem. As an organization MKIPL ensures that an equilibrium between human culture and the living world is maintained and all practices in business endeavor are environment friendly, and contributing to maintaining the quality of the environment and helps in the prevention of pollution of Air, Water, & Soil. Working with a proactive approach MKIPL ensure environmental responsibility by protecting the environment, conserving natural resources and reducing the environmental footprint from production process and products.

6.1 GHG emissions relates the actual recording / preparing the data of GHS emission, calculation of carbon footprints. The focus towards setting the targets of GHG emissions, and proceeding for such kind of practice helps to achieve the targets and maintain continual improvement in reducing Carbon emissions. MKIPL has endeavored to maintain Carbon Footprints and emissions and has a dedicated roadmap to ensure a significant reduction in GHG Emissions in its manufacturing operations.

6.2 Energy Efficiency as a concept refers to the ability to get the best results in any given activity by utilizing the least amount of energy resources possible. The Energy management system at MKIPL aims to reduce the consumption of any type of energy including the associated environmental impacts.

6.3 Renewable energy is the form of energy that comes from natural resources that are not depleted - when used. MKIPL is committed to use maximum amount of renewal energy available and making efforts to ensure that the renewable energy in any form is used in the organization which in turn helps conservation of Natural resources and prevention of Environmental pollution.

6.4 Decarbonization is the process of significantly reducing or eliminating carbon dioxide (CO₂) and other greenhouse gas (GHG) emissions from the atmosphere. MKIPL

 APPROVED BY	 APPROVED BY	 CHECKED BY	 PREPARED BY	CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE

follows these practices in its operational endeavors like energy efficient equipment, and environment friendly alternative fuels.

6.5 Water quality, optimum consumption & management during the business operation is the mainstay of the Environment Management systems at MKIPL. At this behest, MKIPL believes that there is no substitute of water. MKIPL in its operations is committed to use such technologies which helps in less consumption of water, and use of advance technology to treat the waste water and reuse the treated waste water. For maintaining quality of fresh and waste water a process of monitoring of water is already executed in the plant.

6.6 Air quality, consumption & management during the plant process is the mainstay of the Environmental Management System at MKIPL. As an organization MKIPL is committed to use such technology/ technologies which helps in reduction of the air pollutant. & improve the quality of air, maintain the quality of emission. Regular Air Monitoring activities are carried out at MKIPL to ensure that the prescribed Air Emissions are within the legislative range.

6.7 Responsible Chemical Management to achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed legislative frameworks and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment. MKIPL is committed to use such technology which helps in responsible Chemical Management.

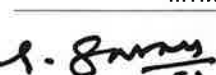
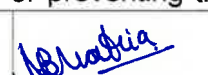
6.8 Environmental Sustainable management. It is concerned with people's long-term well-being, including the business itself. It aims to find answers on how we may meet our needs and ensuring the need of future generations' natural and social resources. MKIPL is committed for best environmental practices for ensuring sustainable practices.

6.9 Waste management sustainable waste management relies on the waste management hierarchy, a system that focuses on avoidance, reduction, reuse, recycling, energy recovery, and finally, treatment or disposal. MKIPL is committed for best Waste Management practices for ensuring sustainable practices.

6.10 Animal welfare No activity will be performed in such a way which affects any life either human life or animal life. In other words, any activity performed in anyway, does not impact the ecosystem directly or indirectly.

6.11 Biodiversity, land use and deforestation & Soil quality No activity will be performed in such a way which will affect any life either human life of animal life. In other words, any activity performed in MKIPL does not impact the ecosystem directly or indirectly. In case there is any deforestation performed, then MKIPL is committed to plant 10 times the number of trees which have been damaged / destroyed. During using the land for professional use it is to be maintained that the activity should not impact directly or indirectly natural resources depletion, and should not results in any type of pollution.i.e. water pollution, soil pollution and Air pollution, A proper monitoring system is implemented by MKIPL to ensure that Biodiversity is maintained in all the business operations.

6.12 Noise emission relates to the noise generation from an organization from various operation and process. MKIPL is committed in elimination, reduction of the noise by doing various kaizen or engineering controls to make the noise generation up to the permissible limits as per Law. For preventing the impact of noise on human health MKIPL provides the

				CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE
APPROVED BY	APPROVED BY	CHECKED BY	PREPARED BY			

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01	
	Principles of Sustainability & Business Ethics		Chapter No. 55	Page 6 of 7

effective personal protective equipment to all who are working in the shop floor. A detailed Noise Emission preventive matrix are displayed to ensure that employees working on shop floor are adequately protected during business operations.

7.0 Internal Detailed Policy Reference: -

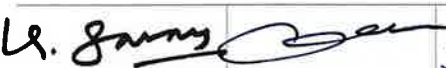
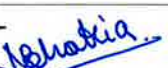
Sl.No	Name of the Policy	Chapter No.	Reference
1	Prohibition of Child Labor at workplace	42	HR Policy Manual
2	Prohibition of holding original certificates	43	HR Policy Manual
3	Prohibition of Restricting Freedom of Movement	44	HR Policy Manual
4	Prohibition of Forced Labour	45	HR Policy Manual
5	Prohibition of Non Discrimination at workplace	46	HR Policy Manual

8.0 Roles and Responsibilities:

Sr. No	Role	Lead By
1	Appointment of Management personnel for environmental, social, ethics or human rights	HR Head
2	Appointment of a management person responsible for Social Sustainability	HR Head
3	Appointment of a management person responsible for Compliance/Business Ethics	Company Secretary
4	Appointment of a management person responsible for Environmental Sustainability	EHS Head
5	Appointment of a management person responsible for monitoring sustainability risks (e.g. a Human Rights Officer)	HR Head
6	Appointment of a management person responsible for Environment Sustainability	EHS Head

9.0 Review Mechanism:

A yearly review mechanism shall be placed to ensure that elements related to the mentioned Policy are being followed and shortcomings with action plans are devised to ensure that the Policy is followed in letter and spirits.

  				CONTROLLED COPY STAMP	REVISION DETAIL	
APPROVED BY	APPROVED BY	CHECKED BY	PREPARED BY		REV.NO.	REV.DATE

	HUMAN RESOURCE MANUAL		DOC. NO. : MKI/HRM/01	
	Principles of Sustainability & Business Ethics		Chapter No. 55	Page 7 of 7

10.0 Change Management:

The Managing Director / CEO has the full authority to amend / discontinue any part of the policy document.

				CONTROLLED COPY STAMP	REVISION DETAIL	
					REV.NO.	REV.DATE